EVLI

RESULT–DRIVEN WEALTH MANAGEMENT YESTERDAY, TODAY, AND TOMORROW

EVLI PLC	ANNUAL REPORT	2024

Contents

BUSINESS OVERVIEW

Evli in brief

Aiming to become the leading wealth manager in the Nordics

Our ambition is to be the leading wealth manager and a responsible, proactive capital allocator in the Nordic region. We see wealth as an engine to drive sustainable progress. We draw on our heritage, broad expertise, and Nordic values to grow and manage wealth for institutions, corporations, and private persons in a responsible way.

Evli is the best fund house in the Nordics[1] and the leading asset manager in Finland[2] offering a broad range of services including mutual funds, asset management, and capital markets services, alternative investment products, equity research as well as Corporate Finance services. Responsible investing is integrated in every investment decision and Evli's expertise is widely acknowledged by clients. Evli has Finland's best expertise in responsible investment[3].

Read more at evli.com

[1] Morningstar Awards 2024 (c). Morningstar, Inc. All Rights Reserved. Awarded to Evli for the Best Fund House in Finland and Sweden. Lipper Fund Awards 2023, 2024, the category Small Fund Companies.
[2] Kantar Prospera External Asset Management 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024 Finland. Kantar Prospera Private Banking 2019, 2020 Finland.
[3] SFR Scandinavian Financial Research Institutional Investment Services Finland 2017, 2019, 2021, 2022. Kantar Prospera External Asset Management 2017, 2018, 2019, 2020, 2023, 2024 Finland.

1985

Founded in 1985

14

Sales in 14 countries through own offices and co–operation partners

2015

Listed on the Nasdaq Helsinki main list since 2015

18.9 bn.

EUR 18.0 billion Assets under management

~270

Approximately 270 employees

3rd

Third largest fund management company in Finland

Evli's competitive advantage in different markets

Finland and Sweden

Comprehensive Wealth Management and Investment Banking services for private persons, corporations, and institutions

Internationally

Nordic fund management boutique for institutional investors

Evli's operations are divided into two client segments

Wealth Management and Investor Clients

The Wealth Management and Investor Clients segment offers services to present and future high net worth private individuals and institutions. The comprehensive product and service selection includes asset management services, fund products offered by Evli and its partners, various capital market services and alternative investment products.

Advisory and Corporate Clients

The Advisory and Corporate Clients segment provides corporate and capital management services, including advisory services on acquisitions and divestments, IPOs and share issues. The segment also provides corporate analysis services for listed companies.

Ceo's review

Delivering results in turbulence

In a turbulent and uncertain world, Evli continues to deliver on its long–term strategy.

In 2024, the world continued to be a turbulent place. Increased geopolitical fragmentation impacted everything from global trade to overall economic stability, while wars and conflicts persisted.

Visibility into what the future may hold is low, and whatever we can discern is not always that comforting.

The U.S. presidential election, resulting in Donald Trump's victory, drew heightened attention to global economic policies and market dynamics. President Trump's administration is expected to prioritize domestic manufacturing, likely intensifying protectionist trends worldwide.

While economic growth remained sluggish in Europe, and even more so in Finland, the U.S. economy delivered strong figures, with its stock market experiencing an unprecedented rally led by the 'Magnificent Seven'.

Consumers and businesses welcomed central banks' decisions to lower interest rates in 2024, although the pace and scale varied across regions.

While there were positive indicators in the market, the uncertainties of 2024 – driven by the U.S. elections, monetary policy adjustments, and geopolitical turbulence – prompted investors to adopt a cautious 'wait–and–see' approach, carefully evaluating developments before making significant investment decisions.

Growth from strategic partnership

In this somewhat challenging market, Evli's revenue and operating profit developed favorably in 2024. The figures were further strengthened by the strategic partnership that Evli Plc entered in to in March with Bregal Milestone, a software and technology growth private equity investor, regarding Evli's remuneration services Evli Alexander Incentives Oy (EAI). EAI was rebranded to Allshares Oy to better reflect its new vision and strategy. Together, Evli and Bregal Milestone will expand the successful services that Allshares has provided for clients in Finland and Sweden to the highly fragmented European market.

Private Banking and Institutional Clients' business developed steadily in Finland. In Sweden, where there is significant room for growth, we saw clear positive momentum, when the business developed favorably, reflecting the success of our efforts to streamline the Swedish organization and intensify marketing.

Evli's international sales, accounting for 21 percent of Evli's total fund capital, recovered in 2024 after a period of slower growth due to the pandemic followed by Russia's invasion of Ukraine. Our strong expertise of the Nordic bond markets was appreciated in the renewed interest rate climate.

In 2024 Evli's net revenue increased by 17 percent and was EUR 126.8 million (EUR 96.1 million in 2023). Taking into account the incentive

business transaction carried out in March 2024, comparable pro forma net revenue was 14 percent higher than in the previous year, rising to EUR 109.7 million (EUR 96.6 million). Operating profit increased by 45 percent from the previous year to EUR 58.2 million (EUR 40.2 million). Comparable pro forma operating profit increased by 19 percent to EUR 43.3 million (EUR 36.4 million). Return on equity was 34.4 percent (22.8%) with the ratio of recurring revenue to operating costs being 132 percent (130%). The mutual fund capital, including alternative investment products, was approximately EUR 13.4 billion (EUR 12.6 billion), and clients' assets under management were EUR 18.9 billion (EUR 18.0 billion).

Due to the increased interest rate level, the current market environment is challenging for the sale of alternative investment products. Considering the market situation, sales and product development in this asset class performed relatively well during the year. In total, Evli's Alternative investment funds collected subscriptions and commitments totaling EUR 265 million in 2024 (EUR 225 million).

The good momentum in the M&A markets continued through out the year. Client activity increased clearly, and the mandate base developed favorably.

Acting responsibly in a fragmented world

We live in an increasingly fragmented world, as countries turn inward, prioritizing domestic concerns over global cooperation. This shift is marked by trade restrictions, stricter immigration policies, and the erosion of multinational agreements. Polarization across all levels of society further complicates the ability to establish a shared vision for the future.

This is troubling news in a world that urgently needs collaboration for a sustainable future. Over the past two years, ESG (environmental, social and governance issues) has undergone a shift, reflecting evolving priorities in the face of new challenges. When people are preoccupied with rising energy bills, higher food prices, and job insecurity, it's understandable that sustainability may not be top of mind. Yet, we cannot afford to become myopic when it comes to addressing climate change and biodiversity.

At Evli, we believe in real actions for real change. In 2024, we continued our work with integrating ESG aspects into our portfolio management and service offering. We launched a new green transition fund, Evli Private Capital Fund I, focusing on the energy sector transformation, resource efficiency and the circular economy. In addition, we further developed our Atlas service, which can help clients build a tailored portfolio based on their preferred investment styles, objectives and sustainability themes.

While there are plenty of things to worry about, focusing solely on threats is not beneficial. We often frame the future as either positive or negative. In reality, it is neither – it is simply a vision of what we imagine may come. Each new day presents opportunities to shape that vision proactively. The pace of innovation – not only in AI but also in other crucial areas like energy transition – is astonishing, presenting big opportunities.

A strong culture yields a strong brand

In this fragmented world, our role is to be our clients' trusted advisor and actively guide them towards their financial objectives. Awards point to our clients trusting us: this year Morningstar, a fund research firm, chose Evli as the best fund house both in Finland and Sweden. In addition, Evli was chosen as the best institutional asset manager both by Kantar Prospera and SFR Research (Scandinavian Financial Research).

In 2024, we celebrated the 25th anniversary of our fund, Evli Corporate Bond. The fund not only exemplifies our successful investment philosophy – it is one of the oldest fixed income funds in Finland – but also highlights the longevity of careers at Evli. Its portfolio manager, Mikael Lundström, has been at the helm since the very start. Many of our employees have built long and fulfilling careers with us, a testament to our unique culture based on continuous learning, curiosity, and an entrepreneurial spirit.

In 2025, Evli will celebrate its 40th anniversary. This milestone marks four decades of dedication to our clients and commitment to excellence in asset management. Our journey over these years has been shaped by innovation, resilience, and a focus on building lasting relationships with our stakeholders.

We approach the future as we always have – with curiosity and a trust in our ability to adapt – maintaining a steady focus on delivering our strategy while remaining agile when adjustments are needed. Our ambition is to become the leading asset management company in the Nordics. Several megatrends support us: generational wealth transfer will accelerate, and the demand for innovation will drive the creation of new entrepreneurial wealth. An active approach to investing with a wide portfolio for efficient diversification will be even more essential in a fragmented and turbulent world.

We are well-positioned to seize growth opportunities, supported by a robust balance sheet enabling potential strategic acquisitions, a trusted brand that resonates with clients, and a team of dedicated employees.

I want to thank our clients, shareholders, co-operation partners and my colleagues at Evli for your continued engagement and commitment and look forward to another year together.

Maunu Lehtimäki
CEO

Highlights for 2024

02/2024

Evli's renewable energy fund started a major energy storage project with Helen and Siemens

Evli Renewable Energy Infrastructure Fund II and Helen Ltd agreed on the building of a major electricity storage facility in Nurmijärvi to promote the green transition. The storage facility is one of the first large-scale electricity storage systems in Finland and will be completed in early 2025.

03/2024

Evli again ranked as one of the most inspiring places to work in Finland

Evli was selected as one of the most inspiring workplaces in Finland in a employee survey conducted by Eezy Flow. Evli achieved excellent results in the PeoplePower® employee survey, which is conducted annually for hundreds of Finnish organizations, and was ranked 8th place in the category of medium-sized organizations.

03/2024 ja 04/2024

Evli Fund Management Company awarded as the best fund house in the Nordics

Evli achieved a historic double win as a fund research firm Morningstar awarded Evli Fund Management Company as the best fund house in both Finland and Sweden. In addition, Evli was awarded as the best fund house in the Nordics for the second year in a row in the Lipper Fund Awards in the category small fund management groups.

03/2024

Evli and Bregal Milestone signed a strategic partnership to accelerate the growth of the incentive business

Evli Plc and the private equity investor Bregal Milestone announced a strategic partnership to grow the business of Evli's subsidiary Evli Alexander Incentives Oy. As a result of the arrangement, the company became Evli's associated company with around 40% minority stake. At the same time, the company was renamed Allshares Oy.

03/2024

Evli launched Finland's first podcast dedicated to fixed income

What should one know about fixed income investing after the negative rates era? Finland's first fixed income podcast produced by Evli answers this question. The podcast, called "Kaikki koroista", ie. All about fixed income delves deep into fixed income investing without using industry jargon.

04/2024

Evli launched a new equity fund investing in European growth companies

Evli launched a new equity fund, Evli Europe Growth, which invests in European quality growth companies. The fund provides an opportunity to invest in high-quality companies that are experiencing faster-than-expected growth. The investment decisions are based on academically identified factors rather than traditional market value.

09/2024

Evli launched new green transition fund

The green transition is one of the most important growth drivers both in the current and in the coming decades. The new alternative fund Evli Private Capital Fund I is Finland's first thematic, minority investing growth equity fund focusing on energy transition, resource efficiency and the circular economy.

09/2024

Pioneering fund Evli Corporate Bond turned 25

One of the longest running fixed income funds in Finland, Evli Corporate Bond fund, celebrated its 25th anniversary in 2024. The fund was the first in Finland to offer investors access to the European corporate bond market.

12/2024

Evli launched new private equity fund

The new Evli Private Equity IV fund provides access to the world's best buyout private equity funds which invest in unlisted shares. After a rapid, successful fundraising, the fund already had more than EUR 75 million in investment commitments at the time of its first closing.

09/2024

Evli's started new co–investment activity

Evli started as the first asset management company in Finland co–investing in unlisted equities alongside the world's best fund managers. Ilja Ripatti, who has extensive international experience in the private equity industry, particularly in co–investment, was appointed to lead the new function.

09/2024 ja 11/2024

Evli was again ranked as the best institutional asset manager in Finland

Institutional investors ranked Evli once again as the best asset manager in Finland in Kantar Prospera's annual client survey. Evli was also placed first in sustainable investing expertise. In the SFR Research's Institutional investor survey, Evli achieved "Platinum Award" for excellence in investment services and came in a shared first place in the large asset managers category.

Business model

Added value with stable earnings development

RESOURCES

PERSONNEL

- Around 270 investment specialists

OFFICES AND DISTRIBUTION NETWORK

- 6 offices: Helsinki, Tampere, Turku, Oulu, Vaasa, and Stockholm
- Distribution through partners and own offices in 14 countries

INTANGIBLE ASSETS

- Awarded products and services
- Trustworthy and respected brand
- Long–term client relationships
- Social network: partners, distribution network and community relations

FINANCIAL RESOURCES

- Balance sheet EUR 361.6 million
- Equity EUR 153.5 million
- Assets under Management EUR 18.9 billion
- Net revenue EUR 126.8 million

PROCESSES

- Product development
- Sales processes
- Utilization of automation, artificial intelligence and robotization
- Personnel management

Our ambition is to be the leading wealth manager and a responsible, proactive capital allocator in the Nordic region

BUSINESS AREAS

WEALTH MANAGEMENT AND INVESTOR CLIENTS

Wealth management services, mutual funds, various capital market services, and alternative investment products to private persons, corporations, and institutions

ADVISORY AND CORPORATE CLIENTS

Corporate advisory services and investment research for companies of different sizes

BUSINESS PROCESSES

Self–developed products and services	Individual service combining traditional and digital service models and channels
Perseverance and goal orientation	Stewardship thinking and responsibie operations

Comprehensive support functions and controls including IT, financial administration, back–office, marketing, communication & IR, legal & compliance

STRATEGY

More information in the section Megatrends and strategy

VALUES

Entrepreneurship, Valuable relationships, Learning, and Integrity

ADDED VALUE AND IMPACTS

CLIENTS

- Products and services that correspond to clients' needs and goals
- Opportunity to tailor service solutions
- Professional and competent service
- Responsible investments

PERSONNEL

- Around 270 investment specialists
- Salary and bonuses EUR 35.6 million
- Pension expenses EUR 4.8 million

OWNERS AND INVESTORS

- Dividend proposal EUR 1.18/ share
- Equity/share EUR 5.64
- Stable development
- Responsible investment

SOCIETY AND ENVIRONMENT

- Investments EUR 4.1 million
- Paid taxes EUR 8.2 million
- Collaboration, support and sponsorship with universities as well as sports, culture and the environment

Megatrends and strategy

The world is more prosperous than at any time in history. The wise allocation of this capital is crucial to putting the world on a sustainable path. It requires broad understanding, curiosity, and a strong sense of foresight.

We're living in a time of great upheaval and change

The world is changing due to digital transformation, polarization, financial markets behaving abnormally and geopolitical unrest. A new generation is stepping into positions within boards and in leadership positions, looking at the world differently and prioritizing different issues than their predecessors.

While short–term geopolitical turbulence and changes in the economy may affect investors' immediate incentives to take a broader view of the world, climate change is forcing everyone to think about the long–term.

Responsibility has become part of investment decision–making. Climate change requires cooperation on an unprecedented scale. Different actors need to work together across national borders and with supply chains, competitors, and customers. It forces companies to reassess their own agenda, in order to enable sustainable development at all levels: not just economic, but also environmental and societal.

We need to think broader to get further.

Megatrends

Geopolitical unrest

The Russian invasion of Ukraine and the unrest in the Middle East as well as increased confrontation between the great powers are increasing uncertainty in the markets.

Climate change

Climate change has forced the world to grapple with perhaps the greatest global challenge in history. It will require cooperation on an unprecedented scale.

IN SHORT–TERM ← → IN LONG–TERM

Macroeconomic turmoil

The changed interest rate environment and rising protectionism are creating uncertainty in the markets and slowing down economic prospects.

Generation shift

A new generation of consumers, workers and leaders demand concrete action to put the world on a sustainable path, both environmentally and societally.

We see wealth as an engine to drive progress

We see wealth as an engine to drive sustainable progress. We draw on our heritage, broad expertise and Nordic values to grow and manage wealth for institutions, corporations and private persons in a responsible way.

Our offerings include mutual funds, asset management and capital markets services, alternative investment products, equity research as well as Corporate Finance services. Responsible investing is integrated in every investment decision and our expertise is widely acknowledged by our clients.

We are in a vanguard position to steer capital sustainably in the Nordic region. We believe that wealth and sustainability drive positive change together. We have the expertise, the vision, and the courage to initiate and drive discussion on the initiatives that long–term value creation enables both for individuals, society, and our planet.

The Evli way of working

Over time, our founders' entrepreneurial attitude, courage and curiosity evolved into a unique way of working that fuels our work every day. Our way of working is deeply rooted in our four values: entrepreneurship, valuable relationships, learning and integrity.

- An entrepreneurial attitude gives everyone the freedom to act on opportunities.
- We foster good relations with each other and with our clients. We value our relationship with each other and want to help our colleagues succeed. We are inspired by and want to inspire our clients. We walk alongside them.
- Constant learning means that we always strive to become better and are curious to explore new opportunities.
- Integrity means for us that we stand behind our decisions and have the courage to say no.

Long–term growth and development

Evli's long–term goal is to be a growing and profitable asset manager with a unique customer base and broader international business. We want to be the forerunner in responsible wealth management in the Nordics, and in this way help our clients in managing their wealth to support a sustainable future. The cornerstones of our growth are finding and developing new investment solutions, leveraging digitalization, creating unique client experience, and integrating responsibility into business operations.

Evli's constant pursuit is to create an even more scalable business model. Digitalization will play an important role in this, as Evli streamlines its investment and brokerage processes. The service experience will seamlessly integrate traditional personal service with the use of electronic channels and digital services.

"We want to be the forerunner in responsible wealth management in the Nordics, and in this way help our clients in managing their wealth to support a sustainable future."

We aim to simplify both our own and our clients' investment processes and offer unique product and service solutions to our clients. Succeeding in this will enable Evli to achieve its business objectives of clear revenue growth, strong profitability, and a competitive return on equity.

Revenue growth will be pursued primarily organically and, where possible, through acquisitions. In wealth management, the company's most important business area, growth is sought by increasing both the assets under management and the number of new client relationships. In addition to Finland and Sweden, Evli also sees growth potential in asset management in other Nordic countries and Europe

Client's interest always comes first

Evli strives to create long–term client relationships. The company's client base is focused on institutional investors, other professional operators as well as wealthy and affluent individuals.

To serve a demanding client base, Evli constantly invests in finding and developing new investment solutions. The work towards development and innovation draws on both the strong expertise and specialized knowledge of businesses and their different perspectives on markets and client needs.

The unique service experience is underpinned by Evli's corporate culture, which is based on a mindset where the client's interests always come first and where the client's assets are managed as well as our own assets. It is based on hard work and resourcefulness, customer service and teamwork, building excellence and integrity in all our activities. Moreover, in an increasingly unpredictable world, Evli strives to be one step ahead of our clients so that we can guide them in an uncertain future. We are our clients' wise and savvy pilot that scans wide in order to see far.

Responsibility is part of business operations

Responsibility has already long been a part of Evli's investment activities. Evli's ability to integrate responsibility throughout its operations is essential to creating value. In asset management, Evli's most important area of operation, factors related to sustainability are systematically integrated into investment activities and portfolio management. Evli is constantly looking for new ways to further improve the sustainability of its products and services. More information about Evli's sustainability and responsible investment practices can be found in the section Responsibility.

Financial objectives

Evli's strategy is guided by its long–term financial targets:

- Significant growth of AUM (EUR 30 billion) over the long–term
- EBIT margin of 30%
- High return on equity (25%)
- Recurring revenue ratio in excess of 130%.

Evli's strategy

VALUES	STRATEGIC FOCUS AREAS	TARGETS	AMBITION
Entrepreneurship – An entrepreneurial attitude gives everyone the freedom to act on opportunities. **Valuable relationships** – We value our relationship with each other and want to help our colleagues succeed. – We are inspired by and want to inspire our clients. We walk along side them. **Learning** – We always strive to become better and are curious to explore new opportunities. **Integrity** – We stand behind our decisions and have the courage to say no.	Client experience New investment opportunities Responsibility Digitalization	Significant growth of AUM (EUR 30 billion) over the long–term EBIT margin of 30% High return on equity (25%) Recurring revenue ratio in excess of 130%	Our ambition is to be the leading wealth manager and a responsible, proactive capital allocator in the Nordic region.

Implementing the strategy in 2024

CORNERSTONES OF THE STRATEGY	OUTCOME 2024	TARGETS 2025
CLIENT EXPERIENCE – Increasing the client base in Finland and internationally – Perceived as "Simply Unique" by clients	**CLIENT EXPERIENCE** – Total assets under management EUR 18.9 billion (2023: EUR 18.0 billion) – International assets under management EUR 2.8 billion (2023: EUR 2.4 billion) – Evli has been ranked in top positions in Kantar Prospera's survey for over 10 consecutive years in terms of overall quality and in SFR Reasearch survey in top positions for eight consecutive years in terms of overall quality [1]	**CLIENT EXPERIENCE** – Deepen the presence in chosen markets – Strengthen the presence in Sweden – Expand the customer base – Stay the best and most used asset manager in Finland
NEW INVESTMENT OPPORTUNITIES – Mutual Funds and alternative investment products to private clients and institutions – Development of the integrated corporate service model to corporate clients	**NEW INVESTMENT OPPORTUNITIES** – Assets under management in mutual funds EUR 10.8 billion (2023: EUR 9.9 billion) and in alternative investment funds EUR 2.8 billion (2023: EUR 2.7 billion) – New mutual fund Evli Europe Growth – New alternative investment funds Evli Private Capital Fund I and Evli Private Equity IV	**NEW INVESTMENT OPPORTUNITIES** – Launch 1–2 new mutual funds – Launch 1–2 new alternative investment funds
RESPONSIBILITY – Responsible products and services – Positive influence on society and the environment	**RESPONSIBILITY** – Prepared reporting according to the EU's standardized sustainability reporting (CSRD) – Stronger commitment to climate & biodiversity work. Bringing an investor perspective to UNICEF Finland's research project and continuing Evli's own study to promote children's rights. – Systematic work to further develop social and corporate responsibility at Evli – Evli was awarded for Finland's best expertise in responsible investment [2]	**RESPONSIBILITY** – Continue work on climate change, biodiversity, and human rights – Continue ESG integration, through among others internal ESG training and the development of data capabilities and reporting – Further improve the diversity of personnel
DIGITALIZATION – New digital investment solutions and service models – Streamline investment and brokerage processes	**DIGITALIZATION** – Developing processes, systems and offering using artificial intelligence – Launching new features in the My Evli online service and launching the new evli.com website – Developing the use of the new client communication system and publishing the new client onboarding process	**DIGITALIZATION** – Develop internal processes using artificial intelligence – Promote process development to support the strategic focus areas – Develop new functionalities for the My Evli online service

[1] Kantar Prospera External Asset Management 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023 Finland. SFR Scandinavian Financial Research Institutional Investment Services Finland 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024

[2] Kantar Prospera External Asset Management 2017, 2018, 2019, 2020, 2023, 2024 Finland

CASE

Evli promotes fixed income investing with Finland's first podcast focused on interest rates

After nearly a decade of negative rates, fixed income again became a topic of discussion among Finns. In 2024, Evli launched Finland's first podcast series dedicated to fixed income investing. The aim was to make fixed income investing understandable to all investors.

Many investors would like to add fixed income to their portfolio alongside equities, but do not know what fixed income products are available and how to build their own investment plan. Investing in fixed income is not difficult, but it is much less talked about than investing in equities.

The podcast, called "Kaikki koroista", i.e. "All about fixed income", delves into fixed income investing from many angles, without using difficult industry jargon. The podcast series starts by explaining what interest rates and fixed income investing are. It then dives deeper into how to build a good fixed income portfolio and what roles central banks, inflation and other market factors play.

Equity and fixed income investments react to market events in different ways

In a nutshell, investing in fixed income means lending money to a government, municipality, company or bank, for example. Whereas an equity investor looks for the value of his investment to grow, a fixed income investor expects to get back the money he has borrowed, plus interest over the period of the loan.

Equity and fixed income investments play different roles in wealth creation. They also react to world and market events in slightly different ways, which gives the investor additional security. With fixed income investments, it is possible to mitigate the impact of stock price fluctuations on one's portfolio, i.e. to improve the risk/return ratio of the portfolio.

"Sometimes what is good for an equity investor is bad for a fixed income investor, or vice versa. For example, if a company invests aggressively in new technology, an equity investor may think that this could generate huge profits in the future. A fixed–income investor, on the other hand, thinks that if everything goes well, he will get his money back plus a predetermined return," says **Mikael Lundström**, Chief Investment Officer at Evli Fund Management Company.

Different fixed income funds are worth comparing

Investors can choose from a wide range of fixed income products with different investment periods and risk levels. As the risk increases, so does the potential return on investment. The amount of interest paid on an investment is influenced not only by the general level of interest rates, but also by the likelihood that the borrower of the money will be able to repay the loan, including interest.

The easiest way for a private person is to invest in fixed–income funds, where professionals have selected a range of bonds. These funds have different risk profiles and expected returns, so all types of investors will find one that suits their portfolio.

"I recommend that investors take a look at the Funds' Monthly Review. It shows the fund's current level of return and what kind of return can be expected in the future. It is also worth looking at how long the bonds in the fund are and how risky they are, i.e. looking at the creditworthiness of the fund's content," says Lundström.

Falling interest rates changed the interest rate debate

The European Central Bank started cutting interest rates in June 2024, which affected not only mortgage rates but also the potential returns on fixed income investments, as the return is linked to the interest rate level at the time of investment.

From a fixed income investor's perspective, the best investment environment is one of weak economic growth, low inflation and a central bank that is easing its monetary policy. In Europe, economic growth is now weak, and inflation is already below the European Central Bank's target. We are slowly drifting into a very favorable environment for fixed income investors, a so–called golden age, where the market is neither too cold nor too hot for fixed income, but just right.

"Kaikki koroista podcast" is available on Spotify, Apple Podcast and YouTube.

RESPONSIBILITY

Wealth and responsibility drive positive change together

At Evli, responsibility has been an integral part of business for years and we are actively developing responsibility in our operations. Responsibility is also one of Evli's strategic focus areas. For several years Evli has been awarded for the best expertise in responsible investments in Finland[1].

Evli's business is built on understanding clients and their needs. The company's primary responsibility is to grow clients' wealth responsibly, according to their individual goals. Evli's client relationships are long–term and based on mutual trust and ethical business practices. When we help individuals and companies prosper in the long–term, we create progress also on a larger scale.

Evli's development and business opportunities depend not only on the trust of its clients, but also on the trust of its employees, owners, investors, partners, and society. To maintain and strengthen this trust, Evli must be proactive, transparent, highly ethical, and responsible in all aspects. Responsibility is based on Evli's values: entrepreneurship, valuable relationships, learning, and integrity. These values also form the foundation for the ethical principles which direct the actions of Evli and its employees and which guide the company's relationship with its clients and other stakeholders.

Evli seeks to be a responsible member of society and is committed to taking into account both the direct and indirect environmental impacts of its operations. The responsibility section of the annual report includes detailed information on how responsibility has been integrated into Evli's business operations and what indicators have been deemed essential for measuring Evli's responsibility.

The responsibility section includes four parts: 1) Corporate Responsibility Report, 2) Responsible Investment Annual Review, 3) Task Force on Climate–related Financial Disclosures report, and 4) Taskforce on Nature–related Financial Disclosures report. **Evli's Corporate Responsibility Report 2024 is not a sustainability report in compliance with the EU Corporate Sustainability Reporting Directive (CSRD), but it follows the CSRD reporting framework for the first time.**

[1] SFR Scandinavian Financial Research Institutional Investment Services Finland 2017, 2019, 2021, 2022. Kantar Prospera External Asset Management 2017, 2018, 2019, 2020, 2023, 2024 Finland.

Evli Corporate Responsibility Report

Contents

General information

Corporate Responsibility Report Reporting Principles

Basic information

Evli Plc and its subsidiaries form the Evli Group ("Evli" or the "Group"), whose two business areas are Wealth Management and Investor Clients, and Advisory and Corporate Clients. The Corporate Responsibility Report covers the Group as a whole, unless otherwise stated in connection with the information reported, and the information reported is mainly at the Group level. The scope of the report is the same as in the consolidated financial statements.

The Corporate Responsibility Report is published annually. The reporting period is the same as in financial reporting, i.e., the financial year from January 1, 2024, to December 31, 2024.

Basis for preparation

Evli's Corporate Responsibility Report 2024 is not a sustainability report in compliance with the EU Corporate Sustainability Reporting Directive (CSRD). However, the Corporate Responsibility Report follows the CSRD reporting framework for the first time, and therefore there have been no changes in implementation or comparative figures. The content and structure of the reporting will be further developed in the coming years. Evli is required to report according to the CSRD from year 2026 onwards.

The Corporate Responsibility Report is not based on other legislation or sustainability reporting standards. The reported sustainability topics and key figures of sustainability are based on Evli's double materiality analysis, conducted in 2024. Based on the materiality analysis, the reporting requirements material to the company's operations, products, and stakeholders have been selected. The material themes and sustainability objectives based on the materiality analysis were approved in 2024, and reporting in accordance with them began in 2024. The materiality analysis and its results are discussed in more detail in the section "Identification and assessment of material impacts, risks, and opportunities". Evli's previous Corporate Responsibility Reports have followed the GRI initiative as applicable.

Evli has not omitted any piece of information corresponding to intellectual property, know-how, or the results of innovation from the report, nor has Evli exercised the right that allows for the exemption from disclosure of impending developments or matters in the course of negotiation, as provided for in articles 19a(3) and 29a(3) of Directive 2013/34/EU.

The 2024 Corporate Responsibility Report is not audited by a sustainability reporting auditor.

Risk management and internal controls over corporate responsibility reporting

Sustainability reporting complies with Evli's Group-level principles and processes for statutory reporting, risk management, and internal control. The Board of Directors confirms the principles and responsibilities of risk management, the Group's risk limits, and other general guidelines according to which the risk management and internal controls are organized. The Board of Directors has also set up an Audit and Risk Committee, which prepares the proposals on risk-taking for the Board of Directors. In the 2024 financial year, sustainability risks have been treated as part of operational risks. Regarding sustainability risks, risk management will be developed in 2025. The internal audit of sustainability reporting will be based on risk identification, analysis, and targeting of the control at the most material risks identified based on the double materiality analysis, as well as on best practices of internal audit.

The Risk Control function oversees daily operations and compliance with the risk limits granted to the business units, as well as compliance with risk-taking policies and guidelines. The Risk Control function reports its findings to the Management Risk Committee, the Executive Group, and the Board of Directors.

Evli's Internal Audit is governed by the Internal Audit guidelines. In addition, Internal Audit complies with the internationally accepted code of ethics, standards, and professional practice of internal auditing (The Institute of Internal Auditors).

The control environment of corporate responsibility reporting emphasizes Evli's values, the commitment of the management to sustainable operations, a corporate culture emphasizing ethics and sustainability, policies promoting sustainable operations and centralized business processes, qualified personnel, and transparency of operations.

Corporate responsibility reporting is centralized under Evli's group functions to Financial Administration and the Marketing, Communications, and Investor Relations, as well as the Responsible Investment team.

The risks identified in corporate responsibility reporting are the veracity of the information reported and the timeliness of reporting. To ensure the veracity and timeliness of the information to be reported, Evli has defined and adopted a governance structure for corporate responsibility reporting that defines the roles and responsibilities for corporate responsibility reporting. Evli has included the conditions required to produce the disclosed information in the Group's common business processes that all business units and group functions comply with in their operations.

The owners of business processes are responsible for ensuring that Evli's processes enable a transparent production of disclosed information. The responsibility for the veracity of information content, as well as for complying with reporting schedules and providing them to Group Accounting, is assigned to the supervisors in Evli's business units and to supervisors in group functions.

Internal Audit reports on the efficiency of corporate responsibility reporting at least annually in accordance with the Internal Audit's process. The results of Internal Audit are monitored and controlled in Evli's Executive Group and in the Audit and Risk Committee. Internal Audit inspects the corporate responsibility reporting controls as part of its audit work.

Responsibility governance and strategy

Responsibility governance structure and reporting

Evli's CFO, who is a member of the Executive Group, heads Evli's responsibility work. The CFO also ensures that responsibility matters are adequately reported to the CEO and Executive Group of Evli. Evli's Human Resources is responsible for developing and coordinating personnel–related responsibility matters, and the Responsible Investment team is responsible for developing and coordinating responsible investment. The Responsibility Working Group, with representatives from Financial Administration, the Communications, Marketing and Investor Relations teams, and the Responsible Investment team, prepares the Group–level responsibility reports and determines the focus areas in corporate responsibility operations that guide responsibility work. In addition, the working committee sets schedules and targets for responsibility work, provides internal guidelines, and regularly organizes responsibility meetings.

The role of the administrative, management, and supervisory bodies and information provided to them and sustainability matters addressed by them

Evli's Corporate Responsibility Report gives information on sustainability governance, including information on the roles of the Board of Directors, Board committees, and the CEO and Executive Group of the Group.

Board and board committees

Evli Plc's Board of Directors has the ultimate decision–making power over responsibility matters at the Group level, including all aspects related to environmental, social, and governance (ESG) factors. Evli's Board of Directors approves the Group policies governing the Group's operations and internal audit. In addition to the Group's responsibility policies, principles related to responsible business operations have been defined, for example, in policies related to ethical principles, HR, risk management, data privacy, data security, and communications, approved by the Board of Directors, as well as in guidelines issued based on them. The targets and policies are updated if any changes that must be addressed occur in the operating environment. In 2024, Evli's Board of Directors consisted of six members. After the general meeting held on March 14, 2024, Evli's Board of Director's members were Christina Dahlblom, Fredrik Hacklin, Sari Helander, Robert Ingman (chairperson), Antti Kuljukka, and Tomi Närhinen.

Evli's Board of Directors consisted of industry experts and the company's major shareholders. All Board members were independent of the company. With the exception of Robert Ingman, the other members of the Board of Directors are independent of the company's significant shareholders. Based on the shareholdings of controlled companies, Robert Ingman was not independent of the company's significant shareholders. None of the members of the Board of Directors were employed by Evli.

The Board members should be elected so that the composition of the Board of Directors is as diverse as possible and supports Evli's business goals and meets the following principles:

- The Board of Directors as a whole must have sufficient competence and experience to be able to carry out its duties diligently and efficiently, taking into consideration the type and scope of the company's operations and its strategic goals and the changes within business and the rest of society.
- The members of the Board of Directors should have mutually complementary education and skills, as well as experience in industries important for the company.
- The members of the Board of Directors should have experience of Board work and executive duties in business or other areas of society.
- The Board of Directors should include both men and women as far as it is possible.
- The composition of the Board of Directors should also be diverse in terms of age distribution and term of office.

In addition, in accordance with the Corporate Governance Code, persons elected to the Board of Directors must have the possibility to devote a sufficient amount of time attending to their duties.

The Audit and Risk Committee supervises Evli's sustainability work and sustainability reporting. The Audit and Risk Committee reviews and approves the focus areas and material topics of Evli's corporate responsibility. In addition, the Audit and Risk Committee and the Board of Directors address and approve the Group's Corporate Responsibility Report published annually. Evli's Audit and Risk Committee members were, after the general meeting held on March 14, 2024, Sari Helander (chair), Antti Kuljukka, and Tomi Närhinen. All Audit and Risk Committee members are independent of the company.

The Compensation Committee, appointed by the Board of Directors, assists the Board of Directors in the preparation of matters related to the company's terms of employment and remuneration. Evli's Compensation Committee members were, after the general meeting held on March 14, 2024, Fredrik Hacklin (chair), Christina Dahlblom, and Robert Ingman.

The Board of Directors approves sustainability objectives of the Evli Group. Evli's CFO is responsible for the execution of the objectives. The development of the objectives is reported to the Board of Directors annually. The sustainability objectives are described in more detail theme by theme in the Corporate Responsibility Report.

The Group's risk management results related to the sustainability risks are presented to the Board of Directors annually. At the meetings of the Board of Directors and its committees, reviews of different aspects of sustainability presented by the Group's operative management and experts are also regularly addressed. The reviews give the members of the Board of Directors information on the company's material sustainability–related impacts, risks, and opportunities, and the progress of the responsibility targets of the company. The reviews also ensure that the Board of Directors has up–to–date knowledge of and expertise in sustainability matters. If needed, sustainability–related training will be organized for the Board of Directors.

The Board of Directors has a Diversity Policy, which includes the principles of diversity. In accordance with the Diversity Policy, the Board of Directors must have the necessary knowledge of and expertise in the social, business, and cultural environment of the Group's main countries of operation and markets. In line with the policy, versatile competence and expertise are sought when electing the Board of Directors. Diversity strengthens Evli's goal of having a Board of Directors whose overall competence profile supports the development of Evli's business. Diversity is also seen as a key success factor that enables Evli to reach its strategic goals and continuously improve its client–centric operations.

At the end of the financial year 2024, the members of the Board of Directors represented a wide range of expertise in management and Board tasks in different industries and business areas and had mutually complementary educational backgrounds. Both genders were represented on the Board of Directors: of the members, two (33%) were women and four (67%) men. The average age of the members of the Board of Directors was 56. The age difference between the youngest and the oldest member of the Board of Directors was 17 years.

During the 2024 financial year, the reviews addressed at the meetings of the Board of Directors and its committees included, among others, the following sustainability–related topics:

- updates to the Group's policies;
- personnel well–being and development;
- development of diversity and non–discrimination;
- remuneration;
- data security;
- sustainability reporting, its regulatory development, materiality analysis, and stakeholders' wishes;
- regulatory development and the requirements it brings.

Group CEO and Executive Group

The CFO is responsible for the implementation of sustainability objectives, approved by the Board of Directors, in the Group and reports to the Board of Directors on the material sustainability–related impacts, risks, and opportunities. Business area managers are responsible for the implementation of business area–specific sustainability targets and report their achievement to the Executive Group. In addition, the CFO of the company heads Evli's Management Risk Committee, which handles sustainability–related risks as part of the general risk assessment of the company.

Evli's CFO, who is a member of the Executive Group, heads the overall responsibility work of Evli. The CFO also ensures that responsibility matters are adequately reported to the CEO of Evli. Evli's Marketing, Communications and Investor Relations function is responsible for Evli's responsibility reporting together with Financial Administration and the Responsible Investment team. Evli has recognized that the single most important factor in improving the responsibility of its operations and minimizing its environmental impacts is the responsibility of its investment activities and the integration of responsibility into its product and service range. Therefore, a separate Responsible Investment team, headed by the Head of Sustainability, is responsible for the development and coordination of responsibility of the product and service range. The Responsible Investment Executive Group, which also includes the CEO of Evli, resolves on Evli's Principles for Responsible Investment and related practices. The Group CFO reports to the Board of Directors and Audit Committee on responsibility matters annually, or more frequently if needed. In addition to the CFO, the Group operations, such as Legal, Compliance, Risk Management, and Human Resources, regularly report to the Board of Directors and/or its committees and to the Executive Group. Reporting can include responsibility themes, as responsibility has been integrated into operations. The Board of Directors and its committees receive the meeting material prior to each meeting and have time to provide feedback on it. At a meeting, each issue is presented before decision-making.

During the 2024 financial year, the reviews presented by the Group management and sustainability experts and addressed at the meetings of the Executive Group included, among others, the following responsibility-related topics:

- updates to the Group's policies;
- personnel well-being and development;
- development of ethical work and operating environment;
- promotion of diversity and non-discrimination;
- occupational safety;
- data security;
- reshaping working life;
- sustainability reporting and its regulatory development.

Good governance

The Board of Directors and the CEO are responsible for Evli's governance. Good governance is ensured at Evli by clear management and internal audit. An auditor is responsible for the Group's external audit.

Integration of sustainability-related performance in incentive plans

Evli's remuneration principles and the total remuneration of the administrative, management, and supervisory bodies are presented in Evli's Remuneration Report.

Based on the preparation by the Compensation Committee, appointed by the Board of Directors, Evli's Board of Directors resolves on the salaries and other financial benefits for the Group CEO and members of the Executive Group and the short-term and long-term remuneration schemes of the Group. The remuneration of Evli's Board of Directors is not tied to the Group's performance.

In line with Evli's Remuneration Policy, remuneration in 2024 has supported Evli's business strategy with a focus on creating long-term growth and shareholder value. Although a significant part of the total remuneration of the CEO and other members of the Executive Group is in the form of fixed payments, performance-based components are set to encourage the achievement of company targets. Variable remuneration granted in accordance with the Remuneration Policy, including short-term and long-term incentives, may not exceed 200 percent of the annual fixed remuneration. The purpose of the short-term incentives is to encourage the achievement of the financial and other short-term targets in line with the business strategy. The short-term incentive plan remuneration depends on Evli's financial performance and the achievement of strategic targets. The basis for assessing the variable remuneration of the CEO and members of the Executive Group is based on quantitative and qualitative metrics. Quantitative metrics are linked, for example, to net sales and net revenue. Qualitative metrics, on the other hand, are based on client satisfaction, upholding the company values, supporting reputation, compliance with rules, considering responsibility in investment activities, and personnel well-being. When assessing the performance of the CEO and the deputy CEO, all qualitative metrics are taken into account. When assessing other members of the Executive Group, metrics related to their business responsibility are taken into account.

Statement on due diligence

The due diligence process describes the main steps and included stakeholders of Evli's sustainability statement. Process description below:

- Internal analysis on sustainability impacts, risks, and opportunities
- A preliminary assessment of the identified sustainability impacts, risks, and opportunities in the Responsibility Working Group

- Presenting an estimate to Evli's Board of Directors
- Conducting a stakeholder survey aimed at the key stakeholders for double materiality analysis: clients, personnel (including management), the Board of Directors, shareholders, and co–operation partners
- Identifying material sustainability topics and final rating of the identified sustainability impacts, risks, and opportunities in the Responsibility Working Group utilizing the Working Committee's previous assessment and stakeholder survey
- Reporting results to the Board of Directors of Evli
- Preparing Evli's Corporate Responsibility Report based on material sustainability topics
- Approval of Evli's Responsibility program by the Board of Directors

Risk management and internal controls over sustainability reporting

Evli has integrated sustainability reporting into its existing financial reporting. In terms of risk control, sustainability risks have previously been treated as part of operational risks, but in the future they will be monitored as a separate risk category. In practice, risks and control measures related to sustainability reporting have been included as part of the company's overall risk management.

Evli's risk management system is based on a three–lines of defense model, where the first line is responsible for operational activities and risk management, the second line provides support and guidance related to risk management, supervising the effectiveness of controls, and the third line (internal audit) assesses the effectiveness of risk management and control.

Evli's internal control system is designed to ensure that sustainability reporting data is reliable, timely and consistent. The system includes, among other things, control measures, reporting instructions and training for personnel.

The risk management and internal control processes and systems related to sustainability reporting cover all material sustainability issues identified in the double materiality analysis. These include, for example, climate change, employee well–being and business ethics. Key features and components include:

- **Risk identification:** Regular and systematic risk identification, using both internal and external sources of information.
- **Risk assessment:** Assessment of risks based on probability and impact and prioritisation of risks.
- **Control measures:** Designing and implementing effective control measures to mitigate risks.
- **Data collection and reporting:** Collecting and reporting reliable data for sustainability reporting.
- **Monitoring and improvement:** Continuous monitoring and improvement of risk management and control.

Evli uses a combined risk assessment model that utilises both qualitative and quantitative methods. Risks are assessed on the basis of probability and impact and risks are prioritised on a risk basis. The most important identified risks include:

- **Employee well–being risks:** Health and safety risks.
- **Ethical risks:** Corruption and bribery.
- **Climate change risks:** Physical risks (e.g. extreme weather events) and transition risks (e.g. emission reduction requirements).

To mitigate these risks, Evli has developed various strategies, such as:

- **Employee well–being:** Health and safety programmes, employee training.
- **Ethical:** Ethical guidelines and procedures, regular training of employees and development of information systems
- **Climate change:** Reducing emissions, using renewable energy and adapting to climate change.

Control activities related to these strategies include, inter alia, regular audits, reviews and reporting.

Description of reporting on matters related to the reporting process to administrative, management and supervisory bodies

Matters related to the reporting process are regularly reported to the administrative, management and supervisory bodies. Sustainability reporting is part of the company's comprehensive reporting, and reported on at least once a year.

In addition, administrative, management and supervisory bodies are regularly informed of risks and control measures related to sustainability reporting. This enables them to supervise and guide the company's sustainability work.

Strategy, business model, and value chain

Strategy

Evli's business starts with clients and understanding their needs. Our primary responsibility is to grow clients' wealth responsibly, according to their individual goals. Evli's client relationships are long–term and based on mutual trust and ethical business practices. By helping individuals and companies prosper in the long–term, we also promote positive change on a larger scale. Evli has also been awarded several years for the best expertise in responsible investment in Finland[1].

Evli's development and business opportunities depend not only on the trust of its clients, but also on the trust of its personnel, owners, investors, cooperation partners, and society. To maintain and strengthen this trust, Evli must be active, transparent, highly ethical, and responsible in all aspects. Responsibility is based on Evli's values: entrepreneurship, valuable relationships, learning, and integrity. These values also form the foundation for the ethical principles followed by the Group and its employees, and which guide the company's relationship with its clients and stakeholders. Evli's strategy does not contain individual sustainability themes. Instead, sustainability issues are considered as part of all investment processes, while good governance and human resources are part of everyday life and processes. Digitalisation, process automation, and responsibly produced products all contribute to the promotion of sustainability.

In terms of sustainability matters, Evli's operating environment is particularly affected by the changing regulatory environment. Evli's measures related to strategic sustainability objectives respond to the changes in the operating environment. At the same time, the changing operating environment opens up new product and service opportunities for the Group. Risks and opportunities related to sustainable development are presented theme by theme in each section of the Corporate Responsibility Report and in the section "Risk management and risks".

The Evli Group has a Responsibility policy and Responsibility program, governing responsibility work at the Group level. The Responsibility program consists of three strategic responsibility themes: environmental responsibility, social responsibility, and good governance. For each topic, the materiality analysis identified important sustainability matters that are related to the Evli Group's business and considered important by various stakeholders of the Group as the most material sustainability topics.

[1] SFR Scandinavian Financial Research Institutional Investment Services Finland 2017, 2019, 2021, 2022. Kantar Prospera External Asset Management 2017, 2018, 2019, 2020, 2023, 2024 Finland

Representatives from various business units of the Group participated in the preparation of the Responsibility program and in the analysis of the material topics. The program takes into account the current and future regulatory requirements related to sustainable development reporting, as well as feedback received from various stakeholders.

In this Corporate Responsibility Report, Evli's material responsibility topics are categorized in line with the CSRD reporting in the sections "Environmental information", "Social information", and "Governance information". Each section discusses the actions taken to manage the matter and its impacts, as well as developments in policies, processes, and/or working practices during the reporting period.

The materiality analysis of sustainability was used to set the themes and targets governing responsibility work. The summary and process of the materiality analysis is described in the section "Identification and assessment of material impacts, risks, and opportunities".

The latest Responsibility program was approved by the Group CFO in December 2024 and by the Audit and Risk Committee of Evli Plc in December 2024.

Business model and value chain

The Evli Group is the leading asset manager in Finland offering a broad range of services including mutual funds, asset management and capital markets services, alternative investment products, equity research as well as Corporate Finance services. Responsible investing is integrated in every investment decision and our expertise is widely acknowledged by our clients.

Evli offers its products and services in Finland and internationally through its two business areas, the Wealth Management and Investor Clients, and Advisory and Corporate Clients. In Finland and Sweden, Evli offers comprehensive wealth management, investment, and corporate services to private persons, corporations, and institutions. Evli's international operations cover the sale of investment products in Europe. In 2024, there were no significant changes in the markets in which Evli operates. However, as a result of a corporate arrangement, the Group's incentive business became an associated company of Evli on March 29, 2024, as a result of a strategic partnership with the private equity firm Bregal Milestone.

Evli aims to consider the changes in its clients' needs, demand, markets, and regulation, and based on them modify its product and service offering, and if needed, its strategy and business model. Significant products, services, client groups or markets do not materially conflict with the company's own sustainability objectives. In 2024, changes in Evli's product offering were mainly focused on mutual funds and alternative investment products.

New products and services in 2024:

- Evli launched a new equity fund, Evli Europe Growth, which invests in European quality growth companies. In addition to economic analysis, the fund also takes into account environmental, social, and good governance factors in its investments.
- Evli launched the new green transition alternative fund, Evli Private Capital Fund I, which focuses on energy sector transformation, resource efficiency, and circular economy, and gives investors more options to seize the megatrend of green transition.
- Evli launched the new private equity fund, Evli Private Equity IV. The fund invests in top quality, international private equity funds, mainly active in the buyout market, which invest in unlisted shares.

Discontinued products and services in 2024:

- The mutual fund AJ Evli Value Hedge was transferred to GRIT Fund Management Company Ltd in order to streamline the product range.
- The mutual fund Evli Global Bond merged with the mutual fund Evli Corporate Bond. The reasons for the merger were to streamline the product range and to allow clients to benefit from the larger size of the receiving fund, which protects the continuity of the investments.

Evli Plc's subsidiaries carrying out investment activities organize their businesses according to the strategic decisions made by the parent company. For Evli, the most important management tool is the participation in the Board work of companies. The Boards of Directors of subsidiaries consist of persons belonging to the management of the Evli Group as well as of external experts. Evli provides its wholly owned subsidiaries with precise instructions on how they should organize their operations considering the Group's principles, such as compliance, remuneration, risk management, and policies. There is a close dialogue between Evli and its subsidiaries about the most significant operational issues. In addition, Evli continuously follows the results and risks of its subsidiaries. More detailed information on the Evli Group's structure is in section 8.1. Corporate structure in the Annual Reports financial statements.

The products of the Evli Group bring value to clients, consumers, and end–users in the following ways, for example:

- Evli's products and services meet the needs and targets of clients.
- Evli's service solutions can be tailored to suit a client's needs.
- Evli offers competent and professional service.
- Evli offers responsible investment activities.

Evli employs approximately 280 people in Finland and altogether approximately 300 people in three countries. Number of employees by country is presented in section "S1 – Own workforce". In 2024, Evli paid approximately EUR 35.6 million in salaries and fringe benefits.

Interests and views of stakeholders

At Evli, responsibility is broadly defined as financial, social, and environmental responsibility. Ongoing dialogue with stakeholders is very important for Evli, as it helps to develop responsible ways of working and doing business. In addition, dialogue with stakeholders provides information on whether Evli's business strategy is right for the shareholders or whether it should be changed. The persons responsible for Evli's business units are in continuous dialogue with the Board of Directors, the Executive Group, and supervisory bodies to ensure that they have up–to–date information on the wishes, important themes, and objectives of various stakeholders, as well as their potential impacts on Evli's responsibility work and, more broadly, on the business strategy. The views of stakeholders were used in a double materiality analysis, conducted in 2024, based on which Evli approved the material sustainability themes for the company's operations. The themes form the focus areas for the development of Evli's responsibility work. More information on the materiality analysis is described in the section "Identification and assessment of material impacts, risks, and opportunities". Based on the materiality analysis, no changes were made in Evli's business strategy. The Dialogue with Stakeholders table summarizes Evli's key stakeholders and how the themes important to them are taken into account in the company's strategy and business model.

Dialogue with stakeholders

STAKEHOLDER	CHANNELS USED	IMPORTANT THEMES FOR STAKEHOLDERS	IMPACT ON EVLI'S OPERATIONS, BUSINESS MODEL, AND STRATEGY
Clients	– Questionnaires and client feedback – Evli.com and social media channels – Client meetings, events, and webinars – Emails, newsletters, and phone calls – Double materiality analysis survey	– Competitive and responsible products and services – Useful auxiliary and advisory services – Reliability and data protection – Service channels that meet one's needs – Responsible operations	– Responsible products and services – Broad range of products – Separate products and services focused on responsibility themes – Active and open reporting
Personnel and the Board of Directors	– Intranet and HR personnel system – Occupational healthcare – Development discussions and training events – Personnel surveys and other internal surveys – Personnel events – Cooperation with personnel representatives – Occupational safety observations and occupational safety and health – Ethical reporting channel – Double materiality analysis survey	– Equal treatment and open interaction – Diversity and non–discrimination – Job stability and competitive pay – Upskilling and good management – Occupational health and well–being, and occupational safety and health – Working conditions – Responsible operations	– Recruitment process – Evli Academy and other trainings – Development of management – Measures defined based on personnel survey
Shareholders and investors	– Interim and half–year reports, financial statements releases, and annual report – Corporate Governance Statement – Remuneration Policy and Report – Stock exchange releases and press releases – Annual General Meeting and Investor and analyst events – Evli.com – Double materiality analysis survey	– Creating long–term value – Profit performance – Good return on equity – Capital adequacy – Responsible operations	– Conservative balance sheet management – Clear dividend policy – Regular and comprehensive reporting

STAKEHOLDER	CHANNELS USED	IMPORTANT THEMES FOR STAKEHOLDERS	IMPACT ON EVLI'S OPERATIONS, BUSINESS MODEL, AND STRATEGY
Cooperation partners	– Meetings and trainings – Emails and phone calls – Evli.com – Double materiality analysis survey	– Fair and equal treatment – Competitive products and services – Reliability and capital adequacy – Two–way communications	– Broad range of products as well as responsible products and services – Measures defined based on discussions held – Assessment of partners' responsibility as part of selection process and during cooperation
Media and analysts	– Press releases and stock exchange releases – Press events and interviews – Evli.com and social media channels – Morning reviews, market analyses, and newsletters – Emails and phone calls – Investor and analyst events – Financial and investor reports	– Relevant, reliable, and open communications – Expertise	– Relevant and professional commentary – Presentation of Evli's product and service offering – Up–to–date and regulatory–compliant dialogue with analysts
The authorities and regulators	– Bilateral meetings – Phone calls and electronic channels – Events, seminars, and panels – Ethical reporting channel	– Compliance with laws and regulations, and integration of sustainable development into operations – Open, transparent, and reliable reporting – Continuous dialogue	– Changes in product and service offering resulting from regulation – Changes in sales and marketing practices – Development of internal processes based on changing regulation
Researchers, educational institutions, and students	– Cooperation projects – Cooperation events – Visits arranged by Evli – Recruitment events – Thesis workplaces and traineeships	– Research and development cooperation – Training and skills – Investments and workplaces	– Joint research and development projects – Educational cooperation and partnerships – Jobs and traineeship posts

Identification and assessment of material impacts, risks, and opportunities

Evli updated its materiality analysis in 2024. Evli's previous materiality analysis was updated into a double materiality analysis, which takes into account impact materiality and financial materiality.

In the first step of the double materiality analysis, we identified and assessed, in the internal Responsibility Working Group, possible material topics and sustainability impacts, risks, and opportunities, after which we rated them. The Working Committee's preliminary draft was first approved internally in Evli's Responsibility Working Group and then presented to Evli's Board of Directors.

In the identification of sustainability matters, Evli's previous reporting, internal and external statements on sustainability themes, Evli's principles, policies and targets, results of Evli's previous materiality analysis, and the double materiality survey sent to the internal and external stakeholders were utilized. Sustainability matters were identified in Evli's own operations and value chain. As impacts, risks, and opportunities are often interdependent, the process assessed all of them simultaneously. In the identification of relevant topics, the sustainability matters of EU's Sustainability Reporting Standards were used, however, taking into account the special characteristics of Evli's own operations.

In the identification of environmental impacts, we used, for example, previous reports and statements on environmental impacts, carbon footprint calculation, statement on principal adverse impacts of investment decision on sustainability factors, as well as Evli's roadmaps, targets, principles, and policies related to environment. In relation to social impacts, we used information available from internal and external reports and statements, such as personnel satisfaction survey information.

Responsibility risks are included in Evli's risk management framework, and Evli takes into account risks in its strategic decision–making and business planning. More information on Evli's risk management role in relation to sustainability risks is available in section "Risk management and internal controls over sustainability reporting.

In fall 2024, we conducted a survey aimed at our key stakeholders on Evli's sustainability impacts, risks, and opportunities. The stakeholders selected for the survey were the Group management, Board of Directors, personnel, clients, owners, and cooperation partners. A total of 18 people responded to the survey, of which 10 were internal and 8 external respondents. Based on the responses, we updated and specified identified impacts, risks, and opportunities and their ratings. The impacts were rated by using a rating scale based on the scale, scope, reparability, and likelihood of an impact. The scale, scope, and reparability of actual impacts were rated on a scale of 1 to 5, and likelihood with a multiplier from 0.8 to 1.

For risks and opportunities, the assessment was based on the likelihood of the risk or opportunity, and on the potential magnitude of financial impacts. Both were rated on a scale of 1 to 5. For risks and opportunities, short–, medium–, and long–term time horizons were taken into account separately. Matters were rated on a scale of short–term time horizon (the period adopted by the undertaking as the reporting period in its financial statements), medium–term time horizon (1—5 years), and long–term time horizon (more than 5 years).

Material topics were defined as topics that exceeded value 5 for financial materiality or exceeded value 8 for impact materiality. In relation to the materiality analysis, Evli also defined responsibility principles, governing Evli's responsibility work. Evli's responsibility principles are broken down into three themes: responsible business, social responsibility, and environmental responsibility.

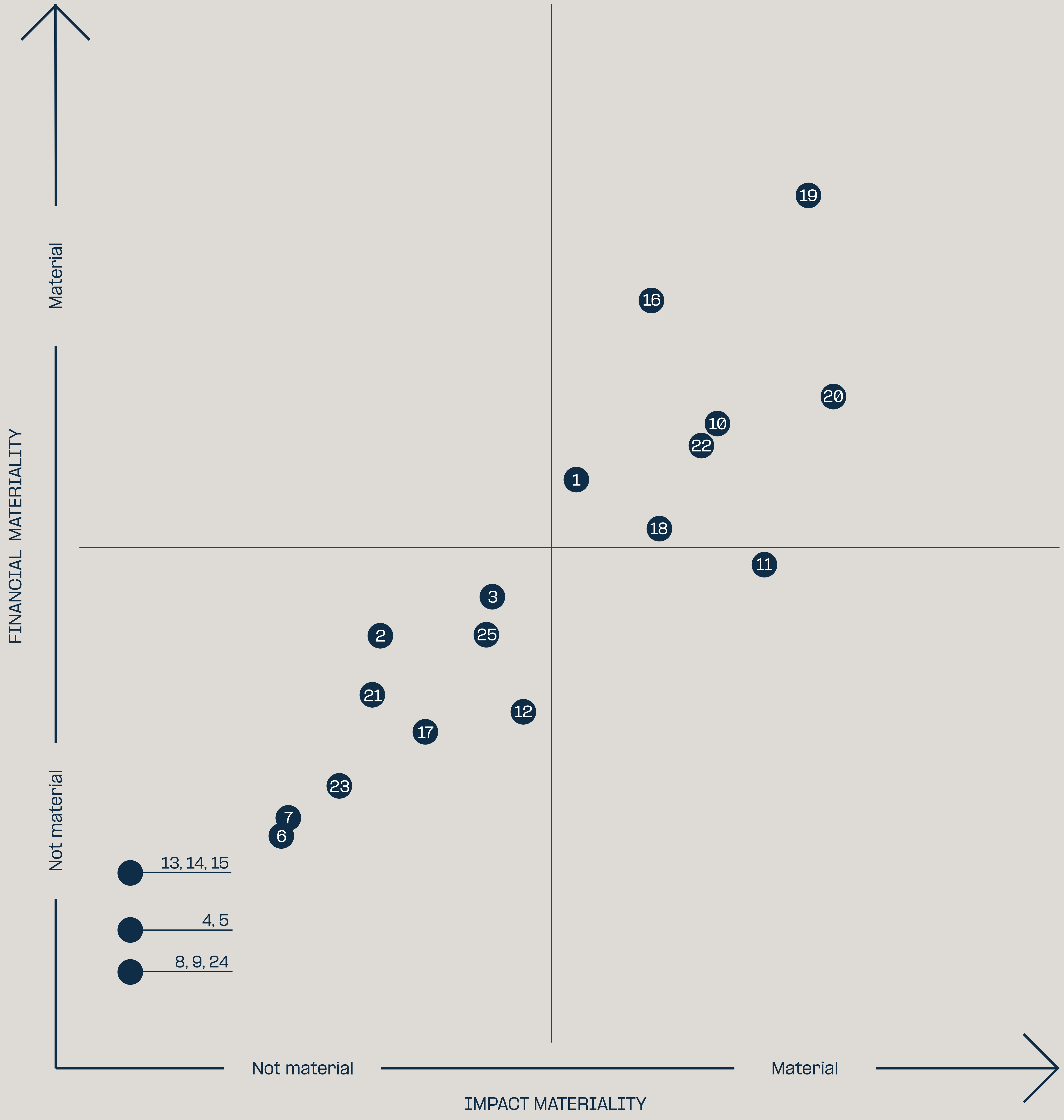
During the final step, Evli's Responsibility Working Group drafted a presentation on material sustainability topics that Evli's Board of Directors approved. Evli's sustainability topics to be reported are climate change, own workforce, consumers and end–users, and business conduct in relation to aspects identified as material in the materiality analysis. As for topics identified as material, the content index of information reported is at the end of the Corporate Responsibility Report. Material topics will be assessed annually, and in the future, they are reported as part of Evli's sustainability report. Evli is also in the process of re–evaluating its sustainability objectives, based on the results of the double materiality analysis. New targets will be reported in the 2025 sustainability report.

Sustainability topics assessed as material

RESPONSIBLE BUSINESS		
Climate change	1	Climate change mitigation
	2	Climate change adaptation
	3	Energy
Pollution	4	Pollution
Water and marine resources	5	Water and marine resources
Biodiversity anf ecosystems	6	Direct impact drivers of biodiversity loss and impacts on the extent and condition of ecosystems
	7	Impacts on the state of species and impacts and de–pendencies on ecosystem services
Resource use and circular economy	8	Resources inflows, including resource use and resource outflows related to products and services
	9	Waste

RESPONSIBLE BUSINESS		
Own workforce	10	Working conditions
	11	Equal treatment and opportunities for all
	12	Other work–related rights
Workers in the value chain	13	Working conditions, equal treatment and other work–related rights of workers in the value chain
Affected communities	14	Communities' economic, social and cultural rights
	15	Communities' civil and political rights and rights of indigenous peoples
Consumers and end–users	16	Information–related impacts for consumers and/or end–users
	17	Personal safety of consumers and/or end–users
	18	Social inclusion of consumers and/or end–users

RESPONSIBLE BUSINESS		
Business conduct	19	Corporate culture
	20	Corruption and bribery
	21	Management of relationships with suppliers including payment practices
	22	Protection of whistle–blowers
	23	Corruption and bribery
	24	Animal welfare
	25	Taxes and tax footprint



Environmental information

E1 – Climate change

Transition plan

At Evli, responsibility has been an integral part of portfolio management for many years, as the Group believes that taking responsibility into account will create long–term added value. In January 2020, Evli made responsibility one of its strategic focus areas for the coming years, and in June 2021, Evli set its climate targets and the included milestones in line with its strategic objectives. Climate change mitigation has always been an important issue for Evli, and Evli wants to create products that address climate change challenges.

The Corporate Responsibility Report of 2024 is focused on the Evli Group and the environmental information is focused on Evli's own operations. In principle, Evli does not have operational control over its investee companies, and therefore sustainability themes related to investment activities have not been discussed in this report. Descriptions of the strategy, risk management, and metrics and targets for investment activities, in line with the sustainability theme, are provided in Evli's Task Force on Climate–related Financial Disclosures (TCFD) report. In 2025, Evli will develop its sustainability reporting, especially regarding environmental information, to also cover investments in which Evli holds operational control to report in line with CSRD requirements.

Material impacts, risks, and opportunities related to climate change

Material aspect	Impacts	Risks and opportunities for the Evli Group	Management
Climate change mitigation	(–) Evli's operations cause indirectly climate-warming greenhouse gas emissions (Scope 2 and 3)	(–) Regulation and clients' requirements can increase demands to reduce greenhouse gas emissions from investments. Evli must be able to respond to changes in client preferences by offering products that sufficiently take climate factors into account.	– Evli carries out carbon footprint calculation annually. – At Evli, work is underway to reduce the energy consumption and carbon dioxide emissions on its premises by, among other things, updating electricity contracts to zero-emission options. – We also monitor, among other things, the number of products purchased and commutes, and the environmental impacts of waste and paper use.
		(+) Products that take into account environmental factors can represent a market opportunity for Evli.	– Unnecessary travel is avoided by favoring telephone and video conferences. – Electronic client service channels, such as My Evli, are continuously developed to reduce paper reporting. Evli regularly follows changes in climate change-related regulation. – Evli influences the industry debate in Finland, for example, as a member of Finsif and Finance Finland, and participates in global discussion, as a PRI signatory, at events organized by PRI.

(+) Positive impact on the environment and society or the Evli Group's business
(–) Negative impact on the environment and society or the Evli Group's business

Evli's climate targets

In June 2021, Evli published its separate climate targets. Evli aims to achieve carbon neutrality by 2050 at the latest. The target applies to emissions from both Evli's own operations and investments. Therefore, we aim to ensure that our operations are aligned with the target set by the 2015 Paris Agreement, which aims to limit global warming to 1.5 degrees Celsius. Evli aims to achieve carbon neutrality for emissions from its own operations (Scope 1 and 2) by 2025 at the latest.

As for investments, Evli's climate targets and their progress are provided in Evli's TCFD report.

Progress in targets

Evli aims to achieve carbon neutrality for emissions from its own operations (Scope 1 and 2) by 2025 at the latest.

In terms of emissions from its own operations, Evli started forming a snapshot in 2021 with the construction of an emissions calculation and the mapping of the most significant emission sources. The framework set by the GHG Protocol was used for this task. The calculation of emission sources revealed that emissions from Evli's own operations are mostly concentrated in indirect Scope 3 emissions, such as emissions from purchased products and services.

Evli has continued to calculate, together with a partner, the greenhouse gas emissions from its own operations for 2023 and 2024. The calculation was carried out in accordance with the GHG protocol, using the operational control approach that takes into account as a whole such emissions that are part of Evli's operations. The result was a more accurate picture of greenhouse gas emissions from Evli's own operations. The calculation has been developed to be more comprehensive than in previous years, and the number of included Scope 3 emission categories has been increased by, for example, identifying emissions from commuting.

In accordance with the target related to emissions from own operations, Evli aims to update, as comprehensively as possible, its electricity consumption contracts to zero–emission energy sources, as far as such changes are possible. To reach the carbon neutrality target, Evli aims to offset the amount of emissions equivalent to the remaining Scope 2 emissions. Evli will report on the target and the amount of the offset in more detail in 2025.

Targets related to Evli's greenhouse gas emissions will be re–evaluated in 2025, and the targets will be published as part of Evli's sustainability reporting.

Identification and assessment of material impacts, risks, and opportunities connected to climate change

The material impacts, risks, and opportunities related to climate change have been identified as part of Evli's double materiality analysis. The double materiality analysis is described in more detail in the section "Identification and assessment of material impacts, risks, and opportunities".

The impacts, risks and opportunities related to climate change have been identified and assessed primarily based on Evli's own greenhouse gas emission calculation and the greenhouse gas emissions from Evli's investments. As an asset manager, the most significant climate risks and opportunities for Evli are related to its investment activities, as Evli's own operations do not result in significant direct environmental impacts.

Policies and actions and resources related to them

In its own operations, Evli has sought to reduce energy consumption and greenhouse gas emissions from its premises and to avoid unnecessary travel. Unnecessary travel is avoided by favoring telephone and video meetings. In addition, employees strive to improve the sorting of waste and reduce the use of paper in their daily work, for example. Evli's head office in Helsinki has been awarded the LEED Gold certification, one of the world's best–known green building certificates.

It is also important for Evli to increase environmental awareness among its clients and employees and offer products and services that help to mitigate harmful environmental impacts. With the continuous development of digital channels and utilizing the opportunities given by technology, Evli offers new forms of services that have a smaller environmental impact than before. Evli has set a target of carbon neutrality by 2025 in terms of emissions caused by its own operations (Scope 1 and 2). The target was set in 2021, after which Evli has actively developed its emissions calculation process and strived to make its operations more sustainable.

In addition to these measures, Evli regularly monitors changes in climate change regulation. Evli has been involved in the EU legislative debate in Finland as a member of Finsif and Finance Finland and participated in global discussion, as a PRI signatory, at events organized by PRI. One significant stakeholder for Evli is data providers, with which Evli engages in continuous dialogue about, among other things, climate data. The purpose is to develop Evli's own operations, tools, and reporting as well as to improve the data available to investors in order to achieve the climate targets. In relation to climate, in 2024, Evli continued its active discussions with various ESG service providers on the development of climate data and how ESG data could help improve classification of companies, in accordance with the Net Zero Investment Framework methodology, as aligned and net zero, for which data has not yet been widely available.

Greenhouse gas emissions (GHG)

Scope 1 GHG emissions	
Gross Scope 1 GHG emissions (tCO_2eq)	0
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0
Scope 2 GHG emissions	
Gross location-based Scope 2 GHG emissions (tCO_2eq)	116.8
Gross market-based Scope 2 GHG emissions (tCO_2eq)	97.5
Significant Scope 3 GHG emissions	
Total gross indirect (Scope 3) GHG emissions (tCO_2eq)	5,591.7
1 Purchased goods and services	2,154.8
2 Capital goods (investments)	2,645.1
3 Fuel and energy-related activities (not included in Scope 1 or Scope 2)	43.5
4 Upstream transportation and distribution	7.2
5 Waste generated in operations	4.2
6 Business traveling	692.8
7 Employee commuting	44.1
Total GHG emissions	
Total GHG emissions (location-based)(tCO_2eq)	5,708.5
Total GHG emissions (market-based) (tCO_2eq)	5,689.2

Sources: Evli, MSCI, partners and external experts

Principles of preparing metrics

Scope 2 emissions are indirect greenhouse gas emissions related to the acquisition of electricity, steam, heat, or cooling. Although Scope 2 emissions are physically generated in a facility where they are produced, they are included in an organization's greenhouse gas inventory as they are a result of the organization's energy consumption. In Evli's operations, this means the energy consumption of premises, in terms of electricity and heating.

The emissions calculations include Evli's premises in Helsinki, Lahti, Oulu, Tampere, Turku, Vaasa, and Stockholm. Offices and their personnel are at the center of Evli's business, which is also reflected in emissions calculation as products and services purchased, waste, and commutes.

Products and services purchased has been monitored in cooperation with suppliers and with the help of Evli's orders and invoices. Consumption has been measured in Euros, per product, and per kilo, and finally linked to emission factors suitable for a product category. Waste generated in offices is mainly from purchased products and products in daily consumption, such as food used for breakfast, and paper. Waste is measured in kilos by waste category. Evli's offices have good recycling facilities, which do not require extra efforts from employees.

Emissions from commutes of Evli's employees are included, for the first time, in the emissions calculation in 2024. The data for the calculation was collected through a commuting–survey, which provided an up–to–date picture of Evli employees' commutes, office working days, and the means of transport used for commuting. With the above data, high response rate to the commuting–survey, and updated emission factors, it was possible to get a good picture of emissions from commuting. In addition, Evli generates emissions in the form of business travel.

Figures related to energy consumption were multiplied by corresponding emission factors, the timeliness of which was checked in cooperation with external experts. In order to determine the consumption figures, the area method had to be used in some premises because meter readings were not available. The supplier–specific method was well suited to the Helsinki and Tampere premises, where the property managers were well equipped to provide consumption data. For the Stockholm premises, consumption data was obtained from the local Evli personnel, but some electricity consumption data had to be verified with the electricity supplier. The average data method had to be applied in small offices in Oulu, Turku, and Vaasa, where the property managers were able to provide partial information on energy consumption. For the Lahti office, an estimate was used.

The Capital goods category takes into account the investment in Evli's balance sheet. The calculation is based on MSCI's emission data, weighted by the relative share of holding in the balance sheet. The category takes into account the Scope 1 and 2 emissions from investments, and the calculation has been scaled based on coverage. The calculation does not take into account emissions caused by Evli's actual investment activities. Emissions from investment activities are reported separately in the TCFD report. Not material scope 3 categories have been left out of the reporting. In 2024, Evli has verified the quality of its emission factors with the help of an external expert.

[1] Although Evli Plc's (later "Evli") information providers, including without limitation, MSCI ESG Research Inc. and its affiliates (the "ESG Parties"), obtain information from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy, and/or completeness of any data herein. None of the ESG Parties makes any express or implied warranties of any kind, and the ESG Parties hereby expressly disclaim all warranties of merchantability and fitness for a particular purpose, with respect to any data herein.
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Social information

S1 – Own workforce

The implementation of Evli's business strategy requires a workforce suitable for future needs. Therefore, our own workforce is one of Evli's most important stakeholders when considering impacts, risks, and opportunities associated with social responsibility. As part of the materiality analysis, equal treatment and opportunities for all, as well as working conditions, emerged as significant topics.

Material impacts, risks, and opportunities related to own workforce

Competent and highly motivated personnel are essential for the Evli Group's continued existence, growth, and development. Therefore, the biggest risk for Evli in terms of its own workforce is that the Group will not be able to attract, develop, and retain the experts and diverse skills that are critical to its business and strategy. Risks related to own workforce include, for example, discrimination, occupational health and safety, salaries, and the attractiveness of the company to potential employees.

Material risks and opportunities as well as measures and metrics related to own workforce apply to all personnel unless otherwise stated. Employees with an employment relationship are included in own workforce.

Material impacts, risks, and opportunities related to own workforce

Material aspect	Impacts	Risks and opportunities	Management
Equal treatment and opportunities for all	(+) Through equal treatment of employees, it is possible to positively influence employees' well-being	(+) Evli succeeds in recruiting and retaining competent personnel who create added value and impact. (–) The lack of equal treatment could reduce the well-being of own workforce and competent employees could leave Evli.	– There is a systematic approach to competence development and management of performance. – In recruiting, diversity is taken into account. – In the treatment of personnel, diversity and non-discrimination are emphasized. – The proportion of women is increased at different organizational levels. – Everyone has the opportunity to report grievances through an ethical reporting channel (Whistleblowing).
Working conditions	(+) Evli's measures to promote working conditions, such as flexible working hours and flexible hybrid model, have a positive effect on the working capacity of its own workforce. (–) Inadequate working conditions could weaken the employees' quality of life and well-being.	(+) The job satisfaction and commitment of own workforce remain at a high level. (–) If the working conditions of Evli employees were to deteriorate, it would lead to a decline in their well-being and a possible transfer of know-how away from Evli.	– The offices of the Evli Group are in countries where the statutory requirements for working conditions are high. Local legislation is followed in all countries of operation. – Personnel have the possibility to work part of the week remotely and have flexible working hours. – Everyone has the option to belong or not to belong to a trade union. – The Evli Group has a collective agreement. – All personnel are in a centralized human resources system. – Evli has a flexible working culture that supports work-life balance. – Training is organized for personnel. Supervisors are trained in managing well-being at work. – Employees are offered, among other things, preventive and promotive healthcare and recreational support to maintain their working capacity. – Job satisfaction and well-being at work are measured by means of a personnel survey and regular in-house surveys.

(+) Positive impact on the environment and society or the Evli Group's business
(–) Negative impact on the environment and society or the Evli Group's business

Identification and assessment of material impacts, risks, and opportunities

The material impacts, risks, and opportunities related to own workforce have been identified with the help of the double materiality analysis conducted by the company. The double materiality analysis has been described in the paragraph "Identification and assessment of material impacts, risks, and opportunities". Equal treatment and opportunities and working conditions of own workforce were defined as material aspects.

Targets and their progress

Evli's goal is to offer a safe and healthy working environment for all its employees and to promote professional development and continuous learning of its personnel. In addition, in the area of diversity, Evli aims to promote diversity and inclusiveness in the workplace, to achieve a minimum of 40 percent of the under–represented gender in the Board of Directors by June 2026, to ensure there are always candidates of different genders when filling leadership positions, and to have trainees of different genders selected for the trainee program.

Evli assesses and specifies measurable targets in 2025 and publishes the targets related to own workforce as part of the 2025 sustainability report. Targets related to own workforce will be set in the Executive Group of Evli, based on a discussion with personnel. The targets will be approved by the Board of Directors of Evli. In connection with specifying the targets, a process is also established for monitoring the targets and implementing any proposals for improvement.

Policies

In addition to applicable legislation, the responsibility of Evli's own workforce is governed by policies that consist of Evli's values and policies, approved by the company's Board of Directors, such as Ethical Principles, Human Resources Policy, and management systems. All policies cover the entire personnel.

Evli's policies do not directly address human trafficking, forced labor, or the use of child labor, because the company operates only in countries where local general laws and regulations cover matters related to them. Evli is committed to operating in each country in accordance with local laws and regulations. The Supplier Code of Conduct states that Evli is committed to respecting and promoting internationally recognized human rights, such as the UN's Universal Declaration of Human Rights and the ILO's eight core conventions of fundamental human rights. This commitment extends to ensuring that all employees are treated equally and with respect, regardless of gender, age, religion, health, or other similar factors. Our cooperation partners must ensure that they are not complicit in human rights abuses. The Evli Group and its partners must support, in their own activities, the effective elimination of all forms of forced labor and child labor.

Equal treatment and opportunities

It is particularly important for Evli that the culture, customs, and values of different individuals and groups are respected in all activities. In business, Evli complies with the national standards and legal requirements of the countries in which it operates. Evli wants to be a responsible member of all communities in which the Group operates. Evli is an organized employer and actively seeks to maintain and develop relationships with various financial sector stakeholders.

Evli commits to creating a workplace that is non–discriminatory, open, and positive and in which all employees are treated equally, irrespective of gender, age, ethnic or national background, nationality, language, or faith. Diversity is taken into account in all personnel management from hiring to career advancement and development. All personnel have equal opportunities to develop and advance in their careers, regardless of whether they are permanent, fixed–term, or part–time employees.

Evli's diversity is based on the Group's values, ethical principles, human resources policy, non–discrimination and equality plan, and occupational safety and health principles. The equality and non–discrimination plan takes into account policies that aim to eliminate any discrimination and harassment and promote equal opportunities for all. All policies apply to all personnel and are always valid. The policies also acknowledge personnel's different life stages. For example, the age management model pays special attention to the stage of a person's life and what support is needed at different stages of life.

Efficient diversity management and promotion of equality help improve work well–being, increase employee commitment, and fulfil the employees' competence potential. In addition, diversity increases innovation, productivity, and the company's competitiveness.

The diversity goals provide guidelines for Evli's diversity and equality work and set a target level for Evli for the promotion of diversity across the organization. In addition, the diversity goals define how gender equality can be increased and, where possible, how to promote the employment of people from different linguistic and cultural groups in Finland. The diversity goals apply to Evli's all business functions, and the progress of diversity is annually monitored at Evli by the Board of Directors. The practical guidance of Evli's diversity and equality work is the responsibility of the Head of Legal and HR, whose task is to ensure that the diversity and equality work is developed in line with the goals.

One of the key elements of attaining the diversity goals is the recruitment process. All recruitment is always based on fairness, transparency, and equity. The aim is to ensure that all qualified applicants have an equal chance of being selected. In addition to recruitment, equal treatment is ensured to all in the division of work tasks and career advancement.

The diversity of the Board of Directors of Evli strengthens the goal that the overall competence profile of the Board of Directors supports the development of Evli's business. Diversity is also seen as a key success factor that enables Evli to reach its strategic goals and continuously improve its client–centric operations. The Board of Directors has a Diversity Policy, which includes the principles of diversity. The diversity of the Board of Directors is viewed from different perspectives. For Evli, the essential factors are the Board of Directors members' mutually complementary and versatile skills, experience from various business areas, industries, and management. Taking into account the age and gender distribution of the members supports diversity. The Board of Directors annually evaluates, in the form of a self–evaluation, its operations, working methods, and the realization and development of diversity to reach the diversity goal.

Training and skills development

The skills of Evli's experienced personnel support the execution of the company's strategy and targets. Evli constantly develops its employees' professional expertise, as this enables it to keep up with the changes in the environment and offer clients innovative solutions that meet the market demand.

Evli's management and development of its personnel's skills are governed by the Human Resources Policy and the Development plan for the working community. The Development plan for the working community of the Evli Group is based on the human resources and business strategy and on performance forecasts. The Development plan provides an overview of the number and structure of Evli personnel and assesses their development in the future. The plan also includes an assessment of competence needs and an assessment–based plan for the development of professional skills. In addition, it sets out measures to monitor personnel well–being and to make a positive contribution to the well–being. The Development plan for the working community is discussed in the Cooperation committee and updated annually and whenever necessary.

The Group's Human Resources and supervisors are responsible for the implementation of the policies included in the Human Resources Policy. Leadership and supervisor work is supported by training, including good management practices, teamwork development, and interpersonal skills. Personnel's skills are developed long–term in line with the Evli Group's strategy and targets.

The task of the supervisors is to support and encourage employees to succeed and to continuously develop their own skills and common practices. To ensure that our supervisors are highly skilled, regular training and meetings are organized to promote their personal development. The leadership work is regularly evaluated through personnel surveys, for example.

Training and knowledge development aim to increase personnel motivation and the meaningfulness of work. Evli's internal training program, Evli Academy, organizes events run by both internal and external trainers to develop personnel's skills and to improve occupational health and well–being at work. In addition, Evli employees have an opportunity for job rotation, which gives personnel the chance to learn new things and be challenged in their career and allows Evli to retain top talent.

Working conditions

Motivated, committed, and healthy employees are crucial to Evli's operations, development, and profitability. Evli's goal is to promote the comprehensive well–being of its personnel and invest in preventive well–being measures. Evli also aims to provide its personnel with a good and safe working environment that promotes well–being and job satisfaction for all, regardless of age and situation in life.

One of the key conditions for both mental and physical well–being is work–life balance. This is supported at Evli through a flexible working culture, which includes, among others, the possibility of flexible working hours, remote working, and a shortened workweek.

Evli strives to offer competitive salaries to ensure the retention of talented people and their interest in Evli as an employer. The Evli Group's remuneration model is also in place to promote the implementation of the company's strategy, competitiveness, and long–term financial success. In addition, it aims to contribute to the positive development of shareholder value and to ensure the long–term commitment of its personnel to the company's targets.

Health and safety

At Evli, the well–being at work and the promotion and maintenance of work capacity are governed by the Human Resources Policy, the work well–being principles, and the occupational safety and health principles, in which Evli is committed to promoting the physical and mental well–being of its personnel. The promotion of well–being at work and work capacity is a proactive activity, and their goal is to identify factors that threaten employees' work capacity, to initiate measures needed, and to maintain the health of its personnel throughout their working careers. Job satisfaction and well–being at work are measured by means of an external personnel survey and regular in–house surveys. Based on the results, well–being at work and working practices are continuously developed.

Evli uses an age management model that takes into account and supports employees at different stages of their careers and lives. Evli's age management model and the work capacity support model take into account physical, mental, and social work capacity. The age management model aims, among other things, to share skills and knowledge and to keep work meaningful and motivating. Mental and physical well–being is also supported by providing employees with the opportunity to participate in various sports and recreational activities.

Evli is committed to creating a safe working environment for its personnel. Occupational safety and health is developed in cooperation with the personnel and supervisors. Employees and supervisors must report any problems they observe and any hazards that threaten safety and health to their supervisor, occupational safety and health representative, or internal services so that the employer can take immediate corrective measures.

Engaging with own workers and workers' representatives about impacts

Evli's Human Resources Policy governs the discussions with the workforce and workforce representatives. Open, honest, proactive, and multi–directional internal communication ensures that everyone at Evli receives the information essential for engagement, productive work, and personal well–being in an understandable format and at the right time. Special attention is paid to clear and consistent communication of the Group's strategy, targets, and values. Evli regularly organizes personnel events, in which employees are given an opportunity to have open discussions and ask questions. In addition, Evli published company–related news on the intranet, where employees can comment or ask further details. There is daily dialogue within and between different functions, using different communication channels and tools.

Communication channels and tools are used effectively to communicate directly with personnel. The intranet and other internal communication tools are continuously developed to meet the information needs of internal target groups. The tools support communication and collaboration both within the teams and across function and country boundaries. Supervisors are supported and encouraged to communicate proactively, openly, and in a spirit of collaboration within their own work community. In addition, Evli's Marketing, Communications, and Investor Relations function and Human Resources assist and support supervisors and other personnel in planning and implementing communications and train personnel as required

Collective agreements

In addition to local legislation, Evli complies with the collective agreement practices applicable in the countries in which it operates. Fair employment conditions are committed to in the Group's Ethical Principles.

Evli complies with the collective agreement for the financial sector in Finland. The current collective agreement entered into force on March 9, 2023. The collective agreement for the financial sector applies to, according to the scope of its application, banks, financial and card companies, and certain other companies mentioned in the agreement.

Activities related to cooperation

Evli complies with the local labor legislation and applicable collective agreements in all countries in which it operates. Cooperation is carried out in accordance with the legislation of each country. Cooperation aims to develop the company's operations and its personnel's opportunities to influence the decision–making of the company regarding their work, working conditions, and position in the company.

In accordance with the agreement, the Cooperation committee acts as a Group–wide cooperative body, engaging in dialogue to develop the operations and working community of Evli. The committee actively monitors the implementation of the cooperation in the Group.

It is composed of a maximum of eight representatives appointed by personnel from among themselves and a maximum of four representatives of the employer. The personnel elect the representatives from among themselves, and the employer elects its own representatives. In addition, the committee includes the occupational safety and health manager, and the occupational safety and health representative.

The representative appointed by the personnel is the chair of the committee and the employer's representative is the vice–chair. The employer's representative acts as the secretary.

Personnel survey and Pulse survey

Every two years, Evli conducts a personnel satisfaction survey to find out what its personnel think about Evli's operations, supervisor work, and cooperation within the Group, for example.

Human Resources is responsible for conducting the survey, and the Group's top management, supported by Human Resources, is responsible for processing the results and taking them into account in decision-making. The results are reviewed at different levels of the organization. Supervisors are trained to process the results, and in addition, teams are offered professional support for handling the results and forming development measures. Based on the results, development measures are agreed in the work communities, the implementation of which is monitored by the management of the business areas, units, and functions.

Evli also measures its personnel's work satisfaction and work well-being with a weekly mood meter, where personnel can rate how meaningful and enjoyable they find their work at that moment, as well as rate a range of other topics related to personnel well-being.

Processes to remediate negative impacts and channels for own workers to raise concerns

Evli has an internal "Whistleblowing guideline", based on the EU directive 2019/1937 ("Whistleblower Directive") and Finnish law on whistleblower protection ("Laki ilmoittajansuojasta" 1171/2022). Own workforce can report any ethical grievances or legal violations they observe through the Evli Group's reporting channel, in accordance with the Whistleblowing procedure, to a supervisor, management, Human Resources, or the Compliance function. Information on the Whistleblowing channel is available on the intranet and in the Whistleblowing guideline of Evli. The Whistleblowing procedure is described in more detail in section G1 — Business conduct.

In addition to the ethical reporting channel, Evli's open work culture supports raising grievances with supervisors, management, Human Resources, or the Compliance function. Also, the continuous mood meter and personnel satisfaction survey make it possible to point out grievances.

Measures

Planning, coordination, and monitoring of implementation of the measures for material matters is the responsibility of Human Resources, which instructs supervisors and all personnel in the implementation of the measures and communicates the measures on the company intranet.

Equal treatment and opportunities for all

In accordance with Evli's non-discrimination and equality plan, the employer must promote the equality of all employees and prevent discrimination at work and in the workplace. The non-discrimination and equality plan covers equality issues related to own workforce, from recruitment and professional development to performance, salaries, and well-being at work. The plan also instructs that race, gender, age, family relationships, health status, political opinions, or national and social origin must not lead to discrimination.

The non-discrimination and equality plan contains policies and procedures for preventing discrimination and promoting equality and non-discrimination.

At Evli, the focus areas of equal treatment and diversity are non-discrimination and fair treatment, diversity, and an open and good working environment. The focus areas guide the development of personnel-related processes, and the measures defined annually. Diversity is taken into account in all personnel management from hiring to career advancement and development. As part of the continuous equality development work, Evli conducts a personnel survey every two years, regularly trains personnel, and ensures that the management has the skills and tools needed to develop and maintain an equal and diverse working environment.

As an employer, Evli must assess the implementation of equality and identify circumstances and practices that prevent the realization of equality. The assessment was carried out at Evli in January 2024 together with Human Resources, the occupational safety and health representative and the occupational safety and health manager. The assessment addressed the discrimination grounds relevant to Evli's operations and the different functions, and the implementation of equal and non-discriminatory treatment. The assessment used the results of the personnel satisfaction surveys (mood meter) carried out in 2023.

The equality assessment included all the Finnish locations belonging to the Evli Group (Helsinki, Lahti, Oulu, Tampere, Turku, and Vaasa) and all 328 employees employed by the Group at that time. Equality was assessed both physically in the office and remotely, with personnel working remotely under the hybrid model. The monitoring of measures promoting equality was helped by the close communication between Human Resources and supervisors in the Team Leaders info sessions and face-to-face meetings.

Breaking down the traditional gender bias in the financial sector has been identified as a key theme in the Group's overall social responsibility. It has also been taken into account in Evli's diversity targets, according to which:

- the long-term goal is gender balance in the organization.
- a minimum of 40 percent of the under-represented gender in the Board of Directors must be achieved by June 2026.
- the recruitment process will be further developed, and greater attention will be paid to diversity in recruiting, for example, by collaborating more closely with stakeholders, including students, to make the investment industry more attractive to women, too.
- in recruitment, the most suitable person for the position is always selected.
- ensure that there are always candidates of different genders when filling leadership positions.
- there must be trainees of different genders selected for the trainee program.

The 2024 results:

- The recruitment process was further developed to take into account diversity and equal opportunities. The process was developed by organizing recruitment training for supervisors on diversity in recruiting. Recruitment continued to focus on diversity, for example, by taking into account different educational backgrounds in recruitment choices and by collaborating with the Women's Career Society to make the financial sector more attractive to women. In 2024, the trainees selected for the trainee program were of different genders. In addition, age diversity was strengthened by recruiting experts of different ages.
- Number of women in Group management: Despite the measures implemented, the proportion of women in management did not increase in line with the target in 2024. The effectiveness and proportionality of the measures in relation to the target set will be assessed in 2025.
- Diversity of the Board of Directors: Both genders were represented on the Board of Directors: of the members, two were women and four men. The average age of the members of the Board of Directors was 56. The age difference between the youngest and the oldest member of the Board of Directors was 17 years.
- Work satisfaction of personnel: The results remained at the same level as in the previous personnel survey. The aim is to improve the implementation of the measures set based on the personnel survey and to assess possible other measures affecting work satisfaction. In 2025, Evli will renew the measurement of personnel satisfaction. A concrete meter for personnel satisfaction will be set once the new measurement method has been introduced.

Training and expertise development

In training and expertise development, the focus is on the continuous development of professional competence, core process skills, and management skills. Personnel development discussions are held at least twice a year. Individual appraisals and broader competency mappings are used to guide the development of skills and the content of development programs at individual, group, and organizational levels.

Evli has a Personnel and Training Plan, which is based on the human resources and business strategy and on performance forecasts. The plan provides an overview of the number and structure of Evli personnel and assesses their development in the future. The plan also includes an assessment of competence needs and an assessment–based plan for the development of professional skills. The Personnel and Training Plan is updated annually.

Training and competence development aim to increase personnel motivation and the meaningfulness of work. Evli's internal training program, Evli Academy, organizes events run by both internal and external trainers to develop its personnel and to improve occupational health and well–being at work. In 2024, trainings were organized on legislative reforms and on the use of artificial intelligence to automate everyday routine tasks by using for example the Copilot tool. In addition, personnel were given access to the digital learning environment OK5, which provides solutions to working life challenges and tools to develop as employees and supervisors.

Recruitment training was organized for supervisors, with an emphasis on the importance of diversity and non–discrimination in recruiting. In addition, supervisor and management training was organized for supervisors. At the beginning of 2024, Evli launched a new Future Leaders training program, which lasts for several years and comprehensively covers the management of a company from Evli's perspective. In addition, Evli continued to implement the reverse mentoring program, which supports the professional growth of its personnel and enables the use of silent knowledge.

The progress of competence development is monitored through personnel surveys and development discussions with supervisors. In addition, feedback is gathered for each training.

The 2024 results:

- The number of training days per person was around three. The figure mainly includes training organized by the employer.
- During the year, Evli organized over 30 different internal trainings and information sessions.
- A total of five persons transferred to new job tasks as part of job rotation.
- Supervisors were offered training in how to create high–quality connections and encounters, and in the development of recruitment. In addition, seven Team Leaders info sessions were held throughout the year.
- Evli also has a reverse mentoring program, where both parties can gain new ideas and insights into the work by sharing new or more in–depth knowledge and so–called "silent knowledge".

Working conditions

The entire personnel of the Evli Group is in one human resources system, reducing the risk of working conditions or salaries that are against the law or agreements. The Group has flexible working hours and a hybrid model, with a possibility to work remotely part of the week. The company supports the well–being of employees at different stages of their lives through an age management model and enables long careers through various solutions, such as job rotation and reduced working weeks.

Health and safety

At Evli, occupational safety management is based on the prevention of hazards and risks. Safety processes and instructions govern the operations. Accidents are prevented by common occupational safety standards and proactive measures, such as risk assessment and safety observations. In 2024, there were no fatal accidents at Evli.

Occupational healthcare carries out health examinations to evaluate the health status of the personnel in relation to the work requirements and exposure agents at work. Workplace conditions are arranged to be as health–safe as possible, for example, in terms of cleanliness and working equipment.

To support performance at work, an early support model, return to work support, and a substance abuse program have been defined. Guidance and training in managing well–being at work is provided to supervisors.

Evli's personnel have access to specialist occupational healthcare including, among other things, access to specialist doctors, physiotherapy, endoscopies, ultrasound scans, X–rays, MRIs, and personal vaccinations. The Evli Group organizes occupational healthcare in accordance with the practices and legislation of each country. The details of occupational healthcare are available on the internal intranet. Personnel also have the possibility to use sport, culture, and transport benefits, as well as an employment relationship bike benefit.

The 2024 results:

- Personnel were offered an opportunity to participate in various events and activities, such as a work well–being day, golf training and competition, downhill skiing weekend, and the Helsinki Running Day event.
- As a new benefit, personnel were offered the opportunity to use a virtual training application.
- The early support measures implemented are monitored in relation to the measures defined and needed.

PERSONNEL KEY FIGURES

	2024 (persons)	(%)	2023 (persons)	(%)
Number of employees				
Women	116	38.0	136	38.4
Men	189	62.0	218	61.6
Under 30 years old	62	20.0	81	22.9
30–50 years old	151	50.0	183	51.7
Over 50 years old	**92**	**30.0**	**90**	**25.4**
Permanent personnel				
Women	100	37.0	115	32.5
Men	**173**	**63.0**	**201**	**56,8**
Temporary personnel				
Women	16	50.0	21	55.3
Men	**16**	**50.0**	**17**	**44.7**
Full-time personnel				
Women	106	37.0	120	33.9
Men	**184**	**63.0**	**207**	**58.5**
Part-time personnel				
Women	10	67.0	16	59.3
Men	**5**	**33.0**	**11**	**40.7**
Non-guaranteed hours employees				
Women	10	67.0	16	59.3
Men	**5**	**33.0**	**11**	**40.7**
Total number of external labor in Evli's workforce, persons	**5**	**1.6**	**5**	**1.4**
Proportion of men and women in management	**5/2**	**71.4/28.6**	**5/2**	**71.4/28.6**
Proportion of persons with disabilities amongst employees	**0**	**0**	**0**	**0**
Proportion of men and women amongst persons with disabilities	**0**	**0**	**0**	**0**

EMPLOYEES BY COUNTRY

	2024	2023
Number of employees		
Finland	280	332
Sweden	23	20
United Arab Emirates	2	2
Permanent personnel		
Finland	248	294
Sweden	23	20
United Arab Emirates	2	2
Temporary personnel		
Finland	32	38
Sweden	0	0
United Arab Emirates	0	0
Full-time personnel		
Finland	265	305
Sweden	23	20
United Arab Emirates	2	2
Part-time personnel		
Finland	15	27
Sweden	0	0
United Arab Emirates	0	0
Non-guaranteed hours employees		
Finland	15	27
Sweden	0	0
United Arab Emirates	0	0

COLLECTIVE BARGAINING COVERAGE AND SOCIAL DIALOGUE

	Collective bargaining coverage		Social dialogue
Coverage rate	**Employees in the EEA**	**Employees outside the EEA**	**Workplace representation (EEA only)**
0–19 %			
20–39 %			
40–59 %			
60–79 %			
80–100 %	Finland		Finland

Countries with more than 50 employees are included in the table. The collective agreement does not apply to the Group CEO. In addition, some of the clauses of the collective agreement do not apply to managers working under director contracts in the Group, nor to the CEOs of subsidiaries or those working under director contracts in subsidiaries. Matters relating to the working conditions and terms of employment of these people are determined by applying the collective agreements applicable to employees.

Adequate wages – percentage of employees who earn under the "adequate wages" definition

TOTAL REMUNERATION RATIO OF WOMEN AND MEN

	Finland	Sweden	United Arab Emirates
Employees			
Clerical employees			

Reporting on the data point will be refined in future reporting periods

TOTAL REMUNERATION

	2024
Annual total remuneration ratio of the highest paid individual to the median annual total remuneration (excluding the highest paid individual)	

Reporting on the data point will be refined in future reporting periods

EMPLOYEE TURNOVER AND RECRUITMENTS

	2024	2023
Employee turnover in total, %		
Women	2.7	2.2
Men	4.9	4.7
Total number of employees who have left		
Women	6	6
Men	11	8
Total number of persons recruited		
Women	11	8
Men	16	20

Social protection

All Evli employees are covered by social protection, through public programs and/or through benefits offered by the company, against loss of income due to sickness, unemployment, employment injury and acquired disability, parental leave, and retirement.

TRAINING AND SKILLS DEVELOPMENT

	2024	2023
Employees that participated in regular performance and career development discussions, %		
Women	100	100
Men	100	100
Employees	100	100
Clerical employees	100	100
Group management		
Participation rate of individuals who are not employees		
Training of employees, average number of hours	18	18
Women		
Men		
Employees		
Clerical employees		
Group management		

Reporting on the data point will be refined in future reporting periods

HEALTH AND SAFETY

OWN PERSONNEL / employees	2024
Work-related accidents, pcs	6
Work-related accidents, %	2.0
Work-related accidents resulting in absence from work	
Work-related accidents resulting in death	0
Occupational diseases	
Occupational diseases resulting in death	0
SERVICE PROVIDERS / not employees	
Work-related accidents	
Work-related accidents resulting in absence from work	
Work-related accidents resulting in death	

The entire workforce (100%) is covered by the occupational health and safety management system. The figures for the comparison year are not available. Reporting on the data point will be refined in future reporting periods

FAMILY LEAVES

	2024
Employees entitled to take family leave, number	305
Employees entitled to take family leave, %	100
Women who took family leave, number	7
Women who took family leave, %	2.3
Men who took family leave, number	9
Men who took family leave, %	3.0

In accordance with the Employment Contracts Act, all employees have the right to time off from work during which they receive pregnancy, special pregnancy, or parental allowance. The figures for the comparison year are not available.

INCIDENTS OF DISCRIMINATION, COMPLAINTS, AND SEVERE HUMAN RIGHTS IMPACTS

	2024
Incidents of discrimination (including incidents of harassment) in total	0
Complaints filed through channels for people in the own workforce to raise concerns	0
Incidents reviewed by the undertaking	0
Remediation plans being implemented	0
Remediation plans that have been implemented	0
Incidents no longer subject to action	0
The total amount of fines, penalties, and compensation for damages as a result of the incidents and complaints disclosed above	0
Number of human rights incidents	0
The total amount of fines, penalties, and compensation for damages as a result of the human rights incidents	0
Percentage of employees with disabilities	0

The figures for the comparison year are not available.

Principles of preparing metrics

The figures on own workforce cover all personnel of the Evli Group.

The number of personnel used for the calculations is expressed as the number at the end of the reporting period (December 31, 2024). The number also includes non–active employees, such as persons on family leave. The most significant factor explaining the decrease in the number of personnel compared to previous year is due to the corporate transactions in Allshares, as a result of which the number of Allshares employees are not included in the 2024 figures, but were included in the in 2023 numbers. Evli employs approximately 8 seasonal summer employees and trainees per year, not all of whom are employed at the end of the reporting period when the number of personnel is calculated.

The external workforce in Evli's workforce includes employees with contracts with Evli to supply labor, i.e., self–employed people and tied agents. These self–employed people or tied agents mainly act as sellers of Evli's structured investment products. There are usually no significant fluctuations in the number of workforce during the year.

Recruitments include permanent new hires. All reasons for departures divided by the number of personnel are included in the employee turnover. The figure includes permanent employment.

Managers refer to persons whose job description includes responsibility for a team/teams and who have a director contract.

For persons with disabilities, Evli will refine reporting during 2025.

S4 – Consumers and end–users

Material impacts, risks, and opportunities related to consumers and end–users

Evli's key principle is to offer products and services that meet its clients' needs and goals. When selling products and services, it is essential that a client understands the product or service they are buying, and the associated risks, and that the product or service fits the client's' investment goals. In this paragraph, consumers and end–users refer to those private persons, corporations, and institutions who use Evli's products and services and thus are Evli's clients. For private persons, Evli's clients or representatives of a client are persons of legal age.

Identification and assessment of material impacts, risks, and opportunities

The material impacts, risks, and opportunities related to clients have been identified in the company's double materiality analysis. The double materiality analysis is described in the paragraph "Identification and assessment of material impacts, risks, and opportunities". The double materiality analysis identified information–related impacts for consumers and/or end–users as well as social inclusion of consumers and/or end–users as relevant aspects.

Targets and their progress

Evli's goal is to conduct an appropriateness evaluation for each client before selling a product or service in order to offer clients products and services that meet their goals and needs.

Evli assesses and specifies measurable targets in 2025 and publishes the targets related to consumers and end–users as part of the 2025 sustainability report.

Policies

Evli's client–related responsibility is governed by policies that consist of the Group's Ethical Principles, approved by the Board of Directors, the Supplier Code of Conduct, and management systems. The aim of the policies is to minimize any adverse effects on the environment and to comply with ethical principles and thus ensure the responsibility of Evli's products and services for clients and end–users.

Material impacts, risks, and opportunities related to consumers and end–users

Material aspect	Impacts	Risks and opportunities	Management
Information-related impacts for consumers and/or end-users	(+/–) Evli must have a high level of data security to safeguard the confidential information of its clients. (+/–) It is important to clients that Evli publishes high-quality and accessible information about its products.	(–) If a data leakage or negligent handling of client information were to occur at Evli, it could result in reputational damage to Evli and liability for damages.	– Data security is invested in and constantly monitored and developed – Risk Control, Compliance, ICT, and Internal Audit cooperate to ensure that data security is always at the required level and in line with the industry practices and laws.
Information-related impacts for consumers and/or end-users	(+/–) It is especially important to clients and other stakeholders that Evli's marketing is reliable, clear, and in line with good practice. In addition, it is important to clients that Evli publishes high-quality and accessible information about its products.	(–) Due to increasing marketing regulation requirements, a marketing error could result in reputational damage to Evli and possible liability for damages. (+) Through reliable and transparent marketing Evli can build trust and increase financial opportunities.	– Evli monitors regulatory changes and takes these into account in all its activities. – Evli has established practices to ensure that product information is up-to-date and accurate. – Evli is in constant dialogue with the authorities to keep up to date with future regulatory changes.

(+) Positive impact on the environment and society or the Evli Group's business
(–) Negative impact on the environment and society or the Evli Group's business

Information–related impacts for consumers and/or end–users

Evli's clients are corporate, institutional, and personal clients. At Evli, dialogue with clients is continuous and based on direct interactions with the client. Evli's direct communication channel with clients and end–users is the company's website (contact form), client meetings, events and webinars, telephone conversations, and social media channels. Business managers are responsible for ensuring that there is continuous communication with clients and that feedback is taken into account in Evli's operations.

In Evli's operations, particular consideration is given to data security, data protection, and safeguarding of clients' privacy protection in the processing of personal data. The aim of data security is to protect personal data and other processed data in an appropriate manner, and thereby create trust, safeguard the quality and continuity of services, processes, and business operations, and ensure the confidentiality, integrity, and availability of data processed by Evli.

Personal data is used in managing client relationships, offering products and services, direct marketing, and risk management. Evli is committed to processing personal data in accordance with the law, appropriately, and transparently. Personal data is processed in compliance with the EU's General Data Protection Regulation (GDPR) and specific legislation for the financial sector. The Evli Group has several person registers for managing personal data, each of which has a separate data protection notice. Data security is improved on a continual basis to meet the requirements of the authorities, clients, and the changing business environment.

Social inclusion

Evli's key principle is to offer products and services that meet its clients' needs and goals. When selling and marketing products and services, it is essential that a client understands the product or service they are buying, and the associated risks, and that the product or service fits the client's investment goals.

Evli's corporate culture, which is based on a mindset where the client's interests always come first and where the client's assets are managed as well as our own assets. It is based on hard work and resourcefulness, client service and teamwork, building excellence, and integrity in all Evli's operations. The cornerstone of this kind of operation is that Evli knows its clients and becomes familiar with their business and financial situation as required by the client relationship. This enables us to offer each client products and services that meet their needs and goals and to ensure that clients truly understand the product or service they are buying.

Evli gains an understanding of the wishes and needs of clients and end–users by actively communicating with clients. Interaction with clients is continuous and needs–based, and it is carried out by means of client satisfaction surveys, among other things. Evli also monitors client opinions by collecting feedback from them. By measuring client satisfaction, Evli wants to identify the issues that are important to clients, improve them, and quickly react to grievances. In addition to Evli's own client satisfaction surveys, Evli takes part in annual surveys conducted by external parties.

Findings from interactions with clients guide the development of the product and service range and decision–making. These findings are used to build market intelligence, which helps to prioritize products and services and their development according to the preferences and needs of consumers and end–users. The management of each business area is responsible for taking into account the wishes and needs of clients, and thus consumers and end–users, in decision–making.

Processes to remediate negative impacts and channels for consumers and end–users to raise concerns

At Evli, contacts from clients are directed to the right party to ensure a comprehensive response. Any complaints related to service will be thoroughly investigated.

Evli has instructions and procedures for handling client feedback. The aim of the instructions and procedures is to ensure that feedback from clients is handled in a consistent and appropriate manner in accordance with the current regulations. The efficient handling of client feedback is an essential part of Evli's well–managed, successful business. Clients have the right to have their feedback handled efficiently, fairly, and without delay. Client feedback provides Evli with important information on the quality of services and client satisfaction and helps to further develop services and practices.

Clients can provide feedback to Evli by primarily contacting their own asset manager or contact person at Evli. Clients can also provide feedback by contacting Evli's Investor Service. Clients may provide feedback verbally or in writing in a manner of their choosing, by telephone, email, letter, or at a client meeting. All feedback channels are equally open to all clients.

The primary aim is to handle client complaints when contacting the client. If this is not possible, the complaint will be referred to the relevant business unit for further handling. The aim is to handle and respond to client complaints as quickly as possible, if possible, within a week of receiving the complaint. If it is not possible to handle and resolve the complaint within one week of receipt, the client will be informed of the delay in handling the matter.

The client has the right to request a person independent of the subject of the complaint to be responsible for handling and resolving the client complaint. The client can get information on the handling of their complaint by contacting their contact person or Evli's Investor Service. Client feedback and the measures related to their handling will be recorded to enable reliable follow–up. The client feedback received is also regularly reported to Evli's management. All client feedback is treated confidentially and in compliance with the Personal Data Act.

In addition, Evli's stakeholders have access to the Whistleblowing reporting channel, through which they can report suspected misconduct or unethical behavior at Evli. The Whistleblowing reporting channel is described in more detail in section G1 Business conduct.

Measures

Information-related impacts for consumers and/or end-users

At Evli, data protection and data security are governed by the Evli Group Data Protection and Information Security Policy. The policy is complemented by more detailed instructions, which help to implement data protection and information security principles in day-to-day work. Evli's Information and communications technology, together with Risk Control, is responsible for the company's data protection and data security procedures, and for monitoring and developing these procedures.

The development of data protection and data security is based on principles set by the Board of Directors, and it is continuously developed in accordance with official regulations and Evli's business strategy, risk management policy, and other requirements. The policy is reviewed and updated annually, and, if necessary, more detailed guidance is provided.

The processing of personal data is governed by the policy "Processing of Personal Data at Evli" on the company's website. In addition, the Evli Group has several person registers for managing personal data, each of which has a separate data protection notice. The processing of personal data requires that each employee who processes data understands the restrictions set by the regulation and is familiar with Evli's data security and data protection policy for electronic communications, as well as the Principles of Electronic Communications Usage. Data security is improved on a continual basis to meet the requirements of the authorities, clients, and the changing business environment.

Social inclusion

Product and service information management processes include established practices for presenting product and service descriptions and statutory documents. The correctness of product and service information is monitored by the Legal and Compliance function.

At Evli, taking into account the interests of clients when selling and marketing products means that clients' needs, characteristics, and behavior are understood and that the suitability and usefulness of the products and services for clients is ensured. In sales and marketing, personnel are governed by Evli's Ethical Principles, the policy on marketing investment products and services, the guidelines on client classification, and the guidelines on telephone selling of financial services. In addition, individuals who have direct contact with clients are trained in new regulations and guidelines.

The marketing of products and services is also governed by the European Securities and Markets Authority (ESMA) guidelines on the marketing of funds (ESMA34-45-1272) and the Financial Supervisory Authority's regulations and guidelines on the marketing of financial services and products (15/2013).

The implementation of these measures is monitored through, for example, reputation surveys, client feedback and surveys, internal audits, and external evaluations.

On its website, Evli takes into account the Act on the Provision of Digital Services (306/2019), which is based on the European Union's accessibility directives. Hence, Evli's website is accessible to everyone. In addition, in all other client service situations, the specific needs of the client will be taken into account, where appropriate, to provide the best possible service to the client.

Governance information

G1 – Business conduct

Material impacts, risks, and opportunities related to business conduct

Good governance is key to the successful implementation of Evli's business and strategy. Evli's corporate culture, based on values and ethical principles, is a key enabler of the strategy, guiding day–to–day decisions and interactions with internal and external stakeholders, such as clients, suppliers, shareholders, and society. Evli's business is governed by national and international regulations, which brings both risks and opportunities to Evli's operations.

Material impacts, risks, and opportunities related to business conduct

Material aspect	Impacts	Risks and opportunities	Management
Corporate culture	+ Evli's corporate culture serves as a basis for successful business operations, personnel well-being, client relations, and interaction with other stakeholders.	+/– Evli's corporate culture and values engage its own workforce and create growth opportunities for Evli.	– The Evli brand book, available to all personnel, includes Evli's story and instructions on how we look and how we engage with our stakeholders. – Onboarding materials and meetings for new employees – Evli's values and complying with them in our everyday work.
Corruption and bribery	+/– Evli's Ethical Principles guide the legality and ethics of its personnel. If Evli did not have internal guidelines and training for its personnel, there could be cases of corruption or bribery at Evli	– Potential cases of corruption or bribery would be a significant reputational risk for Evli	– Policy on the prevention of money laundering and ethical principles for all personnel. – Training in ethical principles and other policies governing Evli's operations.
Protection of whistleblowers	– If the anonymity of whistleblowers were not protected, it could have a negative effect on whistleblowers.	– If whistleblowers were not protected, it could lead to a situation where abuse would not be reported in the future. It could lead to a legal case and cause reputational damage.	– Whistleblowing reporting channel, which can be used by all internal and external stakeholders. – Internal Whistleblowing guideline – Process for handling any reports

+ Positive impact on the environment and society or the Evli Group's business

– Negative impact on the environment and society or the Evli Group's business

Identification and assessment of material impacts, risks, and opportunities

The material impacts, risks, and opportunities related to good governance and corporate culture have been identified in the company's double materiality analysis. The double materiality analysis has been described in the paragraph "Identification and assessment of material impacts, risks, and opportunities". The double materiality analysis identified corporate culture, corruption and bribery as well as protection of whistleblowers as relevant aspects

Targets and their progress

Evli's principal goal is that the Group does not face any cases of corruption, bribery, or money laundering related to its own operations. In 2024, no cases of corruption, bribery, or money laundering were reported.

Evli assesses and specifies measurable targets in 2025 and publishes the targets related to corporate culture and good governance as part of the 2025 sustainability report.

The role of the administrative, management, and supervisory bodies

Evli's management and business operations are the responsibility of the General Meeting, the Board of Directors, and the CEO, whose tasks are determined in accordance with the Finnish Limited Liability Companies Act and Evli's Articles of Association. The Executive Group assists the CEO in the operative management of the Group. The Executive Group consists of managers of the business areas and group functions, and it assists the CEO in the approval and execution of Group–level operating principles and procedures.

The company's organizational structure, clearly established responsibilities and authorizations, and its competent personnel enable the planning, execution, control, and monitoring of business operations in a manner that facilitates the achievement of set objectives.

Risk management refers to actions aimed at systematically surveying, identifying, analyzing, and preventing risks. Evli defines risk as an event or series of events that jeopardize the company's income generation in the short term or long term. Evli's Board of Directors is primarily responsible for the Evli Group's risk management. The Board of Directors confirms the principles and responsibilities of risk management, the Group's risk limits, and other general guidelines according to which the risk management and internal controls are organized. The Board of Directors has also set up a Management Risk Committee, which briefs the Audit and Risk Committee on risk–taking matters.

In addition to the general risk management principles, Evli Group's risk management is founded on the "three lines of defence" model. Risk management is a part of internal control, and therefore the responsibility for executing risk management measures lies first with the business units, as the first line of defence. The managers of the business units are responsible for ensuring that risk management is at a sufficient level in each respective unit. The second line of defence comprises the independent Risk Control and Compliance functions, whose primary tasks are to develop, maintain, and oversee the general principles and framework of risk management. The Risk Control function oversees daily operations and compliance with the risk limits granted to the business units, as well as compliance with risk–taking policies and guidelines. Risk Control reports on the Evli Group's overall risk position to the Board of Directors and the Executive Group each month. The Compliance function is responsible for ensuring compliance with the rules in all of the Evli Group's operations by supporting operative management and the business units in applying the provisions of the law, the official regulations, and internal guidelines, and in identifying, managing, and reporting on any risks of insufficient compliance with the rules, in accordance with the separate Compliance policy and monitoring plan approved by the Board of Directors of Evli. The Compliance function reports regularly via the Audit and Risk Committee to Evli's Board of Directors and the operative management. The third line of defence is Internal Audit. The Internal Audit is a support function for the Board of Directors and senior management that is independent of the business operations. It is administratively subordinate to the CEO and reports to the CEO and, via the Audit and Risk Committee, to the Board of Directors of Evli. The Internal Audit assesses the functioning of the Evli Group's internal control system, the appropriateness and efficiency of the functions, and compliance with instructions. It does this by means of inspections that are based on the Internal Audit action plan adopted annually by the Audit and Risk Committee of the Board of Directors of Evli.

Policies and measures

Business conduct policies and corporate culture

Evli's operations are always based on good governance, legislation, and authorities' guidelines. Responsibility is based on Evli's values: entrepreneurship, valuable relationships, learning, and integrity. These values also form the foundation for the ethical principles followed by the Group and its employees, and which guide the company's relationship with its clients and stakeholders. In addition to applicable legislation, the responsibility of Evli's business conduct is governed by the responsibility policy approved by the Board of Directors of the company, Evli's Ethical Principles, and Evli's strategy and risk policy.

Evli's corporate culture, which is based on its values, has been built over the years through strong cooperation and open communication. In 2024, Evli started drafting a Cultural Handbook. The aim is to document Evli's corporate culture so that awareness and understanding of the corporate culture can be better managed and promoted among employees and new employees joining Evli.

Depending on the role, personnel are also required to review other policies and complete regular online training. Supervisors also play a strong role in training policies and corporate culture. Team Leaders info sessions and training for supervisors ensure that they have the necessary know–how and tools to guide personnel.

The completion of online training is regularly monitored by Evli's Human Resources and the Compliance function. In addition, Evli's Internal Audit is currently developing a process that will enable it to monitor the competition of trainings more systematically. The process will be completed in 2025 and reported in connection with the 2025 sustainability report.

To ensure the responsibility of suppliers and other partners, Evli exercises due diligence. Evli's Supplier Code of Conduct governs relations with suppliers. Evli expects responsible business conduct from own employees and from partners (including suppliers, subcontractors, and service providers).

The Supplier Code of Conduct states that Evli is committed to respecting and promoting internationally recognized human rights, such as the UN's Universal Declaration of Human Rights and the ILO's eight core conventions of fundamental human rights. This commitment extends to ensuring that all employees are treated equally and with respect, regardless of gender, age, religion, health, or other similar factors. Our partners must ensure that they are not complicit in human rights abuses. Evli Group and its partners must support, in their own activities, the effective elimination of all forms of forced labor and child labor.

Prevention and detection of corruption and bribery

For Evli, the possibility of being exposed to corruption and bribery risks through clients, investments, and other business partners has been identified. Evli may incur reputational, legal, and business consequences if it fails to prevent corruption and bribery. Evli is committed to fighting against corruption and bribery and will not condone corruption, bribery, or any other illegal activity under any circumstances. Evli does not have a policy on the prevention of corruption and bribery in line with the UN Convention, but Evli's Ethical Principles and Conflict of Interest policy govern the legality and ethics of its personnel. The Evli Group has comprehensive procedures in place designed to prevent, detect, and handle allegations or incidents of corruption and bribery. These procedures include, among other things, training and internal communication for employees, as well as communicating with suppliers. In addition, training is provided to members of the administrative, management, and supervisory bodies, as appropriate. In the coming years, Evli will examine whether its operations and the related polices concerning the prevention of corruption and bribery will be aligned with the principles of the UN Convention. In addition, Evli will specify the coverage of training related to corruption and bribery for those working in risk functions.

Evli's employees do not offer, solicit, or accept improper gifts, trips, or payments, for example. In addition, internal guidelines exist for cases of representation and business gifts. The prevention of corruption and bribery and ethical conduct aims to promote ethical and responsible business practices and safeguard Evli's reputation by preventing undue influence and conflicts of interest.

Evli's Compliance function monitors the prevention of corruption and bribery and reports, as appropriate, to Evli's Board of Directors and Risk and Audit Committee, as well as to the company's Executive Group, as part of the regular Compliance reporting.

Evli plays an important role in preventing money laundering and terrorist financing. For this purpose, Evli has clear operating instructions that apply to all personnel. In addition to statutory obligations, preventing money laundering is part of Evli's risk management and an important part of its business operations. Knowing the client is an integral part of the prevention of money laundering. Therefore, before a new client relationship is formed, the client's information is always analyzed as required by guidelines based on the law. All personnel who have direct contact with clients must take part in annual training events on money laundering and knowing the client. Evli has also adopted an active role in developing the regulation and good operating practices in the industry. In addition, Evli continuously trains its personnel in the prevention of money laundering and terrorist financing.

Evli has made it possible for internal and external stakeholders to report violations through a Whistleblowing procedure in accordance with the EU directive 2019/1937 ("Whistleblower Directive") and the Finnish national law implementing it ("Laki ilmoittajansuojasta" 1171/2022). If an employee or other stakeholder suspects that unethical activities or activities violating the law, regulations, authorities' guidelines, or Evli's internal guidelines have occurred, they can report it through the anonymous Whistleblowing reporting channel.

In accordance with the Whistleblowing process of Evli, the identity of the whistleblower must be kept confidential throughout the process to the extent appropriate or permitted by the law. Participation in the investigation of a case is also confidential and must not have negative consequences. Information collected in the reporting procedure will be kept confidential and stored for five years, unless otherwise provided in any applicable mandatory legislation.

The responsibility of business operations is guided by the Ethical Principles of the Evli Group that include a prohibition of bribery and instructions on hospitality shown to authorities. Evli is committed to fighting against corruption and bribery in its own operations and in its relations with its partners. A similar prohibition is also included in Evli's Supplier Code of Conduct.

The main ways to prevent and detect corruption and bribery are the following:

- Training in ethical principles and other policies governing Evli's operations (discussed in section "Business conduct policies and corporate culture").
- Whistleblowing reporting channel that is open to all internal and external stakeholders. The reports are handled in accordance with a process (discussed in section "Mechanisms for identifying, reporting, and investigating concerns (Protection of whistleblowers)).

In 2024, no cases of corruption or bribery were reported.

Mechanisms for identifying, reporting, and investigating concerns (**Protection of whistleblowers**)

Personnel and stakeholders are encouraged to report any legal violations related to Evli's operations and unethical grievances they observe. Observations can be reported to one's supervisor, contact person, or Evli's Whistleblowing reporting channel.

The Whistleblowing reporting channel is on Evli's website and open to all internal and external stakeholders of the Group. The reporting can be made anonymously. The technical implementation of the channel is carried out by an external partner. All violations and suspected violations brought to the attention of the Group are investigated. At Evli, it has been decided that the Whistleblowing reports will be handled by the Head of Legal and HR affairs, assisted by the company lawyer and, if necessary, an internal auditor. Cases are reported as part of the Compliance Report and presented to the Audit and Risk Committee and the Board of Directors of the Group.

In 2024, Evli was not aware of any confirmed cases of bribery, or cases where there was retaliation against a whistleblower.

Content index of Corporate Responsibility Report

This report is not a CSRD–compliant sustainability report, and the content and structure of the reporting will be further developed in the coming years. The CSRD reporting requirements have guided the content and structure of the 2024 report, but only from the 2025 report onwards Evli will be required to report in accordance with the CSRD. The content index of the Corporate Responsibility Report follows the format of the sustainability report's list of disclosure requirements, which a company must provide as part of its sustainability statement, but it has been drafted voluntarily, and it is not audited by a sustainability reporting auditor.

PART OF THE CORPORATE RESPONSIBILITY REPORT	ESRS	PARAGRAPH	HEADLINE	PLACE IN REPORT
GENERAL DISCLOSURES				
	ESRS 2	BP–1	General basis for preparation of sustainability statements	
	ESRS 2	BP–1–3		General information – Corporate Responsibility Report Reporting Principles
	ESRS 2	BP–1–5 a		General information – Corporate Responsibility Report Reporting Principles
	ESRS 2	BP–1–5 b i		General information – Corporate Responsibility Report Reporting Principles
	ESRS 2	BP–1–5 b ii		General information – Corporate Responsibility Report Reporting Principles
	ESRS 2	BP–1–5 c		Responsibility governance and strategy – Strategy, business model, and value chain
	ESRS 2	BP–1–5 d		General information – Corporate Responsibility Report Reporting Principles
	ESRS 2	BP–1–5 e		Not material
	ESRS 2	BP–2	Disclosures in relation to specific circumstances	
	ESRS 2	BP–2–6		General information – Corporate Responsibility Report Reporting Principles
	ESRS 2	BP–2–9		Not material
	ESRS 2	BP–2–9 a		Not material
	ESRS 2	BP–2–9 b		Not material
	ESRS 2	BP–2–10		Not material
	ESRS 2	BP–2–10 a		Not material
	ESRS 2	BP–2–10 b		Not material
	ESRS 2	BP–2–10 c		Not material
	ESRS 2	BP–2–10 d		Not material

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GENERAL DISCLOSURES				
	ESRS 2	BP–2–11 a		Not material
	ESRS 2	BP–2–11 b i		Not material
	ESRS 2	BP–2–11 b ii 12		Not material
	ESRS 2	BP–2–13 a		General information – Corporate Responsibility Report Reporting Principles
	ESRS 2	BP–2–13 b		General information – Corporate Responsibility Report Reporting Principles
	ESRS 2	BP–2–13 c		General information – Corporate Responsibility Report Reporting Principles
	ESRS 2	BP–2–14 a		Not material
	ESRS 2	BP–2–14 b		Not material
	ESRS 2	BP–2–14 c		Not material
	ESRS 2	BP–2–15		General information – Corporate Responsibility Report Reporting Principles
	ESRS 2	BP–2–AR 2		Not material
	ESRS 2	BP–2–16		Not material
	ESRS 2	BP–2–17		Responsibility governance and strategy – Identification and assessment of material impacts, risks, and opportunities
	ESRS 2	BP–2–17 a		Responsibility governance and strategy – Identification and assessment of material impacts, risks, and opportunities
	ESRS 2	BP–2–17 b		Responsibility governance and strategy – Identification and assessment of material impacts, risks, and opportunities
	ESRS 2	BP–2–17 c		Responsibility governance and strategy – Identification and assessment of material impacts, risks, and opportunities
	ESRS 2	BP–2–17 d		Responsibility governance and strategy – Identification and assessment of material impacts, risks, and opportunities
	ESRS 2	BP–2–17 e		Responsibility governance and strategy – Identification and assessment of material impacts, risks, and opportunities
	ESRS 2	GOV–1	The role of the administrative, management and supervisory bodies	
	ESRS 2	GOV–1–21		Responsibility governance and strategy – The role of the administrative, management, and supervisory bodies and information provided to them and sustainability matters addressed by them
	ESRS 2	GOV–1–21 a		Responsibility governance and strategy – The role of the administrative, management, and supervisory bodies and information provided to them and sustainability matters addressed by them
	ESRS 2	GOV–1–21 a		Responsibility governance and strategy – The role of the administrative, management, and supervisory bodies and information provided to them and sustainability matters addressed by them
	ESRS 2	GOV–1–21 b		Responsibility governance and strategy – The role of the administrative, management, and supervisory bodies and information provided to them and sustainability matters addressed by them

PART OF THE CORPORATE RESPONSIBILITY REPORT	ESRS	PARAGRAPH	HEADLINE	PLACE IN REPORT
GENERAL DISCLOSURES				
	ESRS 2	GOV–1–21 c		Responsibility governance and strategy – The role of the administrative, management, and supervisory bodies and information provided to them and sustainability matters addressed by them
	ESRS 2	GOV–1–21 d		Responsibility governance and strategy – The role of the administrative, management, and supervisory bodies and information provided to them and sustainability matters addressed by them
	ESRS 2	GOV–1–21 d		Responsibility governance and strategy – The role of the administrative, management, and supervisory bodies and information provided to them and sustainability matters addressed by them
	ESRS 2	GOV–1–21 e		Responsibility governance and strategy – The role of the administrative, management, and supervisory bodies and information provided to them and sustainability matters addressed by them
	ESRS 2	GOV–1–22		Responsibility governance and strategy – The role of the administrative, management, and supervisory bodies and information provided to them and sustainability matters addressed by them
	ESRS 2	GOV–1–22 a		Responsibility governance and strategy – The role of the administrative, management, and supervisory bodies and information provided to them and sustainability matters addressed by them
	ESRS 2	GOV–1–22 b		Responsibility governance and strategy – The role of the administrative, management, and supervisory bodies and information provided to them and sustainability matters addressed by them
	ESRS 2	GOV–1–22 c		Responsibility governance and strategy – The role of the administrative, management, and supervisory bodies and information provided to them and sustainability matters addressed by them
	ESRS 2	GOV–1–22 c i		Responsibility governance and strategy – The role of the administrative, management, and supervisory bodies and information provided to them and sustainability matters addressed by them
	ESRS 2	GOV–1–22 c ii		Responsibility governance and strategy – The role of the administrative, management, and supervisory bodies and information provided to them and sustainability matters addressed by them
	ESRS 2	GOV–1–22 c iii		Responsibility governance and strategy – The role of the administrative, management, and supervisory bodies and information provided to them and sustainability matters addressed by them
	ESRS 2	GOV–1–22 d		Responsibility governance and strategy – The role of the administrative, management, and supervisory bodies and information provided to them and sustainability matters addressed by them
	ESRS 2	GOV–1–23		Responsibility governance and strategy – The role of the administrative, management, and supervisory bodies and information provided to them and sustainability matters addressed by them
	ESRS 2	GOV–1–23 a		Responsibility governance and strategy – The role of the administrative, management, and supervisory bodies and information provided to them and sustainability matters addressed by them

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GENERAL DISCLOSURES				
	ESRS 2	GOV–1–23 b		Responsibility governance and strategy – The role of the administrative, management, and supervisory bodies and information provided to them and sustainability matters addressed by them
	ESRS 2	GOV–2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	
	ESRS 2	GOV–2–26 a		Responsibility governance and strategy – The role of the administrative, management, and supervisory bodies and information provided to them and sustainability matters addressed by them
	ESRS 2	GOV–2–26 b		Responsibility governance and strategy – The role of the administrative, management, and supervisory bodies and information provided to them and sustainability matters addressed by them
	ESRS 2	GOV–2–26 c		Responsibility governance and strategy – The role of the administrative, management, and supervisory bodies and information provided to them and sustainability matters addressed by them
	ESRS 2	GOV–3	Integration of sustainability–related performance in incentive schemes	
	ESRS 2	GOV–3–29		Responsibility governance and strategy – Integration of sustainability–related performance in incentive plans
	ESRS 2	GOV–3–29 a		Responsibility governance and strategy – Integration of sustainability–related performance in incentive plans
	ESRS 2	GOV–3–29 b		Responsibility governance and strategy – Integration of sustainability–related performance in incentive plans
	ESRS 2	GOV–3–29 c		Responsibility governance and strategy – Integration of sustainability–related performance in incentive plans
	ESRS 2	GOV–3–29 d		Responsibility governance and strategy – Integration of sustainability–related performance in incentive plans
	ESRS 2	GOV–3–29 e		Responsibility governance and strategy – Integration of sustainability–related performance in incentive plans
	ESRS 2	GOV–4	Statement on due diligence	
	ESRS 2	GOV–4–30; 32		Responsibility governance and strategy – Statement on due diligence
	ESRS 2	GOV–5	Risk management and internal controls over sustainability reporting	
	ESRS 2	GOV–5–36 a		Responsibility governance and strategy – Risk management and internal controls over sustainability reporting
	ESRS 2	GOV–5–36 b		Responsibility governance and strategy – Risk management and internal controls over sustainability reporting

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GENERAL DISCLOSURES				
	ESRS 2	GOV–5–36 c		Responsibility governance and strategy – Risk management and internal controls over sustainability reporting
	ESRS 2	GOV–5–36 d		Responsibility governance and strategy – Risk management and internal controls over sustainability reporting
	ESRS 2	GOV–5–36 e		Responsibility governance and strategy – Risk management and internal controls over sustainability reporting
	ESRS 2	SBM–1	Strategy, business model and value chain	
	ESRS 2	SBM–1–40		Strategy, business model, and value chain
	ESRS 2	SBM–1–40 a i		Strategy, business model, and value chain
	ESRS 2	SBM–1–40 a ii		Strategy, business model, and value chain
	ESRS 2	SBM–1–40 a iii		Strategy, business model, and value chain
	ESRS 2	SBM–1–40 a iv		Strategy, business model, and value chain
	ESRS 2	SBM–1–40 b		Reporting on the data point will be refined in future reporting periods
	ESRS 2	SBM–1–40 c		Not material
	ESRS 2	SBM–1–40 d i		Not material
	ESRS 2	SBM–1–40 d ii		Not material
	ESRS 2	SBM–1–40 d iii		Not material
	ESRS 2	SBM–1–40 d iv		Not material
	ESRS 2	SBM–1–40 e		Reporting on the data point will be refined in future reporting periods
	ESRS 2	SBM–1–40 f		Strategy, business model, and value chain
	ESRS 2	SBM–1–40 g		Strategy, business model, and value chain
	ESRS 2	SBM–1–41		Not material
	ESRS 2	SBM–1–42		Interests and views of stakeholders
	ESRS 2	SBM–1–42 a		Not material
	ESRS 2	SBM–1–42 b		Interests and views of stakeholders
	ESRS 2	SBM–1–42 c		Reporting on the data point will be refined in future reporting periods
	ESRS 2	SBM–2	Interests and views of stakeholders	
	ESRS 2	SBM–2–45 a		Interests and views of stakeholders
	ESRS 2	SBM–2–45 a i		Interests and views of stakeholders
	ESRS 2	SBM–2–45 a ii		Interests and views of stakeholders
	ESRS 2	SBM–2–45 a iii		Interests and views of stakeholders
	ESRS 2	SBM–2–45 a iv		Interests and views of stakeholders
	ESRS 2	SBM–2–45 a v		Interests and views of stakeholders
	ESRS 2	SBM–2–45 b		Interests and views of stakeholders
	ESRS 2	SBM–2–45 c		Interests and views of stakeholders

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GENERAL DISCLOSURES				
	ESRS 2	SBM–2–45 c i		Interests and views of stakeholders
	ESRS 2	SBM–2–45 c ii		Interests and views of stakeholders
	ESRS 2	SBM–2–45 c iii		Interests and views of stakeholders
	ESRS 2	SBM–2–45 d		The role of the administrative, management, and supervisory bodies and information provided to them and sustainability matters addressed by them
	ESRS 2	SBM–3	Material impacts, risks and opportunities and their interaction with strategy and business model	
	ESRS 2	SBM–3–48 a		Responsibility governance and strategy – Identification and assessment of material impacts, risks, and opportunities
	ESRS 2	SBM–3–48 b		Responsibility governance and strategy – Identification and assessment of material impacts, risks, and opportunities
	ESRS 2	SBM–3–48 c i		Responsibility governance and strategy – Identification and assessment of material impacts, risks, and opportunities
	ESRS 2	SBM–3–48 c ii		Responsibility governance and strategy – Identification and assessment of material impacts, risks, and opportunities
	ESRS 2	SBM–3–48 c iii		Not material
	ESRS 2	SBM–3–48 c iv		Responsibility governance and strategy – Identification and assessment of material impacts, risks, and opportunities
	ESRS 2	SBM–3–48 d		Responsibility governance and strategy – Identification and assessment of material impacts, risks, and opportunities
	ESRS 2	SBM–3–48 e		Not material
	ESRS 2	SBM–3–48 f		Responsibility governance and strategy – Identification and assessment of material impacts, risks, and opportunities
	ESRS 2	SBM–3–48 g		Not material
	ESRS 2	SBM–3–48 h		Responsibility governance and strategy – Identification and assessment of material impacts, risks, and opportunities
	ESRS 2	IRO–1	Description of the processes to identify and assess material impacts, risks and opportunities	
	ESRS 2	IRO–1–53 a		Responsibility governance and strategy – Identification and assessment of material impacts, risks, and opportunities
	ESRS 2	IRO–1–53 b		Reporting on the data point will be refined in future reporting periods
	ESRS 2	IRO–1–53 b i		Not material
	ESRS 2	IRO–1–53 b ii		Not material
	ESRS 2	IRO–1–53 b iii		Responsibility governance and strategy – Identification and assessment of material impacts, risks, and opportunities
	ESRS 2	IRO–1–53 b iv		Reporting on the data point will be refined in future reporting periods

PART OF THE CORPORATE RESPONSIBILITY REPORT	ESRS	PARAGRAPH	HEADLINE	PLACE IN REPORT
GENERAL DISCLOSURES				
	ESRS 2	IRO–1–53 c		Responsibility governance and strategy – Risk management and internal controls over sustainability reporting
	ESRS 2	IRO–1–53 c i		Responsibility governance and strategy – Risk management and internal controls over sustainability reporting
	ESRS 2	IRO–1–53 c ii		Responsibility governance and strategy – Risk management and internal controls over sustainability reporting
	ESRS 2	IRO–1–53 c iii		Reporting on the data point will be refined in future reporting periods
	ESRS 2	IRO–1–53 d		Responsibility governance and strategy – Risk management and internal controls over sustainability reporting
	ESRS 2	IRO–1–53 e		Responsibility governance and strategy – Risk management and internal controls over sustainability reporting
	ESRS 2	IRO–1–53 f		Responsibility governance and strategy – Risk management and internal controls over sustainability reporting
	ESRS 2	IRO–1–53 g		Not material
	ESRS 2	IRO–1–53 h		Not material
	ESRS 2	IRO–2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	
	ESRS 2	IRO–2–56		Content index of Corporate Responsibility Report
	ESRS 2	IRO–2–57		Not material
	ESRS 2	IRO–2–58		Not material
	ESRS 2	IRO–2–59		Responsibility governance and strategy – Identification and assessment of material impacts, risks, and opportunities

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ENVIRONMENTAL INFORMATION				
	E1	E1.GOV–3 –13		Responsibility governance and strategy – Integration of sustainability–related performance in incentive plans
	E1	E1–1	Transition plan for climate change mitigation	
	E1	E1–1 –14		Climate change – Transition plan and Evli's climate targets
	E1	E1–1 –16a		Climate change – Transition plan and Evli's climate targets
	E1	E1–1 –16b		Reporting on the data point will be refined in future reporting periods
	E1	E1–1 –16c		Reporting on the data point will be refined in future reporting periods
	E1	E1–1 –16d		Reporting on the data point will be refined in future reporting periods
	E1	E1–1 –16e		Not material
	E1	E1–1 –16f		Not material
	E1	E1–1 –16g		Not material
	E1	E1–1–16h		Climate change – Transition plan
	E1	E1–1 –16i		Climate change – Transition plan
	E1	E1–1 –16j		Climate change – Progress in targets
	E1	E1–1 –17		Climate change – Transition plan
	E1	E1.SBM–3 –18		Climate change – Identification and assessment of material impacts, risks, and opportunities
	E1	E1.SBM–3 –19a		Reporting on the data point will be refined in future reporting periods
	E1	E1.SBM–3 –19b		Reporting on the data point will be refined in future reporting periods
	E1	E1.SBM–3 –AR 7b		Reporting on the data point will be refined in future reporting periods
	E1	E1.SBM–3 –19c		Reporting on the data point will be refined in future reporting periods
	E1	E1.SBM–3 –AR 8b		Reporting on the data point will be refined in future reporting periods
	E1	E1.IRO–1 –20a, AR 9		Climate change – Identification and assessment of material impacts, risks, and opportunities
	E1	E1.IRO–1 –20b		Reporting on the data point will be refined in future reporting periods
	E1	E1.IRO–1 –21		Climate change – Identification and assessment of material impacts, risks, and opportunities
	E1	E1.IRO–1 –20c		Reporting on the data point will be refined in future reporting periods
	E1	E1.IRO–1 –21		Reporting on the data point will be refined in future reporting periods
	E1	E1.IRO–1 –AR 15		Reporting on the data point will be refined in future reporting periods
	E1	E1–2	Policies related to climate change mitigation and adaptation	
	E1	E1–2–24		Climate change – Policies and actions and resources related to them
	E1	E1–2–25		Climate change – Policies and actions and resources related to them
	ESRS 2	62		Not material

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ENVIRONMENTAL INFORMATION				
	E1	E1–3	Actions and resources in relation to climate change policies	
	E1	E1–3 –28		Climate change – Policies and actions and resources related to them
	E1	E1–3 –29a		Reporting on the data point will be refined in future reporting periods
	E1	E1–3–AR19d		Reporting on the data point will be refined in future reporting periods
	E1	E1–3–29b		Reporting on the data point will be refined in future reporting periods
	E1	E1–3–AR21		Reporting on the data point will be refined in future reporting periods
	E1	E1–3–29ci		Reporting on the data point will be refined in future reporting periods
	E1	E1–3–29ciii,16c		Reporting on the data point will be refined in future reporting periods
	E1	E1–3–AR22		Reporting on the data point will be refined in future reporting periods
	ESRS 2	62		Climate change – Policies and actions and resources related to them
	E1	E1–4	Targets related to climate change mitigation and adaptation	
	E1	E1–4 –32		Evli's climate targets
	E1	E1–4 –33		Evli's climate targets
	E1	E1–4 –34a + 34 b		Evli's climate targets
	E1	E1–4 –34b		Evli's climate targets
	E1	E1–4 –34c		Evli's climate targets
	E1	E1–4 –AR 25 a		Reporting on the data point will be refined in future reporting periods
	E1	E1–4 –AR 25 b		Not material
	E1	E1–4–34e,16a		Evli's climate targets
	E1	E1–4 –34f,16b		Evli's climate targets
	E1	E1–4–AR 30c		Evli's climate targets
	ESRS 2	E1–4–81		Evli's climate targets
	E1	E1–5	Energy consumption and mix	
	E1	E1–5–37		Not material
	E1	E1–5–37a		Not material
	E1	E1–5–37b		Not material
	E1	E1–5–AR 34		Not material
	E1	E1–5–37c		Not material
	E1	E1–5–37ci		Not material
	E1	E1–5–37cii		Not material
	E1	E1–5–37ciii		Not material
	E1	E1–5–AR 34		Not material
	E1	E1–5–38a		Not material

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ENVIRONMENTAL INFORMATION				
	E1	E1–5–38b		Not material
	E1	E1–5–38c		Not material
	E1	E1–5–38d		Not material
	E1	E1–5–38e		Not material
	E1	E1–5–AR 34		Not material
	E1	E1–5–39		Not material
	E1	E1–5–40		Not material
	E1	E1–5–41		Not material
	E1	E1–5–42		Not material
	E1	E1–5–43		Not material
	E1	E1–5–AR 38b		Not material
	E1	E1–6	Gross Scopes 1, 2, 3 and Total GHG emissions	
	E1	E1–6–44		Greenhouse gas emissions (GHG)
	E1	E1–6 –50		Reporting on the data point will be refined in future reporting periods
	E1	E1–6 –AR 41		Greenhouse gas emissions (GHG)
	E1	E1–6 –AR 46 d		Greenhouse gas emissions (GHG)
	E1	E1–6 –AR 50		Not material
	E1	E1–6 –AR 52		Reporting on the data point will be refined in future reporting periods
	E1	E1–6–48 a		Not material
	E1	E1–6–48 b		Not material
	E1	E1–6–49 a		Greenhouse gas emissions (GHG)
	E1	E1–6–49 b		Greenhouse gas emissions (GHG)
	E1	E1–6–51		Greenhouse gas emissions (GHG)
	E1	E1–6–44+52		Greenhouse gas emissions (GHG)
	E1	E1–6–44+52a		Greenhouse gas emissions (GHG)
	E1	E1–6–44+52b		Greenhouse gas emissions (GHG)
	E1	E1–6–52 a)		Greenhouse gas emissions (GHG)
	E1	E1–6–52 b)		Greenhouse gas emissions (GHG)
	E1	E1–6–47		Not material
	E1	E1–6–AR 39b		Climate change – Principles of preparing metrics
	E1	E1–6–AR 42c		Climate change – Principles of preparing metrics
	E1	E1–6 –AR 43c		Not material
	E1	E1–6 –AR 45d		Greenhouse gas emissions (GHG)
	E1	E1–6 –AR 45e		Not material

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ENVIRONMENTAL INFORMATION				
	E1	E1–6–AR 46g		Climate change – Principles of preparing metrics
	E1	E1–6–AR 46i		Climate change – Principles of preparing metrics
	E1	E1–6 –AR 46j		Not material
	E1	E1–6–AR 46h		Climate change – Principles of preparing metrics
	E1	E1–6 –53		Reporting on the data point will be refined in future reporting periods
	E1	E1–6 –55		Reporting on the data point will be refined in future reporting periods
	E1	E1–6–AR 55		Reporting on the data point will be refined in future reporting periods
	E1	E1–7	GHG removals and GHG mitigation projects financed through carbon credits	
	E1	E1–7 –56a		Not material
	E1	E1–7 –56b		Not material
	E1	E1–7 –58		Not material
	E1	E1–7 –58a		Not material
	E1	E1–7 –AR 58f		Not material
	E1	E1–7 –58b		Not material
	E1	E1–7 –AR 58e		Not material
	E1	E1–7 –59a		Not material
	E1	E1–7 –59b		Not material
	E1	E1–7 –AR 60		Not material
	E1	E1–7 –AR 61		Not material
	E1	E1–7 –AR 62a		Not material
	E1	E1–7 –AR 62b		Not material
	E1	E1–7 –AR 62c		Not material
	E1	E1–7 –AR 62d		Not material
	E1	E1–7 –AR 62e		Not material
	E1	E1–7 –AR 64		Not material
	E1	E1–7 –60		Not material
	E1	E1–7 –61		Not material
	E1	E1–7 –61a		Not material
	E1	E1–7 –61b		Not material
	E1	E1–7 –61 a, b		Not material
	E1	E1–7 –61c		Not material
	E1	E1–7 –AR 62		Not material
	E1	E1–8	Internal carbon pricing	

PART OF THE CORPORATE RESPONSIBILITY REPORT	ESRS	PARAGRAPH	HEADLINE	PLACE IN REPORT
ENVIRONMENTAL INFORMATION				
	E1	E1–8 –63 a		Not material
	E1	E1–8 –63b		Not material
	E1	E1–8 –63c		Not material
	E1	E1–8 –63d		Not material
	E1	E1–8 –AR 65		Not material
	E1	E1–9	Anticipated financial effects from material physical and transition risks and potential climate–related opportunities	
	E1	E1–9 –66a		Reporting on the data point will be refined in future reporting periods
	E1	E1–9 –AR 70 c i)		Reporting on the data point will be refined in future reporting periods
	E1	E1–9 –66b		Reporting on the data point will be refined in future reporting periods
	E1	E1–9–66 c		Reporting on the data point will be refined in future reporting periods
	E1	E1–9 –66d		Reporting on the data point will be refined in future reporting periods
	E1	E1–9 –AR 69a		Reporting on the data point will be refined in future reporting periods
	E1	E1–9 –AR 69b		Reporting on the data point will be refined in future reporting periods
	E1	E1–9 –AR 71b		Reporting on the data point will be refined in future reporting periods
	E1	E1–9 –AR 71b		Reporting on the data point will be refined in future reporting periods
	E1	E1–9 –67a		Reporting on the data point will be refined in future reporting periods
	E1	E1–9 –67b		Reporting on the data point will be refined in future reporting periods
	E1	E1–9 –67c		Reporting on the data point will be refined in future reporting periods
	E1	E1–9 –AR 72a, AR 73a		Reporting on the data point will be refined in future reporting periods
	E1	E1–9 –AR 72b		Reporting on the data point will be refined in future reporting periods
	E1	E1–9 –AR 73a		Reporting on the data point will be refined in future reporting periods
	E1	E1–9 –AR 73b		Reporting on the data point will be refined in future reporting periods
	E1	E1–9 –67d		Reporting on the data point will be refined in future reporting periods
	E1	E1–9 –AR 74c		Reporting on the data point will be refined in future reporting periods
	E1	E1–9 –AR 74d		Reporting on the data point will be refined in future reporting periods
	E1	E1–9 –AR 74e		Reporting on the data point will be refined in future reporting periods
	E1	E1–9 –67e		Reporting on the data point will be refined in future reporting periods
	E1	E1–9 –AR 76,		Reporting on the data point will be refined in future reporting periods
	E1	E1–9 –AR 76b		Reporting on the data point will be refined in future reporting periods
	E1	E1–9 –68a		Reporting on the data point will be refined in future reporting periods
	E1	E1–9 –68b		Reporting on the data point will be refined in future reporting periods
	E1	E1–9 –69a		Reporting on the data point will be refined in future reporting periods
	E1	E1–9 –69b		Reporting on the data point will be refined in future reporting periods

PART OF THE CORPORATE RESPONSIBILITY REPORT	ESRS	PARAGRAPH	HEADLINE	PLACE IN REPORT
SOCIAL INFORMATION				
	S1	SBM–3	Material impacts, risks and opportunities and their interaction with strategy and business model related to own workforce	
	S1	SBM–3–14		Own workforce – Material impacts, risks, and opportunities related to own workforce
	S1	SBM–3–14 a		Own workforce – Material impacts, risks, and opportunities related to own workforce
	S1	SBM–3–14 b		Own workforce – Material impacts, risks, and opportunities related to own workforce
	S1	SBM–3–14 c		Own workforce – Material impacts, risks, and opportunities related to own workforce
	S1	SBM–3–14 d		Own workforce – Material impacts, risks, and opportunities related to own workforce
	S1	SBM–3–14 e		Not material
	S1	SBM–3–14 f (i)		Not material
	S1	SBM–3–14 f (ii)		Not material
	S1	SBM–3–14 g (i)		Not material
	S1	SBM–3–14 g (ii)		Not material
	S1	SBM–3–15		Not material
	S1	SBM–3–16		Not material
	S1	S1–1	Policies related to own workforce	
	S1	S1–1–19		Own workforce – Policies
	S1	S1–1–AR10		Not material
	S1	S1–1–20		Own workforce – Policies
	S1	S1–1–20a		Own workforce – Policies
	S1	S1–1–20b		Own workforce – Engaging with own workers and workers' representatives about impacts
	S1	S1–1–20c		Own workforce – Processes to remediate negative impacts and channels for own workers to raise concerns
	S1	S1–1–21		Own workforce – Policies
	S1	S1–1–22		Own workforce – Policies
	S1	S1–1–23		Own workforce – Health and safety
	S1	S1–1–24a		Own workforce – Measures – Equal treatment and opportunities for all
	S1	S1–1–24b		Own workforce – Measures – Equal treatment and opportunities for all
	S1	S1–1–24c		Own workforce – Measures – Equal treatment and opportunities for all
	S1	S1–1–24d		Own workforce – Measures – Equal treatment and opportunities for all
	S1	S1–1–AR 14		Not material
	S1	S1–1–AR 17 a)		Not material
	S1	S1–1–AR 17 b)		Not material
	S1	S1–1–AR 17 c)		Not material
	S1	S1–1–AR 17 d)		Not material

PART OF THE CORPORATE RESPONSIBILITY REPORT	ESRS	PARAGRAPH	HEADLINE	PLACE IN REPORT
SOCIAL INFORMATION				
	S1	S1–1–AR 17 e)		Not material
	S1	S1–1–AR 17 f)		Not material
	S1	S1–1–AR 17 g)		Not material
	S1	S1–1–AR 17 h)		Not material
	ESRS 2	62		Not material
	S1	S1–2	Processes for engaging with own workers and workers' representatives about impacts	
	S1	S1–2–27		Own workforce – Engaging with own workers and workers' representatives about impacts
	S1	S1–2–27a		Own workforce – Engaging with own workers and workers' representatives about impacts
	S1	S1–2–27b		Own workforce – Engaging with own workers and workers' representatives about impacts
	S1	S1–2–27c		Own workforce – Engaging with own workers and workers' representatives about impacts
	S1	S1–2–27d		Not material
	S1	S1–2–27e		Not material
	S1	S1–2–28		Not material
	S1	S1–2–29		Not material
	S1	S1–2–AR 25 a		Not material
	S1	S1–2–AR 25 b		Not material
	S1	S1–2–AR 25 c		Not material
	S1	S1–2–AR 25 d		Not material
	S1	S1–2–AR 25 e		Not material
	S1	S1–2–AR 26		Not material
	S1	S1–3	Processes to remediate negative impacts and channels for own workers to raise concerns	
	S1	S1–3–32a		Own workforce – Processes to remediate negative impacts and channels for own workers to raise concerns
	S1	S1–3–32b		Own workforce – Processes to remediate negative impacts and channels for own workers to raise concerns
	S1	S1–3–AR 29		Own workforce – Processes to remediate negative impacts and channels for own workers to raise concerns
	S1	S1–3–AR 30		Own workforce – Processes to remediate negative impacts and channels for own workers to raise concerns
	S1	S1–3–32c		Own workforce – Processes to remediate negative impacts and channels for own workers to raise concerns
	S1	S1–3–32d		Own workforce – Processes to remediate negative impacts and channels for own workers to raise concerns

PART OF THE CORPORATE RESPONSIBILITY REPORT	ESRS	PARAGRAPH	HEADLINE	PLACE IN REPORT
SOCIAL INFORMATION				
	S1	S1–3–32e		Own workforce – Processes to remediate negative impacts and channels for own workers to raise concerns
	S1	S1–3–33		Own workforce – Processes to remediate negative impacts and channels for own workers to raise concerns
	S1	S1–3–34		Not material
	S1	S1–4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	
	S1	S1–4–37		Own workforce – Measures
	S1	S1–4–38a		Own workforce – Measures
	S1	S1–4–38b		Own workforce – Measures
	S1	S1–4–38c		Not material
	S1	S1–4–38d		Own workforce – Measures
	S1	S1–4–39		Own workforce – Measures
	S1	S1–4–40a		Own workforce – Measures
	S1	S1–4–40b		Own workforce – Measures
	S1	S1–4–41		Own workforce – Measures
	S1	S1–4–43		Own workforce – Measures
	S1	S1–4–AR 33 a		Not material
	S1	S1–4–AR 33 b		Not material
	S1	S1–4–AR 33 c		Not material
	S1	S1–4–AR 33 d		Not material
	S1	S1–4–AR 35		Not material
	S1	S1–4–AR 36		Not material
	S1	S1–4–AR 40 a		Not material
	S1	S1–4–AR 40 b		Not material
	S1	S1–4–AR 41		Not material
	S1	S1–4–AR 43		Not material
	S1	S1–4–AR 48		Not material
	ESRS 2	62		Not material
	S1	S1–5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	
	S1	S1–5–46		Own workforce – Targets and their progress

PART OF THE CORPORATE RESPONSIBILITY REPORT	ESRS	PARAGRAPH	HEADLINE	PLACE IN REPORT
SOCIAL INFORMATION				
	S1	S1–5–47a		Own workforce – Targets and their progress
	S1	S1–5–47b		Own workforce – Targets and their progress
	S1	S1–5–47c		Own workforce – Targets and their progress
	S1	S1–5–AR 49 a		Not material
	S1	S1–5–AR 49 b		Not material
	S1	S1–5–AR 49 c		Not material
	ESRS 2	81		Not material
	S1	S1–6	Characteristics of the undertaking's employees	
	S1	S1–6–50a		Own workforce – Personnel key figures
	S1	S1–6–50b		Own workforce – Personnel key figures
	S1	S1–6–50b + 51		Own workforce – Personnel key figures
	S1	S1–6–50c		Own workforce – Personnel key figures
	S1	S1–6–50d		Own workforce – Personnel key figures
	S1	S1–6–50 d (i)		Own workforce – Personnel key figures
	S1	S1–6–50 d (ii)		Own workforce – Personnel key figures
	S1	S1–6–50e		Own workforce – Personnel key figures
	S1	S1–6–50f		Own workforce – Personnel key figures
	S1	S1–6–52		Own workforce – Personnel key figures
	S1	S1–6–52 a		Own workforce – Personnel key figures
	S1	S1–6–52 b		Own workforce – Personnel key figures
	S1	S1–7	Characteristics of non–employee workers in the undertaking's own workforce	
	S1	S1–7–55 a		Own workforce – Personnel key figures
	S1	S1–7–56		Own workforce – Personnel key figures
	S1	S1–7–55 b		Own workforce – Personnel key figures
	S1	S1–7–55 b (i)		Own workforce – Personnel key figures
	S1	S1–7–55 b (ii)		Own workforce – Personnel key figures
	S1	S1–7–55c		Own workforce – Personnel key figures
	S1	S1–7–57		Own workforce – Personnel key figures
	S1	S1–8	Collective bargaining coverage and social dialogue	
	S1	S1–8–60 a		Own workforce – Personnel key figures
	S1	S1–8–60 b		Own workforce – Personnel key figures
	S1	S1–8–60 c		Own workforce – Personnel key figures
	S1	S1–8–61		Not material

PART OF THE CORPORATE RESPONSIBILITY REPORT	ESRS	PARAGRAPH	HEADLINE	PLACE IN REPORT
SOCIAL INFORMATION				
	S1	S1–8–62		Not material
	S1	S1–8–63a		Own workforce – Personnel key figures
	S1	S1–8–63b		Own workforce – Personnel key figures
	S1	S1–8–AR 70		Own workforce – Personnel key figures
	S1	S1–9	Diversity metrics	
	S1	S1–9–66a		Own workforce – Personnel key figures
	S1	S1–9–66b		Own workforce – Personnel key figures
	S1	S1–9–AR 71		Own workforce – Personnel key figures
	S1	S1–10	Adequate wages	
	S1	S1–10–69		Own workforce – Personnel key figures
	S1	S1–10–70		Not material
	S1	S1–10–71		Not material
	S1	S1–11	Social protection	
	S1	S1–11–74 a		Own workforce – Personnel key figures
	S1	S1–11–74 b		Own workforce – Personnel key figures
	S1	S1–11–74 c		Own workforce – Personnel key figures
	S1	S1–11–74 d		Own workforce – Personnel key figures
	S1	S1–11–74 e		Own workforce – Personnel key figures
	S1	S1–11–75		Own workforce – Personnel key figures
	S1	S1–12	Persons with disabilities	
	S1	S1–12–79		Own workforce – Personnel key figures
	S1	S1–12–80		Not material
	S1	S1–12–AR 76		Own workforce – Personnel key figures
	S1	S1–13	Training and skills development metrics	
	S1	S1–13–83 a		Own workforce – Personnel key figures
	S1	S1–13–83 b		Own workforce – Personnel key figures
	S1	S1–13–84		Not material
	S1	S1–13–85		Not material
	S1	S1–14	Health and safety metrics	
	S1	S1–14–88 a		Own workforce – Personnel key figures
	S1	S1–14–88b		Own workforce – Personnel key figures
	S1	S1–14–88c		Own workforce – Personnel key figures
	S1	S1–14–88d		Own workforce – Personnel key figures
	S1	S1–14–88e		Own workforce – Personnel key figures

PART OF THE CORPORATE RESPONSIBILITY REPORT	ESRS	PARAGRAPH	HEADLINE	PLACE IN REPORT
SOCIAL INFORMATION				
	S1	S1–14–89		Not material
	S1	S1–14–90		Not material
	S1	S1–14–AR 81		Not material
	S1	S1–14–AR 82		Not material
	S1	S1–14–AR 94		Not material
	S1	S1–15	Work–life balance metrics	
	S1	S1–15–93 a		Own workforce – Personnel key figures
	S1	S1–15–93 b		Own workforce – Personnel key figures
	S1	S1–15–94		Own workforce – Personnel key figures
	S1	S1–16	Compensation metrics (pay gap and total compensation)	
	S1	S1–16–97 a		Own workforce – Personnel key figures
	S1	S1–16–97 b		Own workforce – Personnel key figures
	S1	S1–16–97 c		Own workforce – Personnel key figures
	S1	S1–16–98		Not material
	S1	S1–16–99		Not material
	S1	S1–17	Incidents, complaints and severe human rights impacts	
	S1	S1–17–103 a		Own workforce – Personnel key figures
	S1	S1–17–103 b		Own workforce – Personnel key figures
	S1	S1–17–103 c		Own workforce – Personnel key figures
	S1	S1–17–103 d		Own workforce – Personnel key figures
	S1	S1–17–104 a		Own workforce – Personnel key figures
	S1	S1–17–104 b		Own workforce – Personnel key figures
	S1	S1–17–AR 103		Not material
	S1	S1–17–AR 106		Not material
	S4	SBM–3	Material impacts, risks and opportunities and their interaction with strategy and business model related to consumers and end–users	
	S4	SBM–3–10		Consumers and end–users – Material impacts, risks, and opportunities related to consumers and end–users
	S4	SBM–3–10 a)		Not material
	S4	SBM–3–10 a i)–iv)		Not material
	S4	SBM–3–10 b		Consumers and end–users – Material impacts, risks, and opportunities related to consumers and end–users

PART OF THE CORPORATE RESPONSIBILITY REPORT	ESRS	PARAGRAPH	HEADLINE	PLACE IN REPORT
SOCIAL INFORMATION				
	S4	SBM–3–10 c		Consumers and end–users – Material impacts, risks, and opportunities related to consumers and end–users
	S4	SBM–3–10 d		Consumers and end–users – Material impacts, risks, and opportunities related to consumers and end–users
	S4	SBM–3–11		Consumers and end–users – Policies
	S4	SBM–3–12		Consumers and end–users – Policies
	S4	S4–1	Policies related to consumers and end–users	
	S4	S4–1–15		Consumers and end–users – Information–related impacts for consumers and/or end–users
	S4	S4–1–16		Consumers and end–users – Policies
	S4	S4–1–16 a		Consumers and end–users – Policies
	S4	S4–1–16 b		Consumers and end–users – Processes to remediate negative impacts and channels for consumers and end–users to raise concerns
	S4	S4–1–16 c		Not material
	S4	S4–1–17		Not material
	S4	S4–1–AR 9		Not material
	S4	S4–1–AR 13		Not material
	ESRS 2	62		Not material
	S4	S4–2	Processes for engaging with consumers and end–users about impacts	
	S4	S4–2–20		Consumers and end–users – Information–related impacts for consumers and/or end–users
	S4	S4–2–20 a		Consumers and end–users – Information–related impacts for consumers and/or end–users
	S4	S4–2–20 b		Consumers and end–users – Information–related impacts for consumers and/or end–users
	S4	S4–2–20 c		Consumers and end–users – Information–related impacts for consumers and/or end–users
	S4	S4–2–20 d		Consumers and end–users – Processes to remediate negative impacts and channels for consumers and end–users to raise concerns
	S4	S4–2–21		Consumers and end–users – Processes to remediate negative impacts and channels for consumers and end–users to raise concerns
	S4	S4–2–22		Not material
	S4	S4–2–AR 15		Not material
	S4	S4–3	Processes to remediate negative impacts and channels for consumers and end–users to raise concerns	

PART OF THE CORPORATE RESPONSIBILITY REPORT	ESRS	PARAGRAPH	HEADLINE	PLACE IN REPORT
SOCIAL INFORMATION				
	S4	S4–3–25 a		Consumers and end–users – Processes to remediate negative impacts and channels for consumers and end–users to raise concerns
	S4	S4–3–25 b		Consumers and end–users – Processes to remediate negative impacts and channels for consumers and end–users to raise concerns
	S4	S4–3–25 c		Consumers and end–users – Processes to remediate negative impacts and channels for consumers and end–users to raise concerns
	S4	S4–3–25 d		Consumers and end–users – Processes to remediate negative impacts and channels for consumers and end–users to raise concerns
	S4	S4–3–26		Consumers and end–users – Processes to remediate negative impacts and channels for consumers and end–users to raise concerns
	S4	S4–3–27		Not material
	S4	S4–3–AR 20		Not material
	S4	S4–3–AR 21		Not material
	S4	S4–3–AR 22		Not material
	S4	S4–4	Taking action on material impacts on consumers and end–users, and approaches to managing material risks and pursuing material opportunities related to consumers and end–users, and effectiveness of those actions	
	S4	S4–4–31 a		Consumers and end–users – Policies
	S4	S4–4–31 b		Consumers and end–users – Policies
	S4	S4–4–31 c		Consumers and end–users – Policies
	S4	S4–4–31 d		Consumers and end–users – Targets and their progress
	S4	S4–4–32 a		Consumers and end–users – Policies
	S4	S4–4–32 b		Consumers and end–users – Policies
	S4	S4–4–32 c		Consumers and end–users – Policies
	S4	S4–4–33 a		Consumers and end–users – Policies
	S4	S4–4–33 b		Consumers and end–users – Policies
	S4	S4–4–34		Consumers and end–users – Policies
	S4	S4–4–35		Not material
	S4	S4–4–37		Consumers and end–users – Policies
	S4	S4–4–AR 25 a		Not material
	S4	S4–4–AR 25 b		Not material
	S4	S4–4–AR 25 c		Not material
	S4	S4–4–AR 25 d		Not material
	S4	S4–4–AR 27		Not material

PART OF THE CORPORATE RESPONSIBILITY REPORT	ESRS	PARAGRAPH	HEADLINE	PLACE IN REPORT
SOCIAL INFORMATION				
	S4	S4–4–AR 28		Not material
	S4	S4–4–AR 33 a)		Not material
	S4	S4–4–AR 33 b)		Not material
	S4	S4–4–AR 34		Not material
	S4	S4–4–AR 41		Not material
	ESRS 2	62		
	S4	S4–5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	
	S4	S4–5–41		Consumers and end–users – Targets and their progress
	S4	S4–5–41 a		Consumers and end–users – Targets and their progress
	S4	S4–5–41 b		Consumers and end–users – Targets and their progress
	S4	S4–5–41 c		Consumers and end–users – Targets and their progress
	S4	S4–5–AR 42 a		Not material
	S4	S4–5–AR 42 b		Not material
	S4	S4–5–AR 42 c		Not material
	ESRS 2	81		Not material

PART OF THE CORPORATE RESPONSIBILITY REPORT	ESRS	PARAGRAPH	HEADLINE	PLACE IN REPORT
GOVERNANCE INFORMATION				
	G1	GOV–1	The role of the administrative, management and supervisory bodies	
	G1	GOV–1–5a		Responsibility governance and strategy – The role of the administrative, management, and supervisory bodies and information provided to them and sustainability matters addressed by them
	G1	GOV–1–5 b		Responsibility governance and strategy – The role of the administrative, management, and supervisory bodies and information provided to them and sustainability matters addressed by them
	G1	G1–1	Corporate culture and Business conduct policies and corporate culture	
	G1	G1–1–7		Business conduct – Material impacts, risks, and opportunities related to business conduct
	G1	G1–1–9		Business conduct – Business conduct policies and corporate culture
	G1	G1–1–10a		Business conduct – Prevention and detection of corruption and bribery
	G1	G1–1–10 b		Business conduct – Prevention and detection of corruption and bribery
	G1	G1–1–10 c		Business conduct – Prevention and detection of corruption and bribery
	G1	G1–1–10 d		Not material
	G1	G1–1–10 e		Business conduct – Prevention and detection of corruption and bribery
	G1	G1–1–10 f		Not material
	G1	G1–1–10 g		Business conduct – Prevention and detection of corruption and bribery
	G1	G1–1–10 h		Business conduct – Prevention and detection of corruption and bribery
	G1	G1–1–11		Not material
	G1	G1–2	Management of relationships with suppliers	
	G1	G1–2–14		Not material
	G1	G1–2–15 a		Not material
	G1	G1–2–15 b		Not material
	ESRS 2	62		Not material
	G1	G1–3	Prevention and detection of corruption and bribery	
	G1	G1–3–18 a		Business conduct – Prevention and detection of corruption and bribery
	G1	G1–3–18 b		Reporting on the data point will be refined in future reporting periods
	G1	G1–3–18 c		Reporting on the data point will be refined in future reporting periods
	G1	G1–3–19		Not material
	G1	G1–3–20		Business conduct – Prevention and detection of corruption and bribery
	G1	G1–3–21 a		Business conduct – Prevention and detection of corruption and bribery
	G1	G1–3–21 b		Business conduct – Prevention and detection of corruption and bribery
	G1	G1–3–21 c		Business conduct – Prevention and detection of corruption and bribery

PART OF THE CORPORATE RESPONSIBILITY REPORT	ESRS	PARAGRAPH	HEADLINE	PLACE IN REPORT
GOVERNANCE INFORMATION				
	G1	G1–3–AR 7		Business conduct – Prevention and detection of corruption and bribery
	G1	G1–3–AR 8		Business conduct – Prevention and detection of corruption and bribery
	G1	G1–4	Confirmed incidents of corruption or bribery	
	G1	G1–4–24 a		Business conduct – Prevention and detection of corruption and bribery
	G1	G1–4–25 a		Not material
	G1	G1–4–25 b		Not material
	G1	G1–4–25 c		Not material
	G1	G1–4–25 d		Not material
	G1	G1–5	Political influence and lobbying activities	
	G1	G1–5–29 a		Not material
	G1	G1–5–29 b		Not material
	G1	G1–5–29 b i		Not material
	G1	G1–5–AR 12 a		Not material
	G1	G1–5–AR 12 b		Not material
	G1	G1–5–29 b i		Not material
	G1	G1–5–29 b (ii)		Not material
	G1	G1–5–29 c		Not material
	G1	G1–5–29 d		Not material
	G1	G1–5–30		Not material
	G1	G1–5–AR13		Not material
	ESRS 2	62		Not material
	G1	G1–6	Payment practices	
	G1	G1–6–33 a		Not material
	G1	G1–6–33 b		Not material
	G1	G1–6–33 c		Not material
	G1	G1–6–33 d		Not material

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Responsibility at the core of the strategy

At Evli, responsibility has been an integral part of business for years and we are actively developing responsibility in our operations. Responsibility is also one of Evli's strategic focus areas.

At Evli, responsible investment means taking the environmental, social, and good governance (ESG) issues into account in our investment activities. We want to grow our clients' wealth responsibly, which is why responsibility is integrated into our asset management investment activities.

Transparency and openness are the cornerstones of Evli's responsible investment. Each year, we report on the progress of this work. In the Responsible Investment Annual Review 2024, we describe the development of Evli's responsible investment during 2024 as well as our focus areas and the engagement activities we have carried out. In 2024, Evli strengthened its work in particular on climate change mitigation and biodiversity, and raised, as part of its human rights work, the children's rights in the wider debate.

"At Evli, responsibility has been an integral part of portfolio management for many years, as we believe that taking responsibility into account will create long–term added value."

Responsible investment at Evli

At Evli, we believe that taking responsibility issues into account in investment decisions, alongside the analysis of key financial figures, increases understanding of the investment target and the risks and opportunities associated with it.

Responsible investment is integrated into investment activities and reporting

At Evli, responsibility factors have been integrated into the investment activities of Wealth Management, which means that responsibility is systematically considered in portfolio management. In practice, for listed investments this is done through an internal ESG database based on sustainability data produced by MSCI ESG Research and ISS STOXX, as well as through information published by companies and attained through company meetings. The ESG database provides portfolio managers with easy access to companies' ESG data when making equity and fixed income investments. For example, portfolio managers can search for companies' responsibility assessments (the so–called ESG scores), information on the share of revenue generated by controversial activities and any ESG violations, as well as information on companies' emissions and emission reduction targets, and how companies are aligned with the Paris Agreement.

The ESG database is also used for reporting purposes. Evli publishes public ESG reports on all its equity and corporate bond funds, allowing anyone to monitor the responsibility of Evli's investments. In addition to ESG and UN Global Compact analyses, the ESG reports show the development of the investments' ESG ratings, reputational risk, and carbon footprint, as well as company–specific ESG data for the ten largest holdings. Furthermore, Evli reports on a semi–annual basis the responsibility of its clients' equity and corporate bond investments in separate client–specific responsibility reports.

An investment–specific ESG analysis is part of all investments, including those for alternative investment funds. In the Evli Private Equity, Evli Infrastructure and Evli Private Debt funds, each new target fund is analyzed against the same ESG criteria, and investments are only made in funds that meet the criteria. The funds are also analyzed according to the same criteria during the investment period, and the ESG analysis data is transparently available to investors. Similarly, in Evli's direct equity investments and growth companies, ESG analysis and value creation are a key part of the investment process. Examples of portfolio work include the creation of ESG principles and KPI metrics together with each target company.

With its real estate funds, Evli works in a socially responsible manner and demands the same from its partners. In addition, through concrete measures Evli is able to influence the energy efficiency of buildings and the construction's carbon footprint. In Evli's direct infrastructure funds, responsibility is an integral part of operations, and the aim is to produce as much renewable energy as possible in an economically viable way. Solutions enabling the growth of renewable energy, such as electricity storage, are also included in the investment strategy of the funds. Evli's forestry funds identify ESG risks and opportunities in their target funds as well as measure and report on the carbon impact of the funds annually. The funds invest in sustainable commercial forestry that produces renewable, environmentally friendly products for a range of end uses. Sustainable forest management is ensured through third–party forest certification schemes, such as FSC and PEFC.

Four Pillars of Responsible Investing at Evli

1. PRINCIPLES FOR RESPONSIBLE INVESTMENT

- Policies by asset classes
- Separate Climate Change Principles and engagement policy
- Climate Targets and Biodiversity Roadmap for taking biodiversity into account
- Internal division of responsibilities and governance model

2. ESG INTEGRATION IN INVESTMENT PROCESS

- Responsibility analysis as part of the investment decision–making
- Asset class–specific responsibility expertise
- Responsible Investment team as support for portfolio managers

3. ENGAGEMENT AND ACTIVE OWNERSHIP

- Independent discussions with companies
- Collaborative engagement and investor initiatives
- Asset class–specific engagement and active ownership

4. REPORTING

- Comprehensive and transparent reporting at fund and client level
- Responsible Investment Annual Review overviews progress in responsible investing

More responsible practices through engagement

Evli analyzes its actively managed equity and corporate bond funds and the direct investments made by Wealth Management every three months to identify potential non-compliance with the UN Global Compact, the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises, and to ensure compliance with Evli's Climate Change Principles. The UN Global Compact is an international corporate responsibility standard that requires companies to respect human rights, fight corruption and take environmental issues into account. The UN Guiding Principles on Business and Human Rights informs how states and companies should implement their obligations and responsibilities. The OECD Guidelines contain recommendations for multinational enterprises made by governments. The recommendations consist of voluntary principles and standards of responsibility and the application of legislation to international business. Information on non-compliance is available from the MSCI and ISS STOXX databases and other sources such as news reports.

Each case of non-compliance and violation of the Climate Change Principles triggers a pre-defined process at Evli. First, the case is discussed with the portfolio manager, after which Evli's Responsible Investment (RI) team analyzes the company's situation. The RI team has two options for further action:

1. Initiate measures of engagement

2. Exclude the investment.

The cases calling for engagement that have come to light in the quarterly inspections mostly concern environmental problems, human rights, workers' rights, or actions to mitigate climate change. Evli does not disclose the names of the companies with which it engages, as it believes that engagement with the company in a confidential manner is more effective.

Evli also engages companies related to different ESG themes and participates in various collaborative engagements and initiatives with other investors with the aim of making the operations of even more companies responsible. Responsibility is also systematically raised with the companies and partners of the alternative investment funds taking into consideration asset class-specific differences and best practices.

Focus areas for responsible investing at Evli

Continuous work towards climate targets	Research around biodiversity	Working to promote human rights
Continuing to deepen ESG integration in portfolio management	New responsibility themed products	Following EU sustainable finance legislation

Results and priorities in 2024

During the year, Evli continued active work in responsible investment and related focus areas and followed the development of the EU sustainable finance legislation.

In January 2024, as part of its actions under the biodiversity roadmap, Evli became a TNFD Early Adopter. In 2025, Evli will report on 2024 in accordance with the Taskforce on Nature-related Financial Disclosures (TNFD) framework. TNFD is a market-led, science-based initiative that has developed a reporting framework on nature for financial institutions and organizations. In addition, Evli joined as an endorser the PRI's Spring collaborative engagement initiative, in which investors use their influence to halt biodiversity loss by 2030. The initiative focuses in its first phase on forest loss and land degradation, which are the key drivers of biodiversity loss and also affect the climate crisis.

In accordance with the Sustainable Finance Disclosure Regulation (SFDR), Evli published the necessary information on its funds that are disclosed before investing, and as part of the annual review of the funds, its periodic reports on how the sustainability characteristics of the equity and fixed income funds were met during 2023. The corresponding periodic report was also published on alternative investment funds as well as on a portfolio basis for asset management clients.

Evli reported on the company-level PAI[1] indicators and adverse sustainability impacts in accordance with the regulation schedule at the end of June 2024. Evli has also developed the monitoring and analysis process of the PAI indicators. The Responsible Investment team systematically reviews companies quarterly.

Evli participated in general meetings of 33 companies and engaged 32 companies independently. The general meetings were attended by voting in advance, attending physical meetings, or attending remote meetings. Prior to the general meetings, Evli engaged with 18 companies in relation to good governance. Furthermore, Evli engaged with eight companies in relation to climate targets and/or principles. In addition, two engagement discussions were related to both climate and nature, three discussions related to environmental issues and one related toa suspected breach of norms. Evli also participated in companies' materiality analyses and discussed sustainability themes with various stakeholders. In addition, Evli Fund Management Company's representatives were appointed to nomination boards of three companies.

In addition to its independent engagement, Evli was involved in collaborative engagement initiatives and/or investor letters, such as the Nature Action 100 initiative, Climate Action 100+ initiative, and the CDP investor letters. CDP is an independent organization whose aim is to encourage companies to report on and manage their impact on the environment. Through investor letters, investors work together to engage with companies that do not yet report on their actions related to climate, forests, and/or water. In April 2024, Evli signed the "Finance Statement on Plastic Pollution" with other financial companies to support an international plastic agreement, as we recognize the negative impacts of plastics on the climate, people, and biodiversity. In 2024, Evli also signed the "2024 Global Investor Statement to Governments on the Climate Crisis" investor letter. The letter calls for governments to take necessary political actions to accelerate private capital flows needed for the just transition to a climate-resilient and nature-positive economy.

Related to the quarterly monitoring of norm violations, Evli did not exclude new companies from its investment universe.

Evli's Climate Targets' Working Committee actively continued its work. Separate meetings were also organized with Evli portfolio managers about the assessment of companies based on the Net Zero Investment Framework and how to find information about the company assessments in portfolio managers' tools. The progress of the targets will also be reported as part of our annual reporting. Furthermore, Evli's Responsible Investment Team discussed actively, in particular, the climate data with the ESG data providers.

During 2024 Evli continued its research on biodiversity metrics regarding, for example, portfolio-specific analyses and preparation for reporting in accordance with the TNFD reporting framework. Evli also participated in TNFD's consultation in early 2024. In addition, in 2024, Evli's Responsible Investment team participated in a TNFD training organized by Sitra and in the drafting of Finance Finland's nature commitment.

As part of its human rights work, Evli participated in a research project, started by UNICEF Finland, to find out how investors can advance the fulfilment of children's rights. Evli provided investor view on Finnish companies in the benchmark study by UNICEF Finland, published in February 2024. In addition, Evli explored ways to integrate children's rights more strongly into methods for responsible investing and constructed an extensive sector-specific, children's rights analysis primarily from the point of view of Finnish companies. The sector analysis

[1] Principal Adverse Impact, i.e. PAI indicators mean indicators that describe adverse impacts of investment decisions on sustainability factors.

was developed for three sectors. To address the challenge of obtaining data, as raised by the study, Evli started to find a solution using artificial intelligence and various analysis models. Evli was also able to present its work at an investor event organized by UNICEF Sweden in August and at the Building Bridges event in Switzerland in December.

In the fall, Evli organized portfolio management's ESG training days, with the topics being planetary boundaries, nature reporting in accordance with the TNFD framework, and considering nature and biodiversity from a company and investor perspective. In addition, the development of responsible investment at Evli was discussed over the course of the training days. Interactive workshops and active discussion around the themes were also organized.

In 2024, Evli's alternative investment funds also systematically developed responsible investment practices. The Evli Private Equity, Evli Infrastructure, and Evli Private Debt funds performed an ESG analysis for 12 investment target funds and two future target funds. In the spring of 2024, fund managers were provided the results of the previous year's ESG survey, so that they got feedback on their performance, in relation to the peer group, in various aspects of responsible investment. All Evli's alternative fund of funds, which had previous results available, improved their average ESG results. The biggest improvement was related to the fund managers' climate work. In addition, in the annual ESG assessment, more detailed bilateral discussions with the low performers among the target fund managers on their development areas were held. The ESG survey, sent at the end of year, included few extra questions to clarify topics related to biodiversity and human rights.

In 2024, the growth company funds, Evli Growth Partners I and II, continued their work on climate in terms of calculation of carbon dioxide emissions and offsetting. Both funds also continued to collect data from the PAI indicators and examined companies' capacities to check their business partners and key employees for sanction. In 2024, Evli Growth Partners (EGP) explored the administrative capacity of its portfolio companies by asking companies' guidelines on 25 different themes. After this mapping, the purpose is to create model guidelines, so that the companies can complement their missing guidelines. In addition, the EGP supported portfolio companies' preparation for the CSRD regulation by providing guidelines on issues that companies must take into account and the timeline for this. A workshop on CSRD was also held with companies that need to report in accordance with the CSRD in the next phase. As part of the due diligence process, a sustainability analysis was made for one new portfolio company, and the findings served as the basis for the company's ESG policy and targets for 2025.

With the other target company, we started working on ESG reporting based on the company's existing metrics. Two target companies published their public reports on the sustainability of their business.

In EAB Private Equity's target companies, responsible investment was promoted in many ways. Depending on the growth phase of companies, capacities for carbon footprint calculation, CSRD reporting, and climate targets setting were created, among other things, and measures to promote occupational safety and well–being at work were improved during the year.

In September, the new Evli Private Capital Fund I alternative fund was launched. It is Finland's first thematic growth fund making minority investments. The fund invests in unlisted companies with significant growth potential and focuses on energy sector transformation, resource efficiency, and circular economy, and thus continues EAB Private Equity's previous investment strategy. The fund follows the Principles for Responsible Investment, and sustainability analysis and monitoring are integrated into its investment process. In addition, the fund promotes environmental and social characteristics in accordance with Article 8 of the SFDR. In November, the fund made its first investment in a Finnish growth company that drives digitalization and resource efficiency in the retail sector. As part of the due diligence process, a sustainability analysis was made for a new portfolio company, and the findings served as the basis for the company's ESG strategy and sustainability targets. ESG obligations were also included in contractual documents of the investment, such as in the shareholder agreement.

At the end of 2024, the investment team of EAB Private Equity and Evli Private Capital organized a workshop for their portfolio companies, offering the participants an opportunity for peer learning and networking on selected responsibility topics.

In 2024, in Evli's real estate fund operations, systematic responsibility work was continued. One quarter of the funds participated in the global GRESB (Global Real Estate Sustainability Benchmark) assessment. In properties owned by funds, several sustainability activities were carried out, such as energy efficiency projects and energy audits, and energy certificates were renewed. Furthermore, there was active stakeholder engagement in real estate funds. The annual tenant satisfaction surveys examined the tenants' views on responsibility. Tenant events were organized in many properties to improve understanding of responsible practices and of reducing environmental impact. As for suppliers, responsible operating models were demanded and monitored.

In Evli's direct infrastructure funds, focus was on developing and expanding the investment platforms of renewable energy. During the year, industrial–scale solar power plants and rooftop solar power plants were completed in Spain. In Finland, the electricity storage project supporting the growth of renewable energy progressed to construction phase. The project suppliers are committed to complying with Evli's Supplier Code of Conduct.

In 2024, Evli Impact Forest Fund I (EIFF I) published its first responsibility report for investors. The highlights of the 2023 reporting period were over 6.5 million trees planted (relative proportion of EIFF I), 20 percent of the forest area set–aside in permanent conservation areas or legal reserves, and 500 kilometers of protected streams and watercourses. All forest assets have achieved third–party sustainability certification or are working towards certification for new investments after acquisition. Evli recognizes the FSC and PEFC forest certification schemes. EIFF I has a defined sustainability objective, which is to remove atmospheric carbon by investing in commercial forestry. The investments support climate change mitigation efforts. In 2023, the fund removed 1.08 million tons of carbon (tCO_2e), exceeding the Fund's target. Evli's second forest fund, Evli Impact Forest Fund II, has introduced an independent evaluation of carbon accounting procedures of its target funds before investment. In both funds, the performance fee received by Evli depends on the achievement of the stated carbon dioxide removal targets.

Evli's responsible investment performed excellently in external evaluations, too. Evli was placed first overall in sustainable investments expertise in Finland in the Kantar Prospera's "External Asset Management 2024 Finland" survey[1]. In the annual institutional asset management survey by SFR Research Evli was ranked second in responsible investment expertise in Finland among large asset management companies[2].

You can read more about Evli's responsible investing and its development at evli.com.

Evli reports on its climate risks in accordance with the Task Force on Climate–related Financial Disclosures (TCFD) framework and, now for the first time, its nature risks in accordance with the Taskforce on Nature–related Financial Disclosures (TNFD). TNFD is a market–led, science–based initiative that has developed a reporting framework on nature for financial institutions and organizations. The 2024 TCFD and TNFD reports are available in the Responsibility section of Evli's Annual Report.

[1] Kantar Prospera External Asset Management 2024 Finland.
[2] SFR Scandinavian Financial Research Institutional Investment Services Finland 2024.

Active ownership and engagement

Active ownership and engagement are a systematic part of the way Evli operates. Evli participates in annual general meetings of its investee companies in Finland and engages with companies independently and through collaborative initiatives with other investors.

Attendance at annual general meetings and nomination boards as part of active ownership

During 2024, Evli participated in 30 annual general meetings (AGM) and three extraordinary general meetings (EGM). The meetings were attended by voting in advance, attending physical meetings, or attending remote meetings. Evli's representative attended 19 physical general meetings during the year. Evli's representatives attended the AGMs and/or EGMs of Admicom, Detection Technology, Eezy, Enento Group, Fortum, Gofore, Harvia, HKScan, Huhtamäki, Kempower, Kojamo, Konecranes, Lemonsoft, Marimekko, Metsä Board, Musti Group, Neste, NoHo Partners, Ponsse, Puuilo, Relais Group, Remedy Entertainment, Qt Group, Sanoma, Sitowise Group, Talenom, Terveystalo, UPM Kymmene, Valmet, and Verkkokauppa.com. The meetings were selected on the basis of the content of the agenda and influence potential. Prior to the general meetings, Evli was in contact with 18 companies in relation to good governance.

Through its four funds, Evli voted in advance in general meetings of 14 companies, and more than one fund could participate in the general meetings. Evli abstained from the vote once on the election of a Board member. Apart from this, Evli supported all proposals. At the general meetings Evli attended physically, Evli's representative asked for two votes against on the election of Board members to be recorded in the minutes. In addition, Evli voted against on one occasion on the approval of the remuneration report. The above voting details are presented at company level. At other general meetings Evli attended physically, Evli did not oppose the proposals. In 2024, Evli Fund Management Company's representatives were appointed to nomination boards of three companies.

Independent engagement and dialogue with target companies

Systematic engagement with Evli's investee companies continued. In 2024, Evli was in contact with 32 companies in the area of sustainability discussions alone. The engagement took the form of emails and, with some companies, engagement meetings. Of the engagement cases, eight were primarily related to encouraging companies to set climate targets and/or science–based climate targets and/or climate principles. In addition, two engagement discussions were related to both climate and nature and three related to environmental issues. One engagement case was related to suspected norm violation. Prior to the general meetings, Evli also engaged with 18 companies in relation to good governance.

In 2024, Evli participated in companies' materiality analyses as well as discussed responsibility themes with various stakeholders. In addition, Evli participated in the consultation of the TNFD's financial sector guidelines. In addition to the engagement meetings, portfolio managers discussed corporate responsibility themes with companies as part of their company meetings. In 2024, portfolio managers of Evli's equity and corporate bond funds met with companies around 725 times.

Related to the quarterly monitoring of norm violations, Evli did not exclude any companies from its investment universe.

Examples on engagement discussions in equity funds and corporate bond funds

TOPIC	ENVIRONMENT: CLIMATE AND NATURE WORK	SOCIETY: HUMAN RIGHTS, SUSPECTED BREACH OF NORMS	GOOD GOVERNANCE: INCREASING BOARD FEES
Engagement	Evli discussed with the company about updating the company's climate targets and asked the company's plans related to their biodiversity work. In the meeting the company was open and transparent in its actions and related challenges and had a clear action plan.	The company was asked about its human rights policies and actions to ensure best practices. The goal is to assess the company's activities and corrective actions in respect of human rights.	The company was asked to provide reasons for significant increase in Board fees. The company provided clear reasons. We encouraged the company to be transparent and open towards other shareholders, too, and the company stated that it will include the information in the general meeting materials.
Result	The transparency of company activities increased. The company's actions will be followed.	We strive to have active discussion with the company, but not received a response from the company. Thus, the engagement failed. During the engagement, the reason for the suspected violation of norms was removed.	The transparency of the company activities increased. As a result of their clear reasons, it was possible to retain the investment in the company and to second the general meeting proposal.

Engagement in alternative investment funds

Responsibility is systematically raised with the target investment companies and partners of the alternative investment funds. For example, in 2024, in the Evli Infrastructure, Evli Private Debt, and Evli Private Equity fund of funds, the portfolio management of the target funds were provided the results of the annual ESG survey, giving them feedback on their performance, in relation to the peer group, in various aspects of responsible investment. With the ESG survey's low performers among the portfolio managers of the target funds, more detailed discussions were held on their development areas. Evli Impact Forestry conducts an annual ESG survey and engages with managers regarding carbon sequestration reporting. The Fund monitors and reports its removals of atmospheric carbon through its investments in commercial forestry.

In Evli's growth company funds, EGP Fund I and EGP Fund II, engagement was carried out through active cooperation with the target companies. In 2024, target companies were met 24 times in quarterly sustainability discussions on a company's progress in their annual targets as well as on the most important measures for the coming quarter. In addition, an obligation to monitor sanctions was written into two new partnership agreements. Materials were produced for target companies in order to prepare for the CSRD regulation. Evli explored the responsibility politics of companies and highlighted missing policies, which would be good to do.

EAB Private Equity and Evli Private Capital Fund engage target companies through the work of Board of Directors and working committees. Active ownership always requires that at least one Board of Directors seat in the target company is obtained in order to enable regular interaction. In addition, ESG obligations are included in contractual documents of investments, and target companies are expected to continuously improve their environmental, social, and governance procedures. Together with the management, Board of Directors, and other owners of each company, sustainability activities aimed at value creation are determined for the ownership period, and their achievement is closely monitored. This ensures that investments not only bring economic value but also have positive impacts on the environment and society.

In real estate funds, stakeholder engagement is focused on investors, tenants, and service providers. In 2024, responsibility perspectives were discussed in investor meetings, among other things, and tenants' views on responsibility were examined on annual tenant satisfaction surveys. Tenant events were organized in many properties to improve understanding of responsible practices and of reducing environmental impact. Tenants were also encouraged to actively report any failures in order to jointly improve real estates. As for suppliers, responsible operating models are demanded and monitored. In real estate management, for example, this meant, among other things, monitoring of energy consumption and reacting quickly to consumption variations, active monitoring of water leakages and water consumption, monitoring of safe real estate use as well as transparency of governance in tenders for real estate acquisitions..

Engagement through collaborative initiatives and investors statements

In addition to its independent engagement, Evli is involved in collaborative engagement initiatives and investor statements. The purpose of collaborative engagement initiatives and investors statements is to bring together a wider group of investors behind the same objectives, thus enabling a broader engagement. The themes of the initiatives and statements include climate change mitigation, human rights, and biodiversity.

Collaborative engagement initiatives and investor statements

Climate Action 100+

Evli has been part of the Climate Action 100+ initiative since 2017. The initiative aims to better manage climate change in companies, reduce greenhouse gas emissions, and report climate impacts more transparently. From 2018 to 2022, the initiative aimed to influence the most significant greenhouse gas emitters to mitigate climate change and achieve the goals of the Paris Agreement. In 2023, the second phase of the initiative was announced, running until 2030. At the end of 2024, over 600 investors had signed the Climate Action 100+. In 2024, the initiative focused on 168 companies, of which 80% were committed to net zero at the end of the year and 90% have a Board committee oversight of climate change risks and opportunities. Of the companies, 88% have aligned their disclosures with the Task Force on Climate–related Financial Disclosures (TCFD) recommendations.

Investor letters coordinated by CDP

Evli has been an investor member of the CDP since 2007 and since 2017 has been involved in engaging with companies through CDP's investor letters. CDP is an independent organization whose aim is to encourage companies to report on and manage their impact on the environment. In 2024, 276 investors (2023: 288 investors) with combined assets of 21 trillion dollars were involved in the engagements. In total, 1,998 companies were targeted for engagement (1,590 companies). Of those companies, 352 (317) started reporting their activities to the CDP. Of the companies, 164 (211) included impacts on climate change, 46 (58) impacts on forests, and 196 (66) impacts on water.

CDP's Science–Based Targets (SBTs) collaborative engagement

Evli has been involved in the Science–Based Targets (SBTs) collaborative engagement initiative coordinated by the CDP since the beginning of the campaign in 2020. The initiative ended in September of 2024. The initiative aimed to encourage companies to set science–based climate targets which are aligned with the Paris Agreement's emission reduction targets and which enable companies to make action plans for their own climate action. In the initiative's last engagement cycle of 2023–2024, there were 307 investors and companies (2023: 367) with combined assets of 32 trillion dollars involved in the SBT engagement. In the campaign's last engagement cycle, 2,132 companies (2,100 companies) were targeted with the collaborative engagement. During the campaigns, a total of 551 companies joined the Science Based Targets initiative (SBTi) or received approval for their SBTi targets from the initiative. Between 2023 and 2024, 71 new companies joined the SBTi.

PRI Advance

In 2022, Evli joined as an endorser the PRI Advance, an initiative in which investors work together for the benefit of human rights and social issues. It is engaging with sectors, and 39 companies selected from them, with the most severe human rights risks. The collaborative engagement campaign was launched in December 2022 with 220 investors. At the end of 2024, 265 investors with combined assets of 35 trillion dollars had joined the initiative. The campaign includes endorsers and participant investors who are in contact with companies targeted for engagement. A wider engagement with companies started in 2023. The first assessment of the progress of the companies was carried out in early 2024, after which progress will be reported annually.

Investor statement on Global Plastics Treaty

In April 2024, Evli signed the investor letter "Finance Statement on Plastic Pollution" with other financial companies to support a global plastics treaty. A total of 160 investors from 29 countries signed the investor letter representing 15.5 trillion dollars in combined assets. The statement was published before the UN intergovernmental negotiations on a global plastics treaty at the end of April.

Nature Action 100

In September 2023, Evli joined the global Nature Action 100 investor initiative, which encourages companies to take on concrete corporate actions to reduce nature loss. The initiative includes more than 200 investors and engages with 100 companies operating in eight key sectors with significant impacts on biodiversity around the world. The initiative started by sending letters to companies and has continued with investor participants' direct engagement with companies either individually or as a part of engagement groups with other participating investors. Evli is part of one investor group to engage with one company. Investor participants will report to Nature Action 100 on the progress of their engagement.

PRI Spring

In the early 2024, Evli joined as an endorser the PRI Spring initiative, in which institutional investors engage with companies to halt and reverse biodiversity loss by 2030. The initiative focuses primarily on forest loss and land degradation, which are one of the key drivers of biodiversity loss. The initiative focuses on 40 companies. By mid–2024, the initiative endorses represented combined assets of 15 trillion dollars. The campaign includes both endorsers and participant investors responsible for engaging with companies. Company engagement began in the second half of 2024.

Investor letter to governments to address climate crisis

Evli signed the "2024 Global Investor Statement to Governments on the Climate Crisis" investor letter. The letter calls for governments to take necessary political actions to accelerate private capital flows needed for the just transition to a climate–resilient and nature–positive economy. The investor letter was signed by 650 financial companies, representing more than 33 trillion dollars in assets under management.

CASE

Evli's new green transition fund focuses on energy transformation, resource efficiency and the circular economy

Evli Private Capital Fund I, launched by Evli in autumn 2024, is Finland's first thematic growth equity fund focused on minority investments. The alternative investment fund will be diversified across 5–8 target companies in Finland and Sweden.

Green transition is one of the most important growth drivers both in the current and in the coming decades. Global investment needs driven by climate change are estimated to be in the range of USD 100–150 trillion by 2050[1]. Evli's new Evli Private Capital Fund I enables investors to capitalize on attractive opportunities from the green transition megatrend.

The fund makes significant minority investments in Finnish and Swedish small and medium-sized growth companies (within energy transformation, resource efficiency, and the circular economy). Evli is an active owner that, in addition to capital, provides the companies with support in areas such as strategy clarification, implementing M&A and internationalization, as well as access to a broad network of experts. The fund has a lifespan of 8+2 years and an annual net return target of 20–30%[2].

Experienced team behind the fund

The Evli Private Capital team consists of experienced investment professionals and is part of Evli's 38-person alternative investment organization. The team's founding partners, **Kalle Kekkonen** and **Kia Aejmelaeus**, have proven the effectiveness of the investment strategy over the past three years through private equity investments in several exciting growth companies promoting sustainable development, including Proventia, Solnet Green Energy, Bladefence, and Elcoline. The aim is to continue the implementation of the previous investment strategy through the Evli Private Capital Fund I.

[1] Sources: Boston Consulting Group (BCG and Climate Leadership Coalition (CLC) Finland's Moonshots for Green Growth – Maximizing Finland's Growth and Handprint in the Green Transition, 02/2023. Ministry of Finance Finland: Economic Survey, Summer 2023.
[2] The return target is based on an assessment of the value of the investment and the development of market conditions. The target return may not be achieved, as the realized return will depend on the success of the investment activity and the actual market development.

"The new fund is a continuation of the successful investment strategy we've implemented earlier. As a result of our active work, we have a significant number of interesting deal flow, strong networks and a good reputation in the market," says Kalle Kekkonen, Managing Partner, Evli Private Capital.

The investment themes selected by the team around energy sector transformation, resource efficiency and the circular economy offer a significant number of attractive investment opportunities, indicating a relatively quick investment timeframe.

In November 2024, the fund made its first investment. The investment was made in EWQ Zone, a company driving digitalization and resource efficiency in the retail sector. As a result of the investment, Evli became a significant minority shareholder in EWQ and Kia Aejmelaeus a member of EWQ's Board of Directors.

Favorable investment environment and timing

From the fund's perspective, the investment environment and timing in both Finland and the Nordic countries is very positive, with up to EUR 260 billion[3] expected to be invested in the green transition in Finland alone in the coming years.

"The fund has been established at an interesting time. Some of the best performing funds investing in unlisted companies have been launched in uncertain times during a downturn, when it is possible to get into interesting companies at reasonable valuation levels. Finland has fostered a strong, forward-looking environment for innovation and a highly skilled workforce to accelerate the green transition. Through our investments, we want to be part of building successful growth companies in the Nordics," says Kekkonen.

Like all Evli funds, Evli Private Capital Fund I follows the principles of responsible investment. In addition to integrating sustainability analysis and monitoring into the investment process, the fund will promote environmental and social characteristics in accordance with Article 8 of the Sustainable Finance Disclosure Regulation (SFDR).

[3] Sources: The Finnish Climate Fund and AFRY.

Promoting children's rights as part of human rights work

As part of its human rights work, Evli has brought children's rights into a broader perspective. Investors have the power to influence how children's rights are implemented in companies' operations. From 2022 to 2024 Evli participated in UNICEF Finland's research project[1], examining how Finnish companies take children's rights into account in their activities and what kind of clear metrics could be used to measure this. The study is unique in the world, as there are only a few known similar projects.

At the same time, Evli began its own research project to better understand how companies consider children's rights and how this could be integrated into investment decisions. As Finnish companies also operate in international markets, value chains reach emerging markets. The study examined the children's rights from a wide range of perspectives and shed light on risks in many industries and companies. Three industries were selected for the study: basic materials, consumer goods, and digital services (the IT sector). The choice was based on the importance of the industries in Finland, but also on their concreteness to better understand the complexity of issues related to child rights. As for basic materials, it was relevant to notice that risk areas usually lie at the beginning of the value chain and that companies' operations are very global. In consumer goods, the emphasis was on data privacy and marketing, among other things. In digital services, learning opportunities, data security, and particularly vulnerable position of children in marketing and product safety, for example, were highlighted.

The aim of the industry–specific analysis is to create metrics that will help to integrate children's rights more strongly into responsible investing methods. In practice, this means that when analyzing investment decisions, children's rights could be considered as part of the company analysis. In this context, however, it is important to consider the availability of data, which is also important to raise in a broader discussion with different stakeholders. As a solution to data challenges, Evli also considered the use of artificial intelligence. Evli's new service platform for equity investing, Atlas, enables building tailored equity portfolios based on clients' individual needs and values. As part of Atlas, Evli has developed the Atlas Intelligence tool that uses artificial intelligence for boosting company analysis and generating new data to support reporting and investment decisions. Artificial intelligence helps to process and analyze large amounts of data generated by companies systematically and consistently. The platform can utilize existing expert frameworks, such as the UNICEF's Tool for Investors and the Global Child Forum's Benchmark model related to the children's rights, or create tailored analysis models for specific questions.

[1] UNICEF Finland's benchmark study "Child Lens on ESG: A Study of Nasdaq Helsinki Companies" was published in February 2024. The study mapped the children's rights performance of 52 large Finnish listed companies. Evli brought an investor view to the study.

Evli's work to mitigate climate change

Climate change mitigation has been part of Evli's responsible investment processes for a long time. Evli continued this work with its climate targets published in 2021. According to its climate targets, Evli aims to achieve carbon neutrality by 2050 at the latest. The target applies to emissions from both Evli's own operations and its investments. In addition to the main target, Evli set interim targets and a separate climate roadmap to support the long-term goal of carbon neutrality.

In 2022, Evli reinforced its climate commitment by signing the Net Zero Asset Managers[5] (NZAM) initiative. The signatories of the initiative include a large group of internationally renowned investors committed to achieving carbon neutrality by 2050. Commitment to the initiative requires signatories to take several steps, including the setting of interim targets, annual reporting on progress towards targets, a clear climate roadmap and planned actions for engagement. The initiative will guide the industry to reduce emissions and report on their progress in a consistent way, which will make it easier to monitor the overall picture.

The signatories of the NZAM initiative must confirm their interim targets as well as the share of investments committed to it. In line with the NZAM initiative's target setting, best practices for climate work are favored. This has also supported Evli's Climate Targets' Working Committee's analysis of how best to achieve the investment-related interim target through real-world emission reductions and in line with the Paris Agreement.

[5] www.netzeroassetmanagers.org/

Evli's climate targets

Evli aims to achieve carbon neutrality by 2050 at the latest. The target applies to emissions from both Evli's own operations and investments.

In addition to the main target, Evli set three interim targets:

1. Evli aims to achieve carbon neutrality for emissions from its own operations (Scope 1 and 2) by 2025 at the latest.
2. Evli set an interim target of a 50% reduction in indirect emissions from investments by 2030, provided that the investment environment enables this. The base year is 2019.
3. Evli set up a Working Committee to further explore how best to achieve the investment–related milestone through real–world emission reductions and in line with the Paris Agreement. In 2022, it was decided that the Climate Working Committee continues supporting climate work until 2025. Evli reinforced its climate commitment by signing the Net Zero Asset Managers initiative in 2022.

The interim targets and the roadmap of climate targets support Evli's long–term goal of carbon neutrality. In line with the climate targets roadmap, Evli will refine the monitored metrics as work progresses and report accordingly.

Roadmap to becoming a net zero asset manager

1. Building a snapshot

2. Development of climate risk management

3. Updating the exclusions

4. Engagement

5. Systematic analysis of the targets

Progress of interim targets under the Net Zero Asset Managers initiative

In summer 2023, Evli submitted its interim target for the NZAM initiative, which has also been published on the initiative's website. The interim target is based on Evli's milestones of climate targets, set in 2021, and on Evli's Climate Working Committee's analysis of how best to achieve the investment target through real–world emission reductions and in line with the Paris Agreement. The NZAM interim target provides concrete tools and metrics to support Evli's short–term and long–term climate targets in accordance with Evli's roadmap of climate targets.

In the first phase, Evli's equity and corporate bond funds are included in the NZAM interim target. The work will continue for other asset classes based on the roadmap of Evli's climate targets. Equity and corporate bond funds were selected for the first set of targets as they have the best and most comprehensive data available at this stage. The interim target is based on two methodologies recommended by the NZAM initiative, the combination of which continued Evli's climate work and provided clear next steps and tools in line with the roadmap of climate targets.

The two methodologies used in the target setting were Paris Aligned Investment Initiative's[1] Net Zero Investment Framework[2] (NZIF) and Net Zero Asset Owner Alliance's[3] Target–Setting Protocol[4] (TSP). Evli defined the interim targets related to assessment of companies (portfolio coverage targets) by following the NZIF methodology. Based on the TSP methodology, Evli defined an interim target for investments (sub–portfolio target) and an engagement target.

The interim target related to the assessment of companies following the NZIF methodology is based on the assessment of how companies' business model and climate policies relate to the requirements of a low–carbon society. This target provides a clear tool that emphasizes forward–looking indicators and acknowledges the different requirements for high impact sectors. The method is also in line with Evli's engagement work and brings concreteness to climate work.

In addition to the work under these methodologies, Evli encourages its investee companies to set their own climate targets and/or science–based targets and monitors the progress of the targets that companies have already set.

[1] The Paris Aligned Investment Initiative (PAII) was launched in May 2019 by the Institutional Investors Group on Climate Change (IIGCC). The objective of the initiative is to examine how investors can align their portfolios to the goals of the Paris Agreement.
[2] The Net Zero Investment Framework methodology, developed by the PAII, provides a common set of recommended actions, metrics, and methodologies through which investors can maximize their contributions to achieving global net zero emissions by 2050 or sooner (www.parisalignedassetowners.org/media/2021/03/PAII–Net–Zero–Investment–Framework_Implementation–Guide.pdf).
[3] The UN–convened Net Zero Asset Owner Alliance (NZAOA) is a member–led initiative of institutional investors committed to transitioning their investment portfolios to net zero greenhouse gas emissions by 2050 – consistent with a maximum temperature rise of 1.5°C.
[4] Target–Setting Protocol is a broad framework for reporting and delivering short–term climate targets (www.unepfi.org/industries/target–setting–protocol–third–edition/).

Net Zero Asset Managers initiative's interim targets

Sub–portfolio target

Target:	Investment emissions reduction –50%
Base year:	2019
Carbon footprint of the base year:	241.8 t CO_2e/\$M Sales
Target year:	2030
Achieved at the end of 2024:	–56.8% of the base year

Engagement target

Target:	Evli will engage with the 20 highest emitting companies that have not committed to or do not have an approved science–based target (SBTi) or that are not aligned to a net zero pathway as defined in the NZIF methodology
Base year:	2022
Target year:	2025
Achieved at the end of 2024:	
– Independent engagement:	8 companies (2023: 4 companies)
– Through collaborative initiatives:	16 companies (2023: 12 companies)

Portfolio coverage targets

Target:	To achieve a certain percentage of assets under management (AUM) in material sectors that is net zero, aligned, or aligning by 2050
Base year:	2022, share of AUM 42%
Target year:	2027, share of AUM 55%
Target year:	2030, share of AUM 65%
Achieved at the end of 2024:	share of AUM 52.01%

Development of climate targets and next steps

In 2024, climate target–related metrics, methodologies, and tools were discussed with Evli's portfolio management teams. Climate change and planetary boundaries were also discussed at Evli's internal ESG training days. Evli focused its climate engagement work on companies previously engaged with as well as on high emitting companies either independently or through collaborative engagement initiatives. As for Evli's engagement target included in the NZAM interim target, Evli engaged independently with eight companies and through collaborative engagement initiatives with 16 companies. Related to the target Evli has engaged a total of 10 companies independently and 27 individual companies through collaborative engagement initiatives in 2023–2024. The figures take into account the changes happened between 2022–2024 for the 20 highest–emitting companies. Engagement in line with the target will continue also in 2025.

Regarding the interim target for Evli's investments, which is a 50% emission reduction by 2030, the carbon footprint decreased by 56.8% from the 2019 baseline year by the end of 2024, based on the MSCI carbon data.

Interim targets related to assessment of companies showed that 52% of the target companies in material sectors were considered aligning at the end of 2024. In 2024, Evli also continued its active discussions with various ESG service providers on how ESG data could also help improve classification of companies as aligned and net zero, for which data is not yet widely available.

Emissions from Evli's own operations

In terms of emissions from own operations, Evli started to build a snapshot in 2021 with the construction of an emissions calculation and the mapping of the most significant emission sources. The framework set by the GHG Protocol[1] was used for this task. The mapping of emission sources revealed that emissions from Evli's own operations are mostly concentrated in indirect Scope 3 emissions, such as emissions from purchased products and services.

In 2024, together with a partner, Evli continued to calculate the greenhouse gas emissions from its own operations for 2023 and 2024. The calculation was carried out in accordance with the GHG protocol, using the operational control approach that takes into account as a whole such emissions that are part of Evli's operations. The calculation has been developed to be more comprehensive than in previous years, and the number of included Scope 3 emission categories has been increased by, for example, identifying emissions from commuting between home and the office.

Based on the results, Evli has no direct Scope 1 emissions. Based on the new emission calculation, Evli's Scope 2 emissions include energy consumption of all its premises. Energy consumption consists of electricity consumption and heating. In accordance with the milestone of Evli's climate targets related to emissions from own operations, Evli aims to update, as comprehensible as possible, its electricity consumption contracts to zeroemission energy sources, as far as such changes are possible. In addition to renewal of contracts, Evli aims to offset the amount of emissions equivalent to the remaining Scope 2 emissions. Evli will report on the target and the amount of the offset in more detail in 2025.

Most of the emissions from own operations are centered on indirect Scope 3 emissions. The biggest Scope 3 emission categories are products and services purchased and emissions from investments on the balance sheet. Some emissions also arise from business travel. More detailed information on different emission categories is presented in Evli's Corporate Responsibility Report. As a whole, Evli's (Scope 1, 2, 3) emissions for the year 2024 are equivalent to the annual carbon footprint of approximately 592 Finns. The carbon footprint of the average Finnish person is 9,610 kgCO_2e/person/year[2].

Evli's climate portfolio supports achieving carbon neutrality

Evli also provides its clients with a climate portfolio strategy that helps reduce greenhouse gas emissions from investments. Evli's climate portfolio is an asset management strategy that aims to reduce the portfolio's greenhouse gas emissions and direct investments towards climate solutions based on the client's goals. Careful allocation and risk analysis are the core of the strategy, and investments can be made in both funds and stocks.

An essential step in achieving carbon neutrality is to assess what kind of investments are in the portfolio and calculate their carbon footprint and carbon intensity. The data helps asset managers make better investment decisions. Excluding specific companies or industries is not the only option, the investments can also focus on supporting the net–zero transition.

[1] The calculation of the carbon footprint is defined, for example, by the international standard Greenhouse Gas Protocol (GHG; ghgprotocol.org), which divides greenhouse gas emissions into Scope 1, 2, and 3. Scope 1 greenhouse gas emissions refer to direct emissions from activities that come from sources owned or controlled by the company. Scope 2 greenhouse gas emissions refer to the indirect emissions from the activity that arise from the production of purchased energy, and Scope 3 includes indirect emissions related to products purchased by the company, outsourcing, business travel, etc.
[2] Sitra, Keskivertosuomalaisen hiilijalanjälki, www.sitra.fi/artikkelit/keskivertosuomalaisen–hiilijalanjalki/

Integrating biodiversity into investment activities

Incorporating biodiversity, or in other words natural diversity, into investing has fast emerged as a significant area of responsibility alongside climate change. More than half of the world's gross domestic product is moderately or highly dependent on nature and the services it provides.[1] In the worst-case scenario, biodiversity loss could lead to significant losses for companies and investors alike.

In addition to climate change mitigation, Evli makes further efforts to take biodiversity into account in its activities. Evli published a biodiversity roadmap in December 2023 and in 2024 examined, in line with the action steps of the roadmap, how Evli could make further efforts to take biodiversity into account in its activities. The aim is to increase biodiversity-related analysis, measuring, and reporting, as well as to encourage companies to consider biodiversity in their operations.

The significance of biodiversity in investing and business

Biodiversity has a significant impact on human and planetary wellbeing as well as on the preconditions for economic activity. Nature provides ecosystem services on which many business activities depend. Ecosystem services include provisioning services (nutrition, water, medicinal substances, and materials), supporting services (photosynthesis and soil quality), regulating services (climate regulation, clean air, and clean water) and cultural services (recreation and aesthetic nature).[2] Biodiversity loss disrupts ecosystem services, and in the worst-case scenario, it could lead to significant losses for both companies and investors.

Correspondingly, companies' activities may have impacts on biodiversity and ecosystem services. Therefore, it is important to recognize the impacts of corporate actions on nature and to consider their double materiality.

Nature impacts refer to the positive or negative impacts of corporate actions on biodiversity. IPBES[3] has identified five drivers of biodiversity loss as the 1) changes in land and sea use, 2) direct exploitation of organisms, 3) climate change, 4) pollution, and 5) invasive alien species. These biodiversity loss drivers, for example, can be used to examine the negative impacts of corporate actions. On the other hand, when assessing positive impacts, it is possible to make use of the EU taxonomy definition of environmentally sustainable business activities, for example.

The Kunming-Montreal Global Biodiversity Framework (GBF) is a global framework adopted in December 2022 at the UN Biodiversity Conference (COP15) and signed by 196 countries. The target of the GBF framework is that, by 2050, biodiversity is valued, conserved, restored, and wisely used and that ecosystem services are maintained. One of the GBF's intermediate targets is that companies assess and report their biodiversity-related dependencies, impacts, and risks, as well as reduce their negative impacts on nature.[4]

Evli's biodiversity work

Evli has raised biodiversity research as one of its focus areas for responsible investing for 2022–2024. In 2024, the work continued in line with the biodiversity roadmap.

In January 2024, Evli joined TNFD Early Adopters, which means that Evli will report the nature-related risks, opportunities, dependencies, and impacts of its investments as part of its annual report, in accordance with the Taskforce on Nature-related Financial Disclosures (TNFD) framework. TNFD is a market-led, science-based initiative that has developed a reporting framework on nature for financial institutions and organizations. In 2024, Evli's Responsible Investment team studied data aligned with the framework and developed tools to enable

[1] World Economic Forum, www.weforum.org/press/2020/01/half-of-world-s-gdp-moderately-or-highly-dependent-on-nature-says-new-report/
[2] World Resources Institute, www.wri.org/
[3] Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES), www.ipbes.net/
[4] Kunming-Montreal Global Biodiversity Framework, www.cbd.int/gbf/

reporting. During the third quarter, Evli's Responsible Investment team participated in the TNFD nature reporting training, organized by Sitra, which included review of the reporting framework aspects and introduction to the LEAP approach[1]. During the year, Evli also participated in the consultation of the TNFD's financial sector guidelines.

In the early 2024, Evli joined as an endorser the PRI Spring initiative, in which institutional investors engage with companies to halt and reverse biodiversity loss by 2030. The initiative focuses primarily on forest loss and land degradation, which are one of the key drivers of biodiversity loss. The initiative focuses on 40 companies. The campaign includes both endorsers and participant investors responsible for engaging with companies. Company engagement began in the second half of 2024.

Evli acted as an active investor participant in the Nature Action 100 initiative, which engages with 100 companies that are systemically important regarding nature and biodiversity loss and encourages companies to take more ambitious action to reduce nature loss. Evli is involved in the initiative in a collaborative engagement group focusing on one company. In addition, Evli arranged for the engagement group an external expert lecture on Finnish forests and their biodiversity.

In spring 2024, Evli signed the "Finance Statement on Plastic Pollution" with other financial companies to support an international plastic agreement, as we recognize the negative impacts of plastics on the climate, people, and biodiversity. The statement was published before the UN intergovernmental negotiations on a global plastics treaty at the end of April.

In the fall of 2024, for the third year in a row, Evli organized internal ESG training days for portfolio management and others working with responsibility themes. The topics of the training days included, among other things, planetary boundaries, global ESG trends, biodiversity, development of sustainable finance regulation, and preparation for the TNFD reporting. Approximately 80 people participated in the training days.

[1] LEAP is an approach in line with the TNFD framework to identify interfaces with nature. LEAP stands for Locate, Evaluate, Assess, Prepare.

Taskforce on Nature–related Financial Disclosures

Taskforce on Nature–related Financial Disclosures (TNFD) is a market–led, science–based initiative that has developed a risk management and communication framework for organizations and financial institutions. The framework can be applied to organizations regardless of their size or geographical location. The aim is to help organizations identify and report on the risks, opportunities, impacts, and dependencies associated with the nature of their activities in a standardized way. Increased reporting and more comprehensive data will allow biodiversity to be taken into account in future investment activities. The TNFD disclosure recommendations are built on the previously published and already widely used climate reporting framework TCFD, following the same four pillars: 1) governance, 2) strategy, 3) risk and impact management, and 4) metrics and targets. TNFD published the final reporting framework in September 2023.

Wealth Management's biodiversity roadmap

Evli has prepared its Wealth Management's biodiversity roadmap with action steps for 2023–2025. The objective of the roadmap is to gain a better understanding of the risks and impacts of investments on biodiversity. According to the roadmap, Evli is developing biodiversity–related ESG integration and reporting in such a manner that biodiversity is integrated into Evli's operations in line with best practices. The aim of the roadmap's action steps is to set more specified biodiversity–related principles and targets in the future.

Biodiversity roadmap action steps

1. Building a snapshot

In its investment activities, Evli seeks to identify biodiversity–related risks and dependencies as well as the impacts of investments on biodiversity. For this purpose, Evli improves the analysis of its investments and explores nature–related metrics.

2. Developing data and tools

As part of building a snapshot and analyzing investments, Evli examines available data, identifies the needs of new metrics, and develops portfolio management tools so that biodiversity–related metrics are taken into account in investment analysis.

3. Engagement and active ownership

Based on relevant biodiversity metrics and analysis, Evli seeks to identify target companies it can engage with to address biodiversity matters. As part of active ownership, Evli also continues to collaborate with other investors to engage with companies when the target and goals of collaborative engagement are in line with Evli's biodiversity work.

4. Developing reporting and TNFD reporting

After identifying the biodiversity metrics integral to investment activities, Evli aims to improve its responsibility reporting. Evli aims to find biodiversity metrics that comply with, for example, recommendations of Taskforce on Nature–related Financial Disclosures (TNFD) or other reporting frameworks and that best reflect biodiversity risks and impacts related to investments. Evli will report on its investments in accordance with the TNFD from 2025 onwards based on the year 2024.

5. Setting biodiversity–related principles and targets

As a result of the roadmap, Evli seeks to set biodiversity principles that specify how Evli takes into account biodiversity as part of its investment activities in different asset classes. In addition, Evli's monitored metrics, analysis tools, engagement targets and principles as well as biodiversity–related reporting are described in the principles.

In the future, Evli also seeks to establish biodiversity targets. The aim of Evli's biodiversity roadmap is to set action steps for biodiversity–work, and based on that more detailed biodiversity targets and asset class–specific policies can be determined in the future.

CASE

When risk management is no longer sufficient, it's time to invest for impact

Humankind is behind in achieving its net zero emission commitment and what's worse, we're not even on track to limit global warming to a two–degree increase. But the urgent need to reduce emissions, legislative pressure, technological advancements, and sustainable consumer preferences also create enormous opportunities for investors.

According to International Energy Agency's (IEA) World Energy Outlook Special Report[1] released in autumn 2024, achieving the COP28 goals for renewables and energy efficiency could cut global emissions by up to 10 billion tonnes by year 2030. The key pledges include transitioning away from fossil fuels, tripling renewable energy capacity, and doubling energy efficiency improvements.

IEA estimates that to reach the renewable energy goals, 25 million kilometers of electricity grids should be built and modernized by 2030. In addition, the world would need 1,500 gigawatts (GW) of energy storage capacity by 2030, of which 1,200 GW from battery storage, a 15–fold increase from today.

It is evident that action is needed, now. And investors can play a significant role in these advancements. From the investing viewpoint, one means to tackle this challenge is thematic impact investing, which has gained prominence alongside responsible investing in recent years.

Focus on companies that offer solutions to challenges

Responsible investing traditionally focuses on companies that don't harm the environment or society. Impact investing, on the other hand, goes a step further and focuses on companies that offer solutions to challenges. These companies contribute to positive outcomes in the areas mentioned above.

Impact themes on the environmental side can range from renewable energy to energy efficiency. On the societal side, impact investments focus on themes like healthcare, microloans in emerging markets and companies that develop medicine.

"At Evli, we already see the positive double effect of impact investing: investments can advance critical issues, such as mitigating climate change or leaps in science in a tangible way while offering attractive financial returns," says **Olga Marjasova**, Portfolio Manager of the Evli Impact Equity.

Evli Impact Equity Fund offers a solution to meet the evolving needs of investors

One example of the unlocked investment opportunity is Evli's Impact Equity Fund, which addresses the global challenge by investing in both developed and emerging markets.

The fund actively selects a global portfolio of undervalued and growing quality companies that significantly contribute to low–carbon, resource–efficient and sustainable development. What sets it apart from similar funds is its clear investment strategy as well as a consistent and transparent process for selecting investments and assessing impact.

The companies in the portfolio provide products, services and technologies that address the most urgent needs in sustainable development and green transition. The fund also aims to achieve positive measurable environmental or social outcomes by investing in companies that are undergoing significant transformation.

"Evli's clients and investors have long wished for a fund that supports the net–zero emissions target by 2050. Evli Impact Equity Fund is for mission–driven and value–based investors, such as endowments, foundations and family offices. It is also suitable for private investors who are passionate about environmental and social issues and want to express this in their portfolios," explains Marjasova.

The fund's focus areas in emissions reduction are renewable energy production, distribution networks, infrastructure construction, planning, electric vehicles and carbon capture technology. Investments in the portfolio include companies like Iberdrola, Spie and Clean Harbors. It is estimated that 80% of portfolio companies contribute to the emission reduction goal.

[1] IEA, From Taking Stock to Taking Action, How to implement the COP28 energy goals, September 2024, iea.blob.core.windows.net.

Responsible investment practices are constantly evolving

Responsible investment requires continuous development together with stakeholders. We value our dialogue with our clients and actively follow the public debate. In line with our focus areas for responsible investment, we aim to continue to work systematically towards our climate targets, to strengthen our responsibility work in investment activities and at fund level, and to deepen our work on human rights and biodiversity.

"We see ourselves as facilitators of a broader context where wealth and sustainability drive positive change together. We have the expertise, the vision, and the courage to initiate and drive the discussion on the initiatives that long–term value creation enables both for individuals, society, and our planet."

Task Force on Climate–related Financial Disclosures report

Evli has committed to supporting the Task Force on Climate–related Financial Disclosures (TCFD) reporting framework. The TCFD is an international climate risk reporting framework designed to improve reporting on the economic impact of climate change by making it clearer, more comparable, and more consistent. This report outlines Evli's climate risks and opportunities, based on the TCFD's recommendations, and compiles information on Evli's climate work progress in 2024. From 2024, IFRS Foundation's International Sustainability Standards Board (ISSB) will continue the TCFD's work by overseeing companies' climate reporting and by reporting on it. The ISSB has issued its IFRS 1 and IFRS 2 standards, which include TCFD's reporting recommendations.

Introduction

In August 2019, Evli became a public supporter of the TCFD with the goal of developing Evli's own climate risk reporting. It is important for asset managers and other investors to be able to identify and assess the economic impacts of climate change on their own operations and those of investee companies, as the transition to a low–carbon economy is changing the business environment. Companies are also exposed to the physical effects of climate change. On the other hand, climate change creates opportunities for companies that offer products or services that contribute to climate change adaptation and mitigation.

Reports based on the TCFD's recommendations provide stakeholders information on a company's

1. **governance** of climate–related risks and opportunities (role of the Board of Directors and the management);
2. **strategy** related to the actual and potential impact of climate–related risks and opportunities on the company's business, strategy, and financial planning;
3. **risk management** related to the company's processes for identifying, assessing, and managing climate risks;
4. **metrics and targets** for assessing and managing climate–related risks and opportunities.

Reporting framework of the TCFD report

Governance

As part of the broader discussion on responsibility, Evli's Board and Executive Group regularly address climate-related issues. Evli's Head of Sustainability attends Board and Executive Group meetings from time to time. Evli's Board has the ultimate decision-making power over responsibility-related issues at the Group level, including climate aspects. In addition to the work of the Board and Executive Group, Evli has a Responsible Investment Executive Group, which decides on the principles and practical procedures of responsible investment at Evli. In addition to the CEO, the Responsible Investment Executive Group includes managers from the business areas, Portfolio Management, Responsible Investment team, and Legal and Compliance. The Responsible Investment Executive Group also oversees Evli's climate work.

The Responsible Investment team, under the supervision of the Head of Sustainability, is responsible for coordinating and developing ESG issues in the funds and discretionary portfolio management, as well as for engaging with companies. The Responsible Investment team monitors the implementation of the UN Global Compact principles, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and the Evli Principles for Climate Change. The team has the right to exclude individual companies from investments.

When analyzing potential investments and making investment decisions, Evli's portfolio managers also take ESG matters into account, including climate issues. Portfolio managers are responsible for implementing the Principles for Responsible Investment and ESG integration in portfolio management. Portfolio management and other specialists working on responsible investment are systematically offered training in climate change, risks and opportunities caused by it, and its potential impacts on investments. In 2024, for the third time, Evli organized two-day ESG training days for portfolio management, with the topics being planetary boundaries and biodiversity, among other things. In previous years, climate change has been one of the main topics.

The investment activities of Wealth Management are guided by the Evli Principles for Responsible Investment, which define responsible investment practices. In addition, Wealth Management is governed by the Evli Principles for Climate Change, which describe Evli's approach to taking climate change and its related impacts on its investments into account. These principles are applied to direct equity and fixed income investments, as well as to Evli's equity and fixed income funds. Evli's alternative investments have their own responsible investment principles.

The responsible investments governance model

RESPONSIBLE INVESTMENT EXECUTIVE GROUP

- Decides on the principles and practical procedures of responsible investing
- Members: CEO and managers from the business areas, Portfolio Management, Responsible Investment team, and Legal and Compliance
- Regular meetings approximately on a quarterly basis
- Reports to Evli's Executive Group

RESPONSIBLE INVESTMENT TEAM

- Makes proposals to the Responsible Investment Executive Group on responsible investment principles and practices, and supports the work of portfolio managers and client representatives
- Monitors norm violations and Evli's Principles for Climate Change, and has the right to exclude individual companies from investments
- Is responsible for engaging with companies
- Reports to the Responsible Investment Executive Group

PORTFOLIO MANAGERS

- Take ESG matters into consideration when analyzing potential investments and making investment decisions
- Are responsible for implementing the Principles for Responsible Investment and ESG integration
- Report to the Responsible Investment team on companies that violate the Principles for Responsible Investment

Evli published separate climate targets in 2021, according to which Evli aims to achieve carbon neutrality by 2050 at the latest. The target applies to emissions from both Evli's own operations and investments. The climate targets also include separate milestones. For climate targets, a roadmap has been defined, and a Climate Working Committee has been set up to further clarify how to best achieve the investment-related milestone through real-world emission reductions and in line with the Paris Agreement. Evli's Climate Working Committee monitors, together with Evli's Responsible Investment team, the progress of Evli's climate targets and Evli's work related to Net Zero Asset Manager initiative.

Strategy

At Evli, responsibility has been an integral part of portfolio management for many years, as we believe that taking responsibility into account will create long-term added value. In January 2020, Evli made responsibility one of its strategic focus areas in the Group for the coming years, and in June 2021, Evli published its climate targets and the included milestones. Climate change mitigation has always been an important issue for Evli, and we want to create products that address climate change challenges.

As an asset manager, the most significant climate risks and opportunities for Evli are related to its investment activities, as Evli's own operations do not cause significant direct environmental impacts. In its own operations, Evli has committed to reducing energy consumption and carbon dioxide emissions from its premises and to avoiding unnecessary travel. One of Evli's three milestones of climate targets concerns emissions from its own operations (Scope 1 and 2). However, Evli's strategy focuses on the integration of climate-related risks and opportunities and their impacts into the Group's products and investment strategies, which has also been reflected in the climate targets.

Most of Evli's emissions come indirectly through investments. The second milestone of the climate targets is to reduce indirect emissions from investments by 50 percent by 2030, provided that the investment environment allows this. In the longer term, Evli aims to be a carbon neutral asset manager by 2050 at the latest. To reinforce this commitment, Evli joined the Net Zero Asset Managers (NZAM) initiative in the summer of 2022. As the initiative signatory, Evli had to confirm its interim targets within a year of making the commitment. In the summer of 2023, Evli submitted its interim target to the NZAM initiative, which was based on a report made by Evli's Climate Working Committee. The interim target is in line with the best practices defined by the initiative, and it was approved by the member organizations of the NZAM initiative in summer 2023. Evli's interim target in line with the NZAM initiative is described in more detail in the section "Metrics and targets".

The TCFD divides climate change risks into risks from the transition to a low-carbon economy and physical risks from climate change that may be realized in different time horizons. Transition risks are the financial risks arising from the transition to a low-carbon economy. These include risks arising from changes in policy, regulation, technology, and markets, which, if they materialize, could affect the market value and returns on investments. As clients' climate strategies evolve, Evli must be able to ensure that its products and services meet their changing needs. Investing in companies that are perceived to contribute to climate change also increases the reputational risk associated with investment activities. Physical risks, on the other hand, are the economic risks arising from climate change, which can be the result of single events or long-term changes in the climate. In Evli's investment activities, physical risks may materialize, for example, in real estate investments, which may be increasingly exposed to extreme weather events and sea level rise or flooding damage, for example, as a result of climate change. The physical impacts of climate change also extend to other asset classes, such as equity and corporate bond investments. Within these asset classes, industries dependent on foreign raw materials, for example, may be vulnerable to increasing extreme weather conditions.

In addition to physical and transition risks, climate change risks can also be considered through the climate targets of the investee companies. Such targets can be used to examine how well companies' business and strategy are aligned with the Paris Agreement, and how well they are prepared to respond to climate change in their own operations. Setting climate targets is part of a company's long-term risk management, and the absence of targets also increases risk from an investor's perspective. Evli regularly monitors the climate targets and their development of the target companies of its active equity and corporate bond funds and its direct equity and corporate bond investments. In addition, Evli's engagement work aims to encourage companies to set science-based climate targets (SBT). The first phase of the engagement, which started in 2021, focused in particular on high emitting companies whose emissions or targets are not aligned with the 1.5°C target. In 2024, Evli continued to monitor the progress of engaged companies and also engaged with new companies.

Climate change also brings opportunities for investors. These include, for example, investing in companies that take advantage of opportunities to mitigate and adapt to climate change. In addition, climate change will increase the market for sustainable investments, such as green bonds, providing opportunities for the development of new products.

In fall 2024, Evli launched the new Evli Private Capital Fund I alternative fund, which is Finland's first thematic growth fund making minority investments. The fund invests in unlisted companies with significant growth potential and focuses on energy sector transformation, resource efficiency, and circular economy.

In addition, Evli has several other investment products supporting sustainable development. The investment fund Evli Green Corporate Bond focuses on green corporate bonds. The forest funds, Evli Impact Forest I and Evli Impact Forest II, aim to mitigate climate change by achieving positive carbon impacts. In the case of the forest funds, which are part of the alternative investment funds, Evli's performance fee depends on the achievement of the fund's carbon dioxide removal target. The Evli Renewable Energy Infrastructure Fund II offers the opportunity to invest in reducing global CO2 emissions. The Evli Impact Equity fund promotes a low carbon and resource efficient economy, as well as human development.

Evli also offers its clients the wealth management's climate portfolio strategy that aims to reduce the investment portfolio's greenhouse gas emissions and direct investments towards climate solutions according to the client's objectives. Careful allocation and risk analysis are the core of the investment strategy.

Evli has examined the sustainability of its investment strategy by conducting scenario analyses based on climate data provided by ISS STOXX. The purpose of the scenario analysis is to assess the potential impact of climate-related risks and opportunities in global warming scenarios. The scenario analysis is also included in the tools used by portfolio managers of the equity and corporate bond funds managed by Evli, so the analysis information can be used both before and during the investment decision. The tools also allow systematic monitoring of the evolution of investment strategy scenarios. For example, Evli monitors how equity and corporate bond funds are aligned with the 1.5-degree and 2-degree scenarios. The scenario analyses are based on analyses produced by ISS STOXX. In addition to the scenarios, Evli monitors and reports on the fossil fuel reserves of its investments and the transition of companies to low carbon. More detailed figures on the scenarios and other metrics can be found in the section "Metrics and targets".

Risk management

Evli's Principles for Climate Change and climate targets set the baseline for taking into account and managing climate change and its impacts in investment activities. The identification and assessment of climate risks are based on an analysis of the investments by portfolio managers and the Responsible Investment team. Climate risk management measures include analyzing and monitoring greenhouse gas emissions of investments, engagement, and exclusion. Evli uses data from an external service provider, which is also used by Evli's portfolio managers for investment decisions, for monitoring the climate principles and other day-to-day work related to responsibility. Evli has also defined a climate roadmap for its climate targets, according to which it will systematically carry out its climate work.

The emissions of investee companies in Evli's equity and corporate bond funds are monitored by analyzing the carbon intensity weighted by the portfolio weights of the funds, among others, as recommended by the TCFD, which measures the exposure of the portfolio to carbon-intensive companies. Emission data and other climate analysis data, along with other ESG data, are integrated into the portfolio management systems, and thereby allowing Evli to also monitor and assess the evolution of climate risks in its investments. In line with its Principles for Climate Change, Evli has excluded companies producing peat for energy production and avoids investing in companies with a significant proportion (at least 10%) of their revenue coming from thermal coal mining, its use in energy production, or oil sands extraction. If a company has a concrete plan to change its procedures and/or the company supports Just Transition, the Responsible Investment team may decide to depart from the exclusion. Evli does not finance new thermal coal-fired power plants, thermal coal mines, or oil sands projects that are in the planning or construction stages. In addition to the general exclusion principles, some of Evli's funds follow an even broader exclusion for coal and fossil fuels, with a five percent revenue threshold for exclusion. The information required by the climate change principles, as well as the broader exclusion information for the funds, are included in the portfolio management system, which prevents investments in excluded companies and requires portfolio managers to justify any investment that exceeds the avoidable limits. Should the avoidable limit for climate principles be exceeded, this would automatically be reported to the Responsible Investment team, which would analyze the company and decide on further action.

Evli sees active ownership and corporate engagement as one of the ways to manage climate change risks. Climate change mitigation is one of Evli's key themes for engagement. In its engagement work, Evli also encourages companies to report transparently and set climate targets. In addition, Evli monitors company-specific targets and their progress. When making the NZAM commitment, Evli also set targets for engagement, which continue engagement in line with Evli's roadmap of climate targets. These targets are described in more detail in the section "Metrics and targets".

As part of its independent engagement work based on its climate targets, Evli was in contact with eight companies in 2024 and monitored the progress of the companies that were engaged with in the previous years. In 2024, Evli attended in 33 general meetings in Finland. More information on Evli's principles for attending general meetings is available in the engagement policies of Evli and Evli Fund Management Company. Evli reports on votes cast at the general meetings in relation to its funds semiannually, as part of the annual report and the half-yearly report of investment funds.

In addition to independent engagement, Evli is committed to several investor initiatives that aim, among other things, to have a broader impact on the market, to influence companies at risk from a climate change perspective and to encourage governments in different countries to take more ambitious measures to mitigate climate change. Evli is involved in the following major climate initiatives, for example: the Climate Action 100+ initiative, CDP investor letters (climate change, deforestation, and water) and the CDP's collaborative engagement to set science–based targets. For several years, Evli has also signed a joint investor letter to governments. In 2024, the investor letter "Global Investor Statement to Governments on the Climate Crisis" called on the governments to take necessary political actions to accelerate private capital flows needed for the just transition to a climate–resilient and nature–positive economy. In addition, Evli has signed in 2022, together with other investors, the global COP15 investor statement "Moving Together on Nature", which called on governments to take coordinated action to tackle climate change and biodiversity loss around the world and give financial institutions a stronger mandate to align financial activities with biodiversity targets, and to adopt an ambitious Global Biodiversity Framework.

In 2024, Evli joined as an endorser the PRI Spring initiative, in which institutional investors engage with companies to halt biodiversity loss by 2030. The initiative focuses on forest loss and land degradation, which are one of the key drivers of biodiversity loss and climate crisis.

In addition to these measures, Evli regularly monitors changes in climate change regulation. Evli has been involved in the EU legislative debate in Finland as a member of Finsif and Finance Finland and participated in global discussion, as a PRI signatory, at events organized by PRI. In 2024, Evli was part of Finance Finland's working group drafting a joint nature commitment for the finance sector. Evli also participated in TNFD's consultation concerning reporting recommendations for the finance sector.

One significant stakeholder for Evli is data providers, with which Evli engages in continuous dialogue about, among others, climate data. The purpose is to develop Evli's own operations, tools, and reporting as well as to improve the data available to investors in order to achieve the climate targets.

Metrics and targets

Evli regularly monitors the development of the carbon footprint of its equity and corporate bond funds by calculating the carbon intensity weighted by the portfolio weights of the funds, i.e. by analyzing Scope 1 and Scope 2 emissions[1] of each investment, relating them to the company's revenue and weighting each investment by its relative share in the portfolio. The carbon intensity obtained by the fund is compared to the corresponding figure of the fund's benchmark index.

Evli has also mapped the absolute and financed emissions of its investments. The absolute emissions of Evli's investments are the total emissions of the investments in relation to Evli's ownership share of the total value of the investments. Similarly, the financed emissions are calculated by dividing the absolute emissions of the investments by the present value of all investments. The absolute emissions and weighted average carbon intensity is presented in the table below for Scope 1, 2, and 3 emissions. For Scope 3[1] emissions, it should be noted that the figures are largely still based on estimates and should be interpreted as indicative. In addition to Evli's equity and corporate bond funds, direct equity and corporate bond investments in wealth management are included in the data in the table.

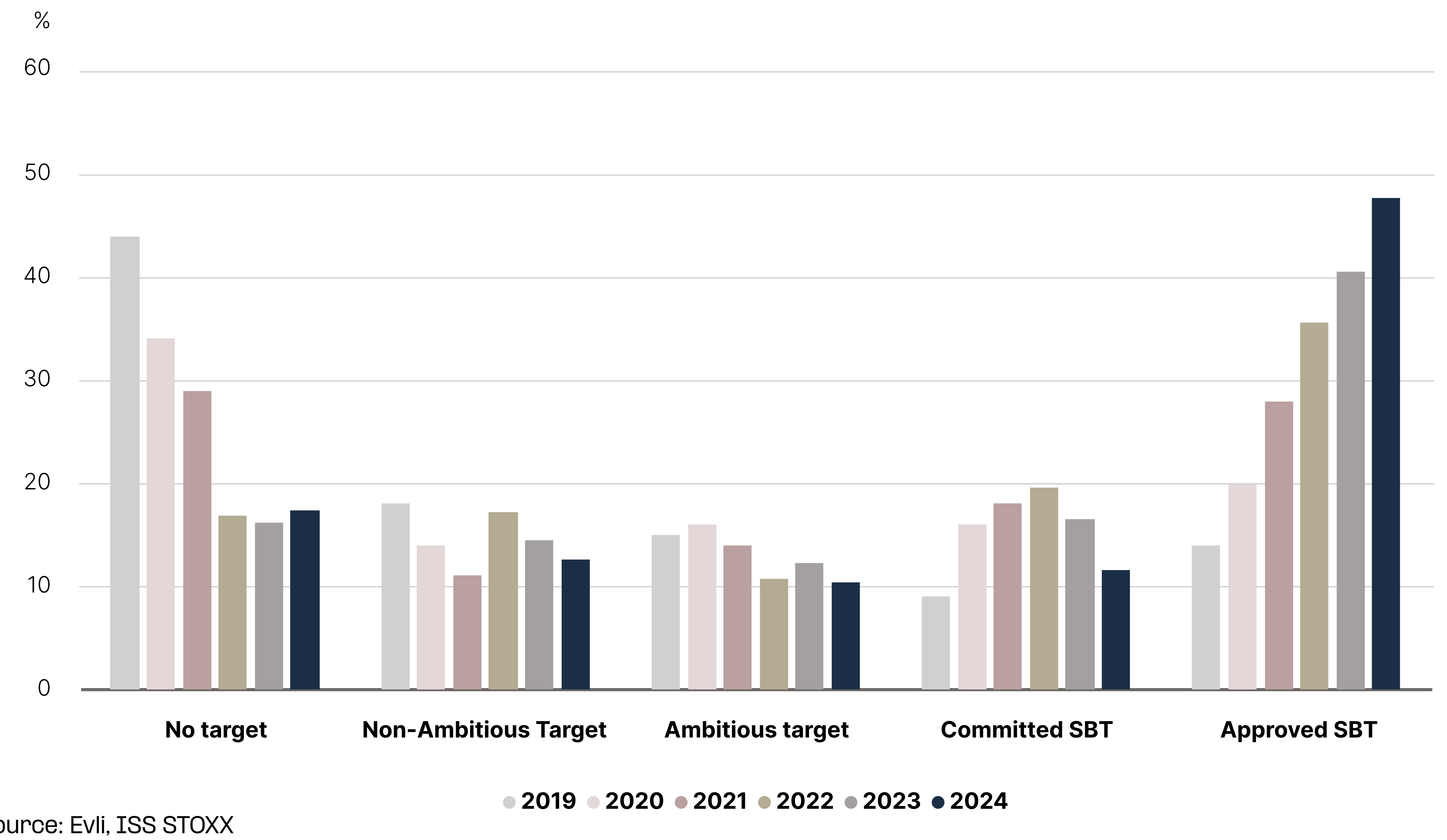
	Scope 1 + 2	Scope 1+2+3
Absolute emissions (t CO_2 e, coverage 73%)	728,000	4,559,000
Carbon intensity (t CO_2 e/$M Sales, coverage 81%)	101.8	694.1

Source: Evli, MSCI ESG Research

[1] The calculation of carbon footprint figures is defined by the international standard GHG protocol (Greenhouse Gas Protocol), for example. The GHG protocol breaks down greenhouse gas emissions into scopes 1–3. Scope 1 greenhouse gas emissions refer to direct emissions from activities that are owned or controlled by the company. Scope 2 greenhouse gas emissions, on the other hand, refer to the indirect emissions from the activity that arise from the production of purchased energy, and Scope 3 includes indirect emissions related to products purchased by the company, outsourcing, business travel, etc.

While carbon footprint tracking helps to understand the emissions profile of investments, it is not a complete single measure of the emissions associated with a portfolio and does not help to assess future emissions trends or mitigation opportunities. For this reason, in addition to carbon emissions, Evli monitors the emissions reduction targets of its investee companies and their development. Evli has mapped the distribution of its investments' climate targets between 2019 and 2024. The development of the targets is shown in the graph "Distribution of climate targets 2019–2024". The climate targets of the investments range from "No target" to "Approved science-based target (SBT)". Evli aims to increase the proportion of investments that have science-based climate targets, thereby reducing the potential risks to investments caused by climate change.

Distribution of climate targets 2019–2024



Source: Evli, ISS STOXX

The mapping of climate targets takes into account all of Evli's direct investments, including equity and corporate bond funds and the direct equity and corporate bond investments made in wealth management. The graph shows the evolution of the climate targets of investment firms between 2019 and 2024. The graph indicates that over the course of six years, the share of "No target" has significantly decreased and the share of science-based targets has clearly increased. For example, the share of "Approved SBT" increased by 34 percentage points and the share of "Committed SBT" increased by 3 percentage points. The trend in the share of committed SBTs between 2022 and 2024 has been descendent, which can be explained by the companies with committed SBTs getting the targets approved. This is also illustrated by the increased share of "Approved SBT" which was 7 percentage points higher compared to 2023. Correspondingly, between 2019 and 2024, the share of "No target" had decreased by 27 percentage points. The positive trend shown in the graph is in line with Evli's ambitions, as encouraging the investee companies to set climate targets is an important part of Evli's engagement work and climate roadmap. Of the companies covered by Evli's own climate engagement, which started in 2021, 19 committed to a science-based climate target between 2022 and 2024.

Evli also uses scenario analysis to identify climate-related risks and opportunities. At the end of 2024, 47 percent of Evli's equity and corporate bond funds were aligned with the 1.5-degree scenario and 31 percent with the 2-degree scenario. In addition, Evli analyses the share of companies owning fossil fuel reserves and compares it to the corresponding figure in the fund's benchmark index. Evli also examines the transition of companies to low-carbon status, dividing companies into different categories according to the risks and opportunities associated with their energy transition. This allows Evli to better assess the potential for reducing the carbon footprint of funds and to identify companies that are at risk from a climate change perspective. Evli also regularly explores new tools to better measure the actual impact of investments on different stakeholders and the environment, including the impact on climate change. Evli's ESG reports for equity and corporate bond funds are publicly available on Evli's website evli.com.

Evli's climate targets

In line with its responsible investment objectives, Evli published separate climate targets in June 2021. Evli aims to achieve carbon neutrality by 2050 at the latest. The target applies to emissions from both Evli's own operations and investments. In addition to the main target, Evli set three interim targets:

1. Evli aims to achieve carbon neutrality for emissions from its own operations (Scope 1 and 2) by 2025 at the latest.
2. Evli set an interim target of a 50 percent reduction in indirect emissions from investments by 2030, provided that the investment environment enables this. The base year is 2019.
3. Evli set up a Working Committee to further explore how best to achieve the investment-related milestone through real-world emission reductions and in line with the Paris Agreement. In 2022, it was decided that the Climate Working Committee continues supporting climate work until 2025. In 2022, Evli reinforced its climate commitment by signing the Net Zero Asset Managers initiative.

The interim targets and the roadmap of climate targets support Evli's long-term goal of carbon neutrality. In line with the climate targets roadmap, Evli will refine the monitored metrics as work progresses and report accordingly.

Targets in line with the Net Zero Asset Managers initiative

In addition to its own climate targets, Evli has an interim target approved by the Net Zero Asset Managers (NZAM) initiative in 2023, which is based on Evli's milestones of climate targets and climate roadmap, set in 2021. The NZAM interim target provides concrete tools and clear metrics to support Evli's short-term and long-term climate targets. In the first stage, the NZAM interim target includes Evli's equity and corporate bond funds, as comprehensive data is available for them. With other asset classes, the work will be continued in accordance with Evli's roadmap of climate targets.

Evli's NZAM interim target is based on two methodologies approved by the initiative. Evli defined the interim targets related to assessment of companies (portfolio coverage targets) by following the Paris Aligned Investment Initiative's[1] Net Zero Investment Framework[2] (NZIF) methodology. Based on Net Zero Asset Owner Alliance's[3] Target-Setting Protocol[4] (TSP) methodology, Evli defined an interim target for investments (sub-portfolio target) and an engagement target. Evli will report on the progress of the targets annually.

For the interim target of investments (sub-portfolio target), a -56.8 percent reduction in carbon footprint had been achieved by the end of 2024 as compared with the base year 2019.

In accordance with the engagement target, Evli engaged with eight companies independently and with 16 companies through collaborative engagement initiatives in 2024. In addition, Evli continued its independent engagement with other high emitting companies.

At the end of 2024, 52 percent of the investments of material sectors were net zero, aligned, or aligning.

[1] The Paris Aligned Investment Initiative (PAII) was launched in May 2019 by the Institutional Investors Group on Climate Change (IIGCC). The objective of the initiative is to examine how investors can align their portfolios to the goals of the Paris Agreement.
[2] The Net Zero Investment Framework developed by the PAII provides a common set of recommended actions, metrics and methodologies through which investors can maximize their contributions to achieving global net zero emissions by 2050 or sooner www.parisalignedasse-towners.org/media/2021/03/PAII-Net-Zero-Investment-Framework_Implementation-Guide.pdf).
[3] The UN-convened Net Zero Asset Owner Alliance (NZAOA) is a member-led initiative of institutional investors committed to transitioning their investment portfolios to net zero greenhouse gas emissions by 2050 – consistent with a maximum temperature rise of 1.5°C.
[4] Target-Setting Protocol is a broad framework for reporting and delivering short-term climate targets (www.unepfi.org/industries/tar-get-setting-protocol-third-edition/).

Net Zero Asset Managers initiative's interim targets

Sub-portfolio target

Target:	Investment emissions reduction -50%
Base year:	2019
Carbon footprint of the base year:	241.8 t CO_2e/$M Sales
Target year:	2030
Achieved at the end of 2024:	-56.8% of the base year

Engagement target

Target:	Evli will engage with the 20 highest emitting companies that have not committed to or do not have an approved science-based target (SBTi) or that are not aligned to a net zero pathway as defined in the NZIF methodology
Base year:	2022
Target year:	2025
Achieved at the end of 2024:	
– Independent engagement:	8 companies (2023: 4 companies)
– Through collaborative initiatives:	16 companies (2023: 12 companies)

Portfolio coverage targets

Target:	To achieve a certain percentage of assets under management (AUM) in material sectors that is net zero, aligned, or aligning by 2050
Base year:	2022, share of AUM 42%
Target year:	2027, share of AUM 55%
Target year:	2030, share of AUM 65%
Achieved at the end of 2024:	share of AUM 52.01%

	Carbon intensity (t CO_2e / USD million)[1]	Compared to benchmark[2]	Weight of companies owning fossil fuel reserves (%)[3]	Compared to benchmark (%-points)[2]	Coverage / Fund[4]	Coverage / Benchmark index[4]	Investments in Solutions class in the MSCI Low Carbon Transition classification[5]
Equity Funds							
Evli Emerging Frontier	610,4		0,0 %		47,8 %		
Evli Europe	212,0	174,5 %	9,9 %	2,2 %	98,0 %	98,8 %	4,3 %
Evli Europe Growth	29,1	-62,4 %	0,0 %	-7,6 %	96,4 %	99,9 %	10,9 %
Evli GEM	208,3	-32,4 %	5,9 %	-0,8 %	93,6 %	99,3 %	2,7 %
Evli Hannibal	174,3	174,5 %	0,0 %	-7,6 %	90,3 %	99,9 %	1,7 %
Evli Impact Equity	233,8	106,8 %	0,0 %	-5,9 %	95,0 %	99,4 %	27,4 %
Evli Japan	61,5	1,9 %	1,5 %	-5,8 %	96,2 %	97,1 %	4,4 %
Evli Global	83,0	-10,8 %	0,0 %	-5,9 %	99,2 %	99,0 %	5,8 %
Evli Global X	88,0	-5,4 %	0,0 %	-5,9 %	99,3 %	99,0 %	6,3 %
Evli Equity Factor Europe	31,0	-59,8 %	0,0 %	-7,7 %	96,9 %	98,8 %	6,8 %
Evli Equity Factor Global	47,0	-49,5 %	0,0 %	-5,9 %	98,2 %	99,0 %	3,5 %
Evli Equity Factor USA	52,7	-42,3 %	0,0 %	-4,6 %	99,0 %	99,1 %	3,5 %
Evli North America	146,3	50,9 %	11,4 %	6,4 %	96,6 %	99,1 %	3,2 %
Evli Nordic	186,2	366,1 %	8,3 %	5,9 %	98,3 %	98,7 %	10,9 %
Evli Nordic Small Cap	13,8	-81,3 %	0,0 %	-2,0 %	88,3 %	89,0 %	0,0 %
Evli Sweden Equity Index	16,6	5,0 %	0,0 %	0,0 %	96,8 %	100,0 %	1,6 %
Evli Swedish Small Cap	27,9	-13,8 %	0,0 %	0,0 %	83,3 %	88,7 %	3,3 %
Evli Silver and Gold	337,5		0,3 %		85,1 %		0,0 %
Evli Finland Mix	89,0		0,0 %		76,6 %		0,0 %
Evli Finnish Small Cap	38,2	-39,5 %	0,0 %	0,0 %	67,3 %	72,8 %	9,3 %
Evli Finland Select	50,2	-33,0 %	0,0 %	0,0 %	92,4 %	90,5 %	4,1 %
Evli UK Value Fund	63,8		5,0 %		88,0 %		0,0 %
Evli USA Growth	24,4	-73,3 %	0,6 %	-3,9 %	97,2 %	99,1 %	21,0 %
Fixed Income Funds							
Evli Green Corporate Bond	97,6	-23,0 %	4,5 %	4,5 %	91,6 %	96,1 %	10,5 %
Evli European High Yield	62,3	-47,4 %	0,7 %	-2,1 %	59,4 %	68,6 %	
Evli European Investment Grade	46,9	-52,4 %	0,5 %	-5,5 %	94,1 %	95,2 %	7,5 %
Evli Emerging Markets Credit	350,6	-27,2 %	14,4 %	-0,5 %	66,9 %	81,7 %	1,9 %
Evli Euro Liquidity	98,9		0,0 %		66,8 %		2,8 %
Evli Short Corporate Bond	128,7		0,0 %		78,2 %		2,7 %
Evli Nordic 2025 Target Maturity	82,3		0,0 %		58,0 %		4,5 %
Evli Nordic Corporate Bond	88,8	-0,8 %	0,0 %	-5,7 %	71,0 %	94,7 %	9,0 %
Evli Corporate Bond	72,0	-27,0 %	0,9 %	-5,2 %	86,7 %	95,2 %	11,1 %

Sources: Evli, MSCI ESG Research

[1] Evli uses weighted average carbon intensity to measure carbon footprint. A fund's weighted average carbon intensity is calculated by dividing the company-specific scope 1 and scope 2 greenhouse gas emissions by the company's revenues. After that, company-specific carbon intensity is multiplied by the company's portfolio weight. The fund-specific carbon footprint is a sum of company-specific carbon intensities apportioned based on portfolio weights. Scope 1 greenhouse gas emissions refer to emissions directly occurring from sources that are owned or controlled by the company. Scope 2 greenhouse gas emissions refer to indirect emissions generated in the production of electricity purchased by the company.

[2] Compared to benchmark figure shows how the fund compares to corresponding figures for the benchmark index. As it is not possible to calculate this figure to all benchmark indeces, some sections are left blank

[3] Weight of companies owning fossil fuel reserves shows the share of companies owning coal, gas or oil reserves in the fund. In this report coal reserves refer to use of coal in energy production (thermal coal).

[4] Coverage indicates the share of fund's/index's holdings (measured by market value) for which emissions data is available. The emissions data is based on emissions reported by the companies or other publicly available emissions data (e.g. CDP) and the data provider's estimate of emissions.

[5] Shows the share of companies which have been classified in MSCI's Low Carbon Transition Classification to Solutions category. The Solutions category means that, according to MSCI's analysis, the companies in this category have the potential to benefit through the growth of low-carbon products and services.

Taskforce on Nature–related Financial Disclosures report

Evli has designated the consideration of biodiversity, or in other words natural diversity, as one of its focus areas for responsible investment. In January 2024, as part of its actions under the biodiversity roadmap, Evli joined the TNFD Early Adopters. Now for the first time, Evli publishes a report in accordance with the Taskforce on Nature–related Financial Disclosures (TNFD) framework on how Evli considered biodiversity in its operations in 2024. TNFD is a market–led, science–based initiative that has developed a reporting framework on nature for organizations and financial institutions to standardize nature–related reporting. The framework follows the Task Force on Climate–related Financial Disclosures (TCFD) climate reporting framework and includes the same reporting pillars: governance, strategy, risk and impact management, and metrics and targets.

Introduction

Considering biodiversity has emerged as a significant area in responsible investment. In the worst–case scenario, biodiversity loss could lead to significant losses for companies and investors alike. Therefore, it is important to be able to identify risks related to nature and the negative impacts of companies' operations on nature. In 2022, the Global Biodiversity Framework[1] (GBF) was adopted at the UN Biodiversity Conference COP15 in Montreal. It includes 23 targets to halt biodiversity loss by 2030. According to Target 15 of the GBF, companies need to assess and disclose on the risks, dependencies, and impacts of their operations on nature, and the TNFD's reporting recommendations will help in this.

This Taskforce on Nature–related Financial Disclosures report provides information on biodiversity–related risks of Evli's operations and on Evli's biodiversity work progress in 2024. At Evli, we understand the role of the atmosphere as part of nature and the importance of climate change as one of the drivers of biodiversity loss. Evli has a long history of working to mitigate climate change, including setting climate change principles and targets and publishing its TCFD report since 2020. This TNFD report on nature risks does not include information on climate and Evli's climate work, as they are reported on the TCFD report, available in Evli's annual report.

Governance

As part of the broader discussion on responsibility, Evli's Board and Executive Group regularly address issues related to biodiversity and nature loss. Evli's Head of Sustainability attends Board and Executive Group meetings from time to time. In addition to the work of the Board and Executive Group, Evli has a Responsible Investment Executive Group, which decides on the principles and practical procedures of responsible investment at Evli. In addition to the CEO, the Responsible Investment Executive Group includes managers from the business areas, Portfolio Management, Responsible Investment team, and Legal and Compliance.

The Responsible Investment team, under the supervision of the Head of Sustainability, is responsible for coordinating and developing ESG matters in the funds and discretionary portfolio management, as well as for engaging with companies. Evli's biodiversity work is guided by Evli Wealth Management's biodiversity roadmap. Evli also recognizes the impacts of nature impacts and dependencies on indigenous peoples and local communities and monitors, for example, whether investee companies comply with international standards. When analyzing potential investments and making investment decisions, Evli's portfolio managers take ESG matters into account, including nature–related issues. Portfolio management and other specialists working on responsible investment are systematically offered training in biodiversity loss and its drivers, risks and opportunities caused by biodiversity loss, and potential impacts of biodiversity loss on investments. For example, in 2024 Evli organized ESG training days for portfolio management, with one of the main topics being biodiversity.

[1] Kunming-Montreal Global Biodiversity Framework

Strategy

At Evli, responsibility has been an integral part of portfolio management for many years, as we believe that taking responsibility into account will create long-term added value. In January 2020, Evli made responsibility one of its strategic focus areas for the coming years. The Group has published the Wealth Management's biodiversity roadmap, with the aim of gaining a better understanding of the nature impacts, dependencies, risks, and opportunities of investments. Evli has already made climate change more prominent in Wealth Management's investments and published Climate Targets and Climate Change Principles, which are followed in investment activities. In addition to climate change mitigation, Evli makes further efforts to take biodiversity into account in its activities.

Evli has made biodiversity one of its focus areas for responsible investing for 2022–2024. In December 2023, Evli published a biodiversity roadmap, guiding its work between 2023 and 2025, with the aim of gaining a better understanding of the biodiversity-related risks, opportunities, dependencies, and impacts of investments. The roadmap also aims to develop biodiversity-related ESG integration and reporting in such a manner that biodiversity is integrated into Evli's operations in line with best practices. In the future, the aim is to set more specified biodiversity-related principles and targets.

As an asset manager, the most significant biodiversity risks, opportunities, dependencies, and impacts for Evli are related to its investment activities, as Evli's own operations do not cause significant direct environmental impacts. Evli's strategy focuses on the integration of nature-related risks and opportunities and their impacts on the Group's products and investment strategies, which has also been reflected in the biodiversity roadmap.

Most of Evli's nature impacts materialize through investment activities. The World Economic Forum's report states that more than half of the world's gross domestic product is moderately or highly dependent on nature and the services it provides. Nature provides ecosystem services on which many business activities depend. Ecosystem services include provisioning services (for example, nutrition, water, medicinal substances, and materials), supporting services (for example, photosynthesis and soil quality), regulating services (for example, climate regulation, clean air, and clean water) and cultural services (for example, recreation and aesthetic nature). Biodiversity loss disrupts ecosystem services, and in the worst-case scenario, it could lead to significant losses for companies and investors alike. Correspondingly, companies' activities may have impacts on biodiversity and ecosystem services. Therefore, it is important to recognize the double materiality of corporate actions.

Biodiversity roadmap action steps

1. **Building a snapshot**
   In its investment activities, Evli seeks to identify biodiversity-related risks and dependencies as well as the impacts of investments on biodiversity. For this purpose, Evli improves the analysis of its investments, for example with the ENCORE analysis, and explores nature-related metrics. The purpose is to examine the biodiversity-related risk and opportunities of investee companies and possible investments in Evli's equity and fixed income funds, as well as to explore how alternative asset classes recognize and measure key figures related to biodiversity.

2. **Developing data and tools**
   As part of building a snapshot and analyzing investments, Evli examines available data, identifies the needs of new metrics, and develops portfolio management tools so that biodiversity-related metrics are taken into account in investment analysis.

3. **Engagement and active ownership**
   Based on relevant biodiversity metrics and analysis, Evli seeks to identify target companies it can engage with to address biodiversity matters. Based on the analysis, the purpose is to identify corporate risks related to biodiversity loss and how companies take into account nature risks and the impacts of their operations on biodiversity. Before engagement, targets for the engagement outcome are set based on the observations of the analysis. In addition, Evli aims to consider just transition in its engagement analysis.

   As part of active ownership, Evli also collaborates with other investors to engage with companies when the target and goals are in line with Evli's biodiversity work. Evli also explores new collaborative engagement ways and actively follows the development of the initiatives.

4. **Developing reporting and TNFD reporting**
   After identifying the biodiversity metrics integral to investment activities, Evli aims to improve its responsibility reporting. Evli aims to find biodiversity metrics that comply with, for example, recommendations of Taskforce on Nature-related Financial Disclosures (TNFD) or other reporting frameworks, and describe, in the best possible way, biodiversity risks and impacts related to investments. Evli will report on its investments in accordance with the TNFD recommendations from 2025 onwards.

5. **Setting biodiversity-related principles and targets**
   As a result of the roadmap, Evli seeks to set biodiversity principles that specify how Evli takes into account biodiversity as part of its investment activities in different asset classes. In addition, Evli's monitored metrics, analysis tools, engagement targets and principles as well as biodiversity-related reporting are described in the principles. In the future, Evli also seeks to establish biodiversity targets.

Risk and impact management

Evli's main risks and nature impacts arise through investments and are widely distributed across different sectors and geographical areas. Identifying and considering risks and impacts are key to risk management and also allow the identification of engagement targets. Evli's biodiversity roadmap sets out the steps for work to develop the integration of biodiversity into Evli's investment activities, including the development of risk management and identification of nature impacts.

As with climate change, biodiversity loss poses physical and transition risks to companies and investors. Physical risks refer to risks caused by changes in ecosystems. Physical risks are also often local and can occur either in a short period of time, such as accidents and natural disasters, or they can be slowly developing changes in nature's ecosystems, with impacts realized in the long term. In particular, companies whose operations depend on healthy ecosystems are exposed to physical risks if the ecosystems they depend on and the services they provide degrade. Transition risks, on the other hand, refer to companies' abilities to adapt their operations to changing operating environments, where the aim is to prevent biodiversity loss, for example, through legislation or new technologies. Especially companies whose operations are environmentally unsustainable and whose industries have impacts on nature, are exposed to transition risks.

To identify nature risks and impacts, Evli monitors, among other things, norm violations of companies and the principal adverse impacts of investments on sustainability factors, i.e. the PAI indicators (Principal Adverse Impact Indicators)[1]. In addition, Evli's portfolio managers are responsible for ESG integration when analyzing investments, thus also allowing potential environmental risks to be considered. In its responsibility work, Evli uses data from an external service provider, which is also used by portfolio managers for investment decisions.

Evli regularly monitors that investments comply with the principles of the UN Global Compact, the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises. By monitoring these, the nature aspect is also taken into account and serious nature–related violations are brought to the attention of Evli's Responsible Investment team. In connection with dealing with violations, Evli's Responsible Investment team may decide to start engaging with a company, so that the company may change its operations to be more responsible and reduce its negative nature impacts. If the company fails to improve its operations despite our engagement, Evli's Responsible Investment team may ultimately exclude the company from its investments. The PAI indicators of investments are also regularly monitored, and their consideration is based on Evli's Principles for Responsible Investment, Climate Change Principles, and Climate Targets. The PAI indicators include nature–related indicators, such as companies' operations in biodiversity–sensitive areas, emissions to water, and hazardous waste ratio. Evli's Responsible Investment team regularly analyses companies raised by the PAI monitoring and can, for example, start engaging with a company if the company's operations have negative impacts on nature or otherwise pose a significant risk. Evli reports on PAI indicators annually at the company level.

In the identification of nature risks and impacts, Evli uses, among other things, the ENCORE[2] tool and its data, based on which Evli has built its portfolio analysis. The analysis allows us to examine which ecosystem services the industries in the portfolio are dependent on, what impacts the portfolio's industries can have on nature, and how significant the dependency or impact is. The data of the portfolio analysis are industry–specific and can serve as a first step in a more detailed analysis to identify the industries in which the portfolio's nature–related risks and impacts are concentrated. In the next step, individual companies in the relevant industries can be studied in more detail, such as what procedures, targets, and metrics the company has in place. With the ENCORE analysis, it is also possible to assess which industries or drivers of biodiversity loss are the most relevant for Evli's investments, and on which ones to focus in the first phase. Evli will continue the assessment in 2025.

Active ownership and engaging with companies are one of the ways in which Evli can address the management of nature risks. Biodiversity has emerged as an important theme in discussions with companies, especially when the company's operations have significant impacts on nature. When discussing with companies, it is possible to influence the way companies consider and minimize nature risks and impacts in their operations and to encourage companies to report on nature transparently, for example in accordance with the TNFD's recommendations. In 2024, Evli discussed issues related to nature with four companies. The companies were selected based on the ENCORE analysis, PAI indicator monitoring, and a serious environmental violation. In addition, Evli attends general meetings mainly in Finland, but may also provide voting instructions to foreign general meetings without attending the meetings itself. Attendance at general meetings is assessed based on the matters to be discussed and on Evli's possibilities to influence the matters.

In addition to independent engagement, Evli is involved in investor initiatives related to nature, such as the Nature Action 100[3], where investor groups encourage companies with significant impacts on nature to take more ambitious actions to halt biodiversity loss. Evli is in one investor group and thereby actively participates in the engagement of the target company. Furthermore, Evli is an endorser of the PRI Spring initiative[4], in which institutional investors engage with companies to halt biodiversity loss by 2030. The initiative focuses primarily on the prevention of forest loss and land degradation, which are one of the key drivers of biodiversity loss. Evli is also involved in CDP's investor letters, with the topics being climate change, deforestation, and water. In 2024, a total of approximately 2,000 companies were engaged through these three initiatives.

[1] Principal Adverse Impact, i.e. PAI indicators mean indicators that describe adverse impacts of investment decisions on sustainability factors.
[2] www.encorenature.org/en
[3] www.natureaction100.org/
[4] www.unpri.org/investment–tools/stewardship/spring

At the end of 2022, Evli signed, together with other investors, the global COP15 investor statement "Moving Together on Nature", which called on governments to take coordinated action to tackle climate change and biodiversity loss around the world and give financial institutions a stronger mandate to align financial activities with biodiversity targets, and to adopt an ambitious Global Biodiversity Framework. In spring 2024, Evli signed the investor letter "Finance Statement on Plastic Pollution" together with other financial companies to support a global plastics treaty. The signatories support a commitment to end plastic waste and instead create a sustainable life cycle for plastics. The reduction and elimination of plastic waste are also part of the Global Biodiversity Framework's targets.

Metrics and targets

Evli's biodiversity–related risks and opportunities are assessed through investment activities. Risks arising from investments may be physical or transition risks, and they arise from investee companies' nature dependencies and nature impacts. Opportunities related to nature are primarily such investments that promote green transition and biodiversity, for example in accordance with the objectives of the EU taxonomy.

Evli has analyzed the exposure of equity and corporate bond funds to biodiversity–related risks by identifying the share of investments that 1) operate in material nature–related sectors or 2) operate in biodiversity–sensitive areas. The metrics are based TNFD's reporting guidance for financial sector. The analysis uses MSCI and ISS STOXX data, from which the shares of investments in the relevant sectors and areas concerned have been calculated as the relative share of investments in a portfolio.

The material nature–related sectors, in accordance with the TNFD, are based on the classification in line with the GICS standard. The sector–specific figures are reported in accordance with the higher level GICS sector classification, but the figures are based on more specific industry data on the material nature–relevant sector classification by the TNFD.

Biodiversity–sensitive areas have been defined based on MSCI's data on companies with at least three known operational locations in biodiversity–sensitive areas. The following are classified as sensitive areas: healthy forests, areas with intact biodiversity, prime areas for conservation, and deforestation fronts. In addition, the metric takes into account companies who have reported sites owned, leased, or managed in or adjacent to such areas.

Sector[1]	Proportion of investments in equity and corporate bond funds with activities in material biodiversity–relevant sectors[2]
Consumer discretionary	6.4%
Consumer staples	4.9%
Energy	2.8%
Health care	3.9%
Industrials	5.1%
Information technology	2.3%
Materials	10.2%
Real estate	5.8%
Utilities	2.0%
Not relevant	56.5%

[1] Material nature-related sectors according to TNFD's guidance: Energy equipment and services, Oil, gas and consumable fuels, Chemicals, Construction materials, Containers and packaging, Metals and mining, Paper and forest products, Air freight and logistics, Passenger airlines, Marine transportation, Ground transportation, Transportation infrastructure, Automobile components, Automobiles, Household durables, Textiles, apparel and luxury goods, Hotels, restaurants and leisure, Consumer staples distribution and retail, Beverages, Food products, Tobacco, Household products, Personal care products, Biotechnology, Pharmaceuticals, Semiconductors and semiconductor equipment, Commercial services and supplies, Electric utilities, Gas utilities, Multi-utilities, Water utilities, Independent power and renewable electricity producers, Homebuilding, Construction and engineering, Real estate management and development, Diversified real estate investment trusts (REITs), Industrial REITs, Hotel and resort REITs, Office REITs, Health care REITs, Residential REITs, Retail REITs, and Specialized REITs.
[2] Data coverage 72.3%

Sources: Evli, ISS STOXX

According to the metrics, the proportion of material biodiversity–relevant sectors in Evli's equity and corporate bond funds is 43.5 percent. Of these, the largest share is in materials. The ENCORE tool enables industry–specific examination of nature impacts and dependencies of industries.

Materials include, for example, chemicals, containers and packaging, and metals and mining as sub–sectors. Relevant nature impacts may include, for example, discharge of toxic waste into water or soil, or noise pollution from activities. In particular, the materials industry is dependent on ecosystem services related to rain and water purification. It should be noted from the ENCORE's results that the analysis data are sector–specific and do not directly indicate how individual companies operate or what the impacts and dependencies of the companies' operations are in reality.

	Proportion of investments in equity and corporate bond funds with activities in biodiversity–sensitive areas
Activities in sensitive areas	38.9%
Activities negatively affecting biodiversity–sensitive areas	8.2%
No activities in sensitive areas	44.1%
Data not available	17.0%

Sources: Evli, MSCI

This disclosure was developed using information from MSCI ESG Research LLC or its affiliates or information providers. Although Evli Fund Management Company Ltd information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information (the "Information") from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness, of any data herein and expressly disclaim all express or implied warranties, including those of merchantability and fitness for a particular purpose. The Information may only be used for your internal use, may not be reproduced or redisseminated in any form and may not be used as a basis for, or a component of, any financial instruments or products or indices. Further, none of the Information can in and of itself be used to determine which securities to buy or sell or when to buy or sell them. None of the ESG Parties have any liability for any errors or omissions in connection with any data herein, or any liability for any direct, indirect, special, punitive, consequential, or any other damages (including lost profits) even if notified of the possibility of such damages.

Of Evli's investments, 38.9 percent are in biodiversity–sensitive areas. In addition, the analysis on sensitive areas presents the PAI indicator describing the principal adverse impacts on sustainability factors, "Activities negatively affecting biodiversity–sensitive areas". The indicator shows the proportion of investments that operate in biodiversity–sensitive areas and have had negative nature impacts. The proportion of such investments was 8.2 percent.

Although an analysis based on sector data and operating locations helps to understand the biodiversity–related risks of investments, it alone does not give a complete picture of the exposure of a portfolio to biodiversity risks or of the impacts of investee companies' operations on nature. Company–specific methods of preserving or restoring biodiversity may vary within a sector and regionally. Companies may also have biodiversity–related targets or instructions that are outside the scope of this review. It is also worth noting that not all companies necessarily report extensively on their impacts on nature.

Evli aims to develop biodiversity–related analysis, metrics, and reporting in accordance with its biodiversity roadmap. The roadmap aims to develop metrics related to biodiversity, ESG integration, and reporting in such a manner that biodiversity can be taken into account as part of investment activities. The aim is also to set more specified biodiversity–related principles and targets in the future.

FINANCIAL REVIEW

Key financial figures

	2024	2023	2022[1]	Carve-out 2021	Carve-out 2020
Income statement key figures					
Net revenue, M€	126.8	108.7	96.1	116.2	80.1
Operating profit/loss, M€	58.2	40.2	30.9	56.6	32.3
Operating profit margin, %	45.9	37.0	32.1	48.7	40.4[2]
Profit/loss excl. non-recurring items related to mergers and acquisitions, M€	43.3		37.1		
Profit for the financial year, M€	49.9	32.0	25.1	45.5	25.5
Profitability key figures					
Return on equity (ROE), %	34.4	22.8	20.4	50.4	35.7
Balance sheet key figures					
Equity-to-assets ratio, %	42.4	39.8	39.1	27.7	-
Other key figures					
Expense ratio (operating costs to net revenue)	0.53	0.63	0.67	0.52	-
Recurring revenue ratio, %	132	130	123	135	128
Permanent personnel at the end of the period	273[3]	316	294	283	-
Assets Under Management, mrd. €	18.9	18.0	16.0	17.5	-
Share based key figures					
Earnings per share, €	169	1.09	0.83	-	-
Equity to owners of parent entity per share, €	5.5	4.9	5.1	-	-
Dividend per share, €	1.18[4]	1.16	0.80	-	-
Capital return per share, €	-	-	0.35	-	-
Dividend to earnings ratio, %	70%	105%	97%	-	-
Effective dividend yield, %	6.7%	5.8%	7.6%	-	-
Price to earnings ratio (P/E)	10.4	18.1	18.3	-	-
Market value, M€	463.5	521.8	398.1	-	-
Diluted number of shares at the end of period	27,347,899	27,367,899	26,945,975	-	-
Trading volume (B-share), %	8	10	6	-	-

[1] Includes Carve-out figures for 1-3/2022
[2] Unaudited
[3] The number of employees of Allshares Oy is not included in the 1–12/2024 personnel figures
[4] The Board of Directors proposal to the Annual General Meeting

34.4 (2023: 22.8)

RETURN ON EQUITY (%)

132 (2023: 130)

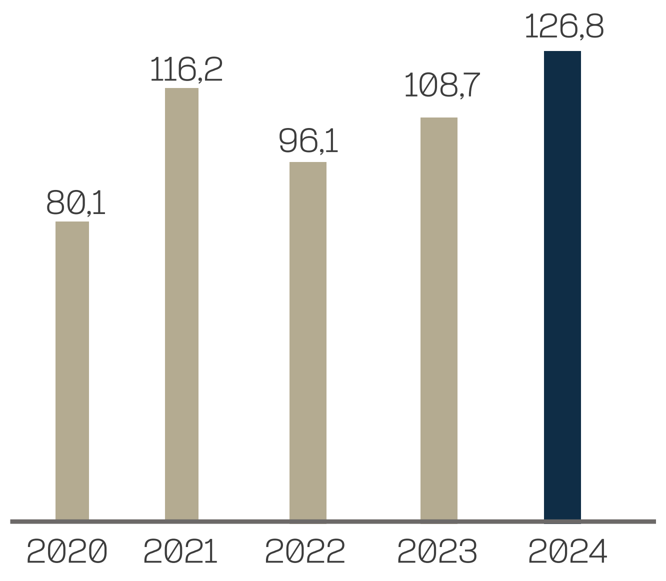
RECURRING REVENUE RATIO (%)

18.9 (2023: 18.0)

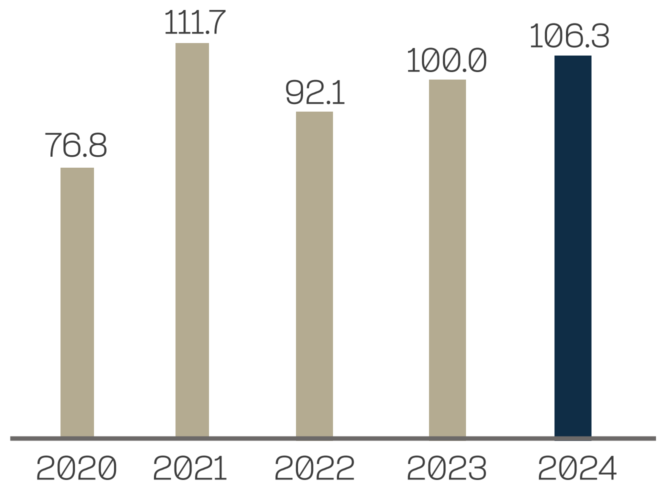
ASSETS UNDER MANAGEMENT (BN. €)

Graphs of the financial development

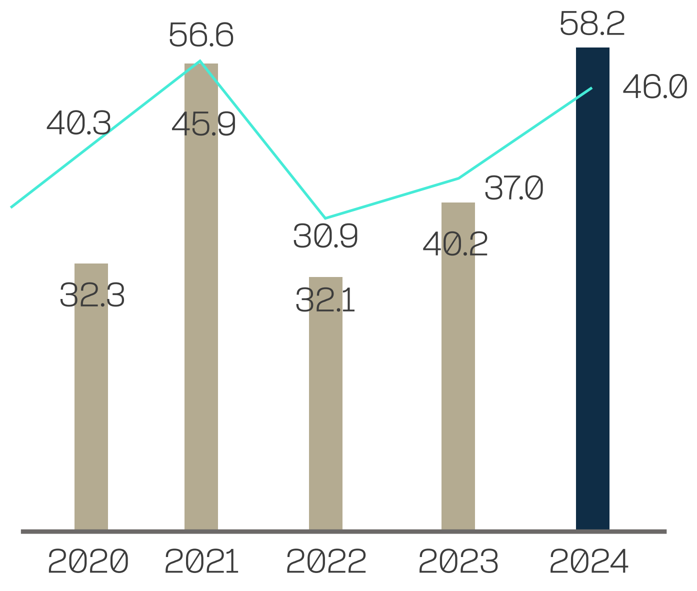
NET REVENUE (M€)



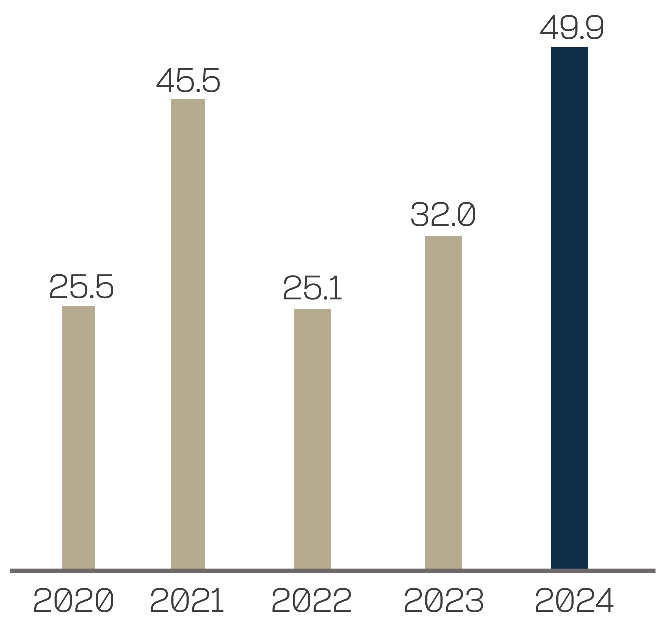
NET COMMISSION INCOME (M€)



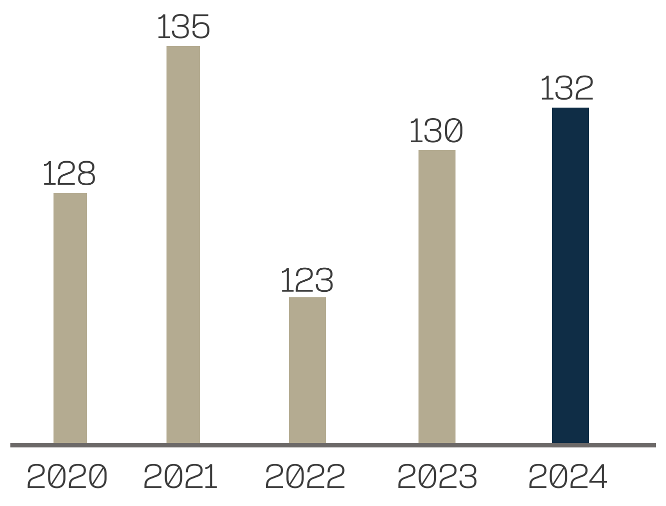
OPERATING PROFIT (M€) AND PROFIT MARGIN (%)



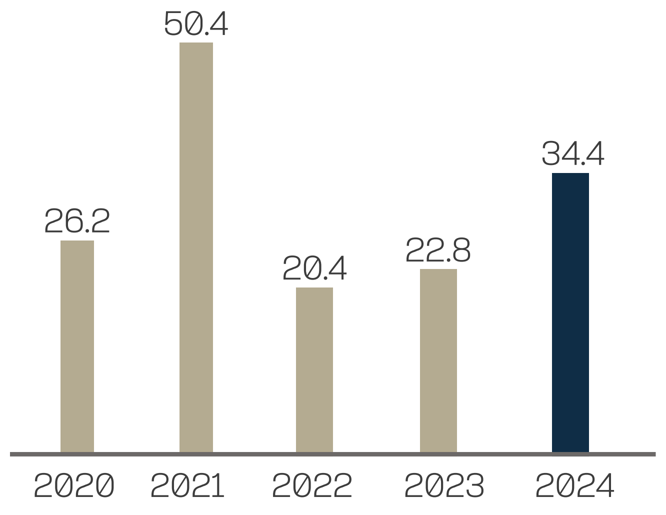
NET PROFIT (M€)



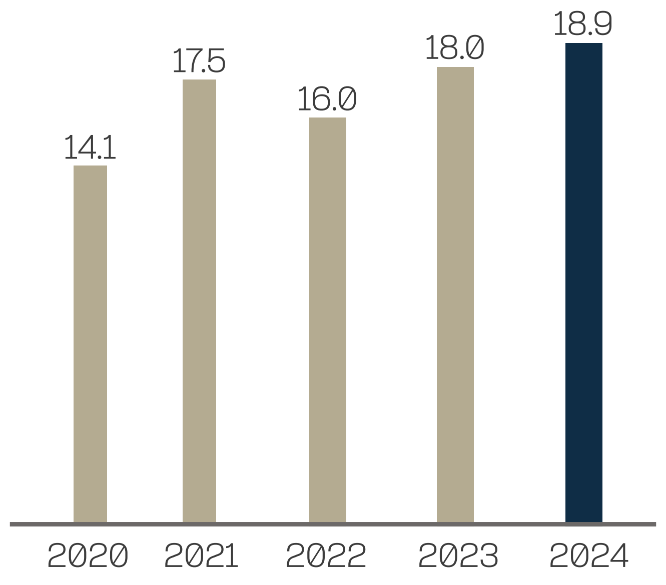
PROPORTION OF RECURRING REVENUE TO OPERATING EXPENSES (%)



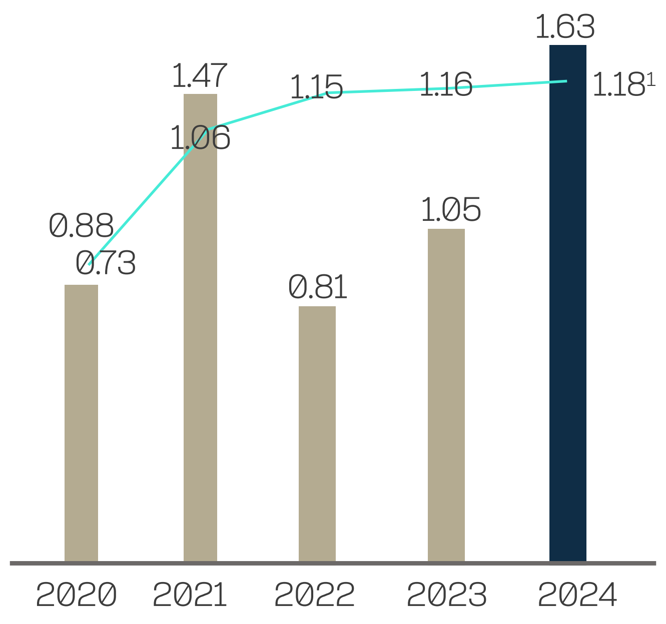
RETURN ON EQUITY (%)



DEVELOPMENT OF ASSETS UNDER MANAGEMENT, (BN. €)



DIVIDEND & EARNINGS/SHARE (€)



[1] Board of Directors' proposal to the annual general meeting

Board of directors report 1.1.–31.12.2024

Market development

The year 2024 offered investors good returns in both the equity and fixed income markets. The positive development was driven by the huge rise in the share prices of growth companies – and especially global technology giants – as well as interest rate cuts initiated in Europe and the United States. At the same time, however, uncertainty in the markets remained exceptionally high. The ongoing war in Ukraine, the escalation of the Middle East crisis and the tense situation around Taiwan kept investors on their toes over the past year. Political uncertainty also increased; During 2024, elections were held in more than 60 countries. In many countries, power changed, the position of the ruling parties weakened, and governments fell. A particular interest was aroused by the US presidential election and the policies heard during it, which are expected to have a wide-ranging impact on the economic development of various market areas in the next few years. Talk of tariffs, geopolitical measures and changes in taxation point to difficult times, especially for Europe, as the United States focuses increasingly on strengthening the domestic market. In Asia, China, the world's second-largest market economy, struggled with slower demand and a challenging real estate sector. Strained relations with the United States further increased tensions and uncertainty in the investment markets. Despite the uncertainty, the market expects economic growth to accelerate, supported by growing demand, lower interest rates and advances in artificial intelligence. We enter the year 2025 with anticipation but also fear.

In terms of equity markets, the divergence between good and weak markets was large. Particularly strong development in 2024 was seen especially in the United States, where the price rally of mega-companies continued, supported by the artificial intelligence boom. Another market that developed exceptionally strongly was Japan, where the country's central bank made its first interest rate hike in 17 years, ending a period of negative interest rates. Growth in Europe was also driven especially by large companies, LVMH, which focuses on luxury products, and pharmaceutical company Novo Nordisk. Finland, which relies on more cyclical industrial production, developed exceptionally weakly for the third year in a row. Since the beginning of the year, the stock market in the United States rose by 25.0 percent (S&P 500). In Europe, equity markets rose by 9.7 percent since the beginning of the year (Stoxx 600). During the same period, however, the Finnish stock market fell by 0.1 percent (OMX Helsinki Cap).

In the fixed income markets, development was positive thanks to the clearer outlook for interest rates. The worst inflation fears eased during the year creating confidence in future interest rate cuts, which were seen in both Europe and the United States. However, the stabilization of inflation at slightly higher than expected levels at the end of the year dispelled hopes of further rapid interest rate cuts. Instead, the expectation is that they will move further into the future. The value of higher-rated investment grade corporate bonds increased by 4.6 percent during the year. The value of lower-rated high-yield bonds increased by 6.9 percent. Euro area government bond values rose by 1.8 percent. The exchange rate of the euro decreased by 6.3 percent against the dollar.

Development of revenue and result

In 2024 Evli Group's net revenue increased by almost 17 percent from the previous year's level to EUR 126.8 million (2023: EUR 108.7 million). The development of net revenue was positively impacted especially by EUR 13.8 million non-recurring non-cash valuation item recognized as income during the first quarter related to the transaction of the incentive business. Successful new sales and performance-related fees earned through successful portfolio management supported the growth of the core business. Performance-related fees from investment funds during 2024 amounted to EUR 8.3 million (EUR -0.4 million). The Group's net commission income increased by six percent from the previous year to EUR 106.3 million (EUR 100.0 million). The growth figures are burdened by the lack of income from the incentive business starting from the second quarter of the year. Income from own investments amounted to EUR 1.1 million (EUR 3.0 million), including income from securities trading, foreign exchange brokerage and net interest income. The decrease is mainly explained by impairments to own investments in real estate linked assets.

Total costs for the year 2024, including depreciation and impairment, amounted to EUR 68.1 million (EUR 69.2 million). When comparing the figures the effect of the arrangement of the incentive business should be considered. Personnel expenses amounted to EUR 40.4 million (EUR 41.0 million), including an estimate of performance-based bonuses directed at personnel. Other administrative expenses amounted to EUR 22.2 million (EUR 21.0 million). Depreciation, amortization and impairment amounted to EUR 4.4 million (EUR 5.6 million) and other operating expenses to EUR 1.2 million (EUR 1.6 million). The share of profit of associates was EUR -0.5 million (EUR 0.7 million). Evli's cost-income ratio was 0.53 (0.63).

Operating profit increased by some 45 percent year-on-year and was EUR 58.2 million (EUR 40.2 million). Operating profit margin was 45.9 percent (37.0%). The profit for 2024 was EUR 49.9 million (EUR 32.0 million).

Evli presents the impact on profit arising from the valuation of Alisa Bank Plc's investment as a separate item in other comprehensive income statement in accordance with IFRS 9. During 2024, the change in the value of the investment was EUR -0.1 million (EUR -2.3 million), taking deferred tax into account.

In the first quarter of 2024, Evli announced that it had entered into a strategic partnership with Bregal Milestone to accelerate the international growth of its incentive business. As a result of the arrangement, Evli's holding in Allshares Oy (formerly Evli Alexander Incentives Oy), a company focusing on the Group's incentive business, decreased from 65 percent to approximately 40 percent. In the future, Allshares will be Evli's associated company, and its figures will not be consolidated with Evli's group figures by result item. Instead, Allshares' share of profit attributable to Evli will be presented in the line "Share of profits of associated companies" together with the Group's other associated companies as of the second quarter of 2024.

Business area – Wealth management and investor clients

The Wealth Management and Investor Clients segment offers services to present and future high net worth private individuals and institutions. The comprehensive product and service selection includes asset management services, fund products offered by Evli and its partners, various capital market services and alternative investment products. The segment also includes execution and operations activities that directly support these core activities.

Development of client assets under management

Client assets under management consist of direct investments in mutual funds, discretionary asset management, and assets managed through Evli's subsidiaries and associated companies.

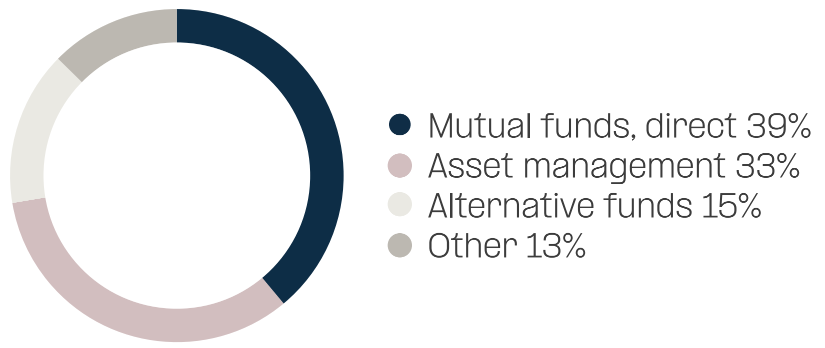
Client assets under management increased from the previous year's level due to new sales and positive market development. At the end of December 2024, the Group's total net assets under management stood at EUR 18.9 billion (EUR 18.0 billion).

At the end of December assets under discretionary management amounted to EUR 6.3 billion (EUR 5.7 billion). Correspondingly, direct investments in Evli's traditional mutual funds totaled EUR 7.4 billion (EUR 7.2 billion) at the end of the year. The assets under management of alternative investment funds amounted to EUR 2.8 billion (EUR 2.7 billion). Assets managed through associated companies were EUR 2.4 billion (EUR 2.4 billion).

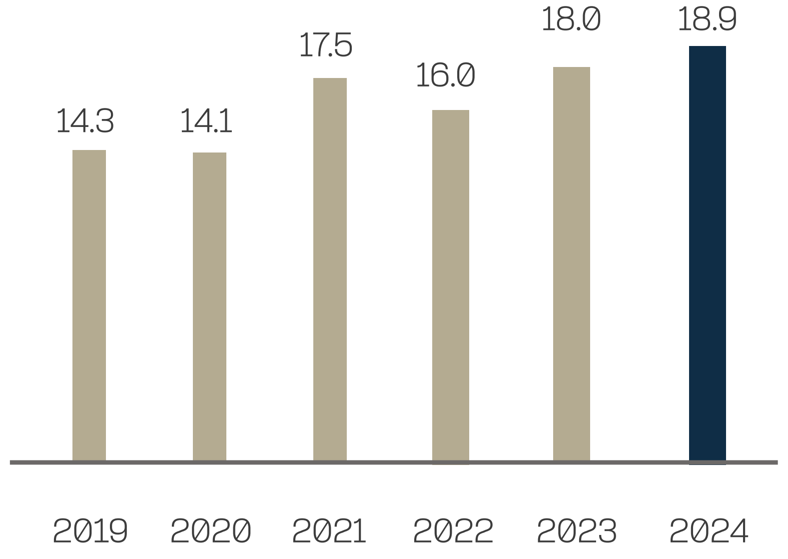
Discretionary asset management

Assets under management increased from the level of the previous year as a result of positive market development. At the end of 2024, Evli had EUR 6.3 billion (EUR 5.7 billion) in assets under discretionary asset management, which includes both traditional and digital services.

SPLIT OF ASSETS UNDER MANAGEMENT ON DECEMBER 31, 2024



DEVELOPMENT OF ASSETS UNDER MANAGEMENT(BN. €)



During the end of the year, Evli won the Platinum Award and shared first place in terms of overall quality assessment in SFR Research's institutional asset management survey in the large asset managers category. The overall quality assessment received by Evli is its best result in SFR Research's surveys during the past 10 years. The survey also showed that Evli is the most used institutional asset manager in Finland. 74 percent of the respondents used Evli as their asset management partner. Also, according to Kantar Prospera's "External Asset Management 2024 Finland" survey, published in September 2024, Evli is the best and most used institutional asset manager in Finland.

Traditional mutual funds

Net subscriptions of about EUR 30 million (EUR 500 million) were made to Evli's mutual funds in 2024. According to Evli's strategy, the goal is to increase the international sales of its investment products. In 2024, net subscriptions from foreign investors were EUR 240 million (EUR –20 million). The returns of all of Evli's fixed income funds developed positively during 2024. Of the funds, the best returns relative to the benchmark index were generated by Evli Nordic Corporate Bond and Evli Corporate Bond funds. The majority of the returns of Evli's equity funds were also positive during 2024, driven by the strong general market situation. Relative to the benchmark index, the best returns were generated by Evli USA Growth and Evli Equity Factor Europe funds.

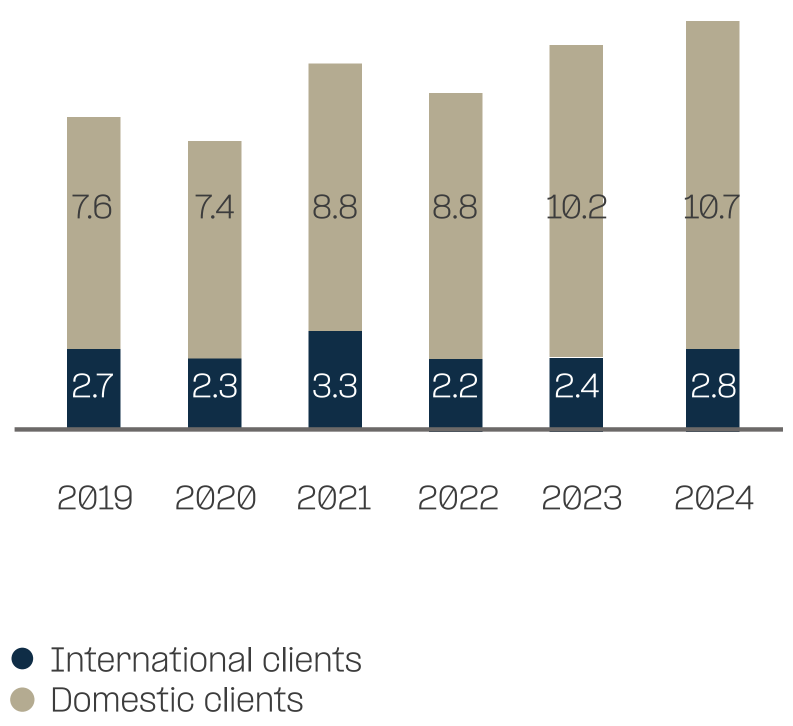
The total capital of traditional investment funds managed by the fund management company was EUR 10.8 billion (EUR 9.9 billion). Of this, around EUR 3.7 billion was invested in equity funds (EUR 3.5 billion), EUR 6.9 billion in fixed income funds (EUR 6.3 billion) and EUR 0.2 billion in mixed funds (EUR 0.2 billion). At the end of December 2024, EUR 2.8 billion of Evli's fund capital came from customers outside of Finland (EUR 2.4 billion) when direct fund investments are considered.

During 2024, 33 percent of Evli's traditional investment funds performed better than their benchmark index. In a three–year review, 27 percent of mutual funds outperformed the benchmark index. In Morningstar's quality ranking, Evli was the best performing fund house in Finland at the end of 2024 with 3.88 stars.

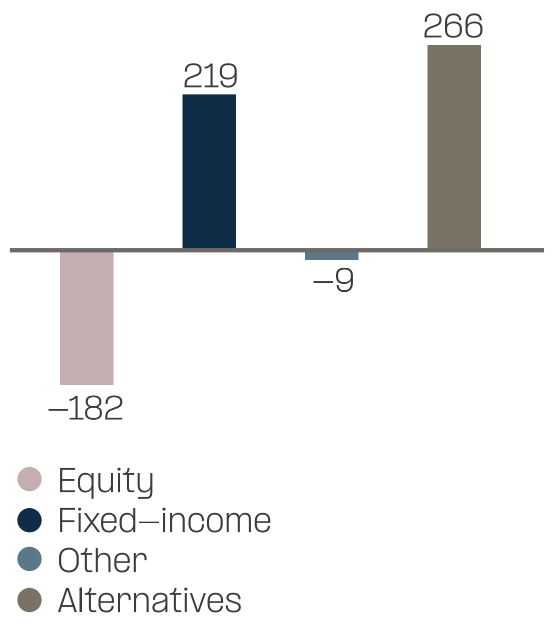
Responsibility is a central part to Evli's asset management. At the end of the year, the average ESG rating of Evli's funds was "A" (source: MSCI ESG database).

At the beginning of the last quarter of the year, the management of AJ Evli Value Hedge was transferred from Evli Fund Management Company Ltd to GRIT Fund Management Company Ltd in accordance with a decision granted by the Financial Supervisory Authority.

DEVELOPMENT OF FUND CAPITAL (BN. €)



NET SALES BY FUND TYPE (M€)

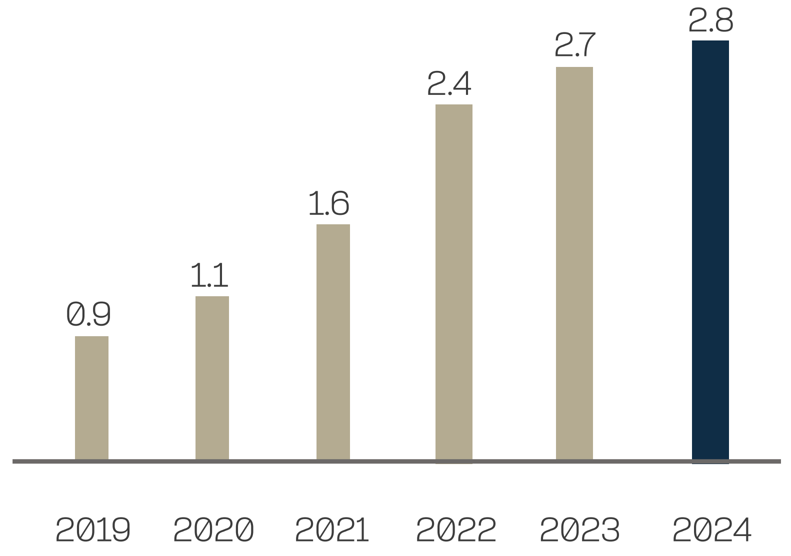


Alternative investment funds

Due to the increased interest rate level, the current market environment is challenging for the sale of alternative investment products. Considering the market situation, sales and product development in this asset class performed relatively well during 2024. In total, net subscriptions and investment commitments for alternative investment products totaled approximately EUR 265 million during the year.

In September, Evli announced that it will expand its product offering in alternative funds and launch co–investment operations in unlisted equities with its own dedicated team. Co–investments open the door to attractive direct unlisted investments for Evli's clients alongside the world's best fund managers. Co–investments in international unlisted equities with an own dedicated team is the first of its kind in the Finnish asset management industry.

DEVELOPMENT OF ASSETS UNDER MANAGEMENT IN ALTERNATIVE FUNDS (BN. €)



Other investment products

During 2024, demand for direct investment products was moderate and brokerage fees decreased from the comparison period.

Financial performance

In 2024 the Wealth Management and Investor Clients segment's net revenue increased by 14 percent year–on–year due to positive new sales, favorable market development and performance–related fees. The development of net revenue was burdened by lower commission income than in the previous year. Operating profit was better than in the previous year, being EUR 39.8 million (EUR 33.0 million).

WEALTH MANAGEMENT AND INVESTOR CLIENTS

M€	2024	2023	Change %
Net revenue	96.4	84.2	14%
Operating profit/loss before Group allocations	49.7	43.4	15%
Operating profit/loss	39.8	33.0	21%

Business area – Advisory and corporate clients

The Advisory and Corporate Clients segment provides corporate and equity services, such as advisory services related to acquisitions and divestments, listings and share issues. In addition, the segment provides company analysis for listed companies. Previously, the segment also reported the planning and management services of remuneration and incentive schemes. As a result of the corporate arrangement related to the incentive business carried out on March 27, 2024, these services will be reported as part of the associated companies' results in Group functions, in the same way as other associated companies.

M&A transactions

The good momentum in the M&A markets continued throughout the year. Customer activity increased clearly, and the mandate base developed favorably. During 2024, Evli acted as advisor in, among others, the following transactions:

- Sales of Lantmännen's convenience food store Gooh to Atria Plc
- Directed issue in Qvalia
- Rights issue of Beowulf Mining Plc
- Sale of Crediflow and OptoSweden to VIA equity
- Labquality's acquisition of Qadvis
- Directed share issue for Aiforia Technologies
- Alisa Bank's combination with PURO Finance
- Sale of EPM Data to Nordlo
- Labquality's acquisition of Scandinavian CRO
- Lantmännen's acquisition of Entrack
- Frontit's acquisition of Provē
- G2 Risk Solutions' public takeover offer and acquisition of ZignSec AB (Publ)
- XPartners Samhällsbyggnad AB's two acquisitions, Planera Oy and RAPP Oy
- Sale of BTJ Sverige AB to Bokus AB
- Sale of Docklin Digital AB to s360 A/S.

Financial performance

In 2024 the Advisory and Corporate Clients segment's net revenue decreased by 37 percent from the previous year and was EUR 9.9 million (EUR 15.8 million). The decrease is due to the removal of commission fees from the incentive business from the second quarter of the year onwards as a result of the corporate restructuring carried out at the beginning of the year. Advisory fees received from M&A activities increased from the previous year to EUR 6.3 million (EUR 3.7 million). Significant fluctuations in revenue from one period to the next are typical of the segment's M&A activities.

ADVISORY AND CORPORATE CLIENTS

M€	2024	2023	Change %
Net revenue	9.9	15.8	-37%
Operating profit/loss before Group allocations	4.4	4.5	-1%
Operating profit/loss	3.3	2.7	33%

Group operations

The Group Operations segment includes support functions serving the business areas, such as Information Management, Financial Administration, Marketing, Communications and Investor Relations, Human Resources, and Internal Services. The company's own investment operations and the Group's supervisory functions (Legal and Compliance, Risk Management, and Internal Audit) are also part of Group Operations. In addition, the Group's associated companies are reported as part of Group functions.

Development of associated companies

Evli has two significant associated companies, Allshares, which specializes in remuneration services, and Northern Horizon Capital, which specializes in real estate fund management. In the first quarter, Evli Plc and Bregal Milestone, a private equity firm focusing on software and technology growth, launched a strategic partnership to grow Allshares' incentive business. As a result of the arrangement, Evli's ownership in the company decreased to approximately 40 percent and Allshares Oy became Evli's associated company. The business developed favorable during 2024.

For Northern Horizon Capital, business was challenging during 2024. The focus in the near future is to scale up the existing product portfolio, especially the Nordic Age Care fund, which was converted into an open–end fund in the second quarter. Northern Horizon Capital's assets under management totaled EUR 1.5 billion at the end of December 2024.

Financial performance

In 2024, the Group Operations segment's net revenue increased by 135 percent year–on–year and was EUR 20.5 million (EUR 8.7 million). The increase is explained by the EUR 13.8 million fair value change in Allshares shares recognized as income from the Allshares transaction. Allshares will be treated as an associated company in the future. Own balance sheet investment activities were affected negatively at the end of the year by impairments to investments in real estate linked assets.

GROUP OPERATIONS

M€	2024	2023	Change %
Net revenue	20.5	8.7	135%
Operating profit/loss before Group allocations	3.9	-7.7	151%
Operating profit/loss	15.0	4.5	230%

Responsibility

Responsibility is one of Evli's strategic focus areas. Responsible operations create long–term value and keep us competitive in the changing global operating environment.

Responsible investing

In Wealth Management, the company's most significant business area, responsibility factors have been integrated as a systematic part of portfolio management. The investments made by Evli's mutual funds are monitored for possible breaches of standards. In addition, the asset management team works independently and together with other investors to engage with companies.

For the second consecutive year, Evli was awarded for the best responsible investing expertise in Finland in Kantar Prospera's "External Asset Management 2024 Finland" survey. In addition, Evli placed second in terms of responsible investing in the SFR Research's institutional client survey amongst large asset owners. During the last quarter of the year, Evli received excellent scores from PRI reporting conducted in 2024. Evli has been signatory of PRI since 2010 and continues to report on its responsible investing practices across asset classes. In the 2024 evaluation Evli received four stars from its responsible investing practices, and five stars from ESG integration in several asset classes.

Responsible employer

Evli is committed to creating responsible and high–quality work–life experiences for its employees and job applicants. Fairness, which encompasses equality, non–discrimination, and diversity, is an integral part of Evli's responsibility. Each business unit is responsible for ensuring that responsibility issues are taken into account in their daily work and that all employees are implementing responsibility into practice. Responsible working practices are based on Evli's values: entrepreneurship, valuable relationships, learning, and integrity.

Read more about the development of responsibility at Evli during 2024 in the Responsibility section of the Annual Report.

Balance sheet and funding

At the end of December, Evli Group's balance sheet total was EUR 361.1 million (EUR 344.7 million). The Group's equity at the end of the review period stood at EUR 153.5 million (EUR 137.2 million).

The Group's cash and cash equivalents at the end of 2024 stood at EUR 131.2 million (EUR 126.0 million) and liquid investment fund investments totaled EUR 27.9 million (EUR 26.0 million). Evli Plc has granted investment loans to its customers. At the end of 2024, loans drawn totaled EUR 10.8 million (EUR 19.2 million). These are presented in the balance sheet under claims on the public and public sector entities. There were no credit losses during the year.

The lease liability related to business premises recorded in the balance sheet at the end of 2024 was EUR 9.6 million (EUR 11.3 million), of which short–term liabilities accounted for EUR 2.4 million (EUR 2.4 million). Evli Plc has issued structured notes totaling EUR 99.4 million (EUR 106.7 million). These form the basis of the Group's long–term financing together with equity. The company's share capital at the end of December was EUR 53.7 million. There were no changes in the share capital during the year.

The Group's Common Equity Tier 1 capital per December 31, 2024, was EUR 27.8 million and the Group's own funds in relation to the required minimum capital were 166.9 percent. As an investment firm, Evli Plc complies with the Investment Services Companies' Capital Adequacy Framework (IFD/IFR). The most restrictive capital requirement for Evli at the end of the year was determined based on fixed overheads. The minimum capital requirement based on fixed overheads was EUR 16.7 million. The Group's equity ratio was 42.4 percent on December 31, 2024.

Decisions taken by the general meeting

Evli Plc's Annual General Meeting, held in Helsinki on March 14, 2024, decided on the following matters:

Adoption of the financial statements, use of the profit shown on the balance sheet and the payment of dividend

Evli Plc's Annual General Meeting (AGM) approved the financial statements for the financial year 2023. The AGM approved the Board of Directors' proposal to pay a dividend for the financial year 2023 for the amount of EUR 1.16 per share. The dividend will be paid to shareholders who are entered in the shareholder register maintained by Euroclear Finland Oy on the dividend record date March 18, 2024.

The release from liability of the members of the Board of Directors and the CEO

The AGM granted release from liability to the Members of the Board of Directors and to the CEO for the financial year 2023.

The Remuneration Report of the governing bodies

The AGM approved the Remuneration Report 2023 of the company's governing bodies.

Number of Board members, members, and fees

The AGM decided that the Board of Directors will consist of six (6) members. The present members of the Board Christina Dahlblom, Fredrik Hacklin, Sari Helander, Robert Ingman, and Antti Kuljukka were re-elected as members of the Board of Directors and Tomi Närhinen was elected as a new member.

It was decided that the following remuneration shall be paid to the members of the Board of Directors: EUR 5,000.00 per month to the Members of the Board, EUR 6,000.00 per month to the Chairmen of the Board Committees and EUR 7,500.00 per month to the Chairman of the Board.

Auditors and auditors' fees

The auditing firm Ernst & Young Oy (EY) was elected as the company's auditor and Miikka Hietala, Authorized Public Accountant, as the principally responsible auditor. The auditor shall be paid remuneration according to a reasonable invoice approved by the company.

Authorizing the Board of Directors to decide on the acquisition of the company's own shares

The AGM authorized the Board of Directors to decide on the acquisition of the company's own series A and series B shares in one or more tranches as follows:

The total number of own series A shares to be acquired may be a maximum of 1,442,581 shares, and the total number of own series B shares to be acquired may be a maximum of 1,205,909 shares. The proposed number of shares represents approximately 10 percent of all the shares of the company on the date of the Notice of the Annual General Meeting.

Based on the authorization, the company's own shares may only be acquired with unrestricted equity.

The Board of Directors will decide how the company's own shares will be acquired. Financial instruments such as derivatives may be used in the purchasing. The company's own shares may be acquired in other proportion than the shareholders' proportional shareholdings (private purchase). Shares may be acquired through public trading at the prevailing market price formed for the series B shares in public trading on the Nasdaq Helsinki Oy on the date of acquisition.

The authorization replaces earlier unused authorizations to acquire the company's own shares. The authorization will be in force until the next Annual General Meeting but no later than until June 30, 2025.

Authorizing the Board of Directors to decide on the issuance of shares as well as the issuance of options and other special rights entitling to shares

The AGM authorized the Board of Directors to decide on the issuance of shares and special rights entitling to shares pursuant to Chapter 10, section 1, of the Companies Act in one or more tranches, for a fee or free of charge.

The Annual General Meeting authorized the Board of Directors to decide on the issuance of shares and special rights entitling to shares pursuant to Chapter 10, section 1, of the Companies Act in one or more tranches, for a fee or free of charge.

Based on the authorization, the number of shares issued or transferred, including shares received based on special rights, may total a maximum of 2,648,490 series B shares. The proposed number of shares represents approximately 10 percent of all the shares of the company on the date of the notice convening the Annual General Meeting. Of the above-mentioned total number, however, a maximum of 264,849 shares may be used as part of the company's share-based incentive schemes, representing approximately one percent of all the shares of the company on the date of the notice convening the Annual General Meeting.

The authorization will entitle the Board of Directors to decide on all the terms and conditions related to the issuing of shares and special rights entitling to shares, including the right to deviate from the shareholders' pre-emptive subscription rights. The Board of Directors may decide to issue either new shares or any own shares in the possession of the company.

The authorization replaces earlier unused authorizations concerning the issuance of shares as well as the issuance of options and other special rights entitling to shares. The authorization will be in force until the end of the next Annual General Meeting but no longer than until June 30, 2025.

Establishment of a shareholders' nomination board

The Annual General Meeting decided to establish a shareholders' nomination board, who will be responsible for drafting and presenting proposals covering the remuneration and number of members of the Board of Directors and for presenting candidates for members of the Board of Directors to the Annual General Meeting and to an Extraordinary General Meeting where needed. The shareholders' nomination board shall be established indefinitely until a general meeting of shareholders resolves otherwise. The Annual General Meeting also approved the rules of procedure of the shareholders' nomination board.

Shares and shareholders

Evli Plc's total number of shares at the end of December 2024 was 26,484,899 shares, of which 14,405,812 were series A shares and 12,079,087 series B shares. The company held no own shares on December 31, 2024.

Pursuant to Section 4 of the Articles of Association, the company converted 20,000 A shares into B shares on May 2, 2024. The converted shares were admitted to public trading on Nasdaq Helsinki on May 3, 2024.

The closing price of Evli Plc's share on December 31, 2024, was EUR 17.50. The lowest closing price for the period was EUR 17.35 and the highest was EUR 21.00. A total of 1,003,803 Evli Plc shares were traded during 2024. The combined market value of A and B shares was EUR 463.5 million on December 31, 2024. For calculating the market value, the A share is valued at the closing price of the B share for the period.

More information about the share and shareholders in the Annual report's section Shares and shareholders.

Business risks and risk management

The most significant risks for the Group in the near term are the general market development and the impact of the changing operating environment and inflation on Evli's businesses. The performance of the asset management business is mainly influenced by the development of assets under management, which depends on, among others, the development of capital markets and the general demand for investment products. On the other hand, alternative investment products in particular, are based on long-term agreements which provide a steady income stream. Profit development is also influenced by the realization of performance-related fee income linked to the successful management of client assets. Performance fees can vary widely from quarter to quarter and from financial year to financial year.

General market developments also have an impact on brokerage and advisory mandates. In the Corporate Finance business, potential changes in market confidence among investors and corporate managers may lead to project delays or interruptions.

In addition to its core business, Evli has granted investment loans to its clients, and owns equity and mutual fund investments. The most significant risks related to its own investment activities are liquidity, market, and interest rate risks. These risks are managed through limits set by Evli Plc's Board of Directors, which are monitored on an ongoing basis. The company's investments are made on the basis that they must not endanger the Group's results or solvency. Despite good supervision, investment activities always involve a certain degree of risk, which may result in significant quarterly fluctuations in the returns from investment activities.

A more detailed description of operational risks is provided in the financial statements of Evli Plc, available in the Annual report's Financial Review section 6. Notes on risk position.

Outlook for 2025

The operating environment is expected to remain uncertain and difficult to predict in 2025. The expansion of geopolitical risks and concerns about the sustainability of economic growth increase uncertainty in the markets.

Despite the challenging operating environment, Evli has succeeded in strengthening its position in the market. Growth has been supported by a wide product range and customer base. With a strong market position and growth outlook, we estimate the operating result to be clearly positive.

Helsinki, January 29, 2025

EVLI PLC
Board of Directors

Shares and Shareholders

Shares and Shareholders' Equity

Evli Plc has two share series, series A and series B shares. One series A share confers twenty (20) votes and one series B share one (1) vote at the General Meeting. The two series of shares have equal rights to dividends and other forms of profit distribution. The Company's series B share is listed on the official list of Nasdaq Helsinki with the ticker symbol "EVLI" and ISIN code FI4000513437.

At the end of December 2024, the aggregate number of Evli's shares was 26,484,899, with the series A shares accounting for 14,405,812 shares and series B shares for 12,079,087 shares. The company did not hold any own shares. At the end of 2024, the company's share capital amounted to EUR 53.7 million.

Trading in shares

At the end of December, 12,079,087 of Evli's series B shares were publicly traded in Nasdaq Helsinki. The share exchange between January and December totaled EUR 19.0 million while the number of Evli shares exchanged was 1,003,803. During 2024, the highest closing price of the share was EUR 21.00 while the lowest closing price was EUR 17.35. On December 31, 2024, the share's closing price was EUR 17.50 and Evli's market capitalization, calculated based on both the unlisted series A and the listed series B shares, was EUR 463.5 million. Series A shares are valued at the year–end closing price of series B shares.

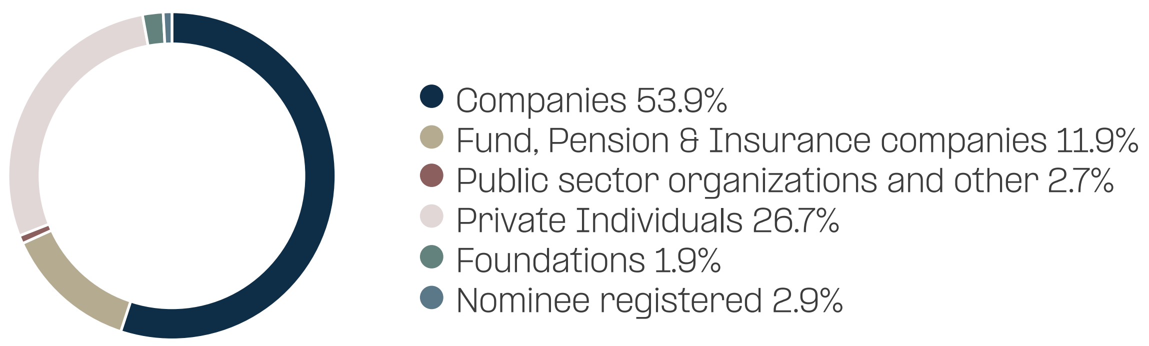
Shareholders

At the end of 2023, Evli had 6,697 shareholders in the book–entry register. The stake of Finnish companies was 53.9 percent and that of private Finnish individuals was 26.6 percent. The remaining around 20 percent of the shares were owned by Financial and insurance institutions, public sector organizations, non–profit institutions and foreign investors.

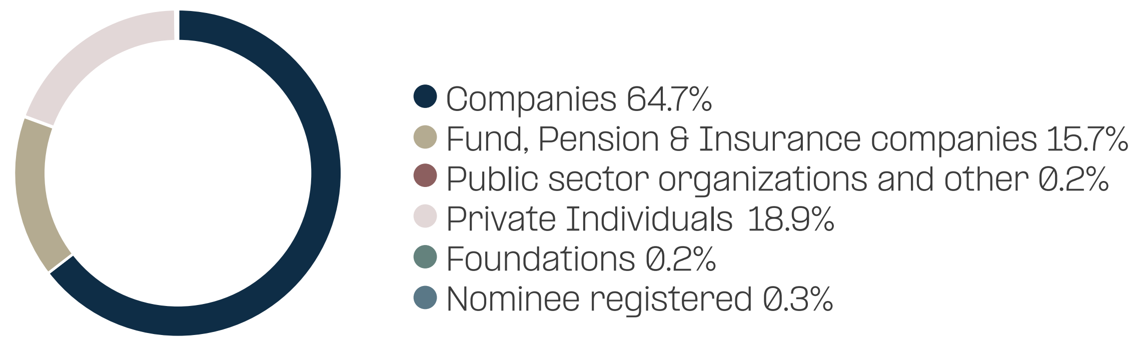
MARKET CAPITALISATION, M€

463.5

BREAKDOWN OF SHAREHOLDINGS BY OWNER GROUP



BREAKDOWN OF VOTES BY OWNER GROUP



LARGEST SHAREHOLDERS 31.12.2024

	A Shares	B Shares	Shares total	% of shares	Number of votes	% of votes
1. OY PRANDIUM AB	3,803,280	950,820	4,754,100	17.95%	77,016,420	25.66%
2. OY SCRIPO AB	3,803,280	950,820	4,754,100	17.95%	77,016,420	25.66%
3. INGMAN GROUP OY AB	1,860,000	905,000	2,765,000	10.44%	38,105,000	12.69%
4. OY FINCORP AB	2,319,780	330,394	2,650,174	10.01%	46,725,994	15.57%
5. MOOMIN CHARACTERS OY LTD	0	658,839	658,839	2.49%	658,839	0.22%
6. LEHTIMÄKI JYRI MAUNU OLAVI	533,728	117,031	650,759	2.46%	10,791,591	3.59%
7. TALLBERG CLAES HENRIK	369,756	32,588	402,344	1.52%	7,427,708	2.47%
8. HOLLFAST JOHN ERIK	328,320	71,680	400,000	1.51%	6,638,080	2.21%
9. DANSKE INVEST FINNISH EQUITY FUND	0	356,567	356,567	1.35%	356,567	0.12%
10. UMO INVEST OY	0	240,074	240,074	0.91%	240,074	0.08%
Nominee registered			768,448	2.90%		0.26%

REAKDOWN OF SHAREHOLDINGS BY OWNER GROUP 31.12.2024

	Number of owners	% of shares	% of votes	Num. of known owners
Companies	14,270,475	53.9%	64.7%	313
Private Individuals	7,044,401	26.6%	18.9%	6,623
Fund company	2,675,668	10.1%	15.6%	13
Others	702,778	2.7%	0.2%	30
Foundation	535,445	2.0%	0.2%	29
Pension & Insurance	487,684	1.8%	0.2%	9
Nominee registered	768,448	2.9%	0.3%	8

BREAKDOWN OF SHAREHOLDINGS BY SIZE CLASS 31.12.2024

	Number of owners	% of shares	% of votes	Num. of known owners
0 – 100	133,757	0.5%	0.0%	3,237
101 – 500	622,737	2.4%	0.2%	2,655
501 – 1 000	388,786	1.5%	0.1%	516
1 001 – 5 000	932,904	3.5%	0.3%	442
5 001 – 10 000	394,054	1.5%	0.2%	53
10 001 – 50 000	1,670,333	6.3%	2.0%	68
50 001 – 100 000	1,637,169	6.2%	2.1%	21
100 001 –	19,936,711	75.3%	94.7%	25
Nominee registered	768,448	2.9%	0.3%	8

Authorisations given to the Board of Directors

The Annual General Meeting held on March 14, 2024 authorized the Board of Directors to decide on the acquisition of the company's own series A and series B shares in one or more tranches. The total number of own series A shares to be acquired may be a maximum of 1,442,581 shares, and the total number of own series B shares to be acquired may be a maximum of 1,205,909 shares. The proposed number of shares represented approximately 10 percent of all the shares of the company on the date of the Notice of the Annual General Meeting. Based on the authorization, the company's own shares may only be acquired with unrestricted equity. The Board of Directors will decide how the company's own shares will be acquired. Financial instruments such as derivatives may be used in the purchasing. The company's own shares may be acquired in other proportion than the shareholders' proportional shareholdings (private purchase). Shares may be acquired through public trading at the prevailing market price formed for the series B shares in public trading on the Nasdaq Helsinki Oy on the date of acquisition. The authorization replaced earlier unused authorizations to acquire the company's own shares. The authorization will be in force until the next Annual General Meeting but no later than until June 30, 2025.

The Annual General Meeting authorized the Board of Directors to decide on the issuance of shares and special rights entitling to shares pursuant to Chapter 10, section 1, of the Companies Act in one or more tranches, for a fee or free of charge. Based on the authorization, the number of shares issued or transferred, including shares received based on special rights, may total a maximum of 2,648,490 series B shares. The proposed number of shares represented approximately 10 percent of all the shares of the company on the date of the notice convening the Annual General Meeting. Of the above–mentioned total number, however, a maximum of 264,849 shares may be used as part of the company's share–based incentive schemes, representing approximately one percent of all the shares of the company on the date of the notice convening the Annual General Meeting. The authorization will entitle the Board of Directors to decide on all the terms and conditions related to the issuing of shares and special rights entitling to shares, including the right to deviate from the shareholders' pre–emptive subscription rights. The Board of Directors may decide to issue either new shares or any own shares in the possession of the company. The authorization replaced earlier unused authorizations concerning the issuance of shares as well as the issuance of options and other special rights entitling to shares. The authorization will be in force until the end of the next Annual General Meeting but no longer than until June 30, 2025.

Evli's series A shares can be converted into series B shares under Article 4 of the Articles of Association. During 2024, the company converted A shares into B shares as follows:

– 20 000 A shares were converted into B shares on May 2, 2024. Public trading with the converted shares began at Nasdaq Helsinki Ltd on May 3, 2024.

Option and share–based incentive programs

Evli has six share–based incentive programs in place: 2021, 2021–2025, 2022, 1/2023–6/2026, 9/2023–12/2026 and 2025–2027. The rewards based on the incentive program are given in Evli shares. Further information on the incentive program is presented on the web page evli.com/en/investors as well as in the Note 2.8. Employee benefits in the Financial Statements and in the Remuneration Policy in the Governance section.

Share ownership of executives

The share ownership of Evli's Board members , including the holdings in the controlled corporations, were 2,788,422 shares in total on December 31, 2024, accounting for 10.5 percent of the total shares and 12.7 percent of voting rights. The members of the Board held no stock options.

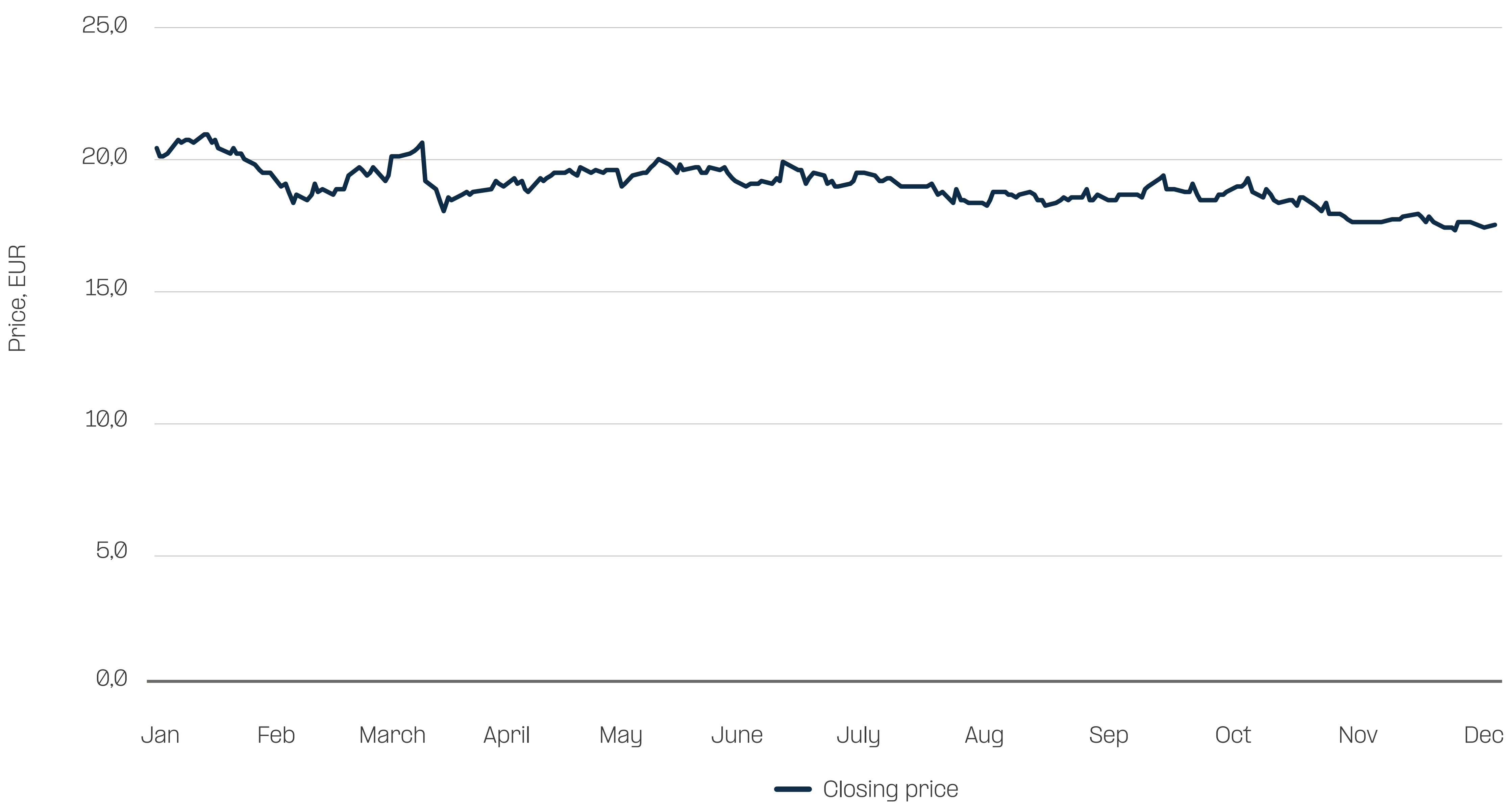
At year–end, CEO Maunu Lehtimäki owned 650,759 shares which is 2.5 percent of the shares and 3.6 percent of the voting rights. Moreover, he has been allocated 40,000 Evli shares in the context of the share–based incentive program 9/2023–12/2026.

At year–end, other members of Evli Group's Executive Group owned 640,083 shares in aggregate, corresponding to 2.4 percent of the total shares and 2.4 percent of the voting rights. In addition, the Executive Group has been allocated 225,000 Evli shares in total in the context of the share–based incentives program 9/2023–12/2026 and 2025–2027. Detailed information on ownership is given in the Corporate Governance Report 2024.

CHANGES IN THE SHARE CAPITAL, BOARD AUTHORIZATIONS AND OPTION PROGRAMS

	A-shares	B-shares	shares, total	Share capital, M€	Fund of invested nonrestricted equity, M€
1.1.2024	14,425,812	12,059,087	26,484,899	53.7	17.5
Additions	-	20,000	20,000		
Decreases	-20,000	-	-20,000		-1.5
31.12.2024	**14,405,812**	**12,079,087**	**26,484,899**	**53.7**	**15.9**

SHARE PRICE DEVELOPMENT (SERIES B SHARES) FROM JANUARY 1 TO DECEMBER 31, 2024



Information to shareholders

Basic share information

Evli Plc has two share series, series A and series B shares. One series A share confers twenty (20) votes, and a series B share confers one (1) vote at the General Meeting. The share series have identical entitlements to dividends and other profit sharing. The company's series B shares are listed on the official list of Nasdaq Helsinki with the ticker symbol "EVLI" and ISIN code FI4000513437.

At the end of December 2024, Evli Plc's total number of shares was 26,484,899 shares.

- A shares: 14,405,812
- B shares: 12,079,087

Investor calendar 2025

- Silent period December 30, 2024–January 29, 2025
- Financial Statements Bulletin 2024 on January 29, 2025
- Annual Report and Financial Statements for 2024 approximately on February 18, 2025
- Final registration date for voting at the Annual General Meeting on March 11, 2025, at 4:00 pm.
- Annual General Meeting in Helsinki on March 18, 2025
- Dividend record date on March 20, 2025
- Proposed dividend payment date on March 27, 2025
- Silent period March 26–April 25, 2025
- Interim Report January–March 2025 on April 25, 2025
- Silent period June 14–July 14, 2025
- Half-year Financial Report January–June 2025 on July 14, 2025
- Silent period September 24–October 24, 2025
- Interim Report January–September 2025 on October 24, 2025

Evli's financial reports as well as stock exchange and press releases are published in Finnish and in English. Evli's stock exchange releases and press releases can be subscribed to at evli.com/en/investors.

Annual General Meeting of shareholders

The Annual General Meeting (AGM) of Evli Plc will be held on March 18, 2025, in Helsinki.

The notice to the AGM and the Board's proposals to the AGM are published as a stock exchange release and on evli.com. The notice lists the matters to be discussed at the AGM. A shareholder has the right to request on the agenda of the AGM an item that falls within the competence of the general meeting by virtue of the Limited Liability Companies Act, provided that the shareholder demands so in writing to the Board of Directors, well in advance of the meeting, so that the item can be added to the notice of the annual general meeting.

A shareholder is entitled to participate in the AGM, if the shareholder's date of entry in the list of shareholders maintained by Euroclear Finland Oy is not later than March 6, 2025.

Registration and voting

A shareholder wishing to participate in the AGM must register as a participant by March 11, 2025, at 4:00 pm. Additional information about the registration at evli.com/agm.

Proposed distribution of dividends

The Board of Directors proposes to the Annual General Meeting of Shareholders that a dividend of EUR 1.18. The Board of Directors proposes that the dividend is paid on March 27, 2025.

Evli's investor communications

The main channel for Evli's investor communications is the company's website, evli.com/en/investors, where the company publishes all its stock exchange and press releases, its interim reports, financial statements, annual reports, and General Meeting notices. The website also has presentations related to the reporting of results for investors and analysts, an investor calendar, and information intended for shareholders and analysts about the company's shares, financial performance, ownership, and Corporate Governance.

ANNUAL GENERAL MEETING

18.3.
2025

Contact information

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Head of Marketing, Communication and Investor Relations

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Managing capital adequacy

Capital adequacy management is a central part of Evli's day–to–day operations. Evli operates on a sustained basis and capital adequacy management aims to ensure the continuity of operations also in the long run. Although all business operations are inherently risky. Evli's capital adequacy management is founded on the premise that risks are controlled and the group does not take excessive risks. Risk modelling and contingency planning aims to ensure that own funds are sufficient to cover any material risks to Evli.

Evli Plc's Board of Directors has overall responsibility for capital adequacy management. The responsibility for day–to–day management lies primarily with the group's Financial Administration. Risk management and internal audit support the management process by helping to ensure that the risks associated with operations are taken into account with sufficient accuracy and that operations do not take on such a high level of risk that it would pose a material risk to Evli's operations.

The management of capital adequacy is based on a capital plan, which is reviewed at least once a year and is based on an analysis of the company's business, outlook and key risks. As part of the overall capital plan, Evli defines and maintains targets for capital adequacy levels and acceptable risk levels and limits.

As an investment firm, Evli Plc complies with the EU investment firm framework (IFD/IFR). The starting point for capital adequacy management is formed by the regulatory minimum capital adequacy requirements, which are described by the Pillar I capital requirement. These are complemented by an additional consideration of risks outside Pillar I or the Pillar II elements.

Evli applies a minimum target according to which its own funds in relation to risk–weighted balance sheet items must not fall below 13 percent (the minimum target level for capital adequacy). The Group's core capital (CET 1) as at December 31, 2024 was EUR 27.8 million. Correspondingly, the ratio of own funds to risk–weighted exposure was 13.3 percent, and the ratio of own funds to the minimum capital requirement was 166.9 percent. The most restrictive capital requirement for Evli at the end of the reporting period was based on fixed overheads. The minimum capital requirement based on fixed overheads was EUR 16.7 million. Evli Group's leverage ratio was 42.2 percent as at December 31, 2024. Detailed information on capital adequacy is provided i the tabel to the right.

M€	IFR, 31.12.2024 Evli-Group	IFR, 31.12.20234 Evli Plc
Total equity	153.5	99.2
Common Equity Tier 1 capital (CET 1) before deductions	153.5	99.2
Deductions from CET 1, total	-125.6	-78.6
Intangible assets	-44.6	-13.2
Profit for the financial year	-44.6	-30.7
Other deductions	-36.4	-34.7
Common Equity Tier 1 capital (CET1)	**27.8**	**20.5**
Additional Tier 1 capital (AT1)		
Additional Tier 1 capital (T1 = CET1 + AT1)	**27.8**	**20.5**
Tier 2 capital (T2)		
Total own funds (TC = T1 + T2)	**27.8**	**20.5**
Own funds requirement (IFR)		
Fixed overhead costs requirement	16.7	10.1
K-factor requirement	3.8	3.8
Minimum requirement	0.75	0.75
Total requirement (most restrictive)	**16.7**	**10.1**
CET1 compared to total requirement (%)	166.9%	202.8%
T1 compared to total requirement (%)	166.9%	202.8%
Total own funds compared to total requirement (%)	166.9%	202.8%
Total risk weighted assets	**208.6**	**126.6**
CET1 compared to risk weighted assets (%)	13.3%	16.2%
T1 compared to risk weighted assets (%)	13.3%	16.2%
Total own funds compared to risk weighted assets (%)	13.3%	16.2%
Excess own funds compared to total requirement	**11.2**	**10.4**

Calculation of key ratios

IFRS key ratios

Net revenue	From Income Statement. Includes gross returns, deducted by interest and commission expenses.	
Profit/loss for the financial year	From Income Statement.	
Earnings per Share (EPS), undiluted	= Profit for the year after taxes attributable to the shareholders of Evli Plc / Average number of shares outstanding during the reporting period	x 100
Earnings per Share (EPS), diluted	= Profit for the year after taxes attributable to the shareholders of Evli Plc / Average number of shares outstanding during the period including option rights issued through share-based incentive plans	x 100
Equity ratio, %	= Equity incl. non-controlling interest's share of equity / Average balance total	x 100

Alternative key ratios

Operating profit/loss	= Net revenue – administrative expenses – depreciation, amortisation and impairment – other operating expenses +– share of results of associates	
Operating profit/loss excluding non-recurring items related to mergers and acquisitions	= Operating profit less non-recurring items related to corporate restructuring	
Return on equity (ROE), %	= Profit / Loss for financial year / Equity capital and minority interest (average of the figures for the beginning and at the end of the year)	x 100
Return on assets (ROA), %	= Profit / Loss for financial year / Average total assets (average of the figures for the beginning and at the end of the year)	x 100
Equity-to-assets ratio, %	= Equity / Balance sheet total	x 100
Expense ratio as earnings to operating costs	= Administrative expenses + depreciation and impairment charges+ other operating expenses / Net interest income + net commission income + net income from securities transactions and foreign exchange dealing + other operating income	
Equity per share	= Equity attributable to the shareholders of the Group / Operating expenses of the company, excluding the reservation for personnel bonuses for the review period	
Recurring revenue to operating costs ratio	= Revenue from time-based contracts[1] / All operative expenses excluding reservation for personnel bonuses for the review period	
Dividend per share	= Dividend paid or proposed for the financial year	
Market value	= Number of shares at the end of the period x closing price	
Earnings per share (EPS) excl. one-off effects of acquisitions. diluted	= Operating profit less one-off items for corporate restructuring / Average number of shares outstanding during the reporting including option rights issued through share-based incentive plans	

[1] Management, analysis, custody and client interest margin income from wealth management, fund savings and incentive plans

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The figures in the financial statement are presented in millions of euros, unless indicated otherwise.

Consolidated comprehensive income statement , IFRS

	Note	2024	2023
Fee and commission income	2.1	111.3	102,9
Net income from securities transactions	2.2	1.1	3,0
Income from equity investments	2.3	0.1	0,1
Interest income	2.4	9.8	8,8
Other operating income	2.5	14.3	0,8
INCOME TOTAL		**136.6**	**115,7**
Fee and commission expenses	2.6	-5.0	-2,9
Interest expenses	2.7	-4.8	-4,1
NET REVENUE		**126.8**	**108,7**
Administrative expenses			
Personnel expenses	2.8	-40.4	-41,0
Other administrative expenses	2.9	-22.2	-21,0
Depreciation and amortization on tangibleand intangible assets	2.10	-3.8	-4,8
Other operating expenses	2.11	-1.2	-1,6
Excpected credit losses on loans and other receivables		0.1	0,0
Impairment losses on other financial assets	2.12	-0.6	-0,8
Share of profit or loss of associates	2.13	-0.5	0,7
OPERATING PROFIT/LOSS		**58.2**	**40,2**
Income taxes	2.14	-8.2	-8,2
PROFIT / LOSS FOR THE FINANCIAL YEAR		**49.9**	**32,0**
Attributable to			
Minority interest		5.3	3,3
Shareholders of parent company		44.6	28,8

	Note	2024	2023
OTHER COMPREHENSIVE INCOME / LOSS			
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation differences - foreign operations		0.6	-0.1
Items that may not be reclassified subsequently to profit or loss		0.0	0.0
Fair value change of financial instruments recognized in OCI		-0.1	-2.9
Deferred taxes		0.0	0.6
Other comprehensive income/loss		**0.5**	**-2.5**
Other comprehensive income after taxes / loss for the year		0.5	-2.5
OTHER COMPREHENSIVE INCOME / LOSS FOR THE YEAR		**50.4**	**29.6**
Attributable to			
Non-controlling interest		5.3	3.3
Equity holders of parent company		45.1	26.3
Earnings per share (EPS), fully diluted (EUR)	2.15	1.63	1.05
Earnings per share (EPS), undiluted (EUR)		1.69	1.09

Operating profit

IAS 1 Presentation of Financial Statements does not define the concept of operating profit. The Group has defined it as follows: operating profit is the net sum formed after employee benefits expenses, other administrative expenses, depreciation, amortization and possible impairment losses, and other operating expenses are deducted from net revenue and share of profit and loss of associates. All other items than the ones mentioned above are presented below operating profit in profit or loss.

Earnings per share

Undiluted earnings per share are calculated by dividing the profit or loss attributable to the parent company's shareholders by the weighted average number of shares in circulation during the financial period, excluding Evli shares acquired and held by the Group during the period. Diluted earnings per share are calculated by adjusting the weighted average number of shares by the dilutive effect of the stock options granted under share–based incentive programs.

Consolidated balance sheet, IFRS

ASSETS	Note	31.12.2024	31.12.2023
Cash and equivalents	3.1	0.0	0.0
Claims on credit institutions	3.2	131.2	126.0
Claims on the public and public sector entities	3.3	10.8	19.2
Debt securities	3.4	3.3	2.0
Shares and participations	3.5	42.0	42.5
Derivative contracts	3.6	7.1	5.9
Shares and participations in associates	3.7	24.0	5.2
Intangible assets and goodwill	3.8	44.6	48.7
Property, plant and equipment	3.9	1.1	1.1
Right-of-use assets	3.10	9.6	11.3
Other assets	3.11	79.3	74.4
Accrued income and prepayments	3.12	3.4	3.4
Income tax receivables	3.13	1.6	1.3
Deferred tax assets	3.14	3.7	3.6
TOTAL ASSETS		**361.6**	**344.7**

LIABILITIES AND EQUITY	Note	31.12.2024	31.12.2023
LIABILITIES			
Liabilities to credit institutions and central banks	3.15	6.0	3.4
Debt securities issued to the public	3.16	99.4	106.7
Derivative contracts and other liabilities held for trading	3.17	7.1	6.0
Other liabilities	3.18	64.7	61.8
Accrued expenses and deferred income	3.19	27.7	27.3
Income tax liability	3.20	3.0	2.4
Deferred tax liabilities	3.21	0.0	0.0
TOTAL LIABILITIES		**208.1**	**207.6**
EQUITY			
Share capital		53.7	53.7
Fund of invested non-restricted equity		15.9	17.5
Fair value reserve		-5.1	-5.1
Translation difference		-0.1	-0.6
Retained earnings		84.8	67.5
Non-controlling interest		4.2	4.1
TOTAL EQUITY	3.22	**153.5**	**137.2**
TOTAL LIABILITIES AND EQUITY		**361.6**	**344.7**

Cash flow statement, IFRS

	2024	2023
Operating activities		
Operating profit	58.2	40.2
Adjustment for items not included in cash flow	-7.8	5.4
Income taxes paid	-8.0	-6.9
Cash flow from operating activities before changes in operating	**42.4**	**38.7**
Changes in operating asset	3.0	32.2
Changes in operating liabilities	-1.0	-26.7
Cash flow from operating activities	**44.4**	**44.1**
Investing activities		
Acquisition of subsidiaries	-2.8	0.0
Dividends and changes in associated companies	0.4	0.3
Change in intangible asset	-1.6	-1.4
Change in property. plant and equipment	-0.1	0.0
Cash flow from investing activities	**-4.1**	**-1.0**
Financing activities		
Change in Loans from credit institutions	2.7	3.3
Dividends paid	-30.7	-30.2
Dividends paid to NCI	-4.2	-3.5
Payments of loan/IFRS 16 Right of use asset	-2.6	-2.1
Cash flow from financing activities	**-34.8**	**-32.5**
Cash and cash equivalents at the beginning of period	126.0	115.4
Cash received and deducted in mergers and acquisitions	0.3	-
Cash and cash equivalents at the end of period	131.2	126.0
Change	**5.4**	**10.6**

Additional information to the cash flow statement

In the cash flow statement, the flows of cash and cash equivalents during the financial year are presented for all operations. The cash flow statement has been prepared in accordance with the indirect method, where cash inflows and outflows are reported primarily in gross terms. Cash flows are classified as cash flows from operating activities, cash flows from investing activities and cash flows from financing activities.

Cash flow from operating activities

Operating activities are the principal revenue–producing activities. Cash flows are primarily fees and interest received, and payments to providers of goods and services and personnel. Changes in operating assets and liabilities consist of assets and liabilities that are part of normal business activities, such as loans, deposits and debt securities in issue. Pending transactions and changes in the trading book are presented in net terms.

Cash flow from investing activities

Cash flow from investing activities consists of investments in intangible rights such as software licenses and client agreements, and payments related to mergers and acquisitions.

Cash flow from financing activities

Financing activities include payments from equity items to shareholders, share issues and payments of leasing liabilities.

Cash and cash equivalents

Cash assets consist of cash, and loans to banks payable on demand.

Consolidated statement of changes in equity, IFRS

	Share Capital	Fair value reserve	Translation difference	Fund of invested unrestricted equity	Retained earnings	Equity attributable to the owners of parent entity	Non-controlling interest	Total equity
Equity 31.12.2022	**53.7**	**-2.7**	**-0.5**	**26.6**	**61.5**	**138.7**	**4.7**	**143.4**
Translation difference			-0.1			-0.1	0.0	-0.1
Profit/loss for the period					28.8	28.8	3.3	32.0
Distributions				-9.2	-21.0	-30.2	-3.5	-33.7
Fair value adjustment of Alisa Bank Plc shares		-2.3				-2.3		-2.3
Other changes	0.0			0.0	-1.7	-1.7	-0.4	-2.1
Equity 31.12.2023	**53.7**	**-5.1**	**-0.6**	**17.5**	**67.5**	**133.0**	**4.1**	**137.2**
Translation difference			0.6			0.6	0.0	0.6
Profit/loss for the period					44.6	44.6	5.3	49.9
Distributions					-30.7	-30.7	-4.2	-34.9
Transactions with non-controlling interests				0.1	0.1	0.2	-0.2	0.0
Fair value adjustment of Alisa Bank Plc shares		-0.1				-0.1		-0.1
Other changes	0.0		0.0	-1.6	3.3	1.6	-0.8	0.8
Equity 31.12.2024	**53.7**	**-5.1**	**-0.1**	**15.9**	**84.8**	**149.3**	**4.2**	**153.5**

Notes to the consolidated financial statements

1. Accounting policies

1.1. Basic information on the company

The Evli Plc ("Evli", "Evli Group" or "Group") is Finland's leading asset manager, serving institutional, corporate and private clients. The services include mutual funds, asset management and capital markets services, alternative investment products, corporate analysis, and M&A services. Responsibility is part of every investment decision, and our expertise in responsibility issues is valued by our clients. Evli Plc was created on April 2, 2022 through a partial demerger from Evli Bank Plc. In the partial demerger, all assets, liabilities and exposures related to Evli Bank Plc's wealth management business, custody, clearing and brokerage and corporate finance businesses and their supporting activities were transferred to a new, independent company Evli Plc.

The Group's parent company, Evli Plc ("Company"), is a Finnish limited liability company incorporated under the laws of Finland with the Business ID 3239286–2. The Company is domiciled in Helsinki and its registered address is Aleksanterinkatu 19, 00100 Helsinki, Finland. The company is listed on the Nasdaq Helsinki stock exchange.

These financial statements were approved by the Board of Directors at its meeting on February 14, 2025. According to the Finnish Companies Act, the Annual General Meeting has the right to approve, reject or amend the financial statements after they have been published.

A copy of the consolidated financial statements can be obtained from evli.com or from the parent company's head office at Aleksanterinkatu 19, 00100 Helsinki, Finland.

1.2. Basis for preparation of the financial statements

The consolidated financial statements have been prepared in compliance with IFRS (International Financial Reporting Standards), approved for application in the EU, and IAS (International Accounting Standards) valid at the end of the 2024 financial year, together with their respective SIC (Standing Interpretations Committee) and IFRIC (International Financial Reporting Interpretations Committee) interpretations. In addition, Finland's accounting and limited liability company legislation and official regulations have also been considered in the preparation of the consolidated financial statements. The financial year for Evli Group is the calendar year.

The consolidated financial statements have been prepared based on historical cost, with the exception of financial assets and liabilities recognized at fair value through profit or loss, and derivative financial instruments.

The consolidated financial statements have been prepared on a going concern basis. This assumes that the Group has sufficient resources to continue as a going concern and that the management intends to do so, at least for one year from the date of signing the financial statements.

The general accounting policies for the preparation of the consolidated financial statements are described later in this section. Information about the judgments made by the management in the process of applying the Group's accounting policies and that have the most significant impact on the amounts recognized in the financial statements, and about the assumptions concerning the future and the key assumptions underlying estimates, are disclosed under item 1.5 Matters requiring management judgment of the accounting policies.

The financial information is mainly presented in millions of euros. All figures shown are rounded, and the sum of the individual figures may differ from the total shown. The indicators are calculated using exact values.

1.3. Translation of items denominated in foreign currency

The figures showing the profit/loss and financial position of the Group's units are measured in the currency used in each unit's main functional environment ("functional currency"). The consolidated financial statements are presented in euros, which is the functional and presentation currency of the Group's parent company.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. Monetary balance sheet items are translated into the functional currency at the rate prevailing on the balance sheet date. Exchange rate differences arising in connection with the valuation are included in net income from foreign exchange operations.

The income statements of foreign Group entities are translated into euros at the weighted average rates for the period, and the balance sheets at the rates prevailing on the balance sheet date. In the consolidated income statement and balance sheet, the translation differences resulting from the use of different rates for the translation of Group results for the period is recognized in income and expenses recognized directly in equity and presented under equity. The translation differences arising from the elimination of the acquisition cost of foreign subsidiaries and from post–acquisition cumulative changes in equity items are recognized in income and expenses recognized directly in equity and presented under equity. When a subsidiary is disposed of wholly or partly, the cumulative translation differences are recognized in profit or loss as part of gains or losses from disposal.

1.4. Financial assets and liabilities

The Group's financial assets are classified in accordance with the IFRS 9 Financial Instruments standard as follows:

a) those measured at amortized cost
b) those measured at fair value through profit or loss
c) those measured at fair value through other comprehensive income

The classification is based on the business model defined by the Group and the type of contractually accrued cash flows of financial assets. On initial recognition, the Group measures a financial asset item at fair value, and in the case of a financial asset item that is not measured at fair value through profit or loss, the transaction costs directly attributable to the item are added or deducted. Financial assets measured at fair value through profit or loss are initially recognized at fair value in the balance sheet and transaction costs are recognized through profit or loss.

'Financial assets measured at amortized cost' comprise financial assets whose business model is to hold financial assets and collect contractual cash flows consisting exclusively of payments of principal and interest. This item includes sales receivables, loan and other receivables and cash and cash equivalents. Assets classified under the group are measured at amortized cost using the effective interest rate method. The carrying amount of current sales and other receivables is deemed to be equal to their fair value. These items are current assets if they are expected to be realized within 12 months of the end of the reporting period. The Group's sales receivables are mainly short–term. The group recognizes a deduction for expected credit losses on financial assets measured at amortized cost.

Financial assets that are classified at initial recognition as those measured at fair value through profit or loss are classified in 'Financial assets measured at fair value through profit or loss'. Evli's fund investments are classified as financial assets recognized at fair value through profit or loss. Investments in funds are included in the balance sheet item Shares and participations. The fair value of liquid mutual fund investments is determined using quoted market prices and rates. Equity fund investments are generally valued in accordance with industry practice; the fair value of equity and real estate fund investments is the most recent fund value reported by the fund management company, plus capital contributions and less capital redemptions that have occurred between the balance sheet date and the management company's reporting date. The fair value of real estate owned by real estate funds is based on the fair value determined by an external assessor.

The 'Financial assets measured at fair value through other comprehensive income' category includes the investment made by Evli in Alisa Bank Plc. The investment is of a long–term nature and is not related to the group's operating activities. For these reasons, the company presents the effect on profit or loss arising from the measurement of the investment as a separate item in the statement of comprehensive income in accordance with IFRS 9.

A financial asset is derecognized when the contractual rights to the cash flows from the financial asset expire or the Group has transferred substantially all the risks and rewards of ownership of the financial asset to an external party. Cash assets consist of cash and cash equivalents. Repayable on demand deposits in credit institutions are also included in cash and cash equivalents in the cash flow statement.

Financial liabilities are classified into the following groups:

a) those measured at amortized cost
b) those measured at fair value through profit or loss

On initial recognition, the Group measures a financial liability at fair value and, in the case of a financial liability not measured at fair value through profit or loss, the transaction costs directly attributable to the item will be added or deducted. Financial liabilities measured at fair value through profit or loss are initially recognized in the balance sheet at fair value and transaction costs are recognized through profit or loss.

Financial liabilities recognized at amortized cost consist of interest–bearing loans and non–interest–bearing liabilities and are measured at amortized cost using the effective interest method. These include structured notes issued by the company, among others. The difference between the amount received and the amount repayable is recognized in the income statement using the effective interest method over the period of the loan. Financial liabilities are classified as current unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. Purchase liabilities are classified as current liabilities if they are due for payment within 12 months. A financial liability or part of it is derecognized only when the liability ceases to exist, i.e. when the obligation specified in the contract is discharged or cancelled or expires.

Hedge accounting

The Group does not apply hedge accounting in accordance with IFRS 9 in the financial statements.

1.5. Matters requiring management judgment

The drawing up of financial statements in accordance with IFRS standards requires that certain accounting assessments are made. In addition, management must use its judgment. Judgment affects the choice of accounting policies and their application, the amount of assets, liabilities, revenues and expenses to be reported and the notes that must be presented. The management will exercise its judgment on the basis of estimates and assumptions that are based on earlier experience and the best view available to it on the balance sheet date especially concerning the future performance of the investment services market. Estimates and decisions based on judgment are constantly monitored and they are based on actual performance and certain other factors such as expected future events that are reasonably anticipated to occur considering prevailing circumstances. Actual performance may deviate from estimates.

At Evli, the most significant estimates concern the impairment testing of goodwill and the measurement principles of theoretically measured financial instruments. Further information on them is provides in the note in question, under the title "Management judgment".

1.6. Provisions

A provision is recognized when the Group has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and the Group can reliably estimate the amount of the obligation.

1.7. Adoption of new and amended standards and interpretations applicable in future financial years

No significant changes in standards are expected for the coming financial year that would have a material impact on the accounting policies applied to the consolidated financial statements.

2. Notes to the consolidated income statement

2.1. FEE AND COMMISSION INCOME

	2024	2023
Credit related fees and commissions	0.0	0.0
Income from payment transactions	0.0	0.0
Insurance brokerage	0.4	0.5
Advisory services	11.6	16.7
Securities brokerage	5.7	6.0
Securities issue	-	0.0
Mutual funds	84.4	70.8
Asset management	6.8	6.5
Custody services	0.6	0.3
Other operations	1.6	1.9
Commission income, total	**111.3**	**102.9**

Evli receives management fee income from Wealth Management and Investor Clients from mutual funds and asset management portfolios and pays clients fee reimbursements related to these. Fund fees consisting of management fees and fee reimbursements are recognized on a monthly basis and are mainly invoiced retrospectively in one, three, six or twelve–month periods. These fees are typically calculated based on the capital value or initial investment commitment in the fund or client portfolio and on the agreed fee percentage over time. Any non–recurring fees related to the funds, such as acquisition, subscription or redemption fees, are allocated to the month in which the right to the fee arises.

With successful investment activities, fee income may include performance–based fees. These may consist of performance–based fees related to mutual and non–UCITS funds, carry fees received by the management company of an equity fund, and performance–based fees related to asset management portfolios. The performance–based fees of mutual funds are taken into account daily in the values of the funds and invoiced retrospectively on a monthly basis. The performance–based fees of non–UCITS funds are invoiced quarterly. The final performance–based fee received by Evli from non–UCITS funds is determined by the fund's full–year return, which may change from the amount recognized in a preceding quarter. The performance–based fees relating to asset management portfolios are recognized as income annually only after the final amount of the fee can be reliably estimated.

The Evli Group annually reviews the performance–based fees due to the management company from equity funds (so–called carry fees) and models the probabilities related to their realization. A performance–based fee related to a fund agreement and due to the management company is only paid once the IRR (Internal Rate of Return) defined by the hurdle rate has been attained on a cash flow basis. Typically, the fee is only payable towards the end of a fund's life cycle. If a fund's return does not attain the hurdle rate, the management company will not receive any performance–based fee. The company will only consider the performance–based fee from equity funds to the extent that it is probable that there will be no significant reversal of the amount of accrued recognized income at a later date. Evli brokers direct investment instruments such as equities, ETFs and derivatives for its clients. For the brokerage services it provides, the company receives a one–time brokerage fee. The brokerage fee received is linked to the transaction executed and the return associated with the brokerage activity is recognized on a trade date basis. In addition to the investment instruments mentioned above, Evli also brokers equity–linked notes. The fee received on the sale of the company's own and other operators' equity–linked notes is recognized immediately in the income statement. The full amount of the fee is available for use on the date of issue of the bond and is used to cover services related to the issue of the bond. The interest expense for the note issued by the company itself is calculated by using the effective interest method. These notes are recognized in the balance sheet at the amortized cost, and the interest component of the loan, which is the same as the value of the option, is recognized as a separate debt item in the group "Derivative contracts and trading liabilities".

Evli's Advisory and Corporate Clients segment receives monthly retainer and success fees related to the Corporate Finance business. Monthly retainer fees are recognized as income over time whereas recognition of success fees, treated as variable consideration, is linked to the completion of projects. Project success fee income is recognized as income in the period when the outcome of the project can be estimated reliably and when the performance obligation has been met. The costs incurred for a project are expensed immediately.

Evli received fees related to the design and administration of incentive programs during the first quarter of 2024. Fees related to the design of incentive programs are invoiced on monthly basis and recognized as income for the period in which the invoicing has taken place. Fees for the administration of incentive programs are invoiced on a quarterly, semiannual or annual basis. The fees are amortized evenly for the period in which the work is carried out. Other advisory fees, from analytical services, for example, are recognized in the period in which the work is performed.

MANAGEMENT JUDGMENT

The commission income of asset management and mutual funds is subject to adjustment items that can in some circumstances include ambiguity with respect to the date of validity and scope, among other things. This applies to situations in which price reductions have been agreed upon with clients by using "fee reimbursement contracts". For this reason, the management has used its judgment and has strived to make the most conservative assessment of the fee reimbursement debt arising from these, or any contracts of which there is knowledge but have not yet been entered in the system. The debt is recovered monthly and is included as an item that reduces fund and asset management fees. Consideration is also related to the probabilities and amounts of realization of carry–fees.

2.2. NET INCOME FROM SECURITIES TRANSACTIONS

2024	Gains and losses on sales	Changes in fair value	Other items	Total
Debt securities	0.5	-	-	0.5
Shares and derivative contracts	-	0.2		0.2
Net income from securities transactions, total	**0.5**	**0.2**	**-**	**0.7**
Net income from foreign exchange operations	0.9	-0.5		0.3
Net income from securities transactions and foreign exchange operations, total	**1.4**	**-0.4**	**-**	**1.1**

2023	Gains and losses on sales	Changes in fair value	Other items	Total
Debt securities	0.0	0.0	-	0.0
Shares and derivative contracts	0.2	1.9	-	2.1
Net income from securities transactions, total	**0.2**	**1.9**	**-**	**2.1**
Net income from foreign exchange operations	0.6	0.3	-	0.9
Net income from securities transactions and foreign exchange operations, total	**0.8**	**2.3**	**-**	**3.0**

2.3. INCOME FROM EQUITY INVESTMENTS

	2024	2023
Dividends from financial assets valued at fair value	0.1	0.1
Dividends from associated companies	-	-
Income from equity investments, total	**0.1**	**0.1**

2.4. INTEREST INCOME

	2024	2023
Debt securities	0.2	0.2
Claims on credit institutions	8.9	7.4
Claims on the public and public sector entities	0.6	1.2
Other interest income	0.0	0.1
Interest income, total	**9.8**	**8.8**

2.5. OTHER OPERATING INCOME

	2024	2023
Rental income	-	0.0
Gain on sale of subsidiaries	13.8	-
Other income	0.6	0.8
Other operating income, total	**14.3**	**0.8**

2.6. FEE AND COMMISSION EXPENSES

	2024	2023
Trading fees paid to stock exchanges	-0.1	-0.2
Other commission expenses	-4.8	-2.7
Commission expenses, total	**-5.0**	**-2.9**

2.7. INTEREST EXPENSES

	2024	2023
Liabilities to the public, public sector entities and credit institutions	-0.2	-0.0
Debt securities issued to the public	-4.7	-4.0
Other interest expenses	-0.0	-0.0
Interest expenses, total	**-4.8**	**-4.1**

Interest income and expenses are calculated using the effective interest rate method. In recognizing an impairment loss on a contract classified as a financial asset, the recovery of interest is continued at the lowered accounting balance using the original effective interest rate of the contract. If the receipt of interest is unlikely, it is recognized as an impairment loss. Interest income obtained from financial assets is recognized as interest income.

Borrowing costs are recognized as an expense in the period in which they are incurred. The directly attributable transaction costs of a certain borrowing are included in the original amortized cost of the borrowing and are amortized as interest expense by using the effective interest method or, if necessary, by following a formula whose result can be deemed as being sufficiently near the sum calculated by using the effective interest method.

2.8. PERSONNEL EXPENSES

	2024	2023
Wages and salaries	-32.8	-33.1
Social security costs		
Pension expenses	-4.8	-5.0
Other social security costs	-1.6	-1.7
Equity-settled share options	-1.1	-1.3
Employee benefits, total	**-40.4**	**-41.0**

The total salaries paid by the Evli Group to its personnel consist of fixed salaries and remuneration, variable remuneration under the annually adopted reward system, and long–term incentive programs.

Fixed salaries play an important role in the company. By aiming to offer its employees a competitive pay level, the company ensures that it continues to be staffed by a skilled workforce. A reward system based on variable salaries applies to all the Group's employees. The objective of the reward system is to support the implementation of the company's strategy as well as promote its competitiveness and long–term financial success.

In addition to the above remuneration methods, the company may create separate long–term incentive programs. Evli Group has six share–based incentive programs in force at the end of the period for 2021, 2021–2025, 2022, 1/2023–6/2026, 9/2023–12/2026 and 2025–2027. For the 2021 program, the shares will be issued free of charge four years after the launch of the program, provided that the individuals in question are still employed by the company. Under the 2021–2025 and 2022–2023 programs, members have the opportunity to earn shares for successful performance, in accordance with the terms of the program. Under the 1/2023–6/2026 and 9/2023–12/2026 share plans, plan members may earn shares based on performance. Under the 1/2023–6/2026 plan, awards are based on the annualised fund turnover from new investments in Sweden. The vesting criteria for the 9/2023–12/2026 plan are linked to the company's operating profit (EBIT). The vesting criteria for the 2025–2027 plan is linked to the achievement of the company's performance targets The company's Board of Directors decides upon the distribution of shares.

The Evli Group provides a reward fund for its employees. All employees of the Evli Group companies that are based in Finland are members of the fund. Using the fund is voluntary. Decisions to enter rewards in the fund are made one year at a time. Social security costs are not withheld from assets invested in the fund. The fund invests its member share capital in accordance with the Act on Personnel Funds. Capital is invested in accordance with a strategy prepared jointly by the fund's Board of Directors and Wealth Management.

In the payment of benefits payable upon termination of employment, Evli complies with normal agreements related to termination of employment pursuant to valid legislation. During the financial year, the company has not paid sign–on payments to new employees. All of the Evli Group's retirement plans are defined contribution plans. Payments to defined contribution plans are reflected in profit or loss in the period in which they are incurred. The Evli Group finances all its retirement plans as contributions to pension insurance companies. The contributions take different countries' local regulations and practices into account.

2.8.1. PERSONNEL COUNT

	2024	2023
Number of personnel during the period, average	315	354
Number of personnel at the end of the period	305	354
Employees by business segment at the end of the period		
Wealth Management and Investor Clients	222	218
Advisory and Corporate Clients	32	87
Group Operations	51	49
Total	**305**	**354**
Employees by geographic market at the end of the period		
Finland	280	332
Sweden	23	20
Arab Emirates	2	2
Total	**305**	**354**

2.8.2. SHARE BASED INCENTIVES DURING THE REPORTING PERIOD 1.1.2024 – 31.12.2024

Plan	Restricted Shares			Performance Share Plan 2021-2025	PSP 2022	Performance Share Plan 2023-2025	Performance Share Plan 2023-2026	TOTAL
Instrument	**Restricted Share Plan 2018**	**Restricted Share Plan 2019**	**Restricted Share Plan 2021**	**Performance Period 2021-2025**	**PSP 2022**	**Performance Period 01/2023-06/2026**	**Performance Period 09/2023-12/2026**	**TOT/WA**
Type			SHARE					
Initial amount, pcs	233,000	350,000	118,000	120,000	78,000	100,000	520,000	1,519,000
Initial allocation date	8.6.2018	14.6.2019	12.2.2021	12.2.2021	21.4.2022	7.3.2023	14.9.2023	
End of restriction period	30.6.2022 / 30.6.2023 / 30.6.2024	30.6.2024	8.2.2026	*	1.6.2023 / 1.6.2024 / 1.6.2025	30.11.2026	31.12.2029	
Maximum contractual life, yrs	5.1	5.0	5.0	-	3.1	3.7	6.3	5.3
Remaining contractual life, yrs	0.0	0.0	2.1	-	0.42 / 1.42 / 2.42	2.9	6.0	2.7
Number of persons at the end of the reporting year	0	0	20	2	6	5	31	
Payment method	Cash & Equity	Cash & Equity	Cash & Equity	Cash & Equity	Cash & Equity	Cash & Equity	Cash & Equity	

* The reward is awarded in installments during 2021–2025 when the required performance criteria are met. Each installment has a three-year deferral period. Ownership rights to the shares subject to the reward are transferred to the beneficiary only after the end of the deferral period. The shares paid as a reward will be subject to a one-year transfer restriction.

Changes during the period	Restricted Share Plan 2018	Restricted Share Plan 2019	Restricted Share Plan 2021	Performance Period 2021-2025	Performance Period 2022-2023	Performance Period 2023-2024	Performance Period 01/2023-06/2026	Performance Period 09/2023-12/2026	Total
1.1.2023									
Outstanding at the beginning of the reporting period, pcs	68,673	350,000	106,000	120,000	26,000	26,000	100,000	505,000	1,301,673
Changes during the period									
Granted	0	0	0	0	0	0	0	0	0
Forfeited	0	0	0	0	0	0	20,000	0	20,000
Invalidated during the period	0	0	0	0	0	0	0	0	0
Excercised	68,673	350,000	0	0	0	0	0	0	418,673
Expired	0	0	0	0	0	0	0	0	0
31.12.2023									
Excercised at the end of the period	137,346	0	0	0	0	0	0	0	187,346
Outstanding at the end of the period	0	0	106,000	120,000	26,000	26,000	80,000	505,000	863,000

Fair value determination

The fair value of share based incentives have been determined at grant date and the fair value is expensed until vesting. The pricing of the share based incentives granted during the period was determined by the following inputs and had the following effect:

VALUATION PARAMETERS FOR INSTRUMENTS GRANTED DURING PERIOD	
Share price at grant, €	-
Share price at reporting period end, €	-
Expected dividends, €	-
Fair value Decenber 31, 2024, €	-

EFFECT OF SHARE–BASED INCENTIVES ON THE RESULT AND FINANCIAL POSITION DURING THE PERIOD	
Expenses for the financial year, share-based payments, equity-settled, €	1,137,479
Future cash payment to be paid to the tax authorities from share-based payments, estimated at the end of the period, €	4,571,875

2.9. OTHER ADMINISTRATIVE EXPENSES

	2024	2023
Office expenses	-1.7	-1.6
IT and infosystems	-10.8	-9.3
Business expenses	-1.4	-1.3
Travel expenses	-1.1	-0.8
Car costs	-0.1	-0.1
Other HR related expenses	-1.7	-1.4
Marketing expenses	-1.3	-1.3
Banking and custodian expenses	-1.0	-1.0
External services	-3.1	-4.1
Other administrative expenses, total	**-22.2**	**-21.0**

2.10. DEPRECIATION AND AMORTIZATION ON TANGIBLE AND INTANGIBLE ASSETS

	2024	2023
Applications and software	-0.7	-2.3
Other intangible assets	-0.2	0.0
Leasehold improvements	-	0.0
Assets acquired under finance leases	-0.1	-0.2
Right-of-Use assets	-2.6	-2.1
Equipment and furniture	-0.1	-0.2
Impairment of goodwill		-
Depreciation, amortization and impaiment losses, total	**-3.8**	**-4.8**

2.11. OTHER OPERATING EXPENSES

	2024	2023
Supervision expenses	-0.9	-1.3
Rental expenses	-0.1	-0.1
Other expenses	-0.2	-0.3
Other operating expenses, total	**-1.2**	**-1.6**

2.12. EXPECTED CREDIT LOSSES ON LOANS AND OTHER RECEIVABLES

	2024	2023
Claims on the public and public sector entities		
Expected credit losses on group level	0.0	0.0
Expected credit losses individual	0.0	0.0
Guarantees and other off-balance sheet commitments	0.0	0.0
Sales receivables	0.0	0.0
Realised loan losses	0.1	0.0
Impairment losses on other financial assets	-0.6	-0.8
Impairment losses, total	**-0.5**	**-0.8**

2.13. SHARE OF PROFIT OR LOSS OF ASSOCIATES

	2024	2023
Northern Horizon Capital A/S	0.0	0.7
Allshares Ltd	-0.5	-

MANAGEMENT JUDGMENT

Evli does not participate in daily management of associated companies' business operations, and instead focuses on influencing strategic decisions at the board level. At the time of preparing Evli's consolidated financial statements, the income statement and balance sheet of associated companies are not yet known, which is why Evli's management must use judgment in estimating the share of associated companies' profit for the financial year. The estimate is based on the most recent known profit performance, prior experience of possible last–minute changes, and other possible factors that indicate changes.

2.14. INCOME TAXES

	2024	2023
Current tax expense	-8.3	-8.4
Taxes from previous years	-0.0	0.2
Deferred taxes	0.1	-0.0
Other taxes	0.0	0.0
Income taxes, total	**-8.2**	**-8.2**

The profit and loss account's tax expenses comprise current and deferred tax. Current tax is calculated on the taxable profit for the period determined on the basis of the enacted tax rate of each country, adjusted by any taxes related to previous periods.

Deferred tax is generally calculated on all temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The largest temporary differences arise from the depreciation of fixed assets and tax losses. No deferred tax is recognized on the undistributed profits of subsidiaries to the extent it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is measured by using the tax rates enacted by the balance sheet date.

2.14.1. RECONCILIATION BETWEEN THE INCOME TAX EXPENSE RECOGNIZED IN THE INCOME STATEMENT AND THE TAXES CALCULATED USING THE PARENT COMPANY'S DOMESTIC TAX RATE.

	2024	2023
Profit/loss before taxes, Finland	49.9	40.9
Profit/loss before taxes, other countries	8.3	-0.7
Profit/loss before taxes, total	**58.2**	**40.2**
Tax at domestic tax rate	-11.6	-8.0
Effect of foreign subsidiaries' differing tax rates	0.9	-0.1
Tax at source paid abroad		
Income not subject to tax	2.8	0.2
Expenses not deductible for tax purposes	-0.1	-0.5
Taxes from previous years	-0.0	0.2
Other change	0.1	
Unrecognised tax assets on previous years' losses	-0.1	0.0
Other taxes	-0.2	-0.0
Income tax charge in the consolidated income statement	**-8.2**	**-8.2**

2.15. EARNINGS PER SHARE (EPS)

	2024	2023
Profit for the year attributable to shareholders in Evli Bank Plc	44.6	28.8
Avarage number of A-shares	14,405,812	14,455,480
Avarage number of B-shares	12,079,087	11,924,621
Share and option rights for share-based incentive programs	1.69	1.09
Own shares	859,000	883,000
Comprehensive income attributable to shareholders in Evli Bank Plc	1.63	1.05

As both A and B series shares entitle holders to equal amounts of the company's profit, these are not shown separately.

3. Notes to the consolidated balance sheet

3.1. CASH AND EQUIVALENTS

	2024	2023
Petty cash	-	-
Other	-	0.0
Cash and cash equivalents total	**-**	**0.0**

3.2. CLAIMS ON CREDIT INSTITUTIONS

	2024	2023
Repayable on demand		
Domestic credit institutions	123.7	121.3
Foreign credit institutions	5.2	0.5
Repayable on demand, total	**128.9**	**121.8**
Other than repayable on demand		
Domestic credit institutions	0.3	0.3
Foreign credit institutions	2.1	3.9
Other than repayable on demand, total	**2.3**	**4.2**
Claims on credit institutions, total	**131.2**	**126.0**

3.3. CLAIMS ON THE PUBLIC AND PUBLIC SECTOR ENTITIES

	2024	2023
Enterprises and housing associations	4.4	7.2
Financial and insurance corporations	0.3	0.3
Households	5.0	8.3
Foreign countries	1.0	3.5
Claims on the public and public sector entities by sector, total	**10.8**	**19.2**

3.4. DEBT SECURITIES

	2024	2023
Publicly quoted	-	-
Others		
Bonds issued by banks	2.0	2.0
Other debt securities	1.3	0.0
Debt securities, total	**3.3**	**2.0**

Debt certificates are valued at fair value and relate to Finnish investments.

3.5. SHARES AND PARTICIPATIONS

	2024	2023
Publicly quoted		
Held for trading	0.0	0.9
Other	30.5	28.6
Publicly quoted, total	**30.5**	**29.6**
Others		
Held for trading	-	-
Other	11.6	13.0
Others, total	**11.6**	**13.0**
Shares and participations, total	**42.0**	**42.5**

Net risk position is described in section Market Risk, Notes on Risk Position.3.6. Derivative contracts

3.6. DERIVATIVE CONTRACTS

Overall effect of risks associated with derivative contracts

Nominal value of underlying, gross

2024	Remaining maturity					
	Less than 1 year	**1-5 years**	**5-15 years**	**Fair value (+/-)**	**ASSETS**	**LIABILITIES**
Held for trading						
Interest rate swaps	1.4	6.2	-0.4	-0.1	7.1	7.1
Futures						
Options bought						
Options sold						
Currency-linked derivatives						
Held for trading, total	**1.4**	**6.2**	**-0.4**	**-0.1**	**7.1**	**7.1**

Overall effect of risks associated with derivative contracts

Nominal value of underlying, gross

2023	Remaining maturity					
	Less than 1 year	**1-5 years**	**5-15 years**	**Fair value (+/-)**	**ASSETS**	**LIABILITIES**
Held for trading						
Interest rate swaps	0.1	5.7	0.2	-0.1	5.9	6.0
Futures	-	-	-	-	-	-
Options bought	-	-	-	-	-	-
Options sold	-	-	-	-	-	-
Currency-linked derivatives	-	-	-	-	-	-
Held for trading, total	**0.1**	**5.7**	**0.2**	**-0.1**	**5.9**	**6.0**

Derivative financial instruments are initially recognized at cost, which corresponds to their fair value. Subsequently derivative financial instruments are measured at fair value. Resulting gains and losses are treated in accordance with the purpose of the derivative instrument.

The company does not apply hedge accounting, and derivative financial instruments are classified as held for trading. Changes in the value of derivatives in this category during the year and the realized gains/losses are presented in the income statement under net income from securities trading.

Financial derivatives are embedded derivatives related to structured bonds issued by Evli. Their task is to protect against changes in the value of the underlying asset. The proportion of open risk in the gross amount is small.

3.7. SHARES AND PARTICIPATIONS IN ASSOCIATES AND JOINT VENTURES

	2024	2023
At the beginning of the period	5.2	5.7
Share of profit/loss	-0.5	0.7
Additions	20.3	0.1
Disposals	-1.0	-1.2
At the end of the period	**24.0**	**5.2**

3.8. INTANGIBLE ASSETS AND GOODWILL

Goodwill	2024	2023
Cost at 1.1.	**46.1**	**46.1**
Increases/Decreases	-3.2	-0.0
Cost at 31.12.	42.9	46.1
Accumulated depreciation at 1.1.	**0.0**	**0.0**
Impairment losses for the period		
Accumulated depreciation at 31.12.	0.0	0.0
Book value at 31.12.	**42.9**	**46.1**

Software or projects in progress	2024	2023
Cost at 1.1.	**-**	**-**
Increases/Decreases	-	-
Cost at 31.12.	-	-
Book value at 31.12.	**-**	**-**

Applications and software	2024	2023
Cost at 1.1.	**27.4**	**26.1**
Increases/Decreases	0.7	1.4
Cost at 31.12.	24.0	27.4
Accumulated amortisation and impairment losses at 1.1.	**-24.9**	**-22.6**
Amortisation for the period	-0.7	-2.3
Accumulated amortisation and impairment losses at 31.12.	-23.0	-24.9
Book value at 31.12.	**0.9**	**2.5**

Other intangible assets	2024	2023
Cost at 1.1.	**7.1**	**7.1**
Increases/Decreases	0.5	-
Cost at 31.12.	7.6	7.1
Accumulated amortisation and impairment losses at 1.1.	**-7.1**	**-7.1**
Amortisation for the period	0.2	-
Accumulated amortisation and impairment losses at 31.12.	-6.9	-7.1
Book value at 31.12.	**0.7**	**-**
The most significant “Other intangible assets” are client relationships.		
Book value of intangible assets at 31.12.	**44.6**	**49.6**
Intangible assets, total at 31.12.	**44.6**	**49.6**

Goodwill

Goodwill represents the excess of the cost of an acquired entity over the Group's interest in the fair value of the identifiable net assets and liabilities acquired at the acquisition date. Goodwill is measured at historical cost less cumulative impairment losses. Goodwill is not amortized. Goodwill arising in connection with acquisitions is tested annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. For this purpose, goodwill is allocated to cash–generating units, or, in the case of a subsidiary, goodwill is included in the subsidiary's acquisition cost and the subsidiary forms a cash–generating unit. If the carrying amount of goodwill for a cash–generating unit exceeds its recoverable amount, an impairment loss equal to the difference will be recognized.

For the testing of impairment, the recoverable amounts of an asset are determined by calculating the asset's value in use. The calculations are based on five–year cash flow plans approved by the management.

In the cash flow model, items affecting each cash–generating unit's operational cash flow — mainly income and expenses — are examined. Cash flows extending after the five–year forecast period have been calculated using the “final value method”.

The income and expenses of each asset are estimated based on the management's understanding of future developments.

In the final value method growth is determined using the management's conservative estimate of long–term cash flow growth. The cash flows used to measure value in use are discounted to the present value using the discount rate that reflects assessments of the time value of money and the risks specific to the asset.

In conjunction with goodwill testing, the sensitivity of the testing to changes in the variable affecting each result is also assessed. Sensitivity analyses are performed on goodwill impairment testing calculations using worst–case scenario forecasts. These scenarios were used to examine the change in value in use by changing the basic assumptions in the definition of value. Future income and expense cash flows, the discount rate and final value growth rate were changed in the sensitivity analyses. Among other things, the following tests were performed:

– income expectations for the five–year period under review were stressed using 20 percent lower return assumptions than originally assumed;
– the cost trend was stressed using 30 percent higher cost–development than originally assumed;
– the terminal value was set at 0 percent; and
– the discount rate was increased by three percent.

On the basis of the sensitivity analyses carried out, the change in the recoverable amount for the units tested does not lead to a situation in which the carrying amount is greater than the value in use.

2024	Wealth Management and Investor clients
Goodwill, EUR million	42.9
Assumption of growth in turnover	4%
Assumption of growth in costs	3%
Discount rate	13.5%
Terminal growth rate	2%

MANAGEMENT JUDGMENT

Impairment testing of goodwill is based on the estimated future recoverable net cash flows of the cash generating units to which goodwill has been allocated, which is then compared to the unit's carrying amount. The testing requires making of assumptions concerning variables such as the growth rate of returns, costs of operations and the discount rate at which the incoming cash flows are converted to the current value.

At each balance sheet date the management assesses whether there is any indication that an asset may be impaired. If any such indication exists, the recoverable amount of the asset is estimated.

Intangible assets

Intangible assets are recognized in the balance sheet only if their acquisition cost can be reliably measured and if it is probable that the expected future economic benefits attributable to the assets will flow to the company. Intangible assets with definite useful lives are recognized in the balance sheet at historical cost and are amortized in the profit and loss account on a straight–line basis over their known or estimated useful lives. Intangible assets include software licenses and other intangible rights whose useful life is 3–5 years.

Impairment of tangible and intangible assets

At each balance sheet date the Group assesses whether there is any indication that an asset may be impaired. If any such indication exists, the recoverable amount of the asset is estimated. In addition, goodwill and intangible assets not yet available for use are tested for impairment annually, regardless of the existence of indication of impairment. The need for impairment is assessed for each cash–generating unit.

The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. The value in use is determined as the future net cash flows expected to be derived from the said asset or cash–generating unit which are discounted to present value. The discount rate used is a pre–tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognized if the carrying amount of an asset is higher than its recoverable amount. The useful life of the asset is reviewed when the impairment loss is recognized. An impairment loss is reversed if circumstances have changed, and the recoverable amount has changed since the date of recognizing the impairment loss. Impairment losses recognized for goodwill are not reversed under any circumstances.

3.9. PROPERTY, PLANT AND EQUIPMENT

	2024	2023
Equipment and furniture		
Cost at 1.1.	2.2	2.1
Exchange difference	-0.0	-0.0
Increases/Decreases	0.2	0.0
Cost at 31.12.	2.3	2.2
Accumulated amortisation and impairment losses at 1.1.	-1.8	-1.8
Translation difference from depreciation for the period	0.0	0.0
Amortisation for the period	-0.1	0.1
Accumulated amortisation and impairment losses at 31.12.	-1.8	-1.8
Book value at 31.12.	**0.5**	**0.4**
Leasehold improvements		
Cost at 1.1.		
Cost at 31.12.	1.4	1.4
Accumulated depreciation at 1.1.	1.4	1.4
Depreciation for the period	-1.4	-1.4
Accumulated depreciation at 31.12.	0.0	0.0
Book value at 31.12.	-1.4	-1.4
Book value at 31.12.	**-**	**-**
Other tangible assets		
Cost at 1.1.	0.6	0.6
Cost at 31.12.	0.6	0.6
Book value at 31.12.	**0.6**	**0.6**
Property, plant and equipment, total at 31.12.	**1.1**	**1.1**
Book value of tangible assets at 31.12.	**1.1**	**1.1**

Tangible fixed assets are measured at historical cost less accumulated depreciation and impairment losses. Subsequent costs are included in the carrying amount of tangible fixed assets only if it is probable that the future economic benefits attributable to the assets will flow to the Group and that the cost of acquiring the assets can be reliably measured. Other repair and maintenance costs are recognized in profit or loss in the period in which they were incurred.

Assets are depreciated on a straight–line basis over their estimated useful lives. The estimated useful lives are as follows:

- Machinery and equipment: 5 years
- IT equipment: 3 years
- Assets under finance leases: 3–5 years
- Renovations of leased premises: term of lease

The residual values and useful lives of assets are reviewed at each reporting date and, if necessary, are adjusted to reflect changes occurring in expectations of useful life.

The depreciation of an item of property, plant and equipment will cease when the tangible fixed asset is classified as held for sale under IFRS 5 Non–current assets held for sale and discontinued operations.

Gains and losses from the sales or disposals of tangible fixed assets are included in other operating income and expenses.

3.10. RIGHT OF USE ASSETS

	2024	2023
Right of use assets at the beginning of the period	11.3	12.9
Additions	0.8	0.5
Disposals	-	-
Depreciations	-2.6	-2.1
Right of use assets at the end of the period	**9.6**	**11.3**

As a general rule, all leases are recognized in the balance sheet as a right–of–use asset and as a lease liability, except for short–term leases and contracts for low–value assets, to which Evli applies the expedients allowed by accounting standards. An asset (the right–of–use a leased asset) and a financial liability for the payment of rents are recognized in the balance sheet. The most significant lease agreements concluded by Evli Group concern leased premises and storage space related to the premises. The leases of premises are for a fixed term and do not include covenants or rents that vary according to revenue, for example low–value lease contracts entered into by Evli Group relate to leased IT equipment.

The right–of–use is amortized on a straight–line basis and deferred interest expense on the lease liability is recognized on the income statement. The Evli Group recognizes the right–of–use asset and the lease liability at the inception of the lease. Initially, the lease liability is measured at current value of the rents that have not been paid at the inception of the lease. The future cash flows of the leases have been discounted to the current value using the company's cost of funds rate. Rents payable are allocated to equity and interest expense. The interest expense is recognized in the income statement over the lease term through profit or loss so that the interest rate on the outstanding debt is the same in each period. The company has not calculated a separate interest component for the assets required for financing the lease liabilities due to the company's assessment of the effect beeing immaterial when assessing the right–of–use assets and corresponding liabilities.. Depreciation on the right–of–use asset is recognized on a straight–line basis from the inception of the lease over the lease term.

Typically, lease contract terms range between two and five years and may contain an option to extend the lease term. The Company has negotiated individual contracts with potentially differing terms and conditions for each location. Potential options to extend current leases have not been considered due to uncertainty related to the use of those options.

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as other leases. Payments made on operating leases are recognized in profit or loss on a straight–line basis over the lease term.

3.11. OTHER ASSETS

	2024	2023
Securities sale receivables	0.5	1.2
Commission receivables	30.8	30.3
Securities broking receivables	47.9	42.9
Other receivables	0.0	0.0
Other assets total	**79.3**	**74.4**

Other receivables include, among others, collateral receivables related to the trading book

3.12. ACCRUED INCOME AND PREPAYMENTS

	2024	2023
Interest	0.4	0.2
Staff-related	0.1	0.1
Other items	3.0	3.0
Accrued income and prepayments total	**3.4**	**3.4**

3.13. INCOME TAX RECEIVABLES

	2024	2023
Income tax receivables	1.6	1.3

3.14. DEFERRED TAX ASSETS

	2024	2023
Tax assets		
Due to timing differences	3.2	3.4
Other temporary differences		-
From tax losses carried forward	0.4	0.3
Deferred taxes total	**3.7**	**3.6**

MANAGEMENT JUDGMENT

The entry of deferred tax assets in the balance sheet calls for judgment. Deferred tax assets are recognized to the extent that future taxable income is likely to be generated, against which the confirmed losses can be used. The impairment of deferred tax assets may be necessary if the future taxable income does not correspond with the estimate. Deferred tax assets are assessed annually in relation to the Group's ability to generate sufficient taxable income in the future.

3.15. LIABILITIES TO CREDIT INSTITUTIONS, CENTRAL BANKS AND PUBLIC

	2024	2023
Credit institutions		
Other than repayable on demand, credit institutions	6.0	3.4
Other than repayable on demand, public	-	-
Liabilities to credit institutions and public, total	**6.0**	**3.4**

3.16. DEBT SECURITIES ISSUED TO THE PUBLIC

	2024	2023
Certificate of deposits	-	-
Bonds	99.4	106.7
Debt securities issued to the public, total	**99.4**	**106.7**

3.16.1. CHANGES IN BONDS ISSUED TO THE PUBLIC

	2024	2023
Issues	39.0	34.1
Repurchases	32.5	33.7

3.17. DERIVATIVE CONTRACTS AND OTHER LIABILITIES HELD FOR TRADING

	2024	2023
Derivative contracts	7.1	6.0
Due to short selling of shares	-	-
Derivative contracts and other liabilities held for trading, total	**7.1**	**6.0**

3.18. OTHER LIABILITIES

	2024	2023
Securities broking liabilities	48.1	42.8
Securities purchase liabilities	1.2	-
Finance lease payables	-	0.1
Right-of-use liability	9.6	11.3
Income tax payable	0.1	0.1
Personnel related	0.8	0.9
Other short-term liabilities	4.7	5.8
VAT payable	0.3	0.7
Other liabilities, total	**64.7**	**61.8**

Other short term liabilities include brokerage related short term liabilities.

Right-of-use-liabilities	2024	2023
Rental liabilities up to one year	2.4	2.4
Rental liabilities over one year and less than 5 years	7.1	8.0
Rental liabilities over 5 years	0.0	0.8
Leasing liabilities not later than one year	0.0	0.1
Leasing liabilities over year not later than five year	0.0	0.1

3.19. ACCRUED EXPENSES AND DEFERRED INCOME

	2024	2023
Interest	0,0	0.1
Personnel related	14.3	15.7
Other accrued expenses	13.4	11.6
Accrued expenses and deferred income, total	**27.7**	**27.3**

3.20. INCOME TAX LIABILITY

	2024	2023
Direct income tax liability	3.0	2.4

3.21. DEFERRED TAX LIABILITIES

	2024	2023
Due to timing differences	0.0	0.0
Deferred tax liability, total	**0.0**	**0.0**

3.22. SHARE CAPITAL

2024	A-shares	B-shares	Shares total	Share capital, M€	Unrestricted equityfund, M€
At the beginning of period 1.1.	14,425,812	12,059,087	26,484,899	53.7	17.5
Additions	-	20,000	20,000	-	
Decreases	-20,000	-	-20,000	-	-1.5
At the end of period 31.12.	14,405,812	12,079,087	26,484,899	53.7	15.9
2023					
At the beginning of period 1.4.	14,485,148	11,790,154	26,275,302	53.7	26.6
Additions	-	268,933	268,933	-	-
Decreases	-59,336	-	-59,336	-	-9.2
At the end of period 31.12.	14,425,812	12,059,087	26,484,899	53.7	17.5

Share capital consists of shares in the parent company, which are classified as equity. The share capital includes the subscription price received in connection with share issues to the extent that the subscription price is not recognized in the reserve for invested unrestricted equity under the decision to issue shares. The company has two series of shares, series A and B. The shares have uniform rights to the company's profits and assets, but A shares have 20 votes and B shares one (1) vote for each share at the general meeting The shares have no nominal value. All issued shares have been fully paid up.

Treasury shares

The consideration paid for treasury shares and the transaction costs directly attributable to the acquisition, adjusted for tax effects, are deducted from equity until the shares are cancelled or reissued. If these treasury shares are subsequently reissued, the consideration received is recognized directly in equity, net of any transaction costs directly attributable to the issue and of the tax portion.

Existing share issue authorizations

On March 14, 2024, the Annual General Meeting of the Company authorized the Board of Directors to decide on the issue of shares and special rights entitling to shares. The authorization allows the Board of Directors to decide on the issue or transfer of up to 2,648,490 B shares in the company. Of the above–mentioned total number, however, a maximum of 264,849 shares may be used as part of the company's share–based incentive programs. The authorization is valid until the end of the next Annual General Meeting, but not later than June 30, 2025.

Existing authorizations to acquire shares in the company

The Board of Directors is authorized by the General Meeting to acquire a maximum of 1,448,515 A shares and a maximum of 1,179,015 B shares. Under the authorization, treasury shares may only be acquired with unrestricted equity. The authorization is valid until the end of the next Annual General Meeting, but not later than June 30, 2025.

Invested unrestricted equity reserve

The invested unrestricted equity reserve includes other investments of an equity nature and the share subscription price to the extent that it is not explicitly included by decision in the share capital.

Retained earnings

Retained earnings include assets accumulated from previous financial years that have not been distributed as dividends to owners.

3.23. TREASURY SHARES HELD BY THE COMPANY

The company did not hold any treasury shares at December 31, 2024.

4. Off–balance–sheet commitments

4.1. BREAKDOWN OF OFF–BALANCE SHEET COMMITMENTS

	2024	2023
Investment commitments	2.7	2.8
Unused credit facilities	0.5	2.6
Business mortgages	-	-

Commitments given on behalf of a customer for a third party include collaterals for derivatives positions given on behalf of customers. The customers have covered their derivatives collateral to Evli in full. Other irrevocable commitments given on behalf of a customer comprise subscription commitments guaranteed on behalf of customers.

5. Segment reporting

5.1. SEGMENT INCOME STATEMENT

	2024					2023				
	Wealth Management and Investor Clients	Advisory and Corporate Clients	Group Operations	Unallocated	Group	Wealth Management and Investor Clients	Advisory and Corporate Clients	Group Operations	Unallocated	Group
REVENUE										
Net Interest Income	0.0	0.0	4.9	0.0	4.9	0.0	0.0	4.8	0.0	4.8
Commission income and expense. net	96.4	9.9	0.0	0.0	106.3	84.2	15.8	0.0	0.0	100.0
Net income from securities transactions and foreign exchange dealing	0.0	0.0	1.2	0.0	1.2	0.0	0.0	3.2	0.0	3.2
Other operating income	0.0	0.0	14.3	0.0	14.3	0.0	0.0	0.8	0.0	0.8
External sales	96.4	9.9	20.5	0.0	126.8	84.2	15.8	8.7	0.0	108.7
Inter-segment sales	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total revenue	**96.4**	**9.9**	**20.5**	**0.0**	**126.8**	**84.2**	**15.8**	**8.7**	**0.0**	**108.7**
Timing of revenue recognition										
Over time	81.9	2.9	0.0	0.0	84.8	77.4	8.1	0.0	0.0	85.6
At a point of time	14.5	7.0	0.0	0.0	21.5	6.8	7.6	0.0	0.0	14.4
RESULT										
Segment operating expenses	-45.7	-5.1	-13.1	0.0	-63.8	-39.3	-10.8	-13.6	0.0	-63.6
Business units operating profit before depreciations and Group allocations	**50.8**	**4.8**	**7.4**	**0.0**	**63.0**	**44.9**	**5.0**	**-4.9**	**0.0**	**45.1**
Depreciation. amortisation and write-down	-1.0	-0.4	-2.4	0.0	-3.8	-1.6	-0.5	-2.7	0.0	-4.8
Impairment losses on loans and other receivables	0.0	0.0	-0.5	0.0	-0.5	0.0	0.0	-0.7	0.0	-0.7
Share of profits (losses) of associates	0.0	0.0	-0.5	0.0	-0.5	0.0	0.0	0.7	0.0	0.7
Business units operating profit before Group allocations	**49.7**	**4.4**	**3.9**	**0.0**	**58.1**	**43.4**	**4.5**	**-7.7**	**0.0**	**40.2**
Allocated corporate expenses	-9.9	-1.1	11.0	0.0	0.0	-10.4	-1.8	12.2	0.0	0.0
Operating profit including Group allocations	**39.8**	**3.3**	**15.0**	**0.0**	**58.1**	**33.0**	**2.7**	**4.5**	**0.0**	**40.2**
Income taxes	0.0	0.0	0.0	-8.2	-8.2	0.0	0.0	0.0	-8.2	-8.2
Segment profit/loss after taxes	**39.8**	**3.3**	**15.0**	**-8.2**	**49.9**	**33.0**	**2.7**	**4.5**	**-8.2**	**32.0**

5.2. GEOGRAPHICAL REVENUES

	2024	2023
Finland	111.6	103.5
Sweden	9.5	4.1
Other countries	5.6	1.2
Total	126.8	108.7

Segment information is reported in accordance with the Group's division of business and geographical segments. The business segments consist of business units whose products and services and earnings logic and profitability differ from one another. The business risks related to the business segments are also different. Evli's operations are divided by client type and services into two segments: the Wealth Management and Investor Clients segment and the Advisory and Corporate Clients segment. Operations not included above are classified as Group Operations. and the business segments mentioned above make use of these operations.

The Wealth Management and Investor Clients segment offers personal asset management services to present and future high net worth private individuals and institutions. The product and service selection includes fund products offered by Evli and its partners. and various capital market services and alternative investment products. The segment also includes production and implementation activities that directly support core activities.

The Advisory and Corporate Clients segment provides services related to M&A transactions. including corporate acquisitions and divestments. and advisory services related to IPOs and share issues. The segment also provides corporate analysis services for listed companies.

The Group Operations segment includes support functions serving the business areas. such as Information Management. Financial Administration. Group Marketing, Communications and Investor Relations. Legal Department. Human Resources and Internal Services. The company's own investment operations that support the company's operations. and the Group's supervisory functions; Compliance. Risk Control and Internal Audit. are also part of Group Operations.

Inter–segment pricing occurs in arm's length transactions at fair value. The revenue and expenses that are deemed as directly attributable to or can be allocated on a reasonable basis to a particular business area are allocated to that business area. The revenue and expenses that are not allocated to a particular business area. and the inter–business–area eliminations in the Group. are reported under Group Operations. The distribution of the Group's assets and liabilities among the business areas is not monitored on a regular basis and is therefore not reported in connection with the segment reporting.

6. Notes on the risk position

Evli operates in a constantly changing market environment, which subjects the company to risks caused by changes in the business environment and the company's own operations.

Risk management refers to actions aimed at systematically surveying, identifying, analyzing and managing risks. The objective of risk management is to:

- Ensure the sufficiency of Evli's own assets in relation to risk positions
- Maintain the financial result and the variation in valuations within the set objectives and limits
- Price risks correctly to reach sustainable profitability.
- Support an disturbance free implementation of the Group's strategy and business.

Organization of the control operations

The company's Board of Directors is primarily responsible for the Company Group's risk management. The Board of Directors confirms the principles and responsibilities of risk management, the Group's risk limits and other general guidelines according to which risk management and internal control are organized. The Board has also set up a Management Risk Committee (MRC) that briefs it on risk–taking matters.

The Group's risk management is founded on the "three lines" model.

1. The first line consists of the business units. The managers of the business units are responsible for ensuring that risk management is at a sufficient level in each respective unit.

2. The second line consists of the Risk Control and Compliance functions ("control functions"). The Risk Control function oversees daily operations and compliance with the risk limits granted to the business units, as well as compliance with risk–taking policies and guidelines.

The Compliance function is responsible for ensuring compliance with the rules in all of the Group's operations by supporting operating management and the business units in applying the provisions of the law, the official regulations and internal guidelines, and in identifying, managing and reporting on any risks of insufficient compliance with the rules.

The control functions report findings to the Management Risk Committee, the Audit and Risk Committee, the Executive Group, and the Board of Directors.

3. The third line is Internal Audit. Internal Audit is a body that is independent of business operations, supports the Board of Directors and the senior management, and is organized administratively under the CEO. Internal Audit assesses the functioning of the Company Group's internal control system, the appropriateness and efficiency of the functions and compliance with instructions. It does this by means of inspections that are based on the internal audit action plan adopted annually by the Audit and Risk Committee of the Board of the company.

Main risk areas

Evli divides risks into three main categories:

1. Strategic risks: Changes in the market environment and new products
2. Financial risks: Market, liquidity and credit risks
3. Operational risks: Practices, processes and information systems

Strategic risks

Strategic risk is closely linked to a change in either the market environment, customer behavior or the company's own operations. In terms of own operations, this could be new products or partnerships. Changes in the business environment and customer behavior have a significant impact on Evli's performance, which is why strategic risks are actively monitored and managed.

The performance of assets under management is a key determinant of the returns of Wealth Management and it depends on factors such as the performance of capital markets, the general demand for investment products and the success of investment operations. As a result, the Group's fee income is partly dependent on general stock and interest rate market developments. Market developments and investment trends also influence the type of investment products that customers are interested in.

Evli cannot influence general market developments or the state of the economy through its activities, but through its own actions it can reduce its sensitivity to changes in the market environment. Evli's management aims to contribute to improving the manageability and profitability of its operations by ensuring efficient organization of its businesses and diversification of its income base through the provision of a wide range of investment products and services. In addition, the Group's management seeks to oversee key business development projects and, where appropriate, make financially sound acquisitions to scale up operations.

Evli seeks to identify and manage strategic risks by analyzing market developments and the competitive environment. The strategy and related risks are regularly on the Board's agenda.

Financial risks

Financial risk is a risk caused by the operating environment of the company and any market changes therein. Financial risks include market risk that contains equity, currency and interest rate risk and liquidity and credit risk.

6.1. Market risks

Market risk refers to the possibility of loss due to fluctuations in market prices (price risk).

The market risk affecting Evli can be either direct or indirect. Direct market risk refers to the company's sensitivity to market changes through its own financial assets and liabilities. In addition to direct market risks, Evli is indirectly exposed to market changes, for example when a general market downturn reduces the amount of assets under management for clients and thus the management fees linked to them. In addition, a sharp fall in prices tends to drive investors to redeem their investments, which decreases the amount of assets under management. In addition, advisory services tend to be less in demand in times of market stress.

Market risks can be divided into equity, interest rate and currency risks.

Equity risks mean the sensitivity of the company's profitability and market value in the balance sheet to the changes in the general price level of the stock market. The company's direct equity risks consist of Corporate Finance operations, temporary position of the brokerage business and strategic investments. The majority of the company's strategic investments are private equity funds in which the company has acted as either a product developer and/or distributor. In addition, the company has made investments in liquid investment funds it manages and in individual smaller companies. Since 2.4.2022, Evli has also an investment in Alisa Bank Plc which fair value changes are recognized directly in equity. In principle, all investments are valued using market quotes. When a public market price is not available, the investment portfolio and the assets of the trading book are valuated using theoretical valuation methods. Instruments measured by theoretical means were recognized entirely through profit or loss during the financial year, because the maturity periods of theoretically measured agreements are short, and the accounting parameters used are primarily based on information from the markets. At the end of the fiscal year 2024, a 10 percent change in Evli's investment portfolio would have corresponded to a EUR 4.2 million change in equity.

Interest risk means the sensitivity of the company's profitability or balance sheet to the changes in the general interest rate. Interest rate risk arises from, among other things, the company's investments in fixed–income funds. Any current or non–current interest–bearing loans also expose Evli to interest rate risk. A change of 100 basis points in interest rates would have a EUR 03. million effect on Evli's equity.

Currency risk refers to the uncertainty of cash flow and earnings caused by changes in exchange rates. Evli's operative actions are mainly denominated in euros. The Group has operations in Sweden and the United Arab Emirates, which expose Evli to the risk of exchange rate fluctuations, but this is minor and does not expose the Group to significant currency risk. In Evli's own investment operations, investments are mainly made in euro–denominated assets, so the exposure to currency risks in investment operations is not significant. Evli does not specifically monitor changes in exchange rates with regard to investment operations but considers them to be part of the change in the fair value of the investment. The Group's most significant currency position was in Swedish crowns, which the Group had at the end of the review period for EUR 8.4 million. This was mainly related to Evli's operations in Sweden. A 10 percent change in the exchange rate would have an effect of EUR 0.9 million on the Group's equity.

In solvency calculation, the Group's market risk is measured by the positions related to the trading book. In accordance with minimum capital adequacy calculation, the necessary amount of own funds is set aside to cover market risk. The minimum capital requirement is calculated for the position risk of the trading book and for the currency risk of the operations as a whole. The Group's investments classified under the trading book amounted to EUR 0.0 million at December 31, 2024. The minimum capital requirements for market risk were accordingly EUR 0.0 million at December 31, 2024.

6.1.1. MINIMUM CAPITAL REQUIREMENT FROM MARKET RISK

	Original exposure value	Risk-weighted exposure value
Trading book		
Equity instruments	0.0	0.0
Total	**0.0**	**0.0**

6.1.2. ASSETS AND LIABILITIES IN DOMESTIC AND FOREIGN CURRENCIES

2024	Domestic currency	Foreign currency	Total
Assets			
Financial assets at amortized cost			
Cash and cash equivalents	-	-	-
Claims on credit institutions	120.1	11.1	131.2
Claims on the public and public sector entities	10.4	0.4	10.8
Financial assets at fair value through profit or loss			
Debt securities	2.6	0.7	3.3
Shares and participations	38.5	3.6	42.0
Derivative contracts	7.1	-	7.1
Other assets	153.4	13.7	167.2
Total	**332.1**	**29.5**	**361.6**
Liabilities			
Financial liabilities at amortized cost			
Liabilities to credit institutions	6.0	-	6.0
Debt securities issued to the public	99.4	-	99.4
Financial liabilities at fair value through profit or loss	7.1	-	7.1
Other liabilities	81.7	13.9	95.5
Total	**194.3**	**13.9**	**208.1**

2023	Domestic currency	Foreign currency	Total
Assets			
Financial assets at amortized cost			
Cash and cash equivalents	0.0	0.0	0.0
Claims on credit institutions	113.1	12.9	126.0
Claims on the public and public sector entities	18.8	0.4	19.2
Financial assets at fair value through profit or loss			
Debt securities	2.0	-	2.0
Shares and participations	38.1	4.4	42.5
Derivative contracts	5.9	-	5.9
Other assets	144.5	4.5	149.0
Total	**322.5**	**22.2**	**344.7**
Liabilities			
Financial liabilities at amortized cost			
Liabilities to credit institutions	3.4	-	3.4
Debt securities issued to the public	106.7	-	106.7
Financial liabilities at fair value through profit or loss	6.0	-	6.0
Other liabilities	88.1	3.3	91.5
Total	**204.2**	**3.3**	**207.6**

6.2. Liquidity risk

Liquidity risk is the risk that Evli's available cash and cash equivalents are not sufficient to cover the needs of the business and thus jeopardizing continuity.

In terms of liquidity risk, the Group has a conservative risk appetite. The Group's liquidity is constantly monitored, and it is maintained by keeping a significant part of the company's assets either in bank deposits available on demand or invested in liquid low–risk assets that can be quickly converted into cash. In addition to investments, the company's assets are tied up in loans it has granted, against which the company has sought to raise longer–term financing by issuing structured bonds. The financing from the bonds is not fully available, because part of the funds is committed to collateral that Evli places with various market counterparties in situations where the hedge on structured products is loss–making. Funds also used in settlement due to settlement issues and the provision of collateral. The Investment Firms Regulation requires investment services firms to hold liquid assets of at least one third of the capital requirement for fixed overheads calculated in accordance with the Regulation. The capital requirement calculated on the basis of Evli's fixed overheads is EUR 16.6 million and the liquidity requirement calculated on this basis is EUR 5.5 million. Evli Group's liquid assets amounted to EUR 126.0 million on December 31, 2024.

The following table illustrates the contractual maturity analysis of financial liabilities.

6.2.1. MATURITIES OF ASSETS AND LIABILITIES

	2024					2023				
	Total	Maturity: less than 3 months	Maturity: 3-12 months	Maturity: 1-5 years	Maturity: over 5 years	Total	Maturity: less than 3 months	Maturity: 3-12 months	Maturity: 1-5 years	Maturity: over 5 years
Assets										
Financial assets at amortized cost										
Cash and cash equivalents	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Claims on credit institutions	131.2	131.2	0.0	0.0	0.0	126.0	126.0	0.0	0.0	0.0
Claims on the public and public sector entities	0.0	0.0	0.0	0.0	0.0	19.1	2.0	7.2	9.9	0.0
Financial assets at fair value through profit or loss										
Debt securities	3.3	0.0	0.0	3.3	0.0	2.0	0.0	0.0	2.0	0.0
Shares and participations	42.0	29.7	0.0	0.0	12.4	42.5	29.6	0.0	2.2	10.8
Derivative contracts	7.1	1.4	0.0	6.2	-0.4	6.0	0.2	-0.4	5.9	0.2
Accrued interest	0.4	0.1	0.4	0.0	0.0	0.2	0.0	0.1	0.1	0.0
Other assets	93.4	93.4	0.0	0.0	0.0	90.4	90.4	0.0	0.0	0.0
Liabilities										
Financial liabilities at amortized cost										
Liabilities to credit institutions	6.0	6.0	0.0	0.0	0.0	3.4	3.4	0.0	0.0	0.0
Debt securities issued to the public	99.6	15.8	0.5	73.6	9.7	106.7	6.0	11.7	79.6	9.4
Financial liabilities at fair value through profit or loss	7.1	1.4	0.0	6.2	-0.4	6.0	0.2	-0.4	5.9	0.2
Accrued interest, debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other liabilities	95.5	95.5	0.0	0.0	0.0	91.5	91.5	0.0	0.0	0.0
Off-balance sheet commitments	3.2	0.4	0.0	0.1	2.7	5.3	0.0	0.0	2.6	2.8
Right-of-use liabilities	9.6	0.6	1.8	7.1	0.0	11.3	0.6	1.8	8.0	0.8

6.3. Credit risks

Credit risk is the risk of loss in the event that a customer or a counterparty of an Evli Group company fails to meet its obligations under a credit relationship and any collateral provided is insufficient to cover the receivable. Credit risk also includes country and settlement risks. Country risk is the credit risk associated with foreign claims allocated by country. Settlement risk is the risk of loss of the receivable being settled, associated with the settlement process.

Credit risks are mainly managed through customer and counterparty–specific limits and collateral requirements. These, in turn, are monitored and managed on a daily basis. The management of settlement risk focuses on ensuring the suitability and reliability of counterparties. In principle, clearing is concentrated in reliable clearing houses. The Management Risk Committee approves all counterparties with whom non–standardized derivatives agreements are made. The company has pledged cash to marketplaces and clients have pledged their client portfolios to Evli.

The table below shows the collateral given and received:

6.3.1. COLLATERALS SET AND RECEIVED

	2024			2023		
	Fair value of encumbered assets	**Fair value of unencumbered assets**	**of which usable as collateral**	**Fair value of encumbered assets**	**Fair value of unencumbered assets**	**of which usable as collateral**
Assets						
Liquid assets and Central Bank deposits	-	-	-	-	-	-
Claims on credit institutions	2.3	128.9	128.9	4.2	121.8	121.8
Claims on the public and public sector entities	-	10.8	-	-	19.2	-
Debt securities	-	3.3	3.3	-	2.0	2.0
Shares and participations	-	66.0	42.0	-	42.5	42.5
Other assets	-	152.6	-	-	159.1	-
Total	**2.3**	**361.6**	**174.2**	**4.2**	**344.7**	**166.3**

6.3.2. USAGE OF COLLATERAL

	2024	2023
Set collaterals		
Markeplace collateral, stock- and derivatives trades	0.1	0.1
Collateral for OTC derivatives trades	2.1	3.9
Collateral for securities lending	0.1	0.1
Total	**2.3**	**4.2**
Received collateral		
Received cash	6.0	3.4
Received securities	84.2	96.9
Total	**90.3**	**100.3**

6.4. Expected credit losses

Evli calculates the Expected Credit Loss (ECL) for financial assets measured at amortized cost for each reporting date. The expected credit loss is a probability–weighted estimate of the credit risks that will materialize.

The credit risks of financial assets are under constant scrutiny at the company. The company monitors various factors, both quantitative and qualitative, which are estimated to be significant in evaluating credit risk. Estimates of future economic trends are also taken into account.

Credit risk is assessed through a three–phase model, where the credit loss for Phase 1 exposures is estimated for the following 12 months. If the credit risk of a receivable has grown substantially after a loan is granted, the receivable's risk level is raised to Phase 2, in which case the expected credit loss is estimated for the entire exercise period. In a situation where one or more factors negatively affecting the solvency of the counterparty has occurred, the credit is raised to Phase 3. A loan is recognized as non–performing when more than 90 days have passed without the borrower paying interest or making repayment or if it is estimated that the borrower is unlikely to perform on its future payment obligations.

If based on all available information it is estimated that the credit risk has decreased substantially after the loan's risk level has been raised to phase 2, and the risk is at the same level as at the time of granting the loan, the loan's risk level can be returned to phase 1.

The amount of expected credit losses (ECL) is calculated using the formula:
ECL = exposure x probability of default (%) x total loss when realization of collateral is included

The parameters are generally measured on the Group levels, and financial assets are classified into Groups of assets with similar risks and collateral. The probability of default of counterparties is primarily measured with statistical data on the problem receivables in the credit stock on the national level. For sales receivables, a simplified procedure is used. The Group has no assets in the 'measured at fair value through comprehensive income' class and the debt securities are not valued at amortized cost. For credits that have been transferred to Phase 2, unique calculation parameters are always defined at the time of transfer.

The table to the right shows the distribution of loans granted and the number of non–performing credits.

6.4.1 DISTRIBUTION OF LOANS

2024	Lending stock	Average remaining maturity years	Overdue by at least 90 days	Impaired loans
Exposure and home country				
Private Persons Finland	5.1	0.8	0.0	0.0
Corporations Finland	5.7	1.2	0.0	0.0
Other sectors Finland	0.0	0.0	0.0	0.0
Private persons EU countries	0.0	0.0	0.0	0.0
Corporations EU countries	0.0	0.0	0.0	0.0
Private persons other countries	0.0	0.0	0.0	0.0
Total	**10.8**	**1.0**	**0.0**	**0.1**

2023	Lending stock	Average remaining maturity years	Overdue by at least 90 days	Impaired loans
Exposure and home country				
Private Persons Finland	10.2	0.9	0.3	0.0
Corporations Finland	8.4	1.2	0.0	0.0
Other sectors Finland	0.0	0.0	0.0	0.0
Private persons EU countries	0.5	0.4	0.0	0.0
Corporations EU countries	0.0	0.0	0.0	0.0
Private persons other countries	0.0	0.0	0.0	0.0
Total	**19.2**	**1.0**	**0.3**	**0.1**

The table below shows the balance sheet items broken down into the phases 1–3:

6.4.2. IFRS 9, EXPECTED CREDIT LOSSES IN STAGES

2024	Amount	Phase 1	Phase 2	Phase 3	Expected credit loss	Opening balance 1.1., credit loss provision
Balance sheet item	-	-	-	-	-	-
Receivables from credit institutions	131.2	131.2	-	-	-	-
Receivables from public	10.8	10.8	0.0	-	0.0	0.0
Corporate	5.4	5.4	-	-	0.0	0.0
Private	5.4	5.4	0.0	-	0.0	-
Other	-	-	-	-	-	-
Sales receivables	5.6	5.5	0.1	-	0.0	0.0
Off-balance sheet loan commitments	0.5	0.5	-	-	0.0	0.0
Total	**148.2**	**148.1**	**0.1**	**-**	**0.0**	**0.1**

2023	Amount	Phase 1	Phase 2	Phase 3	Expected credit loss	Opening balance 1.1., credit loss provision
Balance sheet item						
Receivables from credit institutions	126.0	126.0	-	-	-	-
Receivables from public	19.2	18.4	0.6	0.3	0.0	0.1
Corporate	8.2	8.1	0.1	-	0.0	0.0
Private	11.1	10.3	0.4	0.3	0.0	0.0
Other	-	-	-	-	-	-
Sales receivables	9.4	9.1	0.3	-	0.0	0.0
Off-balance sheet loan commitments	2.6	2.5	0.1	-	0.0	0.0
Total	**157.3**	**156.1**	**0.9**	**0.3**	**0.1**	**0.1**

From 1.1. to 31.12.2024, there have been two transfers from Phase 1 to Phase 2. The only Phase 3 credit matured in 2024, without any realized credit loss. Evli has payments on one loan that are overdue by 90 days. The expected credit losses are recognized in the profit and loss account.

6.5. Operational risks

Operational risk means a direct or indirect danger or financial loss that is caused by insufficient or failed internal processes; systems, personnel or external factors. Operational risks also include legal risks and compliance and data security risks. Therefore, operational risks are associated, for example, with the management system, operative processes, information systems, persons and various external factors or threats. In addition to the direct risk of financial loss, operational risk can also take the form of a weakening or loss of reputation or trust.

Operational risks are seen as a key area of risk management at Evli. Each business unit is responsible for managing the operational risks of its own business area. Evli continuously pays special attention to the identification, monitoring and control of operational risks. Business units carry out regular self–assessments of the operational risks of products, services, persons, operating processes and systems. Evli has prepared a separate group–wide procedure for identifying, assessing, controlling and reporting risks. Through operational risk self–assessment, the company aims to identify critical risks and identify appropriate measures to minimize or control them. The reporting of disruptions to operations and errors and losses caused by operational risks to the authorities is carried out in accordance with established requirements.

The basic approach to operational risk management is to prevent risks on the one hand, and to minimize the damage caused by risks on the other. To this end, Evli has, among other things, comprehensive internal guidelines, which are monitored. Employees are regularly trained, and daily work processes and systems are actively monitored. Security is ensured and efforts have been made to duplicate critical systems to ensure continuity. In addition, the company has prepared for possible risks by, among other things, taking out comprehensive insurance policies.

Evli operates in an industry governed by strict rules and regulations. The company has a separate Compliance function, which aims to ensure that Evli always complies with laws and regulations. While the materialization of operational risk often leads to reputational and financial damage, the materialization of compliance risk can also lead to sanctions imposed by the authorities. Responsibility for compliance and supervision always lies with top and executive management, and with all managers. Nevertheless, every Evli employee is responsible for complying with rules and regulations. Compliance risk is managed by monitoring legislative developments and by continuously training employees internally on upcoming regulatory changes.

Modern investment services are essentially digital, and digital services are a key part of Evli's strategy. At the heart of everything Evli does is information systems that involve data protection and security risks. One of the key objectives of all of the Group's functions is the efficient, error free and secure processing of information in a variety of formats. The confidentiality, accuracy and usability of such information is protected at all times. Evli has designated data protection and information security managers who are responsible for developing, monitoring, guiding and reporting on data protection and security to management.

The capital requirement for operational risks is part of the capital requirement set out in the Investment Firms Regulation. The own funds requirement calculated on the basis of the Evli Group's fixed overheads was EUR 16.6 million and the Group's own funds amounted to EUR 42.9 million at December 31, 2024.

6.6. Continuity management

The company's operations may be threatened by external or internal crises of a physical or other nature. In crisis situations, an organization must:

- be prepared
- have crisis management capability
- have prepared by means of drills.

To ensure operational continuity, Evli has a continuity plan that covers all of its functions. The purpose of continuity planning is to ensure that, in the event of certain threats materializing, it is possible to ensure the safety of the Group's customers and employees, to protect tangible and intangible property, to comply with the law and other regulations, to maintain the targeted level of customer service and internal operations and to preserve the trust of stakeholders. Each continuity plan will include system recovery plans, including guidelines on how to get information systems into operating condition in situations of severe failure, how to continue operations and how to return operations to normal. In addition, the company has compiled a recovery plan that complies with official requirements.

6.7. Managing capital adequacy

An essential element of the regulations is compliance with the solvency requirement set by the regulations and the Internal Capital And Risk Assesment (ICARA). The capital adequacy regulation is based on the principle that the quantity, quality and allocation of the company's own assets must be continuously sufficient to cover the material risks applied to the supervised party. It is not possible, however, to use capital to replace deficiencies in the qualitative aspects of risk bearing capacity. Broadly speaking, risk bearing capacity includes not only capital and profitability, but also reliable management, well–organized internal control and risk management.

As an investment services firm, Evli complies with the EU Investment Firms Directive (EU 2019/3034 IFD) and the EU Investment Firms Regulation (EU 2019/2033 IFR). Evli's Board of Directors has set a minimum target solvency requirement of 13 percent for the Group. The Group's capital adequacy ratio was 13.3 percent on December 31, 2024. More detailed information on the Group's capital adequacy and capital adequacy management is available in the Managing capital adequacy section of the annual report.

7. Other notes

7.1. CLASSIFICATION OF ASSETS AND LIABILITIES

2024	Financial assets measured at amortized cost	Fair value through profit and loss	Fair valued through comprehensive income	Other assets	Total book value	Level 1	Level 2	Level 3
Assets								
Cash and cash equivalents	0.0	-	-	-	**0.0**	-	-	-
Claims on credit institutions	131.2	-	-	-	**131.2**	-	-	-
Claims on the public and public sector entities	10.8	-	-	-	**10.8**	-	-	-
Debt securities	-	3.3	-	-	**3.3**	-	0.0	3.3
Shares and participations	-	39.5	2.6	-	**42.0**	30.5	-	11.6
Derivative contracts	-	7.1	-	-	**7.1**	-	-	7.1
Shares and participations in associates	-	-	-	24.0	**24.0**	-	-	-
Intangible assets and goodwill	-	-	-	44.6	**44.6**	-	-	-
Property, plant and equipment	-	-	-	1.1	**1.1**	-	-	-
Other assets	-	-	-	9.6	**9.6**	-	-	-
Leasing assets	-	-	-	79.3	**79.3**	-	-	-
Accrued income and prepayments	-	-	-	3.4	**3.4**	-	-	-
Income tax receivables	-	-	-	1.6	**1.6**	-	-	-
Deferred tax assets	-	-	-	3.7	**3.7**	-	-	-
Total assets	**142.0**	**49.9**	**2.6**	**167.2**	**361.6**	**30.5**	**0.0**	**21.9**
Liabilities			-					
Liabilities to credit institutions and central banks	6.0	-	-	-	**6.0**	-	-	-
Debt securities issued to the public	99.4	-	-	-	**99.4**	-	-	-
Financial liabilities at fair value through profit or loss	-	7.1	-	-	**7.1**	-	-	7.1
Other liabilities	-	-	-	64.7	**64.7**	-	-	-
Accrued expenses and deferred income	-	-	-	27.7	**27.7**	-	-	-
Income tax liability	-	-	-	3.0	**3.0**	-	-	-
Deferred tax liabilities	-	-	-	-	**0.0**	-	-	-
Liablities total	**105.5**	**7.1**	**0.0**	**95.5**	**208.1**	**0.0**	**0.0**	**7.1**

2023	Financial assets measured at amortized cost	Fair value through profit and loss	Fair valued through comprehensive income	Other assets	Total book value	Level 1	Level 2	Level 3
Assets								
Cash and cash equivalents	0.0	-	-	-	**0.0**	-	-	-
Claims on credit institutions	126.0	-	-	-	**126.0**	-	-	-
Claims on the public and public sector entities	19.2	-	-	-	**19.2**	-	-	-
Debt securities	-	2.0	-	-	**2.0**	-	0.0	2.0
Shares and participations	-	39.9	2.6	-	**42.5**	29.6	-	13.0
Derivative contracts	-	5.9	-	-	**5.9**	-	-	5.9
Shares and participations in associates	-	-	-	5.2	**5.2**	-	-	-
Intangible assets and goodwill	-	-	-	48.7	**48.7**	-	-	-
Property, plant and equipment	-	-	-	1.1	**1.1**	-	-	-
Other assets	-	-	-	74.4	**74.4**	-	-	-
Leasing assets	-	-	-	11.3	**11.3**	-	-	-
Accrued income and prepayments	-	-	-	3.4	**3.4**	-	-	-
Income tax receivables	-	-	-	1.3	**1.3**	-	-	-
Deferred tax assets	-	-	-	3.6	**3.6**	-	-	-
Total assets	**145.3**	**47.8**	**2.6**	**149.0**	**344.7**	**29.6**	**0.0**	**20.9**
Liabilities								
Liabilities to credit institutions and central banks	3.4	-	-	-	**3.4**	-	-	-
Debt securities issued to the public	106.7	-	-	-	**106.7**	-	-	-
Financial liabilities at fair value through profit or loss	-	6.0	-	-	**6.0**	-	-	6.0
Other liabilities	-	-	-	61.8	**61.8**	-	-	-
Accrued expenses and deferred income	-	-	-	27.3	**27.3**	-	-	-
Income tax liability	-	-	-	2.4	**2.4**	-	-	-
Deferred tax liabilities	-	-	-	0.0	**0.0**	-	-	-
Liablities total	**110.1**	**6.0**	**0.0**	**91.5**	**207.6**	**0.0**	**0.0**	**6.0**

Classification of assets and liabilities

The treatment of assets and liabilities is explained in the accounting policies in section 1.4. When valuing financial assets and liabilities, Evli classifies balance sheet items into three levels depending on how the valuation level is determined. For Level 1 balance sheet items, fair values are based on published price quotations in active markets. For Level 2, the values are determined using valuation models with inputs other than the quoted prices at Level 1 that are directly or indirectly observable for the asset or liability. The fair values of Level 3 items are determined using valuation models with inputs that are not directly observable for the asset or liability.

Valuation level 1 includes quoted shares and participations, mutual funds, exchange–traded derivatives, and debt securities quoted on active public and over–the–counter markets.

Level 3 shares and participations are generally instruments that are not publicly quoted, such as equity and real estate funds, unquoted shares and warrants. Level 2 derivatives are forward contracts whose valuation is calculated using quoted market parameters such as interest rates and exchange rates. Derivatives at level 3 are derivatives whose valuations have been calculated using commonly used derivative pricing models such as Black–Scholes, or, in the case of OTC instrument, obtained from a counterparty. Valuation involves parameters that are not quoted on the market, such as volatility. If the volatility used is the publicly available historical volatility, the change will not have a significant impact on the fair values of level 3 options. Valuations of debt securities obtained from markets that are not fully active are assigned to valuation level 2. Valuations of debt securities at valuation level 3 are valuations of illiquid instruments obtained directly from the organizer of the issue or calculated by Evli.

7.2. FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Share purchase price 1.4.2022: (€/share)	0.5856
Number of shares: (amount)	15,288,303
Initial acquisition, market value: (€ million)	**9.0**
Share price 31.12.2022 (€/share):	0.1716
Number of shares: (amount)	15,288,303
Market value 31.12.2022: (€ million)	**2.6**
Share price 31.12.2023 (€/share):	0.17
Number of shares: (amount)	15,288,303
Market value 31.12.2023: (€ million)	2.6
Change in value for the review period: (€ million)	
(Market value 31.12.2023 - Market value 31.12.2022)	-0.1
Calculated tax effect of value change: (€ million)	0.0
Profit impact of the valuation after taxes: (€ million)	**-0.1**

Evli Plc was created on April 2, 2022 as a result of a partial demerger. As part of the overall arrangement, Evli made a significant investment in Alisa Bank Plc, the other entity created in the arrangement. The investment is of a long–term nature and is not related to the group's operating activities. For these reasons, the company presents the effect of the valuation of the investment as a separate item in the statement of comprehensive income in accordance with IFRS 9. The table above illustrates the impact of the revaluation on the group's statement of comprehensive income for the period. The shares are included in the item 'other shares level 1.

7.3. ANALYSIS OF FINANCIAL INSTRUMENTS CATEGORIZED IN LEVEL 3

	2024	2023
Financial assets:		
Shares and participations classified as held for trading	-	-
Unlisted shares and participations	1.7	2.2
Venture capital funds and real estate funds	9.8	10.8
Debt securities	3.3	2.0
Quoted equity derivatives	-	-
OTC derivatives	7.1	5.9
Total financial assets held at fair value	**21.9**	**20.9**
Financial liabilities:		
Shares and participations classified as held for trading	-	-
Quoted equity derivatives	-	-
OTC derivatives	7.1	6.0
Total financial liabilities held at fair value	**7.1**	**6.0**

CHANGES IN LEVEL 3 INSTRUMENTS:

2024	Unlisted shares	Private equity and real estate funds	Debt securities	OTC derivatives - assets	OTC derivatives - liabilities
At the beginning of period 1.1	2.2	10.8	2.0	5.9	6.0
Purchased		1.0	1.5		
Sold	-0.4	-	-0.2		
Fair value change	-0.1	-1.9	-	1.2	1.1
Total at end of 31.12	**1.7**	**9.9**	**3.3**	**7.1**	**7.1**

2023	Unlisted shares	Private equity and real estate funds	Debt securities	OTC derivatives - assets	OTC derivatives - liabilities
At the beginning of period 1.1	2.3	9.5	2.0	0.4	0.4
Purchased	-	2.4	-	-	-
Sold	-0.1	-	-	-	-
Fair value change	-	-1.1	-	5.5	5.6
Total at end of 31.12	**2.2**	**10.8**	**2.0**	**5.9**	**6.0**

Total unrealized profit is recorded in net income from securities transactions.

7.4. FAIR VALUES AND BOOK VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

	2024		2023	
	Book value	Fair Value	Book value	Fair Value
Financial assets				
Liquid assets	-	-	-	-
Claims on credit institutions	131.2	131.2	126.0	126.0
Claims on the public and public sector entities	10.8	10.8	19.2	19.2
Debt securities	3.3	3.3	2.0	2.0
Shares and participations	42.0	42.0	42.5	42.5
Derivative contracts	7.1	7.1	5.9	5.9
	-			
Financial liabilities				
Liabilities to credit institutions and central banks	6.0	6.0	3.4	3.4
Debt securities issued to the public	99.4	98.5	106.7	105.7
Derivative contracts and other liabilities held for trading	7.1	7.1	6.0	6.0

7.5. ASSETS UNDER MANAGEMENT – AS OF 31 DECEMBER

Billion euros	2024	2023
Gross	18.9	18.4
Net	16.6	15.6
Assets under management on the basis of power of attorney		
Discretionary asset management	6.1	5.6
Consultative asset management	0.2	0.2
Total	**6.3**	**5.8**

7.6. ILLUSTRATIVE INCOME STATEMENT WITHOUT THE EFFECT FROM NON–RECURRING M & A RELATED ITEMS

	1-12/2024	Allshares related items	1-12/2024 without Allshares effect
Fee and comission income	111.3	-3.4	107.9
Net income from securities transactions	1.1		1.1
Income from equity investments	0.1		0.1
Interest income	9.8		9.8
Other operating income	14.3	-13.7	0.6
Income total	**136.6**		**119.5**
Fee and comission expenses	-5.0		-5.0
Interest expenses	-4.8		-4.8
Net Income	**126.8**	**-17.1**	**109.7**
Administrative expenses			
Personnel expenses	-40.4	1.2	-39.2
Other administrative expenses	-22.2	0.8	-21.4
Impairment on goodwill	-		-
Depreciation and amortization on tangible and intangible assets	-3.8	0.2	-3.6
Other operating expenses	-1.2	0.1	-1.1
Expected credit losses on loans and other receivables	0.1		0.1
Impairment losses on other financial assets	-0.6		-0.6
Share of profit or loss of associates	-0.5		-0.5
Operating profit/loss	**58.2**	**-14.9**	**43.3**

The illustrative income statement aims to present the impact of one–time items related to M & A on the group's financial profitability during the review period. In the corporate restructuring, Evli's ownership in Allshares Oy has decreased, and the company will henceforth be treated as an associate company instead of a subsidiary. The illustrative income statement describes a situation where the one–time items related to this arrangement and the impact of the incentive business on the operating result have been eliminated by deducting the results of Allshares Oy (formerly Evli Alexander Incentives Oy) and Elite Palkitsemispalvelut Oy from the group's income statement.

8. Consolidation and related party

Consolidation principles

The consolidated financial statements comprise the financial statements of Evli Plc and all its subsidiaries in which the parent company has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The consolidated financial statements also encompass those associates in which the parent company directly or indirectly owns 20–50 percent of the shares with voting rights or in which it otherwise exercises significant influence, but not control. Associates are consolidated using the equity method. The Group's share of associates' profit is presented separately in the income statement.

The Group's internal shareholdings are eliminated using the acquisition method of accounting. The assets, liabilities, contingent assets and contingent liabilities of a company acquired according to the acquisition method are assessed at fair value at the time of acquisition. Intangible assets, such as trademarks, patents or client relationships, that are not included in the acquired company's balance sheet are identified and assessed in connection with the acquisition. Goodwill is recognized for the amount by which the transferred consideration, the share of non–controlling interests of the target of acquisition and the previously held share of the target of acquisition exceed the Group's share of the fair value of acquired net assets and liabilities.

All intra–group transactions, receivables, liabilities, unrealized gains and internal distribution of profits are eliminated in preparing the consolidated financial statements. Unrealized losses are not eliminated if the loss is due to impairment of an asset. The profit for the period attributable to the parent company's equity holders and non–controlling interests is presented in the income statement. The non–controlling interests' share of equity is presented separately in the balance sheet within equity. Comprehensive income is allocated to the parent company's owners and to non–controlling interests even if this would lead to the non–controlling interests' share becoming negative, unless the non–controlling interests have an exemption not to meet obligations which exceed the non–controlling interests' investment in the company.

The consolidated financial statements include the parent company Evli Plc and the following subsidiaries and associates:

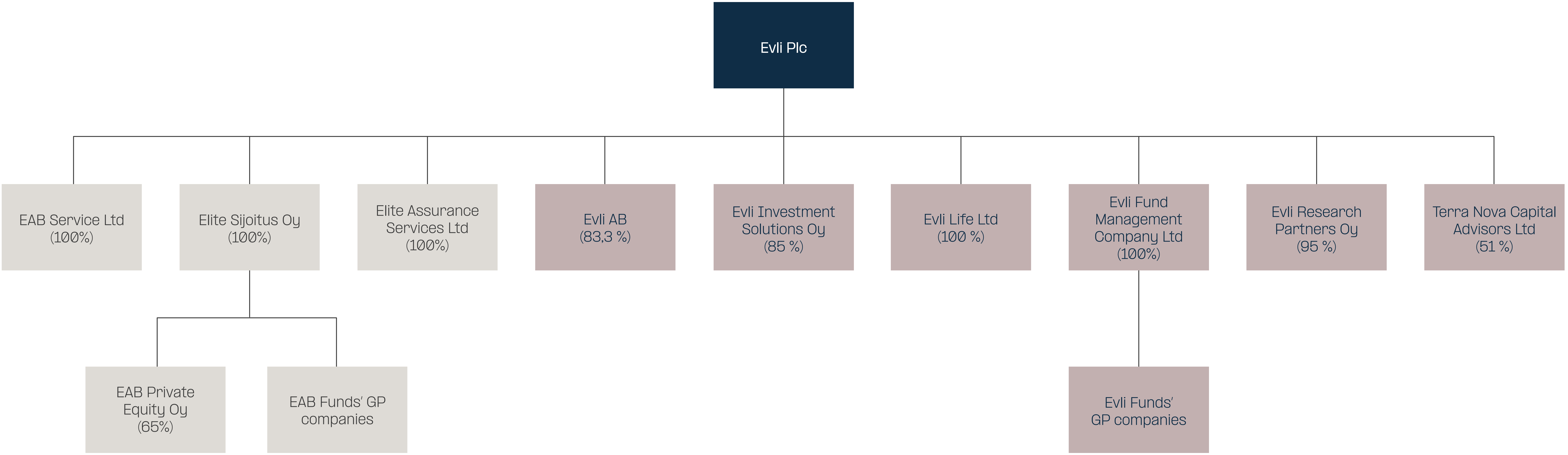
COMPANY	Country	ownership %
Evli Plc	Finland	100 %
Terra Nova Capital Advisors	UAE	51 %
Evli Research Partners Oy	Finland	95 %
Evli Investment Solutions Oy	Finland	85 %
Evli Life Oy	Finland	100 %
Evli Fund Management Company Ltd	Finland	100 %
Evli AB	Sweden	100 %
EAI Residential Partners Oy	Finland	75 %
Evli Private Equity Partners Oy ("EPEP")	Finland	80 %
Evli Private Equity I GP Oy (a subsidiary of EPEP)	Finland	80 %
Evli Private Equity II GP Oy (a subsidiary of EPEP)	Finland	80 %
Evli Private Equity III GP Oy (a subsidiary of EPEP)	Finland	74 %
Evli Private Equity IV GP Oy (a subsidiary of EPEP)	Finland	74 %
EAI Feeder GP Oy	Finland	100 %
Evli HC I GP Oy	Finland	82 %
EGP General Partner Oy	Finland	70 %
EGP General Partner II Oy	Finland	70 %
Evli Infrastructure Partners Oy ("EIP")	Finland	82 %
Evli Infrastructure I GP Oy (a subsidiary of EIP)	Finland	82 %
Evli Infrastructure II GP Oy (a subsidiary of EIP)	Finland	82 %
Evli Impact Forest I GP Oy	Finland	85 %
Evli Impact Forest II GP Oy	Finland	100 %
Evli Private Debt I GP Oy	Finland	85 %
Evli Residential II GP Oy	Finland	70 %
EAB Private Equity Oy ("EAB PE")	Finland	65 %
Project First GP Oy (subsidiary of EAB PE)	Finland	65 %
Project Second GP Oy (subsidiary of EAB PE)	Finland	65 %
Project Third GP Oy (subsidiary of EAB PE)	Finland	65 %
Project Fourth GP Oy (subsidiary of EAB PE)	Finland	65 %
EFVAF II GP Oy	Finland	100 %
EFVAF III GP Oy	Finland	100 %
EAB RE Infra II GP Oy	Finland	100 %
EAB Pääomarahastot I GP Oy	Finland	100 %
EAB Credit Fund I GP Oy	Finland	100 %
Elite Älyenergia Oy	Finland	100 %
Elite Intian Aurinko Oy	Finland	100 %
Elite Kiinteistökehitys Oy	Finland	100 %
Elite Sijoitus Oy	Finland	100 %
EAB Palvelu Oy	Finland	100 %
Elite Vakuutuspalvelu Oy	Finland	100 %
Evli Private Debt II GP Oy	Finland	85 %
Evli Private Capital Oy	Finland	73 %

COMPANY	Country	ownership %
Evli Private Capital I GP Oy (subsidiary of Evli Private Capital Oy)	Finland	73 %
Zenito Oy	Finland	66,6 %
ASSOCIATED COMPANIES		
Northern Horizon Capital	Denmark	47%
Ahti Invest Oy	Finland	30%
SAV-Rahoitus Oyj	Finland	46%
Allshares Ltd	Finland	41%

Companies in which the Group has a majority holding but in which a third party has control are not consolidated in the consolidated financial statements. In addition, holding companies owned in connection with the management of customer company incentive programs have not been consolidated. Evli is not entitled to the variable returns of these holding companies and Evli does not bear risk in the companies' assets or liabilities. Furthermore, funds managed on behalf of clients are also not consolidated, since the Group has no control over them.

Entities outside the group

8.1. CORPORATE STRUCTURE



8.2. FINANCIAL SUCCESS IN COMPANIES WITH NON–CONTROLLING OWNERS

2024	Assets	Liabilities	Revenue	Profit/Loss for financial year	Dividends paid to non-controlling interest	NCI of equity
Terra Nova Capital Advisors Ltd	2.0	0.4	5.6	5.0	1.6	0.7
Evli Research Partners Oy	0.3	0.1	0.4	0.0	0.0	0.0
Evli Investment Solutions Oy	0.7	0.0	1.3	0.6	0.1	0.1
EAI Residential Partners Oy	0.7	0.1	0.6	0.5	0.1	0.1
Evli Private Equity Partners Oy	1.5	0.0	3.5	2.9	0.4	0.3
Evli HC I GP Oy	0.7	0.5	0.1	0.0	0.0	0.0
EGP General Partner Oy	0.3	0.0	0.8	0.2	0.1	0.1
Evli Infrastructure Partners Oy	0.1	0.0	1.9	1.9	0.3	0.0
Evli Private Debt I Gp Oy	0.6	0.0	0.7	0.4	0.0	0.1
Evli Residential II GP Oy	0.3	0.1	0.2	0.2	0.1	0.1
Evli Private Equity III GP Oy	1.4	0.2	1.5	1.2	0.1	0.1
EGP General Partner II Oy	1.0	0.2	1.5	0.8	0.3	0.3
Evli Impact Forest I GP Oy	0.2	0.2	0.0	0.0	0.0	0.0
EAB Private Equity Oy	0.9	0.2	0.8	0.6	0.0	0.3
Evli Private Debt II GP Oy	0.3	0.1	0.2	0.1	0.0	0.0
Evli Private Capital Oy	0.0	0.1	0.3	0.0	0.0	0.0
Evli Private Equity IV GP Oy	0.1	0.0	0.1	0.0	0.0	0.0
Evli AB	6.1	2.5	9.9	2.6	0.0	0.6
Zenito Oy	1.4	0.3	1.1	0.4	0.0	0.4

2023	Assets	Liabilities	Revenue	Profit/Loss for financial year	Dividends paid to non-controlling interest	NCI of equity
Evli Corporate Finance AB	1.2	0.2	3.0	0.0	0.3	0.4
Terra Nova Capital Advisors Ltd	0.6	0.1	1.2	0.7	0.2	0.2
Evli Research Partners Oy	0.3	0.2	0.4	0.0	0.5	0.0
Evli Investment Solutions Oy	0.8	0.0	1.3	0.7	0.1	0.1
EAI Residential Partners Oy	0.6	0.1	0.6	0.5	0.1	0.1
Evli Private Equity Partners Oy	1.1	0.4	3.6	3.0	0.6	0.7
Evli HC I GP Oy	1.5	0.4	0.0	0.0	0.0	0.2
EGP General Partner Oy	0.6	0.1	1.1	0.4	0.2	0.2
Evli Infrastructure Partners Oy	0.0	0.0	1.0	0.9	0.2	0.0
Evli Alexander Incentives Oy	8.0	0.7	10.7	3.1	1.3	2.5
Evli Private Debt I Gp Oy	3.8	0.1	0.6	0.2	0.0	0.6
Evli Residential II GP Oy	0.4	0.1	0.3	0.2	0.1	0.1
Evli Private Equity III GP Oy	1.5	0.2	1.6	1.3	0.1	0.3
EGP General Partner II Oy	1.1	0.1	1.5	0.9	0.3	0.3
Evli Impact Forest I GP Oy	0.5	0.5	0.0	0.0	0.0	0.0
EAB Private Equity Oy	0.5	0.4	0.7	0.3	0.0	0.0
Evli Private Debt II GP Oy	0.1	0.1	0.0	0.0	0.0	0.0
Evli Private Capital Oy	0.0	0.0	0.0	0.0	0.0	0.0

8.3. CHANGES IN CORPORATE STRUCTURE

Zenito Oy acquisition

During the fourth quarter of 2023 Evli announced the acquisition of the majority of shares (approx 67%) in Zenito Oy. The transaction closed after the financial year on 31.1.2024 and thus Zenito Oy is not consolidated in the Group as of 31.12.2023. Zenito has been consolidated as of 31.1.2024. The acquisition enhanced Evli's client base and product knowledge.

PRICE OF ACQUISITION ESTIMATE MEUR	
Cash	3.6
Payment made in shares	0
Total	**3.6**

PURCHASE PRICE ALLOCATION	
Balance sheet items	
Claims on credit institutions	0.5
Customer contracts	0.9
Goodwill	2.3
Other assets	0.2
Deferred tax assets	0.0
Recognised balance sheet items, total	**3.9**
Other liabilities	-0.0
Accrued expenses and deferred income	-0.0
Recognised liabilities, total	**-0.0**
Non-controllinen interests	**-0.2**
Total	**3.6**

In Evli's assessment, the receivables have been measured at fair value and no impairment adjustments have been necessary. The identified customer contracts are related to Zenito Funds' investors. The goodwill identified in the allocation of the purchase price is mainly related to future expectations of business synergies and growth opportunities. Goodwill is not tax deductible.

Allshares

At the end of the first quarter of 2024, Evli announced a strategic partnership with Bregal Milestone to internationalize the incentive business. As a result of the arrangement, Evli Plc's ownership in Allshares Oy decreased from 65 percent to approximately 40 percent and Allshares is treated as an associated company instead of a subsidiary from March 27, 2024, onwards. In accordance with IFRS, in connection with the change, the associated company has been valued at fair value. The shares of Allshares Oy owned by Evli Plc are estimated to be worth EUR 20.35 million at the time of the arrangement. This is based on an estimate of Allshares Oy's future cash flows discounted to present value. The group has recognized approximately EUR 13.8 million as valuation gain from the arrangement. The result is the difference between the fair value of Allshares Oy's share and the net assets that left the group as a result of the arrangement (including group goodwill allocated to Allshares' business operations). The most important parameters of the share valuation calculation are revenue growth of 8 percent annually, cost growth of 4 percent annually and average cost of capital (WACC) of 14.1 percent.

Other changes

The Group structure was also renewed in Sweden when Evli AB acquired Evli Corporate Finance Ab through an exchange of shares. As a result of the arrangement, Evli owns 80 percent of the shares in Evli AB and the non–controlling interest 20 percent. Evli Corporate Finance Ab merged with Evli AB in July 2024.

Evli's subsidiary Elite Finance Ltd. merged with Elite Sijoitus Oy during 2024

8.4. HOLDINGS IN CONSOLIDATED ASSOCIATED COMPANIES

	2024	2023	2024	2023	2024	2023	2024
Company name	Northern Horizon Capital A/S	Northern Horizon Capital A/S	Ahti Invest Oy	Ahti Invest Oy	SAV-Rahoitus Oyj	SAV-Rahoitus Oyj	Allshares Ltd
Domicile	Denmark	Denmark	Finland	Finland	Finland	Finland	Finland
Assets	8.3	10.1					22.3
Liabilities	4.0	2.9					4.2
Revenue	6.4	7.6					13.2
Profit/Loss	0.1	1.4					0.4
Profit adjustment	0	0					-1.6
Evli's share of profit/loss	0.0	0.7					-0.5
Ownership (%)	47	47	30	30	46.3	46.3	40.9
Balance sheet value in the Group	3.0	3.4	1.0	1.0	0.2	0.8	19.8

8.5. RELATED PARTY DISCLOSURES

	2024	2023
Board		
Board fees	0.4	0.4
CEO		
Salary and short term benefits	0.5	0.5
Pension benefits	0.1	0.1
Share based incentive programs	0.4	1.0
Total	1.0	1.6
Other Executive Group members		
Salary and short term benefits	1.2	1.3
Pension benefits	0	0
Share based incentive programs	0.5	2.7
Total	1.7	4.0

The amounts shown in the table above correspond to the expenditure recognized as expenses in the financial periods concerned. Salary amounts include any fringe benefits. Share–based payments include share–based incentive programs awards amortized over the financial period. Some of the awards are deferred and their final value will be determined at a later date when the fees are confirmed and paid.

8.6. TRANSACTIONS WITH RELATED PARTIES

	Associated companies	Group management
2024		
Sales	1.6	0.0
Purchases	1.1	0.0
Receivables	1.0	0.0
Liabilities	0.3	0.0
2023		
Sales	0.0	0.0
Purchases	0.2	0.0
Receivables	1.0	0.0
Liabilities	0.0	0.0

Evli Plc's ("Evli") related parties include the associated companies Allshares Ltd, Northern Horizon Capital A/S, SAV–Rahoitus Oyj and Ahti Invest Oy. Related parties also include key management personnel, their close family members and companies controlled by these persons.

Transactions between management and the company are typical of transactions between an investment services firm and a client. The company's receivables from management relate to any investment loans granted to management on market terms. There are no loan arrangements between the company and management that differ from other Evli customers.

8.7. FEES PAID TO AUDITORS

	2024	2023
Group		
Audit		
Ernst & Young Oy	0.4	0.1
PricewaterhouseCoopers Oy	-	0.2
Assignments referred to in section 1, subsection 1, point 2 of the Audit Act		
Ernst & Young Oy	0.0	0.0
PricewaterhouseCoopers Oy	-	0.0
Tax advice		
Ernst & Young Oy	0.0	0.0
PricewaterhouseCoopers Oy	-	0.0
Other services		
Ernst & Young Oy	0.0	0.0
PricewaterhouseCoopers Oy	-	0.0
Total	**0.4**	**0.4**
Parent Company		
Audit		
Ernst & Young Oy	0.1	0.1
PricewaterhouseCoopers Oy	-	0.1
Assignments referred to in section 1, subsection 1, point 2 of the Audit Act		
Ernst & Young Oy	0.0	0.0
PricewaterhouseCoopers Oy	-	0.0
Tax advice		
Ernst & Young Oy	0.0	0.0
PricewaterhouseCoopers Oy	-	0.0
Other services		
Ernst & Young Oy	0.0	0.0
PricewaterhouseCoopers Oy	-	0.0
Total	**0.1**	**0.2**

Parent company's income statement

	Note	2024	2023
Fee and commission income	9.1	61.7	49.1
Net income from securities transactions	9.2	1.2	3.1
Income from equity investments	9.3		
Subsidiaries		14.6	14.7
Associated companies		0.4	0.4
Other		0.1	0.1
Interest income	9.4	9.4	8.7
Other operating income	9.5	3.3	6.8
INCOME TOTAL		**90.7**	**82.9**
Fee and commission expenses	9.6	-7.3	-3.2
Interest expenses	9.7	-4.8	-4.0
NET REVENUE		**78.6**	**75.7**
Administrative expenses			
Personnel expenses	9.8.1	-22.1	-21.3
Other administrative expenses	9.9	-14.9	-14.0
Depreciation and amortization on tangible and intangible assets	9.10	-3.3	-4.9
Other operating expenses	9.11	-3.2	-3.1
Expected credit losses on loans and other receivables	9.12	0.1	0.0
Impairment losses on other financial assets		-0.6	-0.8
OPERATING PROFIT/LOSS		**34.7**	**31.7**
Appropriations		1.2	-2.8
Income taxes	9.13	-5.2	-3.1
PROFIT / LOSS FOR THE FINANCIAL YEAR		**30.7**	**25.7**

Parent company's balance sheet

ASSETS	Note	2024	2023
Cash and equivalents	9.14	0.0	0.0
Claims on credit institutions	9.15		
Repayable on demand		96.8	88.5
Other		2.3	4.2
Claims on the public and public sector entities	9.16	26.3	37.4
Debt securities	9.17	3.3	2.0
Shares and participations	9.18	40.3	40.4
Shares in associated companies	9.20	11.2	6.2
Shares in subsidiaries		17.7	20.4
Derivative contracts	9.19	7.1	5.9
Intangible assets and goodwill	9.21	13.2	16.0
Property, plant and equipment	9.22	1.0	1.0
Other assets	9.23	7.4	10.1
Accrued income and prepayments	9.24	1.4	1.4
Deferred tax assets	9.25	1.3	1.3
TOTAL ASSETS		**229.3**	**234.8**

LIABILITIES AND EQUITY	Note	2024	2023
LIABILITIES			
Liabilities to credit institutions	9.26	6.0	3.4
Debt securities issued to the public	9.27	99.4	106.7
Derivative contracts and other liabilities held for trading	9.28	7.1	6.0
Other liabilities	9.29	4.6	5.7
Accrued expenses and deferred income	9.30	12.9	13.7
Deferred tax liabilities		0.0	0.0
TOTAL LIABILITIES		**130.1**	**135.5**
EQUITY			
Share capital		53.7	53.7
Fair value reserve		-5.1	-5.1
Fund of invested non-restricted equity		15.9	15.9
Retained earnings		3.9	8.9
Profit/loss for financial year		30.7	25.7
TOTAL EQUITY	9.31	**99.2**	**99.2**
TOTAL LIABILITIES AND EQUITY		229.3	**234.8**

Parent company's statement of cash flow

	2024	2023
Operating activities		
Operating profit	34.7	31.7
Adjustment for items not included in cash flow	3.8	3.6
Income taxes paid	-5.6	-1.1
Cash flow from operating activities before changes in operating assets and liabilities	**32.8**	**34.2**
Changes in operating asset	4.5	38.0
Changes in operating liabiities	0.1	-18.7
Cash flow from operating activities	**37.5**	**53.5**
Investing activities		
Change in participating interests and subsidiaries	-2.5	-1.9
Change in intangible asset	-0.3	-0.5
Change in property. plant and equipment	-0.2	-0.3
Cash flow from investing activities	**-2.9**	**-2.6**
Financing activities		
Change in loans from credit institutions	2.7	3.3
Distributions	-30.7	-30.2
Cash flow from financing activities	**-28.1**	**-26.9**
Cash and cash equivalents at the beginning of period	92.7	68.7
Cash and cash equivalents at the end of year	99.1	92.7
Change	**6.5**	**23.9**

Parent Company's accounting policies

Basic information on the company

Evli Plc ("Evli" or "company") is domiciled in Helsinki and its registered address is Aleksanterinkatu 19, 00100 Helsinki, Finland.

Evli's financial statements have been prepared and presented in accordance with the provisions of the Act on Credit Institutions, the Ministry of Finance decision regarding credit institutions' and investment services providers' financial statements and the Financial Supervisory Authority's regulations. In addition, the provisions of the Accounting Act and the Limited Liability Companies Act concerning financial statements are complied with, with the exceptions mentioned in Article 30(2) of the Act on Credit Institutions.

Evli's accounting policies are consistent with those of the Evli Group, except as described below.

Employee benefits

The Evli Group finances all its retirement plans as contributions to pension insurance companies.

Income and deferred taxes

Deferred tax is generally calculated on all temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The largest temporary differences arise from the depreciation of fixed assets.

Brokerage receivables and liabilities

The brokerage receivables and liabilities have been netted according to FSA's regulations.

Leases

Leases of property, plant and equipment in which substantially all the company's risks and rewards of ownership are classified as finance leases. In Evli's financial statements, leases payable under these contracts are treated as rental expenses. Moreover, an asset acquired under a finance lease is not included in the balance sheet.

Parent company's notes to income statement

9.1. FEE AND COMMISSION INCOME

	2024	2023
Credit related fees and commissions	0.0	0.0
Income from payment transactions	0.0	0.0
Insurance brokerage	-	0.0
Advisory services	1.9	1.7
Securities brokerage	5.7	6.0
Securities issue	-	0.0
Mutual funds	45.1	32.3
Asset management	6.7	6.5
Custody services	0.7	0.6
Other operations	1.6	1.9
Commission income, total	**61.7**	**49.1**

Profits and losses on sales and changes in the fair value of securities transactions are recorded in the profit and loss statement. In addition, exchange rate profits and losses relating to the underlying business are recorded under net income from foreign exchange operations.

9.2. NET INCOME FROM SECURITIES TRANSACTIONS

	Gains and losses on sales	Changes in fair value	Other items	Total
2024				
Debt securities	0.5	-		0.5
Shares and derivative contracts	-	0.2		0.2
Net income from securities transactions, total	0.5	0.2	-	0.7
Net income from foreign exchange operations	0.9	-0.4		0.5
Net income from securities transactions and foreign exchange operations, total	**1.4**	**-0.2**	**-**	**1.2**
2023				
Debt securities	0.0	0.0	-	0.0
Shares and derivative contracts	0.2	1.9	-	2.1
Net income from securities transactions, total	0.2	1.9	-	2.1
Net income from foreign exchange operations	0.6	0.4	-	1.0
Net income from securities transactions and foreign exchange operations, total	**0.8**	**2.3**	**-**	**3.1**

9.3. INCOME FROM EQUITY INVESTMENTS

	2024	2023
Dividends from financial assets valued at fair value	0.1	0.1
Dividends from subsidiaries	14.6	14.7
Dividends from associated companies	0.4	0.4
Income from equity investments, total	**15.1**	**15.2**

9.4. INTEREST INCOME

	2024	2023
Claims on credit institutions	8.5	7.2
Claims on the public and public sector entities	0.7	1.3
Other interest income	0.2	0.2
Interest income, total	**9.4**	**8.7**

9.5. OTHER OPERATING INCOME

	2024	2023
Rental income	0.0	0,0
Other income	3.3	6,8
Other operating income, total	**3.3**	**6,8**

9.6. FEE AND COMMISSION EXPENSES

	2024	2023
Trading fees paid to stock exchanges	-0.1	-0.2
Other commission expenses	-7.1	-3.1
Commission expenses, total	-7.3	-3.2

9.7. INTEREST EXPENSES

	2024	2023
Liabilities to the public, public sector entities and credit institutions	-0.2	-0.0
Debt securities issued to the public	-4.7	-4.0
Other interest expenses	-0.0	-0.0
Interest expenses, total	**-4.8**	**-4.0**

9.8.1. PERSONNEL EXPENSES

	2024	2023
Wages and salaries	-19.0	-15.7
Social security costs		-
Pension expenses	-2.7	-2.2
Other social security costs	-0.4	-0.4
Equity-settled share options	0.0	-2.9
Employee benefits, total	**-22.1**	**-21.3**

Detailed information on executive remuneration can be found in the remuneration annex of the annual report.

9.8.2. PERSONNEL COUNT

	2024	2023
Number of personnel during the period, average	188	181
Number of personnel at the end of the period	188	184
Number of employees per segment		
Wealth Management and Investor Clients	131	131
Advisory and Corporate Clients	9	7
Group Operations	48	46
Total	**188**	**184**

	End of period	Change
Permanent full time personnel	164	4
Permanent part time personnel	0	0
Fixed term personnel	24	0
Total	**188**	**4**

9.9. OTHER ADMINISTRATIVE EXPENSES

	2024	2023
Office expenses	-1.5	-1.8
IT and infosystems	-8.2	-6.9
Business expenses	-1.1	-0.9
Travel expenses	-0.5	-0.4
Car costs	-0.1	-0.1
Other HR related expenses	-1.2	-0.9
Marketing expenses	-0.9	-0.7
Banking and custodian expenses	-0.6	-0.6
External services	-1.0	-1.6
Other administrative expenses, total	**-14.9**	**-13.9**

9.10. DEPRECIATION AND AMORTIZATION ON TANGIBLE AND INTANGIBLE ASSETS

	2024	2023
Applications and software	-0.6	-1.8
Other intangible assets	-	-0.2
Leasehold improvements	-	-
Equipment and furniture	-0.1	-0.2
Depreciation of goodwill	-2.6	-2.8
Depreciation, amortization and impaiment losses, total	**-3.3**	**-4.9**

9.11. OTHER OPERATING EXPENSES

	2024	2023
Supervision expenses	-0.6	-0.9
Rental expenses	-2.6	-1.8
Other expenses	-	-0.4
Other operating expenses, total	**-3.2**	**-3.1**

9.12. EXPECTED CREDIT LOSSES ON LOANS AND OTHER RECEIVABLES

	2024	2023
Claims on the public and public sector entities		
Expected credit losses on group level	0.0	0.0
Expected credit losses individual	0.0	0.0
Guarantees and other off-balance sheet commitments	0.0	0.0
Sales receivables	0.0	0.0
Realised loan losses	0.1	0.0
Impairment losses on other financial assets	-0.6	-0.8
Impairment losses, total	**-0.5**	**-0.8**

9.13. INCOME TAXES

	2024	2023
Current tax expense	-5.1	-3.0
Taxes from previous years	-0.1	-0.1
Deferred taxes	0.0	0.0
Other taxes	0.0	0.0
Income taxes, total	**-5.2**	**-3.1**

Parent company's notes to balance sheet

9.14. CASH AND EQUIVALENTS

	2024	2023
Petty cash	0.0	0.0
Balances with central banks	0.0	0.0
Other	0.0	0.0
Cash and cash equivalents total	**0.0**	**0.0**

9.15. CLAIMS ON CREDIT INSTITUTIONS

	2024	2023
Repayable on demand		
Domestic credit institutions	96.5	88.4
Foreign credit institutions	0.3	0.0
Repayable on demand, total	**96.8**	**88.5**
Other than repayable on demand		
Domestic credit institutions	0.3	0.3
Foreign credit institutions	2.1	3.9
Other than repayable on demand, total	**2.3**	**4.2**
Claims on credit institutions, total	**99.1**	**92.7**

9.16. CLAIMS ON THE PUBLIC AND PUBLIC SECTOR ENTITIES

	2024	2023
Enterprises and housing associations	4.3	7.0
Financial and insurance corporations	0.3	0.3
Households	5.0	8.3
Foreign countries	1.0	3.5
Group companies	15.5	18.3
Claims on the public and public sector entities by sector, total	**26.3**	**37.4**

9.17. DEBT SECURITIES

	2024	2023
Publicly quoted	0.0	0.0
Others		
Bonds issued by banks	2.0	2.0
Other debt securities	1.3	0.0
Debt securities, total	**3.3**	**2.0**

Debt securities are valued at fair value and relate to Finnish investments.

9.18. SHARES AND PARTICIPATIONS

	2024	2023
Publicly quoted		
Held for trading	0.0	0.9
Other	30.5	28.6
Shares and participations, total	**30.5**	**29.6**
Others		
Held for trading		
Other	9.8	10.8
Others, total	**9.8**	**10.8**
Shares and participations, total	40.3	**40.4**

Net risk position is described in section Market Risk, Notes on Risk Position.

9.19. DERIVATIVE CONTRACTS

Overall effect of risks associated with derivative contracts

Nominal value of underlying, gross

	Remaining maturity					
2024	**Less than 1 year**	**1-5 years**	**5-15 years**	**Fair value (+/-)**	**ASSETS**	**LIABILITIES**
Kaupankäyntitarkoituksessa pidettävät						
Koronvaihtosopimukset	1.4	6.2	-0.4	-0.1	7.1	7.1
Termiinisopimukset	-	-	-	-	-	-
Ostetut optiot	-	-	-	-	-	-
Asetetut optiot	-	-	-	-	-	-
Valuuttajohdannaiset	-	-	-	-	-	-
Kaupankäyntitarkoituksessa pidettävät yhteensä	**1.4**	**62**	**-0.4**	**-0.1**	**7.1**	**7.1**

2023						
Held for trading						
Interest rate swaps	0.1	5.7	0.2	-0.1	5.9	6.0
Futures	-	-	-	-	-	-
Options bought	-	-	-	-	-	-
Options sold	-	-	-	-	-	-
Currency-linked derivatives	-	-	-	-	-	-
Held for trading, total	**0.1**	**5.7**	**0.2**	**-0.1**	**5.9**	**6.0**

9.20. SHARES AND PARTICIPATIONS IN ASSOCIATES AND JOINT VENTURES

	2024	**2023**
At the beginning of the period	6.2	6.9
Additions	5.5	0.1
Disposals	-0.6	-0.8
At the end of the period	**11.1**	**6.2**

9.21. INTANGIBLE ASSETS AND GOODWILL

	2024	2023
Goodwill		
Cost at 1.1	19.2	19.2
Increases/Decreases	-	-
Cost at 31.12.	19.2	19.2
Accumulated depreciation at 1.1	-4.4	-1.6
Impairment losses for the period	-2.6	-2.8
Accumulated depreciation at 31.12.	-7.0	-4.4
Book value at 31.12.	**12.2**	**14.8**
Software or projects in progress		
Cost at 1.1	0.0	0.0
Increases/Decreases	0.0	0.0
Cost at 31.12.	0.0	0.0
Book value at 31.12.	**0.0**	**0.0**
Applications and software		
Cost at 1.1	22.7	22.2
Increases/Decreases	0.3	0.5
Cost at 31.12.	23.0	22.7
Accumulated amortisation and impairment losses at 1.1	-21.5	-19.7
Amortisation for the period	-0.6	-1.8
Accumulated amortisation and impairment losses at 31.12.	-22.1	-21.5
Book value at 31.12.	**0.9**	**1.2**
Other intangible assets		
Cost at 1.1	2.5	2.3
Increases/Decreases	-	0.2
Cost at 31.12.	2.5	2.5
Accumulated amortisation and impairment losses at 1.1	-2.5	-2.3
Amortisation for the period	-	-0.2
Accumulated amortisation and impairment losses at 31.12.	-2.5	-2.5
Book value at 31.12.	**0.0**	**0.0**
The most significant "Other intangible assets" are client relationships.		
Book value of intangible assets at 31.12.	**13.2**	**16.0**
Intangible assets, total at 31.12.	**13.2**	**16.0**

9.22. PROPERTY, PLANT AND EQUIPMENT

	2024	2023
Equipment and furniture		
Cost at 1.1	2.1	1.7
Exchange difference	-	-
Increases/Decreases	0.2	0.3
Cost at 31.12.	2.2	2.1
Accumulated amortisation and impairment losses at 1.1	-1.7	-1.5
Translation difference from depreciation for the period	-	-
Amortisation for the period	-0.1	-0.2
Accumulated amortisation and impairment losses at 31.12.	-1.8	-1.7
Book value at 31.12.	**0.4**	**0.4**
Leasehold improvements		
Cost at 1.1	1.4	1.4
Cost at 31.12.	1.4	1.4
Accumulated depreciation at 1.1	-1.4	-1.4
Depreciation for the period	-	0.0
Accumulated depreciation at 31.12.	-1.4	-1.4
Book value at 31.12.	**0.0**	**0.0**
Other tangible assets		
Cost at 1.1	0.6	0.6
Cost at 31.12.	0.6	0.6
Book value at 31.12.	**0.6**	**0.6**
Property, plant and equipment, total at 31.12.	**1.0**	**1,0**
Book value of tangible assets at 31.12.	**1.0**	**1.0**

9.23. OTHER ASSETS

	2024	2023
Securities sale receivables	0.5	1.2
Commission receivables	3.1	3.3
Securities brokerage receivables	0.0	0.1
Other receivables*	3.8	5.4
Other assets total	**10.1**	**10.1**

*Other receivables include, inter alia, intra–group receivables.

9.24. ACCRUED INCOME AND PREPAYMENTS

	2024	2023
Interest	0.4	0.1
Taxes	-	0.1
Staff-related	0.0	0.1
Other items	0.9	1.1
Accrued income and prepayments total	**1.4**	**1.4**

9.25. DEFERRED TAX ASSETS

	2024	2023
Tax assets		
Due to timing differences*	1.3	1.3
Other temporary differences		
From tax losses carried forward	0.0	0.0
Deferred taxes total	**1.3**	**1.3**

Deferred tax assets result mainly from the valuation of Alisa Bank shares regognized directly in equity.

9.26. LIABILITIES TO CREDIT INSTITUTIONS AND CENTRAL BANKS

	2024	2023
Credit institutions		
Repayable on demand	0.0	0.0
Other than repayable on demand	6.0	3.4
Liabilities to credit institutions and central banks, total	**6.0**	**3.4**

9.27. DEBT SECURITIES ISSUED TO THE PUBLIC

	2024	2023
Certificate of deposits	0.0	0.0
Bonds	99.4	106.7
Debt securities issued to the public, total	**99.4**	**106.7**

CHANGES IN BONDS ISSUED TO THE PUBLIC	2024	2023
Issues	39	34.1
Repurchases	32.5	23.7

9.28. DERIVATIVE CONTRACTS AND OTHER LIABILITIES HELD FOR TRADING

	2024	2023
Derivative contracts	7.1	6.0
Due to short selling of shares	0	0.0
Derivative contracts and other liabilities held for trading, total	**7.1**	**6.0**

9.29. OTHER LIABILITIES

	2024	2023
Securities brokerage liabilities	0.0	0.0
Securities purchase liabilities	1.2	0.0
Finance lease payables	0.0	0.0
Right-of-use liability	0.0	0.0
Income tax payable	0.1	0.1
Personnel related	0.4	0.5
Other short-term liabilities*	2.6	5.0
Prepayments of cash customers	0.0	0.0
VAT payable	0.2	0.2
Other liabilities, total	**4.6**	**5.7**

*Other short–term liabilities are trading–related short–term liabilities

9.30. ACCRUED EXPENSES AND DEFERRED INCOME

	2024	2023
Interest	0.0	0.0
Tax payables	1.9	2.5
Personnel related	10.0	10.0
Other accrued expenses	1.0	1.2
Accrued expenses and deferred income, total	**12.9**	**13.7**

9.31. SHARE CAPITAL

2024	Shares A-share	B-share	Shares total	EUR Share capital	Fair value reserve	Fund of invested unrestricted equity	Retained earnings	Total equity
At the beginning of period 1.1.	14,425,812	12,059,087	26,484,899	53.7	**-5.1**	**15.9**	**34.6**	99.2
Additions		20,000	20,000					30.7
Decreases	-20,000		-20,000		**-0.1**		**-30.7**	-30.8
At the end of period 31.12.	14,405,812	12,079,087	26,484,899	53.7	**-5.1**	**15.9**	**3.9**	99.2
2023								
At the beginning of period 2.4.	14,485,148	11,790,154	26,275,302	53.7	**-2.7**	**25.1**	**29.7**	105.9
Additions	-	268,933	268,933	-	**-**	**-**	**25.9**	25.9
Decreases	-59,336	-	-59,336	-	**-2.3**	**-9**	**-21**	-32.6
At the end of period 31.12.	14,425,812	12,059,087	26,484,899	53.7	**-5.1**	**15.9**	**34.6**	99.2

9.32. MATURITIES OF ASSETS AND LIABILITIES

2024	Total	Maturity: less than 3 months	Maturity: 3-12 months	Maturity: 1-5 years	Maturity: over 5 years
Assets					
Financial assets at amortized cost					
Cash and cash equivalents	0.0	0.0	0.0	0.0	0.0
Claims on credit institutions	99.1	99.1	0.0	0.0	0.0
Claims on the public and public sector entities	26.3	1.9	3.4	21.0	0.0
Financial assets at fair value through profit or loss					
Debt securities	3.3	0.0	0.0	3.3	0.0
Shares and participations	40.3	27.9	0.0	0.0	12.4
Derivative contracts	7.1	1.4	0.0	6.2	-0.4
Accrued interest	0.4	0.1	0.4	0.0	0.0
Other assets	8.4	8.4	0.0	0.0	0.0
Liabilities					
Financial liabilities at amortized cost					
Liabilities to credit institutions	6.0	6.0	0.0	0.0	0.0
Debt securities issued to the public	99.6	15.8	0.5	73.6	9.7
Financial liabilities at fair value through profit or loss	7.1	1.4	0.0	6.2	-0.4
Accrued interest, debt	0.0	0.0	0.0	0.0	0.0
Other liabilities	17.5	17.5	0.0	0.0	0.0
Off-balance sheet commitments	3.2	0.4	0.0	0.1	2.7
Rental commitmens	8.5	0.5	1.5	6.5	0.0

2023	Total	Maturity: less than 3 months	Maturity: 3-12 months	Maturity: 1-5 years	Maturity: over 5 years
Assets					
Financial assets at amortized cost					
Cash and cash equivalents	0.0	0.0	0.0	0.0	0.0
Claims on credit institutions	92.7	92.7	0.0	0.0	0.0
Claims on the public and public sector entities	37.3	2.0	7.2	28.2	0.0
Financial assets at fair value through profit or loss					
Debt securities	2.0	0.0	0.0	2.0	0.0
Shares and participations	40.4	29.6	0.0	0.0	10.8
Derivative contracts	6.0	0.2	-0.4	5.9	0.2
Accrued interest	0.1	0.0	0.1	0.0	0.0
Other assets	54.3	54.3	0.0	0.0	0.0
Liabilities					
Financial liabilities at amortized cost					
Liabilities to credit institutions	3.4	3.4	0.0	0.0	0.0
Debt securities issued to the public	106.7	6.0	11.7	79.6	9.4
Financial liabilities at fair value through profit or loss	6.0	0.2	-0.4	5.9	0.2
Accrued interest, debt	0.0	0.0	0.0	0.0	0.0
Other liabilities	62.3	62.3	0.0	0.0	0.0
Off-balance sheet commitments	5.3	0.0	0.0	2.6	2.8
Rental commitmens	10.4	0.6	1.4	7.6	0.8

9.33. ASSETS AND LIABILITIES IN DOMESTIC AND FOREIGN CURRENCIES

2024	Domestic currency	Foreign currency	Total
Assets			
Financial assets at amortized cost			
Claims on credit institutions	96.4	2.7	99.1
Claims on the public and public sector entities	25.9	0.4	26.3
Financial assets at fair value through profit or loss			
Debt securities	2.6	0.7	3.3
Shares and participations	65.7	3.6	69.2
Derivative contracts	7.1	-	7.1
Other asset items	24.4	-0.0	24.3
Total	**222.0**	**7.3**	**229.3**
Liabilities			
Financial liabilities at amortized cost			
Liabilities to credit institutions	6.0	-	6.0
Debt securities issued to the public	99.4	-	99.4
Derivative contracts	7.1	-	7.1
Other liabilities items	17.4	0.2	17.5
Total	**129.9**	**0.2**	**130.1**

2023	Domestic currency	Foreign currency	Total
Assets			
Financial assets at amortized cost			
Claims on credit institutions	84.7	8.0	92.7
Claims on the public and public sector entities	37.0	0.4	37.4
Financial assets at fair value through profit or loss			
Debt securities	2.0	-	2.0
Shares and participations	56.4	4.4	60.8
Derivative contracts	5.9	-	5.9
Other asset items	33.5	2.5	36.0
Total	**219.4**	**15.3**	**234.8**
Liabilities			
Financial liabilities at amortized cost			
Liabilities to credit institutions	3.4	-	3.4
Debt securities issued to the public	106.7	-	106.7
Derivative contracts	6.0	-	6.0
Other liabilities items	16.7	2.7	19.4
Total	**132.8**	**2.7**	**135.5**

9.34. SECURITIES LENDING

	2024	2023
Market value of securities lending at 31.12., lent in	0.0	0.0
Market value of securities lending at 31.12., lent out	0.0	0.0

9.35. FAIR VALUES AND BOOK VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

2024	Book value	Fair value	Level 1	Level 2	Level 3
Financial assets					
Liquid assets					
Claims on credit institutions	99.1	99.1			
Claims on the public and public sector entities	26.3	26.3			
Debt securities	3.3	3.3			3.3
Shares and participations	40.3	40.3	30.5	-	9.8
Derivative contracts	7.1	7.1			7.1
Financial liabilities					
Liabilities to credit institutions	6.0	6.0			
Debt securities issued to the public	99.4	98.5			
Derivative contracts and other liabilities held for trading	7.1	7.1			7.1

2023	Book value	Fair value	Level 1	Level 2	Level 3
Financial assets					
Liquid assets	-	-			
Claims on credit institutions	92.7	92.7			
Claims on the public and public sector entities	37.4	37.4			
Debt securities	2.0	2.0			2.0
Shares and participations	40.4	40.4	29.6		10.8
Derivative contracts	5.9	5.9			5.9
Financial liabilities					
Liabilities to credit institutions	3.4	3.4			
Debt securities issued to the public	106.7	105.7			
Derivative contracts and other liabilities held for trading	6.0	6.0			6.0

9.36. RISK MANAGEMENT – GIVEN AND RECEIVED COLLATERALS

2024	Fair value of encumbered assets	Fair value of unencumbered assets	of which usable as collateral
ASSETS			
Liquid assets and Central Bank deposits			
Claims on credit institutions	2.3	96.8	96.8
Claims on the public and public sector entities	-	26.3	-
Debt securities	-	3.3	3.3
Shares and participations	-	40.3	40.3
Other assets	**-**	**62.6**	**-**
Total	**2.3**	**229.3**	**140.4**

2023			
ASSETS			
Liquid assets and Central Bank deposits	-	-	-
Claims on credit institutions	4.2	88.5	88.5
Claims on the public and public sector entities	-	37.4	-
Debt securities	-	2.0	2.0
Shares and participations	-	40.4	40.4
Other assets	-	66.6	-
Total	**4.2**	**234.8**	**130.8**

USAGE OF COLLATERAL	2024	2023
Collaterals placed		
Markeplace collateral, stock- and derivatives trades	0.1	0.1
Collateral for OTC derivatives trades	2.1	3.9
Collateral for securities lending	0.1	0.1
Total	**2.3**	**4.2**
Received collateral		
Received cash	6.0	3.4
Received securities	84.2	96.9
Total	**90.3**	**100.3**

9.37. FEES PAID TO AUDITORS

	2024	2023
Tilintarkastus		
Ernst & Young Oy	0.1	0.1
PricewaterhouseCoopers Oy	-	0.1
Assignments referred to in section 1, subsection 1, point 2 of the Audit Act		
Ernst & Young Oy	0.0	0.0
PricewaterhouseCoopers Oy	-	0.0
Tax advice		
Ernst & Young Oy	0.0	0.0
PricewaterhouseCoopers Oy	-	0.0
Other services		
Ernst & Young Oy	0.0	0.0
PricewaterhouseCoopers Oy	-	0.0
Total	**0.1**	**0.2**

9.38. BREAKDOWN OF OFF–BALANCE SHEET COMMITMENTS

	2024	2023
Irrevocable commitments given in favour of a customer	2.7	2.8
Rental commitments	8.5	10.4
Unused credit facilities, given to clients	0.5	2.6

Commitments given on behalf of a customer for a third party include collaterals for derivatives positions given on behalf of customers. The customers have covered their derivatives collateral to Evli in full. Other irrevocable commitments given on behalf of a customer comprise subscription commitments guaranteed on behalf of customers.

MANDATORY ELEMENTS OF THE ESEF TAXONOMY

Name of reporting entity or other means of identification	Evli Plc
Domicile of entity	Helsinki
Legal form of entity	Public limited company
Country of incorporation	Finland
Address of entity's registered office	Aleksanterinkatu 19, 00100 Helsinki
Principal place of business	Helsinki
Description of nature of entity's operations and principal activities	Evli Plc is Evli Group's ("Evli") parent company, which is listed on the Nasdaq Helsinki stock exchange. Evli is Finland's leading asset manager, serving institutional, corporate and private clients. Its services include mutual funds, asset management and capital markets services, alternative investment products, corporate analysis and M&A services.
Name of parent entity	Evli Plc
Name of ultimate parent of group	Evli Plc

The ESEF report has been assured by the auditors.

The Board of Directors' proposal to the general meeting for the distribution of profits

The parent company's distributable assets on December 31, 2024, totaled EUR 50.6 million of which EUR 34.7 million were retained earnings and EUR 15.9 million were in the reserve for invested unrestricted equity. When calculating the distributable assets, the parent company's capitalized development costs of EUR 0.9 million needs to be deducted. The Board of Directors proposes to the Annual General Meeting of Shareholders that a dividend of up to EUR 1.18 per share be paid. The total proposed dividend calculated according to the number of shares (excluding own shares held by the company) on the balance sheet date is EUR 31.3 million. There have been no major changes in the company's financial position after the end of the financial year. The proposed distribution of profit does not endanger the financial solidity or liquidity of the company.

Helsinki February 14, 2025

Robert Ingman
Chairperson

Christina Dahlblom

Fredrik Hacklin

Sari Helander

Antti Kuljukka

Tomi Närhinen

Maunu Lehtimäki
CEO

Auditor's Note

Based on the auditing an audit report has been issued today.
Helsinki, February 18, 2025

Ernst & Young Oy (EY)
Authorized Public Accountants

Miikka Hietala
Authorised Public Accountant

Auditor's report

(Translation of the Finnish original)

To the Annual General Meeting of Evli Oyj

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Evli Oyj (business identity code 3239286–2) for the year ended 31 December, 2024. The financial statements comprise the consolidated balance sheet, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes, including material accounting policy information, as well as the parent company's balance sheet, income statement, statement of cash flows and notes.

In our opinion

- the consolidated financial statements give a true and fair view of the group's financial position, financial performance and cash flows in accordance with IFRS Accounting Standards as adopted by the EU.
- the financial statements give a true and fair view of the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Our opinion is consistent with the additional report submitted to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

In our best knowledge and understanding, the non–audit services that we have provided to the parent company and group companies are in compliance with laws and regulations applicable in Finland regarding these services, and we have not provided any prohibited non–audit services referred to in Article 5(1) of regulation (EU) 537/2014. The non–audit services that we have provided have been disclosed in consolidated financial statements note 8.7 and note 9.37 in the parent company's financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

We have also addressed the risk of management override of internal controls. This includes consideration of whether there was evidence of management bias that represented a risk of material misstatement due to fraud.

There are no significant risks of material misstatement referred to in EU regulation No 537/2014, point (c) of Article 10(2) relating to the consolidated financial statements or the parent company's financial statements.

KEY AUDIT MATTER	MHOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Recognition of commission income *We refer to the accounting policy and the note 2.1 "Fee and commission income"* The commission income in the consolidated financial statements mainly consist of fund management fees, asset management fees, securities brokerage fees and advisory fees. The total amount of commission fees amounted to 111,3 million euros, which is 87,8% of the net revenue of the group. Commission income includes performance–based fees and fee reimbursements. There are manual phases in the processing of commission income recognition. Recognition of commission income was determined to be key audit matter as management estimation and assumptions are involved regarding the timing and measurement of performance–based fees recognition and fee reimbursements.	Our audit procedures included, among others, evaluation of the revenue recognition principles in the group accounting policies in accordance with the applicable accounting standards. We assessed the processes and IT–systems supporting recognition of commission income. We audited the accruals of recognition of commission income by utilizing data–analytic methods. In addition, we tested single transactions to verify proper cut–off of commission income and matched against agreements. We also evaluated the appropriateness and sufficiency the of the disclosures made by management.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance on whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Reporting Requirements

Information on our audit engagement

We were first appointed as auditors by the Annual General Meeting on March 14, 2024 and our appointment represents a total period of uninterrupted engagement of two years.

Other information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors and the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. We have obtained the report of the Board of Directors and the Annual Report prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in compliance with the applicable provisions.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in compliance with the applicable provisions.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Helsinki February 18, 2025

Ernst & Young Oy

Authorized Public Accountant Firm

Miikka Hietala

Authorized Public Accountant

Independent Auditor's Report on the ESEF Consolidated Financial Statements of Evli Oyj

To the Board of Directors of Evli Oyj

We have performed a reasonable assurance engagement on the financial statements evli–2024–12–31–fi.zip of Evli Oyj (y–identifier: 3239286–2) that have been prepared in accordance with the Commission's regulatory technical standard for the financial year ended 31.12.2024.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the company's report of Board of Directors and financial statements (the ESEF financial statements) in such a way that they comply with the requirements of the Commission's regulatory technical standard. This responsibility includes:

– preparing the ESEF financial statements in XHTML format in accordance with Article 3 of the Commission's regulatory technical standard
– tagging the primary financial statements, notes and company's identification data in the consolidated financial statements that are included in the ESEF financial statements with iXBRL tags in accordance with Article 4 of the Commission's regulatory technical standard and
– ensuring the consistency between the ESEF financial statements and the audited financial statements

The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of ESEF financial statements in accordance the requirements of the Commission's regulatory technical standard.

Auditor's Independence and Quality Management

We are independent of the company in accordance with the ethical requirements that are applicable in Finland and are relevant to the engagement we have performed, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The firm applies International Standard on Quality Management (ISQM) 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements

Auditor's Responsibilities

Our responsibility is to, in accordance with Chapter 7, Section 8 of the Securities Markets Act, provide assurance on the financial statements that have been prepared in accordance with the Commission's technical regulatory standard. We express an opinion on whether the consolidated financial statements that are included in the ESEF financial statements have been tagged, in all material respects, in accordance with the requirements of Article 4 of the Commission's regulatory technical standard.

Our responsibility is to indicate in our opinion to what extent the assurance has been provided. We conducted a reasonable assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000.

The engagement includes procedures to obtain evidence on:

– whether the primary financial statements in the consolidated financial statements that are included in the ESEF financial statements have been tagged, in all material respects, with iXBRL tags in accordance with the requirements of Article 4 of the Commission's regulatory technical standard and
– whether the notes and company's identification data in the consolidated financial statements that are included in the ESEF financial statements have been tagged, in all material respects, with iXBRL tags in accordance with the requirements of Article 4 of the Commission's regulatory technical standard and
– whether there is consistency between the ESEF financial statements and the audited financial statements.

The nature, timing and extent of the selected procedures depend on the auditor's judgement. This includes an assessment of the risk of material deviations due to fraud or error from the requirements of the Commission's technical regulatory standard.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

Our opinion pursuant to Chapter 7, Section 8 of the Securities Markets Act is that the primary financial statements, notes and company's identification data in the consolidated financial statements that are included in the ESEF financial statements of Evli Oyj evli–2024–12–31–fi.zip for the financial year ended 31.12.2024 have been tagged, in all material respects, in accordance with the requirements of the Commission's regulatory technical standard.

Our opinion on the audit of the consolidated financial statements of Evli Oyj for the financial year ended 31.12.2024 has been expressed in our auditor's report 18.2.2025. With this report we do not express an opinion on the audit of the consolidated financial statements nor express another assurance conclusion.

Helsinki 18.2.2025

Ernst & Young Oy
Authorized Public Accountant Firm

Miikka Hietala
Authorized Public Accountant

GOVERNANCE

Corporate Governance Statement

The governance of Evli Plc ("Evli" or "company") is based on the Articles of Association, the Finnish Limited Liability Companies Act, applicable statutory provisions governing the Finnish securities markets, the Market Abuse Regulation (MAR), the regulations of the Finnish Financial Supervisory Authority, the rules and regulations of Nasdaq Helsinki Ltd, and other statutes and regulations concerning the governance of public limited companies. The Articles of Association, the published policies and other information on Evli's corporate governance can be found at the company's website evli.com/en/investors.

Evli also complies with the Finnish Corporate Governance Code 2025 issued by the Securities Market Association. The Code can be viewed in full on the Securities Market Association's website at cgfinland.fi/en. This Corporate Governance Statement referred to in Chapter 7, section 7 of the Securities Markets Act (746/2012) has been compiled in compliance with the Finnish Corporate Governance Code 2025, and it has been prepared as part of the Board of Directors' Report.

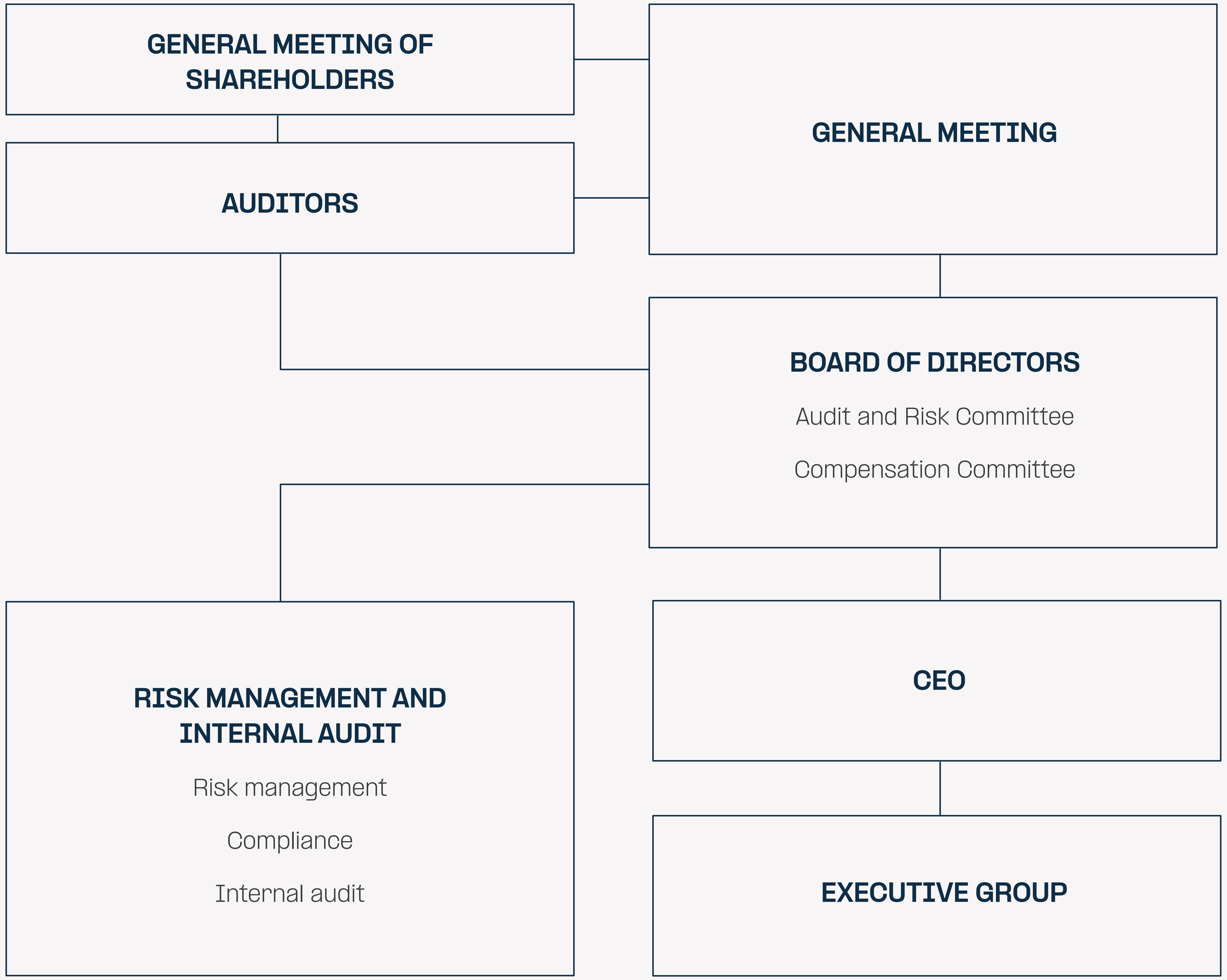
Evli's business structure

Evli's business operations are organized around two client segments: Wealth Management and Investor Clients, and Advisory and Corporate Clients. The segments are supported by common group functions, which include Information Management, Financial Administration, Marketing, Communications and Investor Relations, Legal and Compliance, Human Resources, Internal Services, Risk Management, and Internal Audit.

Evli's governance structure

Evli's management and business operations are the responsibility of the General Meeting, the Board of Directors and the CEO, whose tasks are determined in the Finnish Limited Liability Companies Act and in Evli's Articles of Association. Evli Group's Executive Group assists the CEO in the operative management of the company. The Executive Group consists of managers of the business areas and group functions, and it helps the CEO in the approval and execution of Group–level operating principles and procedures.

Evli Plc's Governance Structure



Evli's Board of Directors is primarily responsible for Evli Group's risk management. The Board of Directors confirms the principles and responsibilities of risk management, the risk limits of the Group and other general guidelines according to which risk management and internal audit are organized.

General Meeting of Shareholders

The ultimate decision–making power in the company is exercised by shareholders at General Meetings. By participating in the General Meeting either personally or via a proxy, a shareholder may exercise his/her right to vote and make inquiries and participate in decision–making on matters concerning the company. At the General Meeting, each Series A share of Evli entitles its holder to twenty (20) votes and each Series B share to one (1) vote. General Meetings are held at least once a year. The Annual General Meeting (AGM) is held upon completion of the company's financial statements, at a place and on a date designated by the Board of Directors. The date must be no later than the end of June.

Matters to be discussed at a General Meeting are specified in the Limited Liability Companies Act and in Evli's Articles of Association. The General Meeting normally discusses not only the matters specified by law and in the Articles of Association but also items presented at the meeting by the Board of Directors. Under the Limited Liability Companies Act, shareholders are also entitled to bring up for discussion at a General Meeting any matter that falls within the authority of the meeting.

A notice to the General Meeting is published no earlier than three (3) months prior the record date of the General Meeting, and no later than three (3) weeks prior to the General Meeting, however, no later than nine (9) days before the record date of the General Meeting. The notice is published on Evli's website (evli.com) and as a stock exchange release. The Board of Directors may, at their discretion, announce the General Meeting in one or more newspapers. Documents to be presented in the General Meeting and the Board's proposals for decisions to the General Meeting are made available at Evli's website (evli.com) three (3) weeks before the General Meeting.

Annual General Meeting (AGM)

At the AGM, information is presented about the company's activities. The AGM also decides on the following:

- the adoption of the financial statements for the previous financial year
- the company's profit distribution
- discharging the Board members and the CEO and his/her deputy from liability
- the election of Board members and their remuneration
- the appointment of auditors and their remuneration.

Extraordinary General Meeting

The Board of Directors may convene an Extraordinary General Meeting if it considers this necessary. The auditor and any shareholder with more than ten percent of the company's shares also have the right to demand that an Extraordinary General Meeting be called to discuss a matter to be presented by the auditor or shareholder

Shareholders' Nomination Board

Evli Plc's Annual General Meeting on March 14, 2024 decided to establish a Shareholders' Nomination Board. The main responsibility of the Shareholders' Nomination Board is to ensure that the company's Board of Directors and its members have sufficient expertise, knowledge, and experience to meet the needs of the company. The Nomination Board prepares and presents proposals to the General Meeting on the number, remuneration, and election of the members of the Board.

The Nomination Board consists of four members nominated by the company's four largest shareholders. The members of the Nomination Board are appointed annually, and their term of office ends when new members have been appointed. The appointment right rests with the shareholders that hold the largest share of votes conferred by all shares in the Company pursuant to the shareholders' register maintained by Euroclear Finland Ltd on the last business day of August preceding the annual general meeting. If a shareholder does not wish to exercise his/her right to appoint a member of the Nomination Board, the right shall be transferred to the next largest shareholder.

Each year, the Chairperson of the Board of Directors will request each of the four largest shareholders to appoint one member to the Nomination Board by the last day of September.

The following members were appointed to the first Evli Plc's Nomination Board on September 4, 2024:

- **Henrik Andersin** (appointed by Oy Scripo Ab)
- **Thomas Thesleff** (appointed by Oy Prandium Ab)
- **Roger Kempe** (appointed by Oy Fincorp Ab)
- **Robert Ingman** (appointed by Ingman Group Oy Ab)

Henrik Andersin was elected as Chairperson of the Nomination Board.

Board of Directors

Evli's AGM elects each year a Board of Directors ("Board"), which, between General Meetings, exercises the ultimate decision-making power in Evli Group. The task of Evli's Board is to manage the company in accordance with the laws and official regulations, and in compliance with the Articles of Association and the decisions of the General Meeting.

Duties of the Board of Directors

The Board has approved a written procedure defining its duties and meeting practices. The tasks of the Board are, among others:

- taking responsibility for the company's administration and appropriate organization of operations
- ensuring that the company's accounting and asset management are monitored in an appropriate manner
- handling all matters that are of extensive and fundamental importance for the operation of the company and the entire Group
- deciding upon the Evli Group's business strategy and approving the budget
- confirming the principles for the arrangement of Evli Group's risk management and internal audit
- appointing the CEO and the members of the Executive Group and relieving them of their duties
- deciding on the CEO's salary and other benefits
- approving the objectives for the Group's human resources planning and monitoring their implementation
- deciding the basis for the Group's remuneration system and other comprehensive matters that concern the personnel.

In accordance with the principles of good governance, the Board also ensures that the company, in its operations, endorses the corporate values that have been set out for compliance. The Board conducts an annual review of its activities and working practices in the form of an internal self-assessment.

Composition of the Board of Directors

At the AGM, four to eight (4–8) members are elected to the Board of Directors of Evli by representatives of major shareholders and external independent experts. The Shareholders' Nomination Board prepares a proposal on the composition of the Board for the AGM. The Board members should be elected so that the composition of the Board is as diverse as possible and supports Evli's business goals and meets the following principles:

- The Board as a whole must have sufficient competence and experience to be able to carry out its duties diligently and efficiently, taking into consideration the type and scope of the company's operations and its strategic goals and the changes within business and the rest of society.
- The members of the Board should have supplementary education and skills and experience in areas that are important to the company.
- The members of the Board should have experience of Board work and executive duties in business or other areas of society.
- The Board should include both men and women as far as it is possible.
- The Board should also be diverse in terms of age distribution and number of terms.

In addition, in accordance with the Corporate Governance Code 2025, persons elected to the Board must have the opportunity to spend sufficient time carrying out their duties. All Board candidates must submit their own assessment of their independence to the Board at least once every year. In addition, the company also evaluates the independence of all existing members on the basis of documents in its possession and, when needed, using public documents in accordance with the Corporate Governance Code 2025 issued by the Securities Market Association or other applicable regulations.

The Board members are elected for a term of one year, which starts at the conclusion of the AGM and ends at the conclusion of the next AGM following the election. The Board elects a Chairperson and a Deputy Chairperson among themselves.

After the Annual General Meeting on March 14, 2024, the members of the Board of Directors of Evli were **Christina Dahlblom**, **Fredrik Hacklin**, **Sari Helander**, **Robert Ingman** (Chair), **Antti Kuljukka** and **Tomi Närhinen**.

The Board consists of industry experts and the company's major shareholders. All Board members are independent of the company. With the exception of Robert Ingman, the other Board members are independent of the company's significant shareholders. Based on the shareholdings of a controlled company, Robert Ingman is not independent of the company's significant shareholders.

In 2024, the Board met 11 times. The Board members' average attendance rate at meetings was 98.7 percent. The participation of each member in the meetings is listed in Table 1: Evli Plc's Board of Directors on December 31, 2024.

Diversity of the Board of Directors

The Board has a diversity policy that includes diversity principles. Diversity strengthens Evli's goal of having a Board whose overall competence profile supports the development of Evli's business. Diversity is seen as a key success factor that enables Evli to reach its strategic goals and continuously improve its client-centric operations.

The diversity of the Board is viewed from different perspectives. For Evli, the essential factors are the Board members' complementary and versatile expertise and experience in various business areas and industries as well as in management. Taking into account the age and gender distribution of the Board members supports diversity. The Board evaluates its activities, working practices and the implementation and development of diversity to achieve its diversity objectives in the annual self–evaluation discussion.

At the end of the financial year 2024, the Board members represented a wide range of expertise on management and board tasks in several industries and in various business areas, and their educational backgrounds and expertise complement each other. Both genders were represented on the Board. Of the Board members, two (33%) were female and four (67%) were male. The median age was 56, and the age difference between the youngest and the oldest member was 17 years.

The Board members are introduced in Table 1: Evli Plc's Board of Directors on December 31, 2024.

Committees set up by the Board

The Board has established an Audit and Risk Committee and a Compensation Committee to prepare matters to be handled by the Board. The committees have no independent decision–making power; instead, decisions are made by the Board on the basis of recommendations and information supplied by the committees. The committees make regular reports on their activities to the Board.

Audit and Risk Committee

The Audit and Risk Committee is responsible for assisting the Board in ensuring that the company has an adequate internal audit system covering all operations and that the company's risk management has been arranged appropriately. It also monitors the financial statements reporting process.

The Audit and Risk Committee is also responsible for

- Overseeing the accuracy and correctness of the company's financial reporting and monitoring the statutory auditing of the financial statements and consolidated financial statements.
- Preparing the proposal on the appointment of auditors and the auditors' fees, to be made to the AGM.
- Ensuring that the company's operations and internal audit have been arranged in accordance with all applicable laws, regulations, and good management and governance practices.
- Monitoring the activity and efficiency of the internal audit function.
- Assessing the independence of the statutory auditor or auditing firm, and especially the provision of ancillary services to the company.

The Audit and Risk Committee consists of at least three members, who may not be part of the company's management and must be independent of the company. In addition to the Committee's regular members, the meetings are attended by the auditors, the CEO, the CFO, and the internal auditor. The Committee meets every quarter.

After the Annual General Meeting on March 14, 2024, the Audit and Risk Committee's members were Sari Helander (Chair), Antti Kuljukka and Tomi Närhinen. In 2024, the Committee met five times. The Audit and Risk Committee members' average attendance rate at meetings was 100 percent. The participation of each member in the meetings is listed in Table 1: Evli Plc's Board of Directors on December 31, 2024.

Compensation Committee

The Compensation Committee is responsible for assisting the Board in the preparation of matters related to the company's employment terms and compensation.

In addition, the Compensation Committee assists the Board in the following:

- Preparation of matters related to the compensation and incentive systems for management and personnel.
- Regular assessment of the functioning of and compliance with the compensation system.

In addition, the Compensation Committee prepares the remuneration policy and remuneration report of the company's governing bodies.

The Committee consists of at least three members, elected by the Board from among its members. The Committee Chairperson is chosen from among the Committee members and must be an independent Board member.

After the Annual General Meeting on March 14, 2024, the members of Evli's Compensation Committee were Fredrik Hacklin (Chair), Christina Dahlblom and Robert Ingman. In 2024, the Committee met four times. The Compensation Committee members' average attendance rate at meetings was 100 percent. The participation of each member in the meetings is listed in Table 1: Evli Plc's Board of Directors on December 31, 2024.

Table 1: Evli Plc's Board of Directors on December 31, 2024

Name and personal data	Main occupation and experience	Role in the Board	Attendance in Board meetings	Attendance in Audit and Risk Committee meetings	Attendance in Compensation Committee meetings	Ownership of the company's A shares (number of shares)[1]	Ownership of the company's B shares (number of shares)[1]	Independent of the company	Independent of the shareholders
Robert Ingman – Male – Born 1961 – M.Sc. (Tech.), M.Sc. (Econ.)	– Board professional – Chair of the Boards of Ingman Group Oy Ab, Ingman Finance Oy Ab, Ingman Development Oy Ab, Digia Plc, Etteplan Oyj, Qt Group Plc, and Halti Oy	– Chair of the Board since March 14, 2024 – In Evli Plc's Board since April 2, 2022 (in Evli Bank Plc's Board 2010-April 1, 2022) – Member of the Compensation Committee	10/11	1/1	3/3	1,860,000[2]	915,000[2]	X	
Christina Dahlblom – Female – Born 1978 – Ph.D. (Econ.)	– Entrepreneur, Flo Co Oy – Professor of Practice, Hanken School of Economics – Previously served as entrepreneur and in various management positions at Miltton Group, Hanken & SSE Executive Education Ab, and TNS Gallup Oy – Vice-Chairman of the Board of Nuorten yrittäjyys ja talous NYT ry, Member of the Board of Viking Line Abp, Vice-Chairman of the Supervisory Board of Tre Smeder Foundation, and Member of the Supervisory Board of Hive Helsinki Sr	– Member of the Board – In Evli Plc's Board since March 14, 2023 – Member of the Compensation Committee	11/11	-	4/4	-	1,000	X	X
Fredrik Hacklin – Male – Born 1978 – Ph.D. (Management), M.Sc. (Engineering)	– Professor, Director and Member of Executive Committee at ZHAW School of Management and Law, Zurich – Previous positions at Booz Allen Hamilton, Harvard University, and Ericsson – Advised multinationals and governments on entrepreneurship, strategy and technology management	– Member of the Board – In Evli Plc's Board since April 2, 2022 (in Evli Bank Plc's Board 2019-April 1, 2022) – Chair of the Compensation Committee	11/11	-	4/4	-	2,150	X	X
Sari Helander – Female – Born 1967 – M.Sc. (Econ.)	– CFO, Ramirent Group – Previously served as CEO and Partner at Greenstep Oy, as Senior Vice President (Logistics Solution) and CFO at Posti Group Corporation, and as Vice President, Business Reporting & Control at Nokia Corporation – Member of the Board of Enersense International Plc	– Member of the Board – In Evli Plc's Board since April 2, 2022 (in Evli Bank Plc's Board 2019-April 1, 2022 – Chair of the Audit and Risk Committee	11/11	5/5	-	-	4,000	**X**	X
Antti Kuljukka – Male – Born 1961 – M.Sc. (Soc.Sc.), Executive MBA, Maj evp	– Board professional – Senior advisor, HTM Solutions Oy – Previously served as CEO of Fennia Group, CEO and Deputy CEO of Fennia Mutual Insurance Company, CEO of Fennia Life, and in various positions in the Sampo Group – Member of the Board of Turvallisuuden tukisäätiö, and Vice-Chairman of the delegation of the Finnish Orienteering Federation	– Member of the Board – In Evli Plc's Board since April 2, 2022 – Member of the Audit and Risk Committee	11/11	5/5	-	-	6,272	X	X
Tomi Närhinen – Male – Born 1965 – M.Sc. (Econ.), Executive MBA	– Managing Director of Pistohiekka Resort Ltd and Adverento Travel Ltd – Previously served as CEO of Savings Bank Coop, CFO of Rovio Entertainment Corporation, and CFO of Nordea Bank Finland Plc – Member of the Boards of Adverento Travel Ltd and Pistohiekka Resort Ltd	– Member of the Board – In Evli Plc's Board since March 14, 2024 – Member of the Audit and Risk Committee	8/8	4/4	-	-	-	X	X

[1] Shareholding on December 31, 2024, including holdings through a controlled company
[2] Includes holdings of Ingman Group Oy Ab

Corporate management

CEO

Evli's Board appoints the company's CEO and decides the terms and conditions of his or her service relationship. The CEO is responsible for the company's day–to–day management in compliance with the instructions and decisions provided by the Board. Evli Group's Executive Group assists the CEO in the operative management of the company.

The CEO's duties include the management and supervision of the Group's business, preparation of matters to be handled by the Board, and implementation of the Board's decisions. In accordance with the Limited Liability Companies Act, the CEO ensures that the company's accounting is lawful, and that the asset management is arranged reliably.

The CEO's period of notice is six months, and the severance compensation payable to the CEO in addition to the salary for the period of notice corresponds to 12 months' salary. The CEO's retirement age is 63 years. The company's CEO is **Maunu Lehtimäki**, M.Sc. (Econ.), born in 1967.

Executive Group

The Executive Group consists of the CEO and six members. The CEO presents a proposal regarding the choice of members to the Executive Group, and these names are then subject to confirmation by the Board.

The members of the Executive Group are confirmed by the Board on a proposal submitted by the CEO.

The CEO convenes the Executive Group as necessary and serves as its chairperson. The Executive Group normally meets twice a month. The Executive Group's task is to support the CEO in preparing and implementing the strategy and in coordinating the Group's operations. The Executive Group's duties also include preparing and executing matters that are significant or involve fundamental principles and ensuring internal co–operation and communication.

Table 2: Evli's Executive Group on December 31, 2024

Name and personal data	Role and responsibility	Ownership of the company's A shares (number of shares)[1]	Ownership of the company's B shares (number of shares)[1]
Maunu Lehtimäki[2] — Male — Born 1967 — M.Sc. (Econ.)	CEO	533,728	117,031
Mari Etholén[3] — Female — Born 1973 — LL.M.	Head of HR and Legal Affairs	60,000	30,948
Panu Jousimies[4] — Male — Born 1969 — M.Sc. (Econ.)	Head of Execution and Operations	59,691	69,049
Juho Mikola[5] — Male — Born 1981 — M.Sc. (Econ.)	CFO and Deputy CEO	68,000	61,220
Esa Pensala[6] — Male — Born 1974 — M.Sc. (Tech.)	Head of Private Clients	142,000	50,200
Kim Pessala[7] — Male — Born 1969 — M.Sc. (Econ.)	Head of Investment products and services; CEO of Evli Fund Management Company Ltd	12,331	86,644
Mona von Weissenberg[8] — Female — Born 1979 — M.Sc. (Econ.)	Head of Institutional clients	-	-

[1] Shareholdings on December 31, 2024, including holdings through controlled entities
[2] In addition, the possibility to earn up to 40,000 Evli shares under the share-based incentive scheme established in 2023
[3] In addition, the possibility to earn up to 30,000 Evli shares under the share-based incentive scheme established in 2023
[4] In addition, the possibility to earn up to 20,000 Evli shares under the share-based incentive scheme established in 2023
[5] In addition, the possibility to earn up to 40,000 Evli shares under the share-based incentive scheme established in 2023 and the possibility to earn up to 30,000 Evli shares under the share-based incentive scheme established in 2024.
[6] In addition, the possibility to earn up to 30,000 Evli shares under the share-based incentive scheme established in 2023
[7] In addition, the possibility to earn up to 35,000 Evli shares under the share-based incentive scheme established in 2023
[8] In addition, the possibility to earn up to 25,000 Evli shares under the share-based incentive scheme established in 2023 and the possibility to earn up to 15,000 Evli shares under the share-based incentive scheme established in 2024.

Risk management and internal control

The company's organizational structure, clearly established responsibilities and authorizations, and its competent employees support the planning, execution, control, and monitoring of business operations in a manner that facilitates the achievement of set objectives.

Risk management refers to actions aimed at systematically surveying, identifying, analyzing, and preventing risks. The objectives of risk management are to:

- ensure the sufficiency of own assets in relation to risk positions
- ensure that fluctuations in financial results and valuations remain within the confirmed objectives and limits
- price risks correctly to achieve sustainable profitability
- support the uninterrupted implementation of the Group's strategy and income generation.

Evli defines risk as an event or series of events that jeopardize the company's income generation over the short or long term.

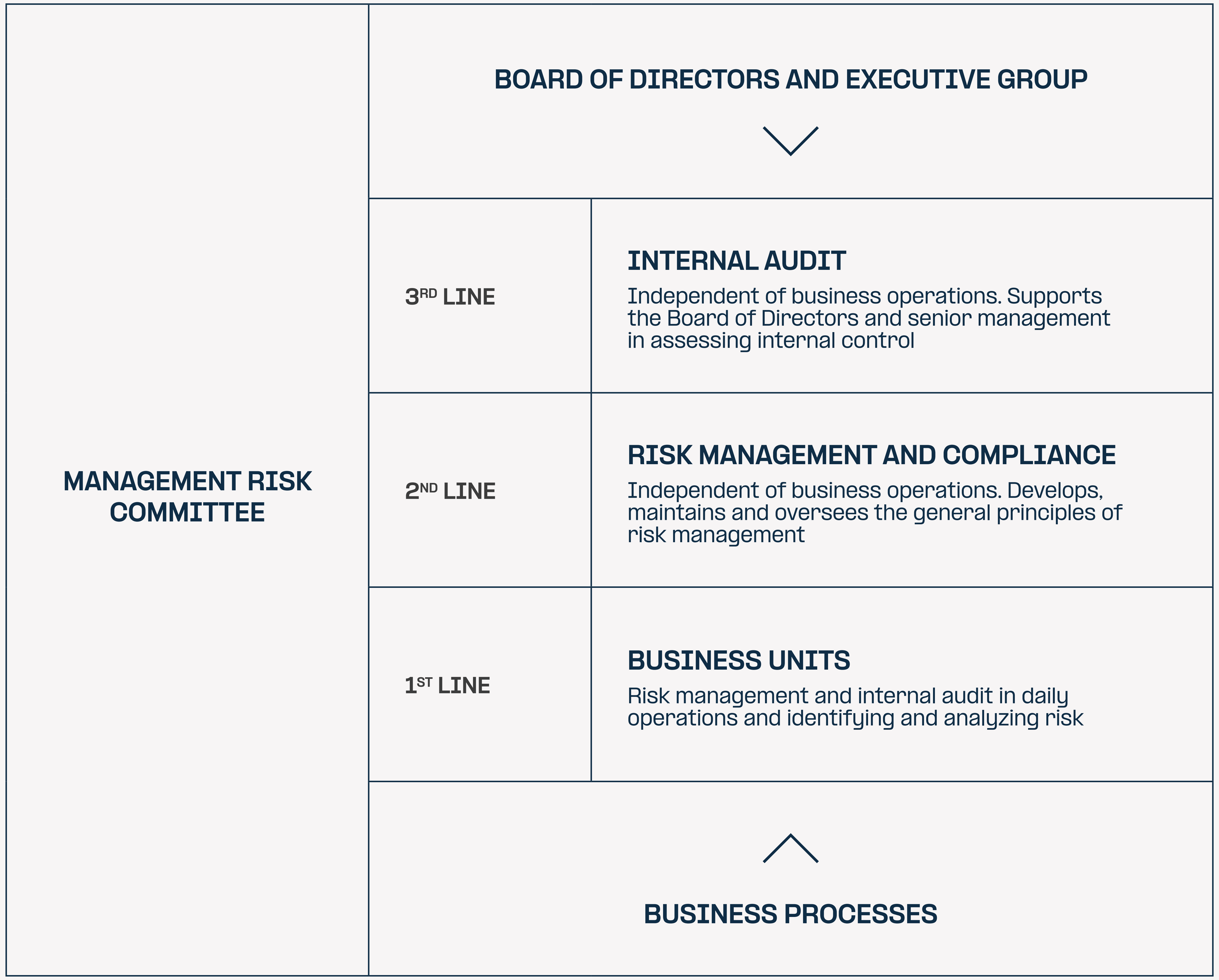
Evli's Board is primarily responsible for Evli Group's risk management. The Board confirms the risk management policies, responsibilities, the Group's risk limits, and other general guidelines governing how risk management and internal control are to be organized. The Board has also set up a Management Risk Committee ("MRC"), which briefs the Audit and Risk Committee on risk–taking matters. In addition to the general risk management policies, Evli Group's risk management is founded on the "three lines" model.

First line – business units

Risk management is part of internal control, and therefore the responsibility for executing risk management measures lies first with the business units, as the first line. The managers of the business units are responsible for ensuring that risk management is at a sufficient level in each respective unit. The task of business units is to:

- build the processes and competence for risk management and internal audit
- identify and analyze risks
- make decisions on risk management by means of various protection measures.

Three lines of Evli Group's risk management



Second line – Risk Control and Compliance

The second line of defense comprises the independent Risk Control and Compliance functions ("control functions"), whose primary tasks are to develop, maintain and oversee the general principles and framework of risk management.

The Risk Control function oversees daily operations and compliance with the risk limits granted to the business units, as well as compliance with risk-taking policies and guidelines.

The Compliance function is responsible for ensuring compliance with the rules in all Evli Group's operations by supporting operating management and the business units in applying the provisions of the law, the official regulations and internal guidelines, and in identifying, managing and reporting on any risks of insufficient compliance with the rules in accordance with the separate compliance policy and monitoring plan confirmed by Evli's Board.

The control functions report their findings to the Management Risk Committee, the Audit and Risk Committee, the Executive Group, and the Board of Directors.

Third line – Internal Audit

The third line of defense is Internal Audit. Internal Audit is a support function for the Board and senior management that is independent of the business functions. It is administratively subordinate to the CEO and reports to the CEO and, via the Audit and Risk Committee, to the Board. Internal Audit assesses the functioning of Evli Group's internal control system, the appropriateness and efficiency of the functions and the compliance with instructions. It does this by means of inspections that are based on the internal audit action plan adopted annually by the Audit and Risk Committee of the Board.

Internal Audit follows not only the internal audit guidelines, but also the internationally acknowledged framework of professional practices (The Institute of Internal Auditors)..

Audit

The shareholders elect the company's auditors each year at the AGM. The auditors must be an auditing firm approved by the Finland Chamber of Commerce. The auditors' term continues until the end of the first AGM that follows the election of the auditors. The auditors' duties are to ensure that the financial statements have been prepared in accordance with the applicable statutes and provide a true and fair view of the company's financial position and performance and other necessary information for the company's stakeholders.

As part of their annual audit duties, the auditors of Evli audit the accounts and administration of the separate companies. The internal audit requirements are taken into account in the auditors' audit plans. Each year, the auditors submit their report to Evli's AGM.

The auditors also report the main points of the annual audit plan to the Board and to the Board's Audit and Risk Committee as well as presenting, in connection with each interim report and the financial statements, a written audit report covering the entire Group.

From January 1 to December 31, 2024, the auditor of the company was the auditing firm Ernst & Young Oy (EY), with Authorised Public Accountant Miikka Hietala as the principally responsible auditor. In 2024, the total fees paid to EY amounted to EUR 0.4 million. The audit fee amounted to EUR 0.4 million and the non-audit fees to EUR 0.0 million.

Insider management

Evli has a guideline on insider rules and regulations that is approved by the Board and is based on the Market Abuse Regulation (MAR), Nasdaq Helsinki Ltd's Guidelines for Insiders of Listed Companies, as well as other relevant regulations and directives. Evli Group companies that are registered outside of Finland shall comply not only with these guidelines, but also with the national legislation and official regulations of the country where the company is located. The guideline on insider rules and regulations is distributed to all persons engaged in an employment or service relationship with the Group. The persons defined in the guideline on insider rules and regulations shall comply with the restrictions regarding the use of insider information and trading, for example the closed window period.

The company has determined that the persons subject to notification obligations for their transactions with Evli shares and other financial instruments based on it are the members of the Board and the Executive Group and their related parties. Evli publishes in a stock exchange release the transactions in Evli shares and other financial instruments carried out by persons in management positions and their related parties as required by the Market Abuse Regulation.

According to the law, a person in a managerial position may not trade in securities issued by the company for 30 days before the publication of an interim report or the financial statements bulletin. Evli also applies a similar 30-day trading restriction to Evli Group's employees who participate in the preparation or publication of the interim report and financial statements and who become aware of unpublished financial information at the Group level. The person in charge of insider issues at Evli is the company's Head of Legal Affairs. Evli evaluates and monitors related party transactions between the company and its related parties.

Evli maintains a list of related parties. Evli's related parties comprise its subsidiaries as well as the Board, the CEO, and the Executive Group, including any companies controlled or significantly influenced by them. Evli's financial management monitors and reports related party transactions as part of the company's normal reporting and control practices. Related party transactions which are not considered normal business activities are decided by the Board. Evli reports relevant and material related party transactions annually in the notes of the consolidated financial statements.

Evli also maintains registers of project–specific and transaction–specific insiders that are required at any given time.

Financial reporting

The Board is responsible for overseeing Evli Group's financial reporting. The Audit and Risk Committee assists the Board in this work. The CEO's and CFO's tasks are to monitor and ensure that the accounting and the financial reporting accord with the law, the Group's accounting policies and the guidelines and orders issued by the Group's Board.

The Group's accounting and results reporting are centralized under the responsibility of the Group's Financial Administration. The Financial Administration is subordinate to the CFO and responsible for producing, on a centralized basis, the financial statements information required for external accounting as well as internal accounting analyses, and the results reports for monitoring business activities, the separate companies and the Group's profitability. Profit performance is reported monthly both to the Executive Group and the Board of Directors in the form of specific results reports. The aim is to identify and demonstrate success factors as well as development areas well in advance, thus making it possible to react to these. Reporting practices are also used for monitoring the implementation of the business plans for the business units. The Group's Financial Administration is also responsible for monitoring and reporting on the performance of each business unit. Further responsibilities include reporting the financial results, sales and activity at least monthly, and even daily depending on the unit, to the Executive Group and other parties concerned.

Evli Group complies with the International Financial Reporting Standards (IFRS) approved for application in the EU. The Group prepares annual financial statements and also quarterly interim reports (IAS 34). The instructions on financial reporting and the accounting principles are applied in all of the Group companies. The accounting of all of the Group companies is included in the same accounting system, with the exception of the Group company in the United Arab Emirates.

Remuneration Policy

The Remuneration Policy of Evli Plc ("Evli" or "company") describes the general principles and the framework concerning the remuneration of the Board of Directors and the CEO. The policies regarding the CEO also apply to a potential Deputy CEO. Evli also complies with the Finnish Corporate Governance Code issued by the Securities Market Association. The objective of Evli Group's remuneration model is to support the implementation of the company's strategy and to promote the company's competitiveness and long–term financial success. A further aim is to contribute to a positive trend in shareholder value, committing Evli's Board of Directors and CEO to the company's objectives in the long run.

Evli complies with the Securities Market Association's Corporate Governance Code. This Remuneration Policy has been prepared in accordance with the Corporate Governance Code 2020. The Remuneration Policy is presented at Evli's Annual General Meeting (AGM) at least every four years and whenever significant changes are proposed. This remuneration policy was presented to the Annual General Meeting in 2022 and the Annual General Meeting resolved to support the Remuneration Policy. The resolution was advisory. The Remuneration Report is presented annually at Evli's AGM.

In all remuneration, Evli complies with applicable financial regulations. This Remuneration Policy has been prepared taking into account the applicable regulations and Evli Group's overall remuneration model for all employees. The Remuneration Policy must comply with the remuneration principles applicable to all Evli employees.

The Group's remuneration model consists of the following elements:

– A competitive fixed basic salary constitutes a solid foundation for maintaining and constantly developing basic functions.
– A short–term variable remuneration, in accordance with the annual remuneration plan approved by the Board of Directors, is used to promote both Evli's short–term growth objectives and the attainment of its strategic targets.
– Long–term variable remuneration is used to support the company's strategic development and to commit key employees to the company's business operations.

In accordance with the remuneration principles, the short–term and long–term variable remuneration may not exceed 200 percent of the annual fixed salary

Decision–making relating to remuneration

HThe Remuneration Policy has been prepared by the Board's Compensation Committee and approved by the Board for presentation to the General Meeting. Compliance with, and the performance and outcomes of, the remuneration model are monitored by the Compensation Committee appointed by the Board of Directors, and by the Board of Directors. The company's internal audit conducts an annual audit of the remuneration.

The remuneration of members of Evli Group's bodies is always decided by the body that has appointed them.

Evli's AGM decides on the compensations payable to the members of the Board of Directors. The company's major shareholders are responsible for preparing the remuneration proposal. The principles and elements of the remuneration of the CEO and any Deputy CEO are approved by Evli's Board of Directors in accordance with this Remuneration Policy. The Compensation Committee, appointed by the Board of Directors, prepares proposals on matters related to remuneration for decision–making by the Board. All changes to the CEO's salary and remuneration or executive contract are made by the Board of Directors based on a proposal by the Compensation Committee in accordance with the Remuneration Policy.

Elements of the remuneration

ELEMENT OF THE REMUNERATION	PURPOSE AND LINK TO STRATEGY	DESCRIPTION
Fixed salaries	The aim is to recruit and commit high–quality experts to implement the company's strategy.	The base salary includes taxable fringe benefits (for example, a mobile phone). When evaluating the base salary level, a variety of factors can be taken into account, such as market conditions, competitiveness, past performance, and individual skills, as well as experience in the company and in business management. The base salary is, in principle, reviewed annually.
Short–term incentives (STI)	The purpose is to encourage and guide in achieving short–term financial and operational goals.	The short–term incentive scheme is based on one–year performance criteria. Rewards are paid in cash after the end of the per–formance period, based on the achievement of the targets. The maximum pay–out for the annual incentive is capped. Short–term incentives are tied to the company's financial success, adherence to policies and guidelines, and ensuring solvency.
Long–term incentives (LTI)	The purpose is to encourage for long–term shareholder value growth and commitment to the company.	Typically share based incentives. The issue of new shares, if any, is decided by the Board of Directors within the limits set by the General Meeting. Long–term incentive programs generally include a minimum three–year vesting period. The Board of Directors sets the targets, indicators and their weightings that may be the basis for the incentives. At the end of the vesting period, the Board of Directors can evaluate the payment criteria to determine the final payment level.
Pension	The purpose is to provide a pension in accordance with local market practices.	The retirement age and any supplementary pension arrangements provided are decided by the Board of Directors in line with market practices.
Share ownership	The purpose is to ensure strong alignment between the interests of the CEO and the shareholders in the longer term.	The Board decides on the long–term target share ownership for the CEO.

Remuneration of the Board of Directors

In general, the remuneration of the Board of Directors is decided by the General Meeting based on a proposal by the major shareholders. The decision on the remuneration of the members of the Board of Directors shall be based on the Remuneration Policy presented to the AGM and which is in force.

The remuneration of the members of the Board of Directors consists of a fixed monthly compensation and possible compensation for meeting attendance. The Chairman of the Board of Directors and the chairmen of the committees appointed by the Board of Directors may be paid an increased compensation.

In situations in which a member of the Board of Directors participates in project–based activities to develop the company's operations outside the work carried out by the Board of Directors, a separate compensation may be paid for such work at the Board's discretion. In addition to the monthly compensation and possible compensation for meetings, the members of the Board of Directors are compensated for their travel expenses. In principle, the Board of Directors' compensation and allowance are paid in cash.

Remuneration of the CEO

The Board of Directors of Evli Group adopts the principles and elements of the CEO's remuneration on an annual basis in line with the Remuneration Policy in force. All changes to the CEO's salary and remuneration are subject to approval by the Board of Directors.

The CEO's remuneration is comprised, in principle, of a fixed salary and short–term and long–term variable remuneration. In addition, the CEO may be granted a separate, reasonable retirement plan or other benefits to ensure that a competent CEO is committed to the company's development.

The amount of the CEO's variable remuneration and the relative proportion to his fixed salary are within the limits set by financial regulations. The CEO's short–term and long–term variable remuneration may not exceed 200 percent of the annual fixed salary.

The variable remuneration is linked to the company's financial success and the achievement of its strategic goals. If deemed pertinent, the company may, by a decision of the Board of Directors, decide not to pay the variable bonus, in whole or in part. The Board decides on the long–term variable renumeration for the CEO on a case–by–case basis.

In certain circumstances, the company is obliged to defer payment of the variable bonus. In such case, the company will defer payment of the variable bonus in accordance with the regulations set by the financial market. The amount of the bonus payable after the deferral depends on the financial performance of the company during the deferral period and may even be zero. The company expects that the CEO will not hedge with his/her personal actions against any risk related to the amount or timing of future variable remuneration. In certain circumstances, the company may also reclaim a variable bonus already paid.

The company shall also always have the right to reclaim a variable bonus already paid if, after such payment, it becomes apparent that the person receiving the bonus has endangered the financial position of the company, violated the company's operating principles and practices, or contributed to such conduct through neglect. The CEO has a notice period consistent with current market practices. Similarly, in cases where the CEO's contract is terminated by the company, he/she is entitled to severance pay in accordance with prevailing market practices.

The above matters concerning the CEO also apply to a potential Deputy CEO.

Conditions for temporary deviation

The remuneration of the company's bodies must, in general, be based on the Remuneration Policy approved by the General Meeting. Deviations from the policy's principles can only be made if the achievement of the company's long–term goals and strategy is otherwise judged to be at risk. The option to temporarily deviate from the Remuneration Policy of the bodies is intended to apply only in exceptional circumstances in which the core operating circumstances of a listed company have, after the General Meeting's consideration of the bodies' Remuneration Policy, changed as a result of a change of CEO or a merger or an acquisition proposal, and the existing Remuneration Policy is thus no longer appropriate in the changed circumstances.

Deviation is also possible in situations where remuneration policy would not be possible due to remuneration restrictions under financial regulations. If the deviation from the Remuneration Policy is expected to continue other than on a temporary basis, the company shall draw up a new Remuneration Policy, which will be discussed at the next AGM. Because of the provisions regarding the notice to the AGM and the availability of the meeting materials, there may be insufficient time to submit a new Remuneration Policy to the next AGM if the need for deviation arises close to the time of the meeting. In such a case, the Remuneration Policy shall be submitted to the General Meeting for which it can be appropriately prepared.

If the temporary deviation from the Remuneration Policy concerns the remuneration of a new CEO or is due to a corporate restructuring or similar exceptional circumstances, the new remuneration terms will apply as agreed regardless of the duration of the temporary deviation. Deviations from the policies and principles of the policy are documented and reported to the Board of Directors and as part of the remuneration report at the AGM.

Remuneration Report 2024

This Remuneration Report sets out how Evli Plc ("Evli" or "company") has implemented its Remuneration Policy in 2024 and presents the remuneration and other financial benefits paid to the members of the Board of Directors ("Board"), the Group's CEO and the Deputy CEO during the year. Remuneration of the company's governing bodies and their members is based on the Remuneration Policy approved on March 9, 2022. The policy will be applied until the Annual General Meeting 2026, unless the Board decides to bring it forward for an advisory decision at an earlier General Meeting.

The Remuneration Report has been reviewed by Evli's Compensation Committee and approved by the Board. The shareholders will make an advisory decision on the approval of the Remuneration Report 2024 at Evli's Annual General Meeting in spring 2025.

Overview of remuneration in 2024

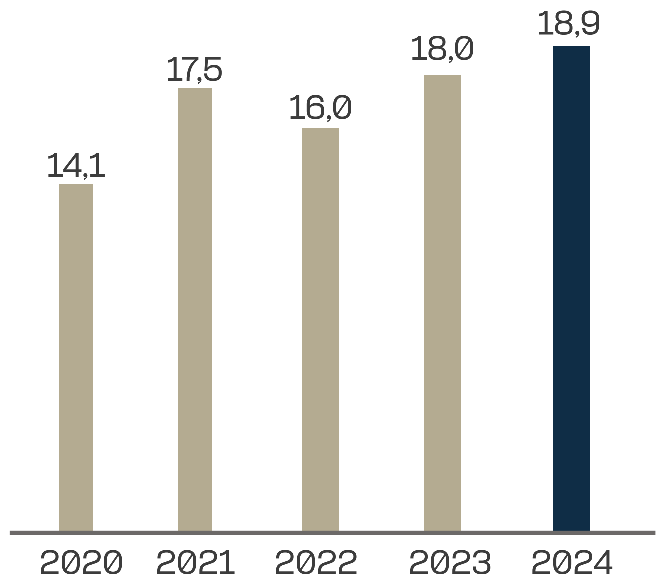
The decision–making on remuneration has been made in accordance with the decision–making process defined in the Remuneration Policy. No temporary deviations from the Remuneration Policy were applied in 2024. Furthermore, the Board did not observe any circumstances or activities that would have resulted in a need to apply claw–back clauses applicable to the CEO's variable remuneration in 2024. The Board also did not deem it necessary to use its right to adjust the performance criteria applied in 2024.

In line with the Remuneration Policy, remuneration in 2024 has supported Evli's business strategy with a focus on creating long–term growth and shareholder value. Although a significant part of the CEO's and the Deputy CEO's total remuneration is in the form of fixed payments, performance–based components are set to encourage the achievement of targets. Remuneration is balanced to avoid excessive risk–taking. The Compensation Committee has evaluated the CEO's and the Deputy CEO's remuneration for 2024 to ensure a competitive and fair total remuneration compared to relevant peers and the market. To encourage share ownership in the company, shareholding guidelines for the CEO were in place to further support and align shareholder and top executive interests

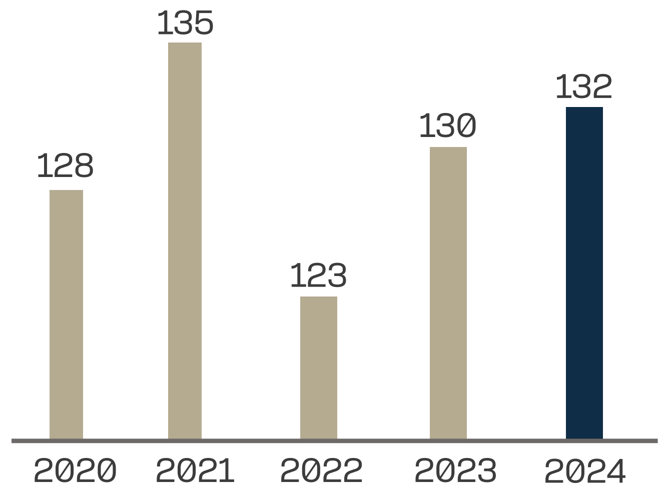
Development of financial performance and remuneration

Evli's business has developed positively over the past five years. The review takes into account the investment services activities carried out before the foundation of Evli Plc, during the period of Evli Bank Plc. The company has set four key performance indicators that it considers to be good proxies for its business performance. These are the development of assets under management, the recurring revenue ratio, return on equity and net commission income. From a shareholder perspective, the company has been able to provide stable returns to investors.

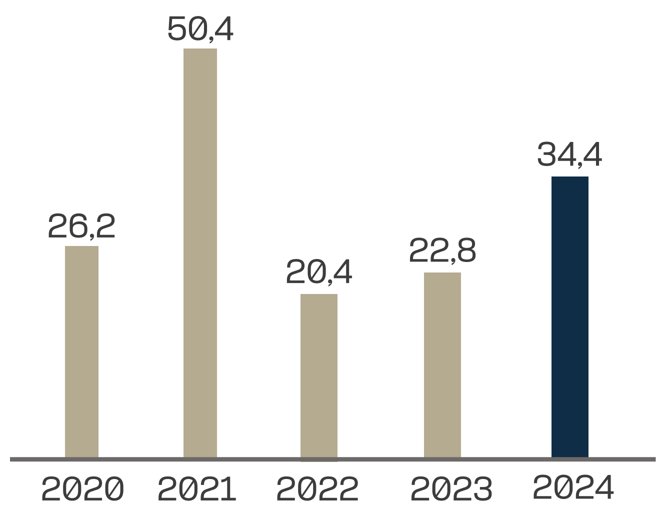
DEVELOPMENT OF ASSETS UNDER MANAGEMENT, (BN. €)



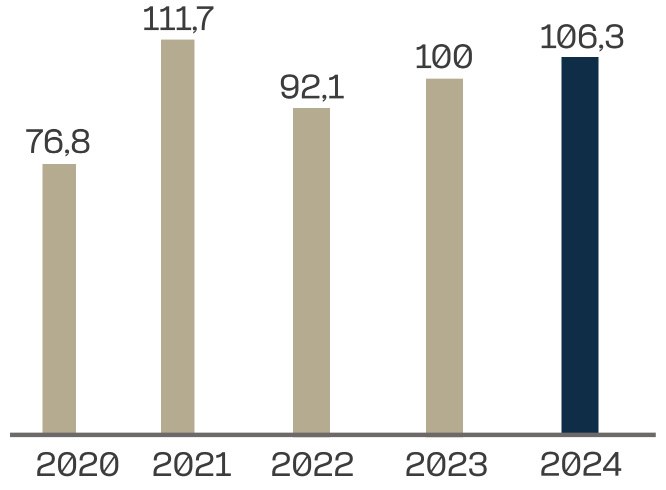
PROPORTION OF RECURRING REVENUE TO OPERATING EXPENSES (%)



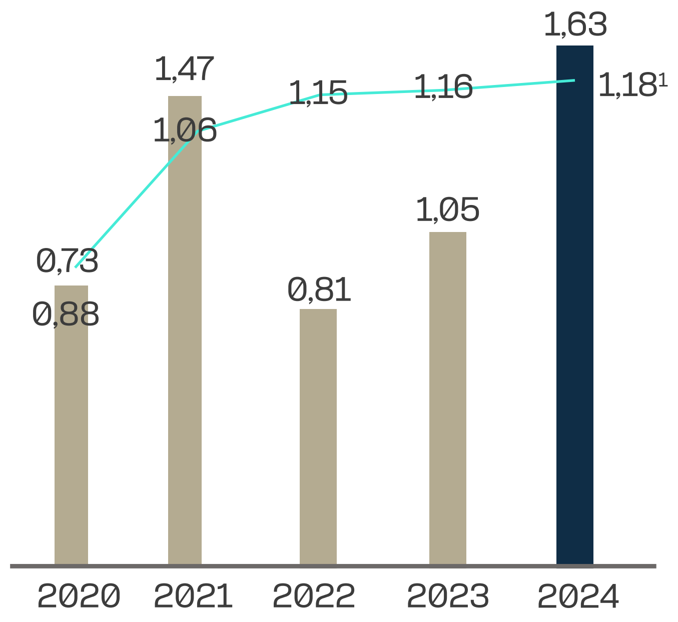
RETURN ON EQUITY (%)



NET COMMISSION INCOME (M€)



DIVIDEND & EARNINGS/SHARE (€)



[1] Board of Directors' proposal to the annual general meeting

FIVE YEAR DEVELOPMENT OF REMUNERATION[1]

	2024	2023	2022	2021	2020
BOARD OF DIRECTORS					
Chair of the Board of directors, EUR	90,000	90,000	90,000	90,000	84,000
Chair of the committees (on average), EUR	72,000	72,000	72,000	70,500	67,200
Other members of the Board (on average), EUR	60,000	60,000	60,000	60,000	56,000
CEO					
CEO, EUR	939,178	844,204[2],	626,010	699,888	446,605[3]
AVERAGE EMPLOYEE SALARY					
Average salary for the employees, EUR4	101,468	91,376	101,203	103,598	96,614

1 The figures for 2020-2021 are those of Evli Pankki Plc. Evli Plc was created by a partial demerger from Evli Bank Plc on April 2, 2022

[2] In addition, the CEO received 50,000 shares granted to him in the Option-program 2019. The total value of the subscription was EUR 992,516 based on the closing price on the subscription day.

[3] In addition, the CEO subscribed to the 40,000 shares granted to him in the Option-program 2016. The total value of the subscription was EUR 372,000 based on the closing price on the subscription day.

[4] The total wages and salaries amount of Evli reduced with the wages and salaries amount paid to the CEO of the Company and divided with the average number of personnel during the year (other than the CEO). Short-term incentives are considered on the year they are paid. Pensions and other social security costs are not included.

Remuneration of the Board of Directors in 2024

Evli Plc's General Meeting decides on the compensations payable to the Board members. The Annual General Meeting of March 14, 2024, made the following resolution on the compensation for attendance at meetings payable to the Chairman of the Board and other members:

- Chairperson of the Board EUR 7,500 per month
- Chairperson of the committees EUR 6,000 per month
- Members EUR 5,000 per month

The Board has established and appointed an Audit and Risk Committee and a Compensation Committee to prepare matters to be handled by the Board. In 2024, the total compensation paid to the Evli Group Board members amounted to EUR 414,652. This sum is made up of meeting participation fees related to the work carried out by the Board and its committees. In 2024, the Board members did not receive any shares or share–based rights as compensation for their work, nor were they granted any other benefits.

COMPENSATION PAID TO THE MEMBERS OF THE BOARD, €

	2024
Robert Ingman, Chairperson of the Board since March 14, 2024	82,500
Henrik Andersin, Chairperson and Member of the Board until March 14, 2024	22,500
Christina Dahlblom, Member of the Board	60,000
Fredrik Hacklin, Member of the Board, Chairperson of the Compensation Committee	72,000
Sari Helander, Member of the Board, Chairperson of the Audit and Risk Committee	72,000
Antti Kuljukka, Member of the Board	60,000
Tomi Närhinen, Member of the Board since March 14, 2024	45,000
TOTAL	**414,000**

Remuneration of the CEO and the Deputy CEO in 2024

The Board of Evli Group adopts the principles and elements of the remunerations for the CEO and the Deputy CEO on an annual basis. The remuneration follows Evli's Remuneration Policy in force. All changes in the CEO's and the Deputy CEO's salary and remuneration are subject to the Board's approval. In accordance with the remuneration policy, variable remuneration including both short–term and long–term incentives may not exceed 200 percent of the annual fixed remuneration.

Short–term incentives in 2024

In 2024, Evli had a short–term incentive plan in place for the employees, including the CEO and the Deputy CEO. The incentive plan performance criteria are evaluated annually by the Board. The performance targets linked to the short–term incentive for the CEO and his deputy for 2024 are presented in the next table. The purpose of short–term incentives is to encourage the achievement of financial and other short–term objectives in line with the business strategy. The short–term incentive plan remuneration is dependent on the financial performance of Evli, as well as reaching strategic targets.

SHORT–TERM INCENTIVE PLAN CRITERIA IN 2024

	Weight	Achievement, CEO	Achievement, Deputy CEO
Evli Group financial performance, development of the operating profit	50%	Exceeded	Exceeded
Group level Key Performance Indicator targets (KPI)	30–50%	Partly exceeded	Partly exceeded
Finalizing strategic projects	0–20%	Exceeded	Exceeded

Although the business environment turned out to be extraordinary during 2024 due to realized geopolitical risks and changed interest rate environment, no adjustments were made to the performance targets. For 2024, the achievement of the criteria is shown in the table above.

For the CEO, the short–term incentives earned in 2024 amounted to approximately 29 percent of the maximum compensation in accordance with the Remuneration Policy. For the Deputy CEO, the corresponding figure was approximately 33 percent. In accordance with the regulations, the renumeration will be paid in installments: 50 percent in spring 2025 and 50 percent in steps during the next three years. The delayed remuneration is linked to the performance of Evli Plc's share price during the delay period.

Long–term incentives in 2024

The existing long–term incentive plans for the CEO and his deputy have been implemented as performance share plans (PSP). The purpose of the share–based retention plans is to encourage the executives and the selected key employees to work on a long–term basis to increase shareholder value and to commit to the company. The Board decides annually on the issuance of new plans based on the Compensation Committee's proposal within limits provided by the General Meeting.

The Performance Share Plan offers an opportunity to earn the company's shares as a reward for continuous service and retention of the company and the individual. Under performance share plans, rewards are granted on the achievement of targets linked to the plan. The grant is followed by a vesting period of at least three years. Granting is based on the Board's assessment of the achievement of the targets set for the plan at the given time. Share Plans are usually delivered to the participants after the delay period, provided that the conditions for payment of variable remuneration are met and their employment with the company has continued uninterrupted throughout the duration of the plan and until the shares are delivered. The vesting period is further followed by a retention period of one year in accordance with the regulation set for the financial sector. The rewards under the Share Plans are paid as a combination of shares and cash. The cash component is dedicated to cover the taxes and statutory social security contributions related to shares.

No new long–term incentives were granted to the CEO in 2024. The Deputy CEO has been granted new long–term incentives in the 2024 share incentive plan. The plan provides the possibility to earn Evli Plc Series B shares based on performance. The performance period of the plan started on January 1, 2025 and ends on December 31, 2027. The vesting of the plan is linked to the achievement of the company's performance targets. The CEO and the deputy CEO have a long–term incentive plan in place, which started in 2023. In the 2023 plan, the target group has an opportunity to earn Evli Plc's series B shares based on performance. The performance period of the plan began on September 1, 2023, and will end on December 31, 2026. The performance criteria of the plan are tied to the operating profit of the company (EBIT). The potential rewards from the long–term incentive plans are deferred and paid in compliance with the legislation governing the financial sector. In addition, the payment of the rewards is followed by a retention period of one year, during which the shares paid out as a bonus cannot be transferred.

During 2024, no share–based incentives were paid to the CEO and the Deputy CEO.

SUMMARY OF SHARE–BASED INCENTIVES ISSUED AND PAID TO THE CEO AND THE DEPUTY CEO

		Granted installments, number of shares[1]					
Plan - Installment	Grant date	CEO	Deputy CEO	Performance period	Vesting period	Payment year	Waiting period
2023 long-term incentive plan	14.9.2023	max. 40,000	max. 40,000	3 years	3 years	2029	+1 year
2024 long-term incentive plan	16.12.2024	-	max. 30,000	3 years	3 years	2030	+1 year

[1] Gross number of shares before income taxes on the payment of shares

Remuneration paid to the CEO and the Deputy CEO in 2024

REMUNERATION OF THE CEO AND THE DEPUTY CEO IN 2024, €

	Base salary	Additional pension payment	Paid short-term incentives	Paid long-term incentives	Total
CEO, Maunu Lehtimäki	**509 040**[1]	**76 356**	**353 782**[2]	-	**939 178**
CFO, Deputy CEO, Juho Mikola	**248 992**[1]	–	**159 464**[2]	-	**408 456**

[1] Including fringe benefits.
[2] Total short–term incentives paid in 2024. The table below details the vesting periods for which short–term incentives paid in 2024 have vested. Incentive awards paid are always based on performance in previous years.

BREAKDOWN OF SHORT–TERM INCENTIVES PAID IN 2024, €

	From 2020	From 2021	From 2022	From 2023	Total
CEO, Maunu Lehtimäki	**102 532**	–	**100 000**	151 **250**	353 782
CFO, Deputy CEO, Juho Mikola	**53 862**	–	41 322	64 **281**	**159 464**

The CEO has no significant separate fringe benefits and is covered by the shared Evli Group reward system. The CEO has a six–month notice period binding on both parties. The CEO is entitled to receive a severance pay corresponding to 12–months' salary if the CEO's contract is terminated by the company.

The variable remuneration due to CEO Maunu Lehtimäki from 2024, which has not yet been paid at the time of publication of this report, amounts to EUR 300,000.

The Deputy CEO has no significant separate fringe benefits and is covered by the shared Evli Group reward system. The Deputy CEO has a notice period in accordance with the collective agreement in the financial sector binding on both parties.

The variable remuneration due to Deputy CEO Juho Mikola from 2024, which has not yet been paid at the time of publication of this report, amounts to EUR 170,000.

Board of Directors on December 31, 2024

ROBERT INGMAN

Chair of the Board since March 14, 2024
Member of the Compensation Committee

- Born 1961
- M.Sc. (Tech.), M.Sc. (Econ. and Business Administration)
- Member of the Board of Evli Plc since April 2, 2022, Chair of the Board since March 14, 2024
- Member of the Board of Evli Bank Plc between 2010 and April 1, 2022
- Board professional
- Independent of the company
- Shareholding: 1,860,000 A shares and 915,000 B shares[1]

CHRISTINA DAHLBLOM

Member of the Board
Member of the Compensation Committee

- Born 1978
- Ph.D. (Econ.)
- Member of the Board of Evli Plc since March 14, 2023
- Entrepreneur, Flo Co Oy
- Professor of Practice, Hanken School of Economics
- Independent of the company and significant shareholders
- Shareholding: 1,000 B shares

FREDRIK HACKLIN

Member of the Board
Chair of the Compensation Committee

- Born 1978
- Ph.D. (Management), M.Sc. (Engineering)
- Member of the Board of Evli Plc since April 2, 2022
- Member of the Board of Evli Bank Plc between 2019 and April 1, 2022
- Professor, Director and Member of Executive Committee at ZHAW School of Management and Law, Zurich, and Associate professor at ETH Zurich
- Independent of the company and significant shareholders
- Shareholding: 2,150 B shares

SARI HELANDER

Member of the Board
Chair of the Audit and Risk Committee

- Born 1967
- M.Sc. (Econ.)
- Member of the Board of Evli Plc since April 2, 2022, Chair of the Audit and Risk Committee
- Member of the Board of Evli Bank Plc between 2019 and April 1, 2022
- CFO, Ramirent Group
- Independent of the company and significant shareholders
- Shareholding: 4,000 B shares

ANTTI KULJUKKA

Vice–Chairman of the Board
Member of the Audit and Risk Committee

- Born 1961
- M.Sc. (Soc.Sc.), eMBA. Maj evp.
- Member of the Board of Evli Plc since April 2, 2022
- Board professional
- Senior advisor, HTM Solutions Oy
- Independent of the company and significant shareholders
- Shareholding: 6,272 B shares

TOMI NÄRHINEN

Member of the Board since March 14, 2024
Member of the Audit and Risk Committee

- Born 1965
- M.Sc. (Econ.), Executive MBA
- Member of the Board of Evli Plc since March 14, 2024
- Managing Director of Pistohiekka Resort Ltd and Adverento Travel Ltd
- Independent of the company and significant shareholders
- Shareholding: no shares

[1] Includes holdings of Ingman Group Oy Ab

Executive Group on December 31, 2024

MAUNU LEHTIMÄKI

Chief Executive Officer

- Born 1967
- M.Sc. (Econ.)
- Joined Evli in 1996
- Shareholding:
  533,728 A shares and
  117,031 B shares

MARI ETHOLÉN

Head of HR and Legal Affairs

- Born 1973
- LLM
- Joined Evli in 2001
- Shareholding:
  60,000 A shares and
  30,948 B shares

PANU JOUSIMIES

Head of Execution and Operations

- Born 1969
- M.Sc. (Econ.)
- Joined Evli in 1997
- Shareholding:
  59,691 A shares and
  69,049 B shares

JUHO MIKOLA

CFO, Deputy CEO

- Born 1981
- M.Sc. (Econ.)
- Joined Evli in 2004
- Shareholding:
  68,000 A shares and
  61,220 B shares

ESA PENSALA

Head of Private Clients

- Born 1974
- M.Sc. (Tech.)
- Joined Evli in 2001
- Shareholding:
  142,000 A shares and
  50,200 B shares

KIM PESSALA

Head of Investment products and services, CEO of Evli Fund Management Company Ltd

- Born 1969
- M.Sc. (Econ.)
- Joined Evli in 1995
- Shareholding:
  12,331 A shares and
  86,644 B shares

MONA VON WEISSENBERG

Head of Institutional clients

- Born 1979
- M.Sc. (Econ.)
- Joined Evli in 2022
- Shareholding:
  0 A shares and
  0 B shares

EVLI

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