Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Product name: Evli Green Corporate Bond **Legal entity identifier:** 743700TUHVU5NOQPXV31

Environmental and/or social characteristics

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

[x] Yes	[ ] No
[x] It made **sustainable investments with an environmental objective**: 100 %	[ ] **It promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___%:n of sustainable investments
[x] in economic activities that qualify as environmentally sustainable under the EU Taxonomy	[ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
[x] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	[ ] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
[ ] It made **sustainable investments with a social objective**: ___%	[ ] with a social objective
	[ ] It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The fund's objective is to make sustainable investments in a way that achieves a positive and measurable social or environmental impact. Under its rules, the may fund invest in corporate bonds that seek environmentally and/or socially positive outcomes and the attainment of the UN's Sustainable Development Goals. The fund has invested in assets that, based on a sustainability analysis, are expected to have a positive impact on the achievement of environmental objectives. These assets include green bonds. The positive impacts of the fund's investments are described below in the section on sustainability indicators and in a separate fund-specific allocation and impact report.

Climate change mitigation: The fund's goal is to promote climate change mitigation by investing at least 5% of its total investments in activities that are environmentally sustainable economic activities under the EU taxonomy system (EU Taxonomy Regulation). The EU Taxonomy Regulation sets criteria for economic activity that is considered to promote the environmental objectives of the regulation. The fund invested a total of 10.4% in economic activities that contribute to climate change mitigation. More details on environmentally sustainable investments are provided later in the report.

Evli's goal is to achieve carbon neutrality by 2050 at the latest, and it has set an interim target of a 50 percent reduction in indirect emissions from all investments by 2030, provided that this is possible in the investment environment. The comparison year is 2019. The fund-specific share of the emission reduction target may vary between funds. During the year, Evli reinforced its climate commitment by signing the Net Zero Asset Managers (NZAM) initiative. Work on climate objectives continued by creating a snapshot, developing climate risk management and with engagement, and the Climate Working Group focused on identifying best practices and building on them to develop clear next steps for 2023. The climate targets, together with the Climate Change Principles, provide a systematic approach to taking climate change into account in investments.

ESG integration: The fund's target companies have been analyzed before making an investment decision and during the investment period with regard to environmental, social, and corporate governance matters, or ESG factors. The analysis is based on an internal ESG database built by Evli, which is based on data from external data providers. Evli has developed ESG integration by updating its responsible investment principles and developing ESG tools for portfolio management during the year.

Exclusion by industry: The fund has excluded harmful industries on the basis of Evli's responsibility principles and Climate Change Principles. In addition, the target companies have been monitored regularly for violations of the principles defined in the UN Global Compact, the UN Guiding Principles on Business and Human Rights and the OECD Principles for Multinational Enterprises. On the basis of regular monitoring, Evli's Responsible Investment Team will take the necessary measures with respect to companies that are suspected of having violated the above-mentioned international principles. Such companies can either be excluded directly or Evli can engage with them. If dialogue with a company fails or is deemed to be unhelpful, the company may be added to the exclusion list.

Active ownership and engagement: During the year, Evli exercised active ownership by engaging with a total of 22 companies, including one company in the fund. In addition to Evli's Responsible Investment team, portfolio management has engaged with two portfolio companies, encouraging them to improve their reporting practices.

Evli also participated in the following investor initiatives: Climate Action 100+, investor letters coordinated by CDP, and engagement through CDP, the purpose of which is to encourage companies to set Science-Based Targets. In the area of human rights, Evli joined the PRI Advance initiative, under which investors take joint action on human rights and social issues. Together with other investors, Evli also signed the Global Investor Statement to Governments on the Climate Crisis, a letter to governments encouraging them to ensure that the global temperature increase will be limited to 1.5 degrees Celsius, take early action to keep greenhouse gas emissions in line with the 2030 target, promote non-carbon emission reductions, increase the supply of climate finance and strengthen climate reporting across the financial system with mandatory TCFD reporting, requiring science-based climate transition plans, and coordinating and promoting coherence in global regulation in the financial sector. In addition, Evli signed a global COP15 initiative with other investors at the UN Biodiversity Conference (COP15), calling on governments to take coordinated action to combat climate change and biodiversity loss around the world, to set a stronger mandate for financial institutions to align financial activities with biodiversity targets, and to adopt an ambitious Global Biodiversity Framework at COP15 in Montreal.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

How did the sustainability indicators perform?

Indicator name	Value	Additional information
Avoided CO2 emissions	79500	tCO2e
Renewable energy generated	97600	MWh/year
Renewable energy capacity added	6	MW
Companies without serious norm violations	100.0%	Coverage: 88.7%
Share of companies with Paris aligned climate targets	64.4%	Coverage: 78.15%
WACI (Scope 1+2 tCO2e / $M sales) of current portfolio constituents		
2022 emissions data	135,6	Coverage: 77.93%
2021 emissions data	155,2	Coverage: 59.41%
2020 emissions data	190,9	Coverage: 40.66 %

How did the sustainable investments not cause significant harm to any sustainable investment objective?

The fund does not make investments that would cause significant harm to other environmental or social objectives. The fund has made sustainable investments that are aligned with the EU Taxonomy Regulation. The EU Taxonomy Regulation establishes criteria for when an economic activity promotes the environmental objectives referred to in the regulation, one of which is that an activity must not cause significant harm to other environmental objectives. In addition, the fund observes Evli's Principles for Responsible Investment and its Climate Change Principles and aims to invest in companies with a good responsibility rating. If a company's responsibility rating is lower than BB (on the data provider's scale), a more detailed analysis of the company's responsibility has been carried out. Moreover, a company that violates the principles of the UN Global Compact, the UN Guiding Principles on Business and Human Rights or the OECD's Guidelines for Multinational Enterprises can be excluded from investment by the Responsible Investment Team. The fund also takes into account the principal adverse impacts on sustainability factors.

How were the indicators for adverse impacts on sustainability factors taken into account?

The principal adverse impacts (PAI indicators) on sustainability factors have been taken into account in accordance with Evli's Principles for Responsible Investment and Climate Change Principles. The PAI indicators are considered through an internal process based on Evli's Principles for Responsible Investment. An internal PAI tool has been built based on data from an external service provider to view PAI indicators relevant to the investment target. Evli's Principles for Responsible Investment are asset class-specific and cover all Evli funds. Evli's Principles for Responsible Investment and Climate Change Principles define industry-specific exclusion limits and the process for dealing with any identified norm violations.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The consideration of PAI indicators also covers the OECD Guidelines for Multinational Enterprises. Evli regularly monitors its active investments and seeks to influence the companies' practices. Evli's Principles for Responsible Investment define the basic standards for norm-based screening and exclusion of companies. If a company violates the principles of the UN Global Compact, the UN Guiding Principles on Business and Human Rights or the OECD Guidelines for Multinational Enterprises, Evli will either seek to influence the company's actions or exclude it from its investments.

How did this financial product consider principal adverse impacts on sustainability factors?

Evli has taken account of the principal adverse impacts of its investments on sustainability factors (Principal Adverse Impact or PAI indicators) in accordance with Evli's Principles for Responsible Investment and its Climate Change Principles. The PAI indicators have been considered through an internal process based on Evli's Principles for Responsible Investment. An internal PAI tool has been built based on data from an external service provider to view PAI indicators relevant to the investment target. Evli's Principles for Responsible Investment are asset class-specific and cover all Evli funds. Evli's Principles for Responsible Investment and Climate Change Principles define industry-specific exclusion limits and the process for dealing with any identified norm violations.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 2022

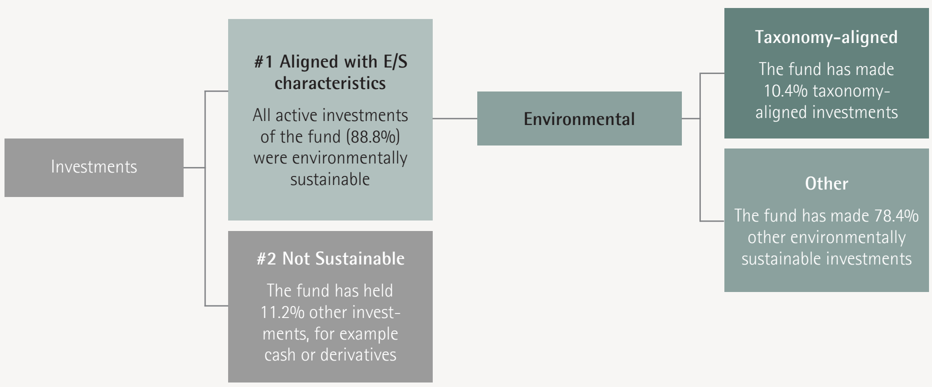
What were the top investments of this financial product?

Largest investments	Sector	% Assets	Country
Sato-Oyj 24.2.2028 1.375% Callable Fixed	Real Estate	2.73%	Finland
Vr-Group Plc 30.5.2029 2.375% Callable Fixed	Transportation	2.43%	Finland
Transmssn Financ 18.6.2028 0.375% Callable Fixed	Utility	2.3%	Ireland
Volvo Car Ab 7.10.2027 2.5% Callable Fixed	Automotive	1.92%	Sweden
Covestro Ag 15.11.2028 4.75% Callable Fixed	Basic Industry	1.76%	Germany
Oi European Grp 15.2.2025 2.875% Callable Fixed	Capital Goods	1.68%	Netherlands
TORNATOR OYJ 1,250 PCT SENIOR SEC DUE 2026	Basic Industry	1.57%	Finland
Bank Of Ireland 11.8.2031 1.375% Callable Variable	Banking	1.48%	Ireland
Banco Bilbao Viz 6% Perp/Call Variable	Banking	1.35%	Spain
Aib Group Plc 30.5.2031 2.875% Callable Variable	Banking	1.28%	Ireland
Aker Horizons As 15.8.2025 3.7% Callable Floating	Financial Services	1.25%	Norway
Upm-Kymmene Oyj 19.11.2028 0.125% Callable Fixed	Basic Industry	1.23%	Finland
Zf Finance Gmbh 6.5.2027 2% Callable Fixed	Automotive	1.16%	Germany
Abn Amro Bank Nv 21.2.2030 4.25% At Maturity Fixed	Banking	1.16%	Netherlands
Mowi Asa 31.1.2025 1.214% Callable Floating	Consumer Goods	1.15%	Norway

Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

What was the asset allocation?



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Not sustainable includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emission and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

In which economic sectors were the investments made?

Sector	% Assets
Banking	28.3 %
Financial Services	3.9 %
Insurance	2.0 %
Automotive	5.5 %
Basic Industry	8.7 %
Capital Goods	3.5 %
Consumer Goods	2.1 %
Transportation	2.5 %
Real Estate	12.2 %
Telecommunications	2.6 %
Utility	17.5 %
Sectors and sub-sectors that derive revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels	4.53%

To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

The fund has made investments associated with climate change mitigation or adaptation to climate change that are EU taxonomy-aligned as set out below. Other environmentally sustainable investments are not sustainable investments under the Taxonomy Regulation.

The proportion of taxonomy-compliant investments is expressed as a share of turnover. Data on the share of taxonomy investments in capital and operating expenditure is not yet available. The proportion of taxonomy-compliant investments is based on data provided by an external data provider and not verified by a third party.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?

☐ Yes:

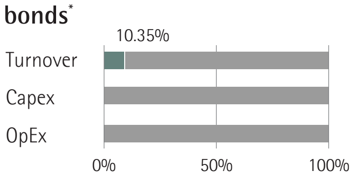
☐ In fossil gas ☐ In nuclear energy

☒ No

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

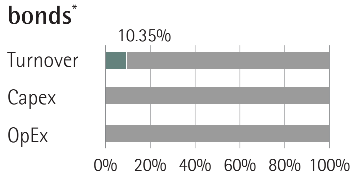
The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

1. Taxonomy-alignment of investments **including sovereign bonds***



- Taxonomy-aligned (no fossil gas & nuclear)
- Other investments

2. Taxonomy-alignment of investments **excluding sovereign bonds***



- Taxonomy-aligned (no fossil gas & nuclear)
- Other investments

*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

What was the share of investments made in transitional and enabling activities?

The fund has invested 10.4% in environmentally sustainable activities that are in line with taxonomy. This also includes possible investments in transitional and enabling activities.

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The fund invested 78.4% in other environmentally sustainable investments in green corporate bonds. The assets raised through green corporate bonds are allocated to projects that aim at positive environmental impacts. Consequently, all investments in the portfolio have an environmental objective. However, the vast majority of green corporate bond issuers are not yet committed to allocating funds according to the EU taxonomy, which means that with currently available data we are not able to reliably estimate what proportion of financed projects comply with the EU taxonomy. These investments are therefore classified as sustainable investments with an environmental objective that do not comply with the EU taxonomy.

What investments were included under "not sustainable", what was their purpose and were there any minimum environmental or social safeguards?

The policies mentioned above and sustainable investment objectives apply to all direct investments of the fund. The fund has made other non-sustainable investments for hedging or liquidity purposes, for example. The fund may also have invested in derivatives contracts both for hedging purposes and within the fund's investment strategy, and it may have held cash. Such investments are not subject to the ESG requirements or minimum safeguards described above.

What actions have been taken to attain the sustainable investment objective during the reference period?

The attainment of the fund's sustainable investment objective is based on an in-depth analysis of the target companies and frameworks of their green corporate bonds.

The evaluation of the frameworks of green corporate bonds focuses in particular on the analysis of use of proceeds categories, as the positive environmental or social impact of an investment is largely determined by the projects to which assets are allocated. The target company's plan on reporting the impact of financed projects will also be analyzed.

On the company level, the fund focuses on evaluating the comprehensive sustainability of target companies and avoids investing in companies that have issues with sustainability factors. In addition to the current state of sustainability factors, the analysis focuses on the direction of development, the targets set by the companies and the plausibility of the development plans. In the evaluation of sustainable investments, Evli takes account of the principal adverse impacts on sustainability factors (PAI indicators).

In addition, during the current reference period, target companies' reports on green corporate loans and their impact were reviewed, and based on these a fund-by-fund report was produced to monitor the impact of the financed projects. Companies were contacted if inconsistencies or omissions in the reports were identified. In addition, sustainability issues were raised in company meetings and calls.