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.

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Evli USA Growth **Legal entity identifier:** 6367000O4Y5AV9UHKYK08

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ Yes	☒ No
☐ It made **sustainable investments with an environmental objective**: ___%	☒ It promoted **Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 5.8 % of sustainable investments
☐ 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
☐ 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 has promoted environmental and social characteristics by observing Evli's Principles for Responsible Investment, Climate Change Principles and Climate Targets, and by requiring that target companies observe good governance practices. The fund has used the means described below to implement the environmental and social characteristics it promotes:

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 Principles for Responsible Investment and its Climate Change Principles, and developing ESG tools for portfolio management during the year. During the year, Evli's equity and corporate bond funds were awarded ESG4Real certification. ESG4Real is a non-profit and politically independent certification that provides a basic platform for responsible investment and ESG analysis, and offers independent quality assurance on asset managers' attainment of these requirements.

Exclusion by industry: The fund has excluded harmful industries on the basis of Evli's Principles for Responsible Investment 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.

Climate change mitigation: 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 set the first interim target under the Net Zero Asset Managers Initiative ("NZAM initiative"). The interim target consists of three separate goals: an investment goal, an engagement goal and a company assessment goal. More information on the interim target is published on the NZAM website.

Active ownership and engagement: During the year, Evli exercised active ownership by engaging with a total of 37 companies. During the year, Evli started engagement with one company in the fund and continued to follow up on the previous engagement case of one company. In addition, Evli participated as a company in the following investor initiatives that promote Evli's responsible investment themes: 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 continued as an endorser in the PRI Advance initiative, under which investors take joint action on human rights and social issues. During the year, participants in the initiative have started to engage with the targeted companies. In 2023, Evli joined the international Nature Action 100 investor initiative, which encourages companies to take more ambitious action to reverse nature loss. In addition, in summer 2023 Evli signed a joint investor statement with other investors on the European Sustainability Reporting Standards (ESRS) of Eurosif, the PRI, the IIGCC, EFAMA and the UNEP FI. The statement calls on the EU Commission to uphold previously agreed guidelines on the ESRS reporting standard in order to fill the current data gaps in EU sustainable finance legislation. Evli also participated in companies' materiality analyses, discussed responsibility themes with other stakeholders and actively participated in the consultation process on the Disclosure Regulation with various parties.

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

How did the sustainability indicators perform?

Indicator name	2023	2022
Companies without serious norm violations	100.0%	100.0%
Share of companies with Paris aligned climate targets	66.8%	72.1%
Weighted Average Carbon Intensity (Scope 1+2 tCO2e / $M sales) of reporting year's investments		
Reporting year	42,7	127,6
Reporting year - 1	44,6	149,8
Reporting year - 2	51,9	141,9

...and compared to previous periods?

The performance of the sustainability indicators in previous reporting years is shown above.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The fund promotes environmental and social characteristics in addition to other characteristics but does not commit to making sustainable investments. The fund has, however, made investments that meet the criteria of the EU taxonomy system (EU Taxonomy Regulation) in environmentally sustainable economic activities. The EU Taxonomy Regulation sets criteria for environmentally sustainable economic activity that is considered to promote the environmental objectives of the regulation. More detailed information on EU taxonomy-aligned investments can be found later in the report.

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 EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

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. All mandatory indicators measuring greenhouse gas emissions, biodiversity, water, waste and social and employee matters, plus two voluntary indicators (environmental indicator 4. Investments in companies without carbon emission reduction initiatives, and social indicator 14. Number of identified cases of severe human rights issues and incidents) has been taken into account. 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.

What were the top investments of this financial product?

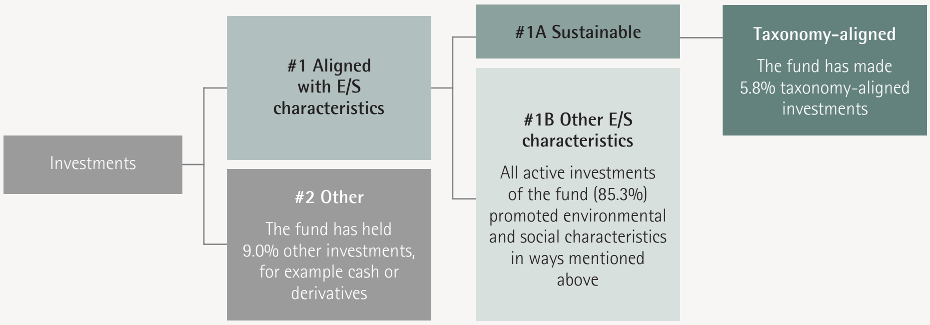
The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 2023

Largest investments	Sector	% Assets	Country
Microsoft Corp	Information Technology	7.67%	United States
Alphabet Inc	Communication Services	7.67%	United States
Apple Inc	Information Technology	6.44%	United States
NVIDIA Corp	Information Technology	6.28%	United States
Meta Platforms	Communication Services	3.38%	United States
JPMorgan Chase & Co	Financials	3.3%	United States
Visa Inc	Financials	2.76%	United States
Broadcom Inc	Information Technology	2.5%	United States
Mastercard Incorporated	Financials	2.37%	United States
UnitedHealth Group Inc	Health Care	1.76%	United States
Walmart Inc	Consumer Staples	1.57%	United States
Procter & Gamble Co/The	Consumer Staples	1.55%	United States
Adobe Systems Inc	Information Technology	1.49%	United States
Berkshire Hathaway Inc	Financials	1.41%	United States
Cisco Systems Inc	Information Technology	1.35%	United States

What was the proportion of sustainability-related investments?

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



#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 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

In which economic sectors were the investments made?

Sector	% Assets
Energy	2.5%
Materials	0.2%
Industrials	7.1%
Consumer Discretionary	4.7%
Consumer Staples	6.0%
Health Care	8.7%
Financials	11.9%
Information Technology	37.4%
Communication Services	11.6%
Utilities	0.0%
Real Estate	1.0%
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	6.23%

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

The fund has made investments that are EU taxonomy-aligned as set out below. Other reported investments that promote environmental factors are not sustainable investments under the Taxonomy Regulation. The presented proportion of taxonomy-aligned investments is based on data provided by an external data provider and not verified by a third party. The fund reports only on the information that is available on taxonomy. As data on alignment with taxonomy is only partially available from companies, the proportion of taxonomy-aligned investments is partly based on the calculations of the data provider. The data presented for taxonomy-aligned fossil gas and nuclear energy and the proportions of capital and operating expenditure are those reported by the target companies. In addition to the data reported by the companies, taxonomy-aligned revenue is based on estimates from the data provider. To the extent that issuers start to report on taxonomy alignment, the reported figures will replace the current figures calculated by the data provider and the taxonomy alignment information may become more precise.

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

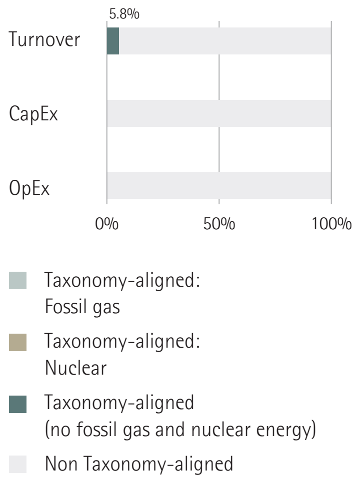
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

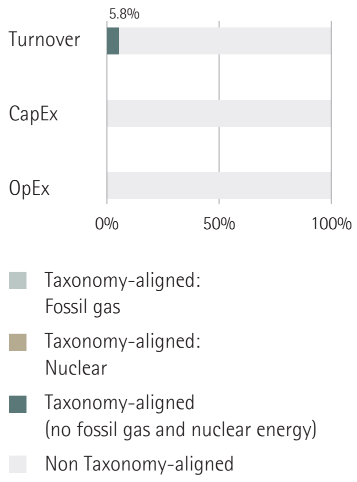
☒ No

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***



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



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

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.

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.

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.

[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.

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

The fund has made 5.8% taxonomy-aligned investments. This share includes possible investments to transitional and enabling activities.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

In the previous year the share of taxonomy-aligned investments based on revenue was 4.3 %.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The Principles for Responsible Investment, the Climate Change Principles and the exclusion principles apply to all direct investments made by the fund. The fund has also made 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 meet the environmental and/or social characteristics during the reference period?

The most important approaches of Evli USA Growth for taking sustainability factors into account during the year were ESG integration and exclusion. The analysis of ESG factors is integrated into the company analysis based on which the fund's investment decisions are made. As part of promoting the environmental and social characteristics, the fund has engaged with one company in relation to Evli's Climate Targets and encouraged the company to set science-based Climate Targets.

Sources: Evli, MSCI, ISS ESG