

EVLI GROWTH PARTNERS FUND I KY'S PRINCIPLES FOR RESPONSIBLE INVESTMENT

At Evli Bank, responsible investment activities are governed by Evli's Principles for Responsible Investment. The purpose of the Principles for Responsible Investment is to define Evli Wealth Management's approach to responsible investment and to communicate the methods it uses. For further information on our responsible investment practices please refer to our Principles for Responsible Investment available at Evli Bank's website (www.evli.com).

Evli Growth Partners Fund I Ky's approach to responsible investment

This document seeks to complement the Principles for Responsible Investment by defining Evli Growth Partners Fund I Ky's (later EGP) approach to responsible investment and setting out our expectations for the investments. As part of Evli Fund Management Company, EGP is committed to complying with Evli Bank's Principles for Responsible Investment. In addition to following Evli's Principles for Responsible Investment, EGP has committed to and reported on the following principles to its own investors on a quarterly basis since the beginning of 2020.

Analysis

EGP's approach to ESG integration is driven by the need to understand how the companies, across different sectors and geographies, address material ESG topics. ESG is integrated as an integral part in all stages of the investment process. In the pre-investment phase, the main objective is to understand the current level of ESG management in the target company and to identify key ESG risks and opportunities. EGP performs an ESG assessment of the target company as part of its Due Diligence process. The assessment is based on recognized ESG approaches and standards, including those of MSCI ESG Research and SASB¹.

Monitoring and engagement

During the ownership phase, EGP concentrates on evaluating portfolio companies' value creation potential through engagement with and development of company-level ESG practices. ESG is integrated into the 100- and 1000-days value creation plan performed for the portfolio company. EGP monitors the portfolio companies' ESG performance and has regular engagement with the portfolio companies. Depending on the role EGP has, EGP aims to incorporate responsibility targets into the shareholders' agreements, e.g. company's ESG policy.

Exclusion

EGP performs ESG screening and avoids investments in sectors excluded by Evli.

Reporting

EGP reports on ESG to its own investors as part of its quarterly reporting.

EGP sees sustainability as an integral part of our value creation and is committed to concretely develop sustainable business practices within portfolio companies across all stages of the investment process. The whole EGP team commits to the ESG practices and the team includes dedicated persons with responsibility of implementing the practices in day-to-day operations.

EGP is also a member of the Finnish Venture Capital Association (FVCA), following their rules and guidelines and works as an active member of the FVCA ESG working group developing industry-wide responsible investment practices and guidelines.