RESPONSIBLE INVESTMENT AND ADDRESSING SUSTAINABILITY RISKS AND IMPACTS

Responsible investment (ESG, SRI)

Evli Fund Management Company takes account of the sustainability risks in its investments and of the principal adverse impacts of its investments on sustainability factors in accordance with Evli Group's Principles for Responsible Investment. Sustainability risk refers to an environmental, social or governance event or condition that, if it occurred, could cause an actual or potential material negative impact on the value of an investment. Sustainability factors refer to environmental, social and employee matters, respect for human rights, and anti-corruption and anti-bribery matters. Significant sustainability risks can affect the financial performance of investment instruments, and therefore the return of funds. Evli Group's Principles for Responsible Investment are asset class-specific and cover all the active investments under Evli's management. Evli Group's Principles for Responsible Investment are publicly available on Evli's website at www.evli.com/en/responsibility/responsible-investing.

At Evli, responsible investment has been integrated into investment decisions and systematic processes have been put in place for it. Evli's Principles for Responsible Investment and Climate Change Principles determine Evli's responsible investment practices.

Manufacturers of controversial weapons (landmines, cluster munitions, nuclear weapons, depleted uranium, chemical weapons and biological weapons) with a 0% revenue threshold, as well as tobacco manufacturers and adult entertainment producers and companies involved in controversial lending (including quick loan companies) with a 5% revenue threshold are excluded from Evli's funds. A company that violates the principles of the UN Global Compact may be excluded from investment targets if the company is not anticipated to change its operating practices or the company is not ready to react to engagement attempts. In addition, Evli's funds do not invest in the shares of Evli Bank.

In line with Evli's Climate Change Principles, the funds avoid investing in companies at least 30% of whose revenue comes from thermal coal mining, the use of thermal coal in energy production or the extraction of oil sands. This exclusion may be waived if the company has a clear plan to change its operations. In addition, companies producing peat for energy production are excluded.

In accordance with the Sustainable Finance Disclosure Regulation (SFDR), Evli's funds are classified into three categories with respect to sustainability factors: Mainstream funds do not address sustainability factors, light green funds promote sustainability factors among other features, and dark green funds have a sustainable investment objective. Information related to the Sustainable Finance Disclosure Regulation is presented, where applicable, as part of the Fund Prospectus / the Material and Sufficient Information Document and on Evli's website at www.evli.com/en/responsibility/responsible-investing.

The term ESG is used in the fund-specific texts below. ESG refers to Environmental, Social and Governance factors.

Alternative investment funds

Evli Growth Partners (EGP) I – SFDR classification: light green

The fund promotes sustainability factors as part of investment operations by systematically integrating responsibility factors into investment analyses and by engaging with and excluding companies. Therefore, ESG matters are integrated throughout the investment process.

Before making an investment, as part of the due diligence process and the investment decision, the target company is analyzed at the funds from an ESG perspective and the most important ESG themes and risks are determined for the company and the company's industry. Identifying key ESG themes and risks helps focus on the most important areas in the investment monitoring phase and in discussions with the company management. If a company has significant and unresolved ESG issues, the company becomes ineligible for investment. In accordance with EGP's role, EGP strives to include responsibility objectives in shareholder agreements, for instance regarding the company's ESG practices.

After investing, in the ownership phase, the fund will focus on assessing portfolio companies' value creation potential based on how individual companies' ESG practices develop. ESG practices are integrated in the companies' 100- and 1000-day value creation strategies. The companies are also supported in the creation of ESG principles and metrics. EGP will monitor portfolio companies' ESG capacity and will carry out regular engagement work with portfolio companies. The monitoring will focus on measuring portfolio companies' carbon footprint and reducing emissions, for example.

The fund follows Evli's general exclusion practices and Evli's general and the fund's own Principles for Responsible Investment, which are publicly available on Evli's website at www.evli.com/en/responsibility/responsible-investing. The fund does not use a benchmark index. The fund reports to its investors on the ESG actions carried out by it and by the portfolio companies on a quarterly basis as part of Evli's investor reporting. In addition, the fund will report on the achievement of the promotion of sustainability factors in accordance with the Sustainable Finance Disclosure Regulation when the regulation enters into force.

EGP Feeder Fund I Ky is a feeder fund that only invests in the principal fund Evli Growth Partners I.