Sustainable growth through responsible asset management

Business Overview

Responsibility

Financial review

Governance

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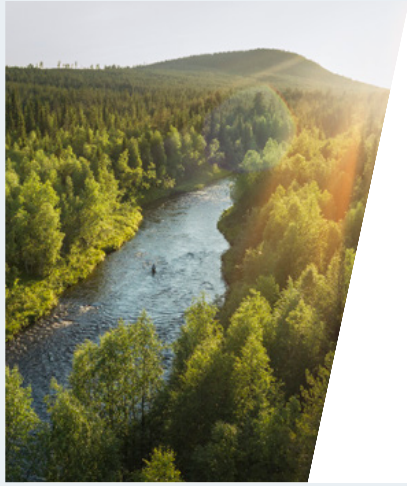

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Finland's leading asset manager

Evli is Finland's leading asset manager that help institutions, corporations, and private persons increase their wealth. Evli offers a wide range of investment and asset management services through the following business areas: Wealth Management and Investor Clients, and Advisory and Corporate Clients. The business areas are supported by Group operations.

The Wealth Management and Investor Clients segment offers asset management services, fund products, alternative investment products and various capital market services. The Advisory and Corporate Clients segment provides advisory services related to M&A transactions, incentive program design and administration services and investment research for listed companies. In addition, Due to the comprehensive service package, Evli is able to offer its clients product and service solutions that meet their various needs.

Finland accounts for the largest share of the company's revenue, while the other Nordic and European countries also are important market areas.

Read more: **www.evli.com**

Branding reflects Evli's competitive advantage in different markets

Finland and Sweden

Comprehensive Wealth Management and Investment Banking services.

Internationally

Nordic fund management boutique for institutional investors.

Evli's operations are divided into two client segments

Wealth Management and Investor Clients

- Product and service offering
  - Private Banking and Evli Digital wealth management services
  - Institutional Asset Management
  - Public and private market funds
  - Capital Markets services
- Finland's 4th largest Fund Management Company. Market share 6.7%
- Employs 166 investment specialists in Finland and Sweden
- Multiple times awarded among the best[1] and most used[2] institutional asset managers in Finland

Advisory and Corporate Clients

- Product and service offering
  - Corporate Finance: Financial advisor in financial arrangements for listed and unlisted companies
  - Evli Alexander Incentives: Incentive plan design and administration for listed and unlisted companies
  - Evli Research Partners: Research services to small and mid-sized listed companies
- Employs 74 investment specialists in Finland and Sweden.

[1] Kantar Prospera External Asset Management Finland 2015, 2016, 2017, 2018, 2019, 2021 [2] Kantar Prospera External Asset Management Finland 2017, 2018, 2019, 2020, 2021

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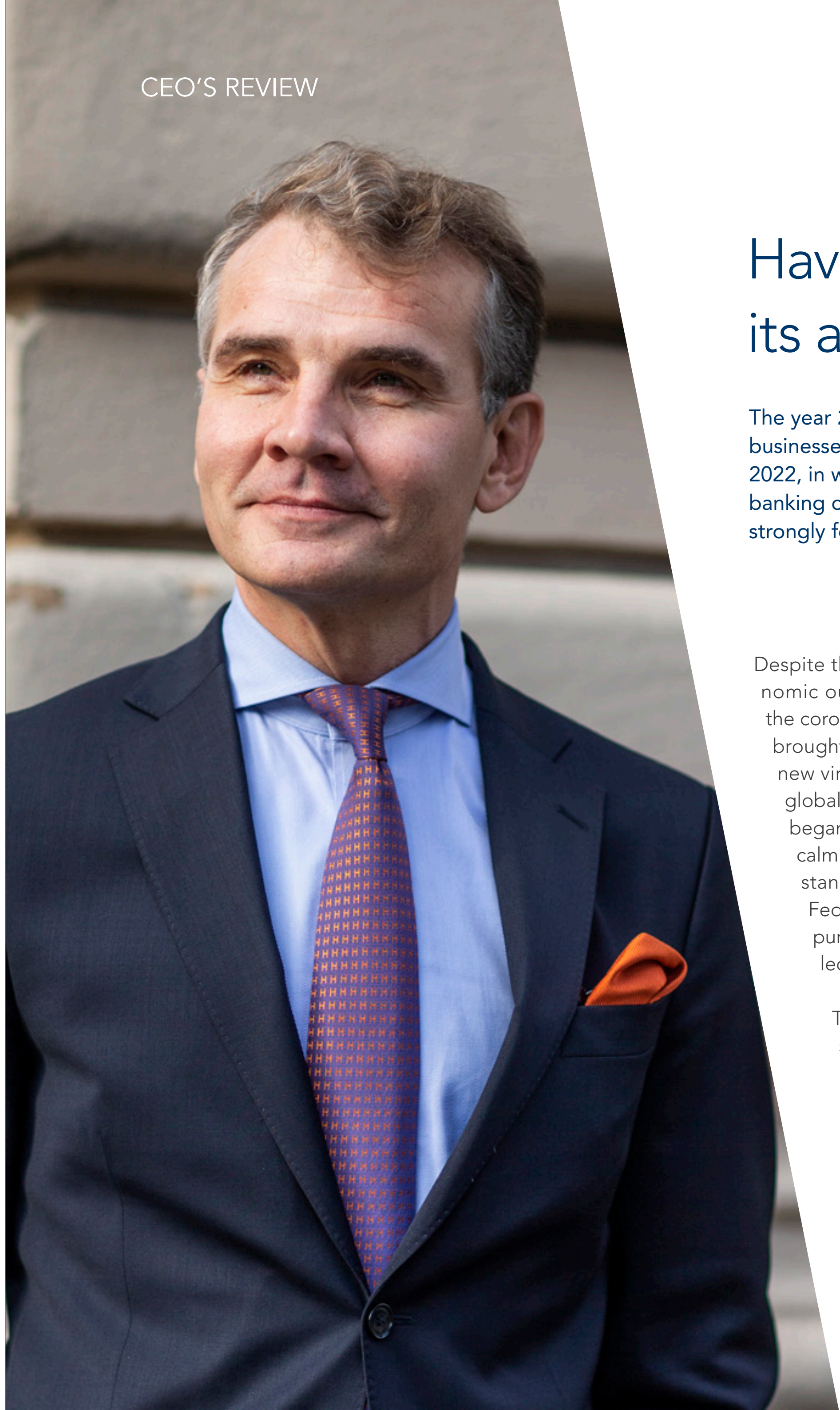


Having achieved top results, Evli strengthens its asset management and advisory focus

The year 2021 was very favourable for Evli operationally, with clear growth across all businesses. Our most significant news of the year was the arrangement to come in spring 2022, in which Evli will be split into a new listed asset management company and a new banking company, which will be merged with Fellow Finance Plc. The result will be a more strongly focused asset management and advisory business, Evli.

Despite the persistence of the pandemic, the global economic outlook picked up in 2021 after recovering from the coronavirus shock of the prior year. This past year also brought challenges, such as the restrictions imposed by new viral variants, as well as component shortages and global logistical problems. Gradually, inflation concerns began to rear their heads. Central banks initially reacted calmly, but as the autumn progressed, monetary policy stances took on a tighter tone. In December, the US Federal Reserve announced that it would end its asset purchase programme earlier than planned and signalled interest rate hikes for 2022.

The earnings performance from corporates was strong last year and, apart from a few small corrections, stock markets were up, especially in developed countries. Investors' behaviour continues to be driven to a significant extent by a lack of alternatives, leading them to choose riskier asset classes such as equities and alternative illiquid investments.

Successful customer acquisitions at home and abroad

In 2021, Evli's business developed excellently, with revenue up 45 percent year-on-year to EUR 115.6 million (2020: EUR 79.7 million) and operating profit almost doubling to EUR 53 million (EUR 29.1 million). In terms of key indicators, our return on equity was considerably higher last year at 40.3 percent (26.2%), a very rare figure for a bank. The ratio of recurring income to operating costs was 130 percent, well above our target. Part of the good result is explained by the high level of performance-based fee income from investment activities, which was particularly high towards the end of the year. On the other hand, the reorganisation announced in July also led to significant one-off charges, such as external advisory fees.

It was particularly pleasing that all of Evli's businesses (Wealth Management and Investor Clients and Advisory and Corporate Clients) grew and performed well. Our client acquisition activity was strong both at home and abroad, new product launches were well received and demand for business services increased. At the end of 2021, our client assets under management reached a new record of EUR 17.5 billion, thanks to successful sales efforts and favourable market developments.

Both of our strategic focus and growth areas, international fund sales and alternative investment products, developed very favourably during the past year. Of the EUR 1.2 billion in net subscriptions to traditional investment funds, EUR 737 million came from outside Finland, especially from Central Europe. The market for our alternative investment products is Finland, but in the future, we will also target international markets for these products. To be successful, we need a diversified offering of successful and innovative products which will enable us to provide our clients with a truly comprehensive portfolio management model. The approach is to improve the diversification and return potential of the client's portfolio by investing not only in traditional asset classes but also in alternative sources of return, such as private equity and private debt, as well as real asset classes such as real estate, infrastructure, and forestry.

Last year, we expanded our offering with a number of new alternative investment funds: Evli Private Debt Fund I, Evli Leveraged Loan, Evli Growth Partners Fund II, Evli Residential II and Evli Private Equity III. These and our other open-ended alternative investment funds raised a total of EUR 498 million in net subscriptions last year, bringing Evli's client assets under management in alternative funds to EUR 1.6 billion at the end of the year. This is a remarkable achievement, considering that alternative asset classes were adopted as our strategic growth area in 2017. More than 20 experts currently work in the alternative products team.

From climate targets to a roadmap for climate-friendly investment

Our third key strategic focus area is responsibility, which we took decisive steps to further advance last year. In June, we announced our climate targets to halve carbon emissions from our investments and our own operations by 2030. By 2050, we will be fully carbon neutral across all investments. This will align us with the 2015 Paris Climate Agreement, which aims to limit global warming to 1.5 degrees Celsius.

At Evli, responsibility factors (climate, social responsibility and good governance) are integrated into all investment activities, and responsible investment is a systematic part of portfolio management in fund and asset management. At the end of the year, we received significant recognition for our long-term work when SFR Scandinavian Financial Research awarded us the best responsible investment expertise in Finland, based on ratings from institutional investors. Our aim for the coming years is to maintain and further strengthen our position as a leading expert in responsible investment.

Responsibility requires not only quick solutions, but also far-reaching work, the framework for which is shaped by discussions throughout society and changes in the operating environment. This is also very much the case for digitalisation, our fourth strategic focus area, which has received a further boost from the prolonged coronavirus pandemic. Our digital efforts range from customer-focused digital services to support asset management and investing to the streamlining and simplifying of our internal processes.

The divestment from banking operations creates new growth opportunities

Our most significant company news of the past year was published on July 14, when we announced our split into a new listed asset management company and a continuing banking company that will merge with Fellow Finance plc. The reorganisation will create better conditions to grow both our banking and asset management businesses as independent entities. The result will be Evli Plc, which will focus more strongly on asset management and advisory services, and a new Fellow Bank Plc, based on a scalable digital service concept.

At Evli's Extraordinary General Meeting held in December, the shareholders gave their blessing to the arrangement, which is expected to be completed in the first half of 2022. Last year, the reorganisation progressed as originally planned, and early this year we will continue to engage with the authorities and finalise the separation and integration of functions, especially in terms of IT systems.

In the future, Evli's goal is to be the leading asset manager in the Nordic countries, with growth, profitability, and responsibility as its core themes. The company will also seek growth by expanding its international business. We aim to achieve a return on equity of more than 25 percent and an operating profit margin of more than 30 percent over the business cycle, as well as doubling the assets under management from current levels in the long term. In addition, we aim to increase the ratio of recurring revenues to operating costs to more than 130 percent. The new Board of Directors elected for the company will further specify the financial targets in spring 2022, following the implementation of the demerger.

The asset management sector is currently very fragmented, and consolidation will undoubtedly continue. Smaller players will be merging or becoming part of a larger entity. It is a way of fighting for survival in an environment that has been characterised over the last 10 years by the rapid growth of passive investing and the rapid development of automation and algorithms. Traditional active asset managers will inevitably have to innovate and adjust their cost levels.

However, there is demand for high quality expertise and I strongly believe that asset management is a long-term growth sector in Finland and the Nordic countries. This is supported by a number of megatrends in the operating environment, such as the general prosperity of society, the passing on of inherited wealth from baby boomers to the next generation, and the growth in wealth resulting from corporate activity and acquisitions. Concerns about the functioning of the pension system and the adequacy of pensions will also put pressure on the future accumulation and responsible management of assets.

I would like to thank our clients and shareholders for their trust in Evli and I hope that our successful cooperation will continue also in the future.

Maunu Lehtimäki

CEO

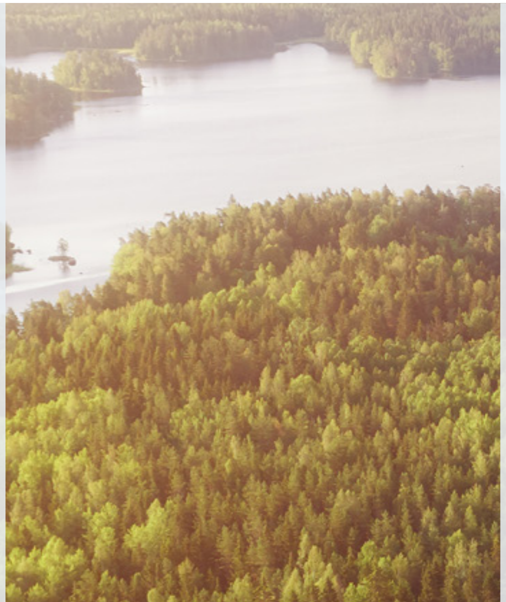
Responsibility at the heart of operations

04/2021

Evli funds won Lipper Fund Awards 2021

The Evli Short Corporate Bond fund and the Evli Nordic equity fund won the top rankings across all of Europe. The same funds also won awards in Germany and the Nordic countries. The awards are a continuation of the Lipper awards from previous years.

Read more: **www.evli.com**

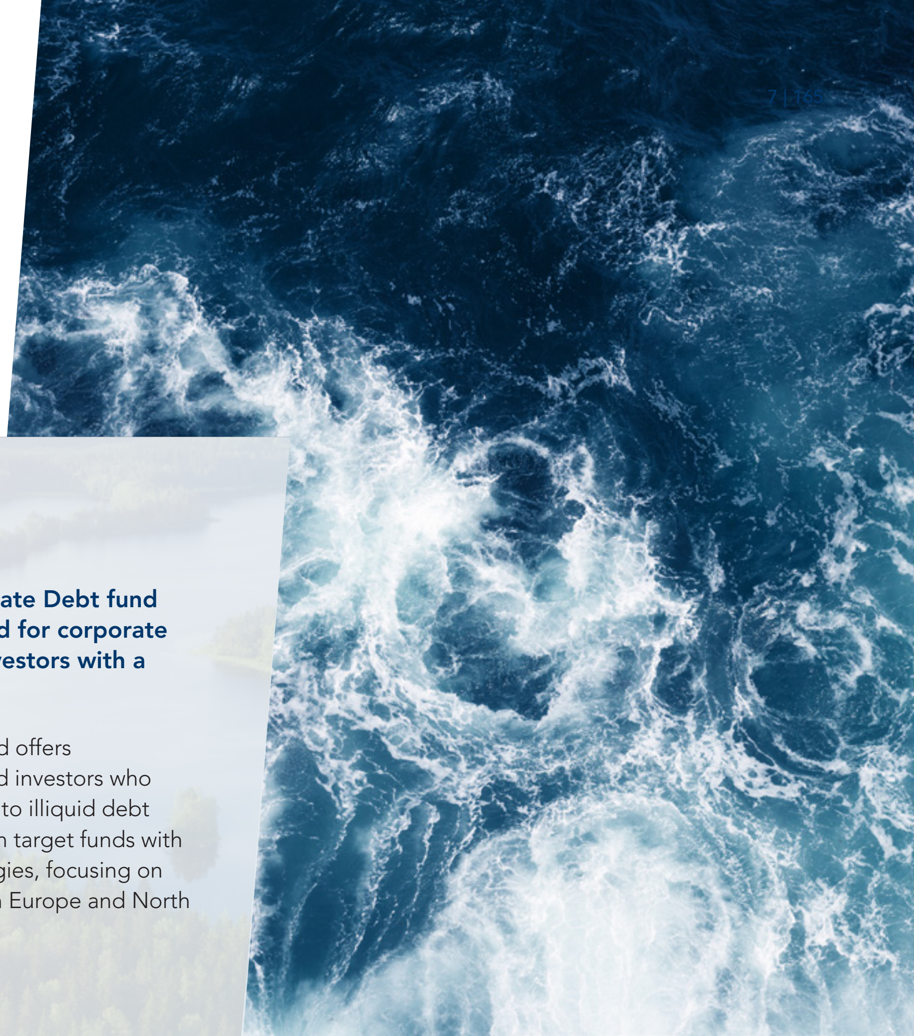


05/2021

Evli launched a new Private Debt fund - meets growing demand for corporate finance and provides investors with a new alternative

The new private equity fund offers alternatives for experienced investors who do not have natural access to illiquid debt markets. The fund invests in target funds with different investment strategies, focusing on corporate debt financing in Europe and North America.

Read more: **www.evli.com**



Assets under management €

17.5

bn

06/2021

The all-new My Evli mobile launched

The aim of the My Evli mobile renewal is to offer clients a high-quality digital asset management and investment service that meets their needs, also as a mobile application, while also being easy to use, clear and secure.

Read more: **www.evli.com**

Investment assets of alternative investment products €

1.6

bn

06/2021

Evli aims to halve the carbon emissions of its investments by 2030 and targets to be net zero by 2050 at the latest

Evli's new climate targets aim to achieve a real impact in investments, business operations and the industry. At the same time, Evli strengthened the role of responsibility by appointing for the first time a Head of Sustainability to the Board of its fund management company.

Read more: **www.evli.com**

06/2021

The best and most used asset manager in Finland

Evli was ranked as the best and most used institutional asset manager in the Kantar Prospera ”External Asset Management Finland 2021” -client survey. In November, Evli was awarded the ”Gold Award” in the SFR Scandinavian Research client survey on institutional asset management.

Read more: **www.evli.com**

08/2021

Evli launched the first Nordic-focused leveraged loan fixed income fund

The new fixed income fund leverages Evli's strong knowledge of the Nordic fixed income markets and targets investments in sectors that are highly resilient to cyclical fluctuations. Evli strongly believes that Nordic leveraged loans offer a higher return potential with a better credit risk profile than their European counterparts in the form of an attractive floating rate investment instrument.

Read more: **www.evli.com**

10/2021

Evli and the John Nurminen Foundation cooperating to benefit the Baltic Sea

Evli started cooperating with the John Nurminen Foundation. The Foundation is not only an award-winning communicator of knowledge and producer of maritime content, but also a water conservationist with a focus on making an impact. For Evli, protecting the Baltic Sea is a natural step towards becoming a carbon-neutral asset manager.

Read more: **www.evli.com**

11/2021

Evli again among the most inspiring workplaces in Finland

Evli achieved excellent results in the 2021 survey conducted by Eezy Spirit. The most inspiring workplaces in Finland award is only given to the Finnish organisations that perform among the best in the survey.

Read more: **www.evli.com**

11/2021

Evli Finland's best in responsible investing

Evli was awarded the ”Responsible Investment Award” for the best responsible investment expertise in Finland in the SFR Scandinavian Research client survey on institutional asset management.

Read more: **www.evli.com**

12/2021

A new solution for residential investment

Evli launched a new residential development fund, the Evli Residential II fund. Its investment strategy is based on own real estate target development and independent management of the entire value chain.

Read more: **www.evli.com**

12/2021

Evli's Extraordinary General Meeting approved the demerger

The demerger will result in the separation of Evli, an asset management group focused on investment services. The remaining banking business will be merged with Fellow Finance Plc. The arrangement will enable both companies to focus more strongly on value creation in their respective business areas.

Read more: **www.evli.com**

Finland's

4th

largest fund management company

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Added value with stable earnings development

Resources

Personnel
- 290 investment specialists

Offices and distribution network
- 3 offices; Helsinki, Turku and Stockholm
- 7 tied agents
- Distribution through partners and own offices in 15 countries.

Intangible assets
- Products and services
- Brand
- Client relationships
- Social network: partners, distribution network and community relations.

Financial resources
- Balance sheet EUR 757.7 million
- Equity EUR 118.2 million
- Assets under Management EUR 17.5 billion
- Net revenue EUR 115.6 million.

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

Mission
Increasing clients' wealth sustainably according to their individual targets.

Vision
Clients perceive Evli Simply Unique by offering high quality services and unique customer experience 24/7.

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.

Institutions and private persons

Corporations

Advisory and Corporate Clients
Corporate advisory services, incentive plan design and administration as well as 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 responsible operations

Comprehensive support functions and controls including IT, financial administration, back-office, marketing & communication, law and compliance

Strategy
More information on pages 10-13.

Values
Entrepreneurship, valuable relationships, learning, 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
- 290 investment specialists
- Salary and bonuses EUR 29.5 million
- Pension expenses EUR 4.8 million
- Personnel training EUR 143,000.

Owners and investors
- Dividend proposal EUR 1.06/share
- Equity/share EUR 4.73
- Stable development
- Responsible investment.

Society
- Investments EUR 0.9 million
- Paid taxes EUR 10.5 million
- Collaboration, support and sponsorship with universities, entrepreneurs as well as sports, culture and protection of the Baltic Sea.

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Strategy - preserve and grow clients´ wealth in a sustainable way

Megatrends create opportunities for Evli

The financial sector is in the midst of an enormous transformation, driven foremost by globalisation, digitalisation, increased regulation, societal developments and responsibility.

Regulatory and reporting requirements in the financial industry have increased greatly over the past decade, and this trend still continues. Tighter regulation improves consumer protection and makes the service providers' operating models more transparent to clients. At the same time, meeting the requirements of tightening regulation requires service providers to develop their information systems and educate the personnel.

The development of information systems and digital services enables both the provision of services in a wider geographical area and also generates competition across sectorial boundaries. Clients can be served in more cost-effective and personalised ways, and increasingly by the use of artificial intelligence and robotics. Clients want to invest regardless of time and place, and they demand smoother and more personalised service solutions that seamlessly integrate the ease and speed of technology and the individuality brought by personal service.

At the same time, the financial sector is challenged in developed markets by an ageing population and their limited ability to take advantage of digital services. Securing the standard of living and well-being at retirement is of interest to an ever-increasing client segment. These clients need and require investment ser-

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vices that take individual preferences into account in order to achieve this.

As megatrends increase the demands of society, customers, and the environment for sustainable development, service providers need to develop responsible and long-term product and service solutions. In the financial industry, clients increasingly demand that responsibility is taken into account in investment operations and seek investment and asset management solutions that integrate environmental, social and corporate governance issues (ESG).

Evli's goal is to be a growing and profitable, leading Nordic asset manager.. The cornerstones of growth are the development of new products and services, as well as the creation of unique customer experiences, the utilisation of digitalisation and the integration of responsibility in day-to-day operations.

Creating a superior customer experience

Evli's Vision is to be perceived by clients as Simply Unique by offering high-quality services and a unique customer experience. The aim of the development of product and service concepts is to offer clients more flexible products and services that take responsibility as well as individual needs and requirements into account. The key products and services consist of innovative institutional-level products and services and a sound corporate culture which is based on Evli's values: entrepreneurship, valuable relationships, integrity and learning. These values and Evli's Ethical Code of Conduct serve as the guiding principles in the management of client relationships.

International growth with carefully selected fund products

Evli has successfully established itself as a leading asset manager among Finnish affluent private individuals and institutions and one of the biggest fund houses in the country. The aim is to further strengthen its position as a leading asset manager. Given its substantial share of the domestic market and the small size of the market, international growth is a natural objective for Evli. Evli is excellently placed where international sales are concerned, and the image of a high-quality Nordic fund management boutique is of interest to foreign investors. Particularly in Central Europe, Evli benefits from the image of reliability and transparency that is associated with the Nordic countries. Compared with large international fund houses, Evli's relatively smaller size enables agility and more personalised service. Evli leverages its competitive advantage by focusing on increasing the international sales of selected funds to institutional investors through carefully selected partners.

Alternative investment products at the heart of product development

In addition to international growth, an important strategic priority is the expansion of the product and service offering to private individuals and institutions. The cornerstone of expanding the product and service portfolio is the continued development of alternative investment funds. Evli offers Finnish investors, and in the future also international clients, several alternative investment funds. The aim is to turn the asset class into a considerable source of revenue.

In addition, Evli is constantly further developing the service concept to corporations based on the creation of a unique system geared to increasing shareholder value. Companies are offered both corporate advice and services related to M&A activity, as well as the design and management of incentive plans and corporate analyses. The aim is to increase the sales of these services in Finland and Sweden.

Responsibility at the core of all business operations

Responsibility has been a part of Evli's investment activities for a long time. Evli's ability to integrate responsibility into its entire business is essential for creating added value. Responsibility factors have been integrated into investment operations in Evli's most significant business area, Wealth Management, which means that responsible investment is a systematic part of portfolio management. Investments made by Evli's mutual funds are also monitored for possible norm violations, and Wealth Management engages with companies independently and together with other investors.

> ” Evli's ability to integrate responsibility into its entire business is essential for creating added value.

Evli is constantly looking for new ways to further improve the responsibility of its products and services. More about Evli's responsibility and responsible investing is found on pages 18-43.

Added value through digitalisation

Evli's business environment is increasingly becoming digital, and as part of this change, clients are increasingly seeking digital investment service solutions. Customers expect investment services to be available anywhere, anytime, which is why Evli has invested in digital service solutions. Process automation, data analytics and artificial intelligence have an increasingly important role in the daily activities of the investment services industry. They also have a direct impact on the client experience in the form of the smooth performance of the services.

To maintain its competitiveness, Evli invests strongly in the development of digital services alongside traditional service models. In addition, Evli invests in the automation of its practices, since improving efficiency is critical for the company's success in a digitalised business environment.

Increasing clients' wealth sustainably

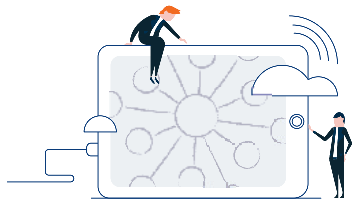
LEADING NORDIC WEALTH MANAGER

GROWTH TARGETS

Return on Equity
Net Fee Income
Recurring Revenue to Operational Costs
Assets under Management

STRATEGY FOCUS AREAS



Clients

Increasing the client base in Finland and internationally

Perceived as "Simply Unique" by clients

Offering

Alternative investment products to private clients and institutions

Development of the integrated corporate service model to corporate clients

Responsibility

Responsible products and services

Positive influence on society and the environment

Digitalization

New digital investment solutions and service models

Utilization of process automation, software robotics and artificial intelligence

MEGATRENDS

Globalization

Increased competition
Blurring industry boundaries
Empowerment of customer

Business environment

Consolidation
Increased regulation and control

Societal transitions

Aging of the population
Digital natives

Responsibility

Ethical business
Sustainability
Transparency
Climate change

Digitalization

Artificial Intelligence
Robotization
Big data
Cyber risks

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STRATEGY IN ACTION

Cornerstones of the strategy	2021 Outcomes	Targets 2022
Clients • Increasing the client base in Finland and internationally • Perceived as "Simply Unique" by clients.	**Clients** • Fund net subscriptions of EUR 1.2 billion (2020: EUR -1.1 billion) • Total Assets under Management of EUR 17.5 billion (2020: EUR 14.1 billion) • International Assets under Management increased 43 percent to EUR 3.3 billion (2020: EUR 2.3 billion) • Evli is ranked as the best[1] and most used[2] institutional asset manager in Finland • Evli has Finland's best expertise in responsible investment.[3]	**International growth** • Deepen the presence in current markets • Stronger presence in Sweden • Expand the customer base • The best and most used asset manager in Finland.
Offering • Alternative investment products to private clients and institutions • Development of the integrated corporate service model to corporate clients.	**Offering** • Assets under management in alternative investment products EUR 1.6 billion (2020: EUR 1.1 billion) • New alternative investment funds, Evli Private Debt Fund I, Evli Growth Partners Fund II, Evli Private Equity Fund III and Evli Residential Fund II • New Evli Leveraged Loan Fund (AIF).	**Offering** • Expand the product offering by introducing 2-3 new alternative investment funds • Launch 1-2 new traditional mutual funds.
Responsibility • Responsible products and services • Positive influence on society and the environment.	**Responsibility** • Setting climate targets • Systematic engaging with companies independently and together with other investors • Business operations developed favourably and dividend increased by 45%.	**Responsibility** • Deepen ESG integration in portfolio management • Launch new responsibility and impact funds • Further improving the diversity of personnel • Increasing transparency in investor communications.
Digitalisation • New digital investment solutions and service models • Utilisation of process automation, software robotics and artificial intelligence.	**Digitalisation** • Launch of the new My Evli mobile • New platform for fund publications.	**Digitalisation** • Development of internal processes • Process developments to support the strategic focus areas. • Renewed process for becoming a client.

[1] Kantar Prospera External Asset Management Finland 2015, 2016, 2017, 2018, 2019, 2021
[2] Kantar Prospera External Asset Management Finland 2017, 2018, 2019, 2020, 2021
[3] SFR Scandinavian Financial Research Institutional Investment Services Finland 2021

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Responsibility has been an integral part of Evli's business for many years. Responsibility is one of Evli's strategic focus areas and the company is actively developing its procedures. During the year, the company published climate targets and related milestones, new client-specific ESG reports and new responsibility-focused investment products. In addition, Evli implemented the EU Sustainable Finance Disclosure Regulation (SFDR) requirements for the provision of sustainability information at the company and the financial products level. Evli was also actively involved in the debate on the EU legislation and monitored the development of the taxonomy. There was also an increased focus on effective and safe working conditions, both remotely and in the office, due to the coronavirus.

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Responsibility at the core of strategy

Responsibility built on Evli's values and transparency

Evli's business starts with clients and understanding 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. 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, integrity and continuous learning. 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. Because corporate responsibility is part of Evli's everyday business operations, its annual report includes a corporate responsibility report. The responsibility section includes detailed information on how responsibility has been integrated into business operations and what indicators have been deemed essential for measuring Evli's responsibility.

Responsibility report based on stakeholders' expectations

(GRI 102-46: Defining the content of the report, GRI 102-47: Material considerations, GRI 103-1: Material issues and their threshold)

At Evli, sustainability is broadly defined as financial, social and environmental responsibility. Ongoing dialogue with stakehol-

> ”
>
> Responsibility is based on Evli's values: entrepreneurship, valuable relationships, integrity and continuous learning.

Responsible business supports the company's value creation

ders is very important for Evli, as it helps to develop responsible ways of working and doing business. In 2018, for the first time, Evli conducted a materiality analysis for its key stakeholders to ensure that its responsibility report and responsibility priorities for the coming years reflect stakeholders' expectations and focus on issues that are material to the company. In 2021, the material topics were reassessed to ensure that these remain relevant and properly grouped. On the basis of the re-evaluation, the material topics remained unchanged, but the grouping was changed by dividing the material topics into three main groups: base, development areas, and focus areas, covering a total of eleven most relevant topics. No changes were made for the 2021 analysis.

The materiality analysis has taken into account the importance of the issues raised for stakeholders and for Evli's business. A more detailed grouping also took into account the opportunity for Evli to develop areas to make its business more responsible.

The base of the grouping are topics that create the foundation for banking operations and are directly related to stakeholders' confidence in Evli and its business. At the middle of the grouping are the development areas, which are relevant to Evli and its stakeholders, enabling more responsible business, and are partly determined by laws and regulations. At the top of the grouping are the focus areas of Evli's responsibility work. These are the topics that Evli has identified as significant to ensure its future competitiveness and create added value for its stakeholders in the long term.

As a result of the materiality analysis, Evli has recognised, among others, that in improving responsibility and with regard to environmental impacts, the single most important factor in Evli's operations is the responsibility of the company's investment operations and taking this into account in the product and service range.

Continuous dialogue with stakeholders

(GRI 102-40: List of stakeholder groups, GRI 102-43: Approach to stakeholder engagement, GRI 102-44: Key topics and concerns raised)

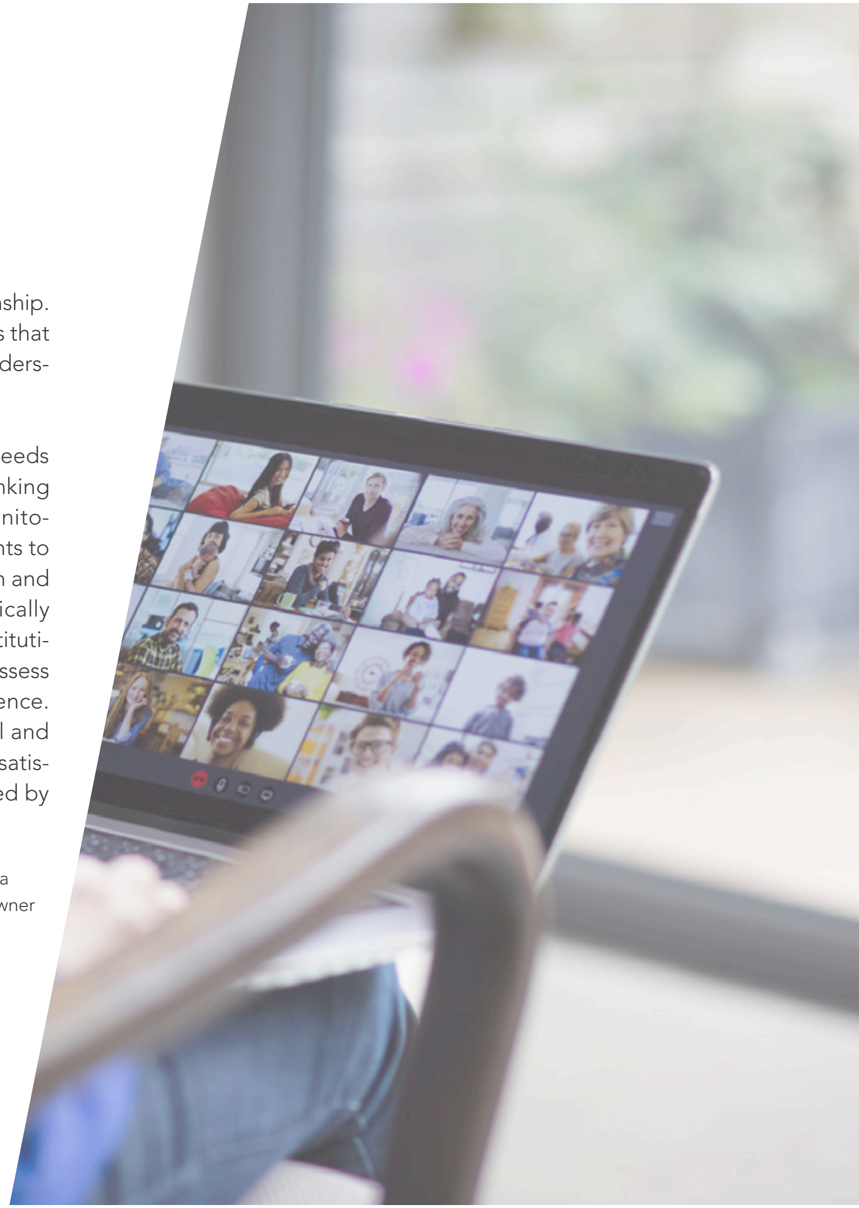
Evli's principal stakeholders are its clients, personnel, shareholders, investors, the authorities, partners and media. An active and open dialogue with these principal stakeholders helps Evli to identify the areas of its operations that should be prioritised and developed. Regular discussions with different stakeholders form a foundation for understanding their views and needs. Correspondingly, it is important to tell stakeholders about the company's goals, execution policies, values and changes in the operating environment. This helps create a common understanding and trust concerning business operations and factors that influence it.

Grouping of material topics based on the materiality analysis

FOCUS AREAS	• Responsible investing • Profit performance • Fairness: equality, non-discrimination and diversity • Attractive employer	Prioritized areas of responsibility work at Evli. These have been identified as important to ensure Evli's future competitiveness and create added value for its stakeholders in the long term.
DEVELOPMENT AREAS	• Responsible marketing • Work well-being and health • Education and development • Direct environmental impacts	Issues relevant to Evli and its stakeholders that enable more responsible business operations. Determined in part by laws and regulations. However, Evli itself determines how much it develops these areas of responsibility in order to be a more responsible company and to meet stakeholder expectations now and in the future.
BASE	• Customer privacy protection and data security • Taxes and tax footprint • Corruption, bribes and money laundering	Areas that are fundamental to trust in the banking industry and are directly related to stakeholder confidence in Evli and its business. These are always handled in accordance with current legislation and regulatory requirements.

STAKEHOLDERS	STAKEHOLDER'S EXPECTATIONS	CHANNELS	EVLI'S ACTIONS IN 2021
Clients	• Competitive products and services • Useful auxiliary and advisory services • Reliability, data protection • Service channels that meet needs • Responsible operations	• Questionnaires and client feedback • Websites and social media channels • Client meetings, events and webinars • Emails, newsletters and phone calls	• 1 new mutual fund and 3 new alternative investment funds were launched • Climate targets and related milestones published • New client-specific ESG reports published • Information in accordance with the Sustainable Finance Disclosure Regulation (SFDR) were given from funds and asset management strategies • Internal processes were developed to improve operational efficiency and improve customer service
Personnel	• Fair treatment and open interaction • Job stability and competitive pay • Opportunities for professional development • Occupational health and well-being	• Intranet and HR personnel system • Occupational healthcare • Performance reviews and training events • Personnel satisfaction survey and other internal surveys • Personnel events	• The expertise and knowledge of the employees were developed • Team leaders were offered support in developing managerial work • Operations were developed based on personnel surveys • Self-management webinars were organised • The recruitment process and trainee program were developed
Shareholders and investors	• Creating long-term value • Profit performance • Dividend and good return on equity • Capital adequacy • Responsible operations	• Interim and half-year reports, financial statements bulletins and annual report • Corporate Governance Statement • Remuneration policy and report • Stock exchange and press releases • Annual General Meeting, Investor and analyst meetings • www.evli.com	• Evli continued to implement its strategy from 2017 • Operations were developed to create long-term stable financial performance • Economic, social and environmental aspects were taken into account in operations
Partners (including agents and distributors)	• Fair and equal treatment • Competitive products and services • Reliability and capital adequacy • Two-way communications	• www.evli.com • Meetings and training • Emails and phone calls	• Information and trainings about new products and services • Operational development based on feedback received • Open communication and continuous dialogue
The authorities	• Compliance with laws and regulations, integration of sustainable development with operations • Open, transparent and reliable reporting • Continuous interaction	• Phone calls and emails • Participation in events and training	• Compliance with new laws, regulations and provisions and developing business operations to adapt to changes in the operating environment • Open communication and continuous dialogue
Media and journalists	• Relevant, reliable and open communications • Expertise	• Press and stock exchange releases • Press events and interviews • www.evli.com and social media channels • Morning reviews, newsletters, emails and phone calls	• Multi-channel communication on topical matters • Prompt replies to inquiries and interview requests from the media • Regular media meetings
Local communities	• Employment opportunities • Co-operation with universities • Support to communities and co-operation with businesses	• Meetings, events and webinars • www.evli.com and social media channels	• Activities of the universities were supported • Summer employments and the trainee program were developed • Continued co-operation with entrepreneurial organisations to support entrepreneurship • Support for sports and cultural activities in Finland as well as prote-ction of the Baltic Sea

Responsible products and services



Evli's key principle is to offer products and services that meet its clients' needs and goals. In selling products and services, Evli focuses on ensuring that clients understand the product or service they are buying and the associated risks, as well as ensuring that the product or service suits the clients' investment goals. At Evli, responsible investing means that environmental, social, and good governance factors are an integrated part of portfolio management.

Responsible marketing based on integrity, clarity and transparency

Evli's mission is to increase clients' wealth sustainably according to their individual targets and its vision is to ensure that it is perceived as "Simply Unique" by offering high-quality services and a superior client experience 24/7. Trust plays a key role in order to achieve the company's mission and vision. To earn and maintain trust, the products and services are explained honestly and in accordance with valid legislation. Responsibility is emphasised in the communication and marketing of products and services by being transparent, professional and clear.

Evli's operations are based on the Stewardship[1)] philosophy, which means the client's best interest always comes first. In Evli, Stewardship means that the client's assets are managed as if they were Evli's own. 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 Evli to offer every client products and services that fit their needs and goals and to ensure that clients truly understand the product or service they are buying.

Transparent products and services that promote clients' needs improve client satisfaction. Client feedback in Private Banking and Institutional asset management is continuously monitored. By continuously measuring client satisfaction, Evli wants to identify issues that clients consider relevant, develop them and quickly react to problems. Client satisfaction is electronically measured after a meeting with a Private Banking or an Institutional client. In the survey, the client and the asset manager assess the success of the client meeting and the service experience. Client satisfaction is reported in real time at the unit level and to the Executive Group. In addition to Evli's internal client satisfaction surveys, Evli takes part in annual surveys conducted by external parties concerning asset management

1) Stewardship is rooted in the Middle Ages and based on the idea of a steward managing an owner's property as if it was his own while the owner is away.

Results and priorities for 2021

- In Kantar Prospera's "External Asset Management 2021 Finland" survey, Evli was the most used institutional asset manager in Finland for the fifth consecutive year and the best institutional asset manager in Finland for the sixth time. Evli received special praise for, among others, its portfolio management expertise, product quality, responsible investment and client responsibility skills. Evli's brand was rated the strongest of all in asset management services.
- To improve customer experience, Evli continued to streamline its operations and reorganise its work. Evli also invested in system upgrades and the development of new products and services.
- Due to the restrictions imposed by the coronavirus, Evli focused on active electronic client communication and the organisation of webinars.

Customer data protection as a basis for trust

(GRI 418-1: Number of legitimate complaints about customer privacy violation and customer loss)

In Evli's operations, particular attention is devoted to data protection and the safeguarding of the client's privacy protection in the processing of personal data. Personal data is used for taking care of client relationships, offering products and services, direct marketing and risk management. Evli is committed to processing personal data in accordance with the laws, appropriately and transparently. Personal data is processed in compliance with the EU's General Data Protection Regulation (GDPR) and specific legislation for the financial industry.

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 ensure that it meets the requirements of the authorities, clients and the changing operating environment.

Results and priorities for 2021

- New employees were trained in Evli's data protection and digital security.
- An electronic security review was sent by email to all employees on a regular basis, highlighting current security issues in Evli's business operations.
- Evli updated the cookie policies on its website.

Responsible investing

Evli believes that incorporating responsibility considerations into investment decisions increases the understanding of the investments and the related risks and opportunities more than by simply analysing financial figures.

Responsible investment an integrated part of investment operations and reporting

At Evli, responsibility factors have been integrated into the investment operations of Wealth Management, which means that responsibility is systematically considered in portfolio management. In practice, this is done through an internal ESG database based on sustainability data produced by MSCI ESG Research and ISS ESG, as well as through information published by companies and attained through company meetings. The purpose of the ESG[1)] database is to provide portfolio managers with easy access to ESG data when making equity and fixed-income investments. For instance, portfolio managers can search for the following information on a company: responsibility assessments (so-called ESG scores), data on controversial activities' contribution to revenue, and any ESG violations as well as emission data, information on companies' emission reduction targets and how companies are aligned with the Paris Climate Agreement. In 2021, ISS ESG climate data was added to the database.

The ESG database is also used for reporting purposes. Evli publishes public ESG reports on all of its equity and corporate bond funds. This means that anyone can check the responsibility of Evli's investments. In addition to ESG and UN Global Compact analyses, the ESG reports include development of investments' ESG scores, reputational risk, carbon footprint and company-specific ESG data for the 10 largest holdings. In 2021, Evli expanded its responsibility reporting to include client-specific ESG reports.

An investment-specific ESG analysis is part of all investments, including those in alternative funds. In the Evli Private Equity, Evli Infrastructure and Evli Private Debt fund, each new fund is analysed against the same ESG criteria and investments are only made in funds that meet the criteria. The funds are also analysed according to the same criteria during the investment and the ESG analysis data is transparently available to investors. In the same way, in Evli's growth company fund, EGP I, the 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. For real estate funds, we operate in a socially responsible manner and expect the same from our partners. In addition, we are able to contribute to the energy efficiency of buildings and the carbon footprint of construction through concrete measures. Evli's forest fund, Evli Impact Forest Fund, identifies ESG risks and opportunities for target funds by assessing, among other things, the environmental performance of forest managers and ensures sustainable forest management through forest certification schemes developed over the past 25 years.

[1)] ESG=Environmental, Social and Governance

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More responsible practices through engagement

Evli analyses the active selections in its equity and corporate bond funds and wealth management direct investments 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 set out 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 corporate responsibility and the application of law to international business. Information on non-compliance is available from the MSCI and ISS ESG databases and other sources, such as news reports.

Every case of non-compliance with the norms and Climate Change Principles triggers a pre-determined process at Evli. The case is first handled with a portfolio manager, after which Evli's Responsible Investment team analyses the company's situation. The Responsible Investment team has two options for further action:

1. Initiate measures for engagement
2. Exclude the investment

Cases of engagement through the quarterly review mostly concern environmental problems, human rights, workers' rights or actions to mitigate climate change. Evli does not disclose the names of the companies that are subject to engagement activities, as it believes that confidentiality with the company is more effective.

> In 2021 Evli also engaged with the companies in accordance with its Climate targets. In addition, Evli participates in various collaborative engagements and initiatives with other investors with the aim of making the operations of even more companies responsible.

1. Analysis of factors related to responsibility and calculation of ESG scores

Active investments are regularly analysed in terms of ESG factors. Evli has ESG data on 13,900 companies in an internal database. An ESG score is calculated for each fund and direct equity investment, which reflects how well the companies as a whole have taken into consideration the risks and opportunities associated with responsibility. Of Evli's funds, 88% have an excellent, very good or good ESG score.

2. Monitoring, active ownership and engagement

Evli monitors its investments regularly and strives to influence the way companies operate. If a company violates the principles set out in the UN Global Compact, the UN Guiding Principles on Business and Human Rights,the OECD Guidelines for Multinational Enterprises or Evli's climate principles, Evli will either seek to influence the company or exclude it from its investments. 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.

3. Exclusion of companies from investments

All of Evli's equity and fixed income funds, as well as direct equity investments, follow the general exclusion principles. In accordance with these principles, companies manufacturing controversial weapons, tobacco manufacturers, adult entertainment producers, companies engaged in controversial lending and companies producing peat for energy production are excluded from the funds. In addition, the funds avoid investing in companies with more than 30 percent of their revenue coming from coal mining, its use in energy production, or oil sand extraction. Some funds comply with broader exclusion criteria. In addition to the industries mentioned above, these funds exclude companies with more than five percent of their turnover coming from gambling, the manufacture of alcohol or weapons, and the extraction, drilling and mining of fossil fuels or thermal coal. It is also possible for funds to exclude companies that violate ESG principles and do not show a willingness to change their practices. In addition to equity and fixed income funds, Evli's private equity funds also aim to comply with the same exclusion criteria.

4. Reporting on investments' responsibility factors to clients

Evli's responsible investing is based on transparency and openness, which is why responsibility factors are reported comprehensively to clients. The responsibility reporting consists of the funds' ESG reports, client-specific portfolio reports and the responsible investment annual report.

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Goals 2020-2021

Renewal of the ESG reports	Launch new responsibility funds	Deepen ESG integration in portfolio management	Set climate targets

Results and priorities for 2021

- In 2021, systematic work continued on the implementation of the strategic objectives defined for 2020-2021.

- Evli expanded its ESG reporting by publishing client-specific ESG reports and an allocation and impact report on the Evli Green Corporate Bond fund. The allocation and impact report provides transparent information on the concrete impact of the fund's investments.

- Evli also published a second analysis of its funds under the TCFD (Task Force on Climate-related Financial Disclosures) reporting framework. For more information on the TCFD reporting framework, see pages 39-43.

- In February, Evli launched the new Evli Nordic 2025 Target Maturity fund, which focuses on Nordic corporate bonds. The fund is actively managed with ESG considerations. During 2021, Evli also implemented three new Europe Green Note Autocall certificates. The funds raised through the issuance of the certificates will be used to finance projects supporting sustainable development. In May, Evli launched a new private debt fund, Evli Private Debt I. Evli Private Debt I does not invest in funds that do not have an ESG policy or do not take ESG criteria into account in their investment process.

- With the entry into force of the Sustainable Finance Disclosure Regulation (SFDR) on March 10, 2021, Evli added the sustainability disclosures required by the regulation to its website and provided information on the consideration of the sustainability factors and risks of its funds and asset management strategies. Evli's asset management strategies as well as most of Evli's funds promote environmental and/or social factors among other features (so-called Article 8) and two funds aim to make sustainable investments (so-called Article 9). During 2021, Evli was also actively involved in the EU legislative debate and followed the development of the EU taxonomy.

- Evli announced its climate target in June. Evli's goal is to be a net zero asset manager by 2050 at the latest. The target applies to emissions from both Evli's own operations and its investments. Evli set interim targets for emissions from its own operations (Scope 1 and 2) to be carbon neutral by 2025 at the latest and to halve the carbon emissions from its investments by 2030, provided the investment environment allows for it. In addition, Evli set up a working committee for 2021-2022 to further explore how best to achieve the investment milestone through real-world emission reductions and in line with the Paris Climate Agreement.

- Work on the roadmap for climate targets started after the targets were published. During 2021, work started primarily on building a snapshot, developing climate risk management and engagement.

- During the year, Evli attended 22 company general meetings. Attendance took into account the restrictive measures brought about by the coronavirus pandemic, and meetings were therefore attended by issuing a power of attorney with voting instructions. Evli representatives attended the general meetings of companies such as Musti Group, Admicom, Talenom, QT Group, Valmet, Alma Media, Terveystalo, Metsä Board, Verkkokauppa.com, Gofore, Relais Group, Detection Technology, Consti, Ponsse, Sanoma, Raisio, Eezy, Marimekko, Remedy Entertainment, Kamux and NoHo Partners. The meetings were selected on the basis of the content of the agenda and the ability of the fund management company to influence the agenda.

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Institutional investors rate Evli as the best in responsible investment expertise, both among ”Large” asset managers and among all asset managers in the SFR institutional asset management client survey.

- Systematic engagement with companies continued. Evli was in contact with 46 companies. The cases of engagement were primarily related to encouraging companies to set climate targets and/or science-based climate targets (41 engagements). Other engagements were related to allegations of corruption, governance methods, human rights and the issues regarding the supply chain.

- In addition to independent engagement, Evli continued to be involved in the CDP Investor Letters (climate change, deforestation, water), Climate Action 100+ and the CDP's collaborative engagement to set Science-Based Targets. In addition, Evli, together with other investors, signed a letter to governments, the Global Investor Statement to Governments on the Climate Crisis, encouraging them to set ambitious targets to achieve the Paris Agreement, establish roadmaps for carbon-intensive sectors to move to low-carbon, increase financing and policies needed to achieve carbon neutrality, and commit to corporate reporting in line with TCFD recommendations. Evli also continued to be a member of the Green Building Council, which aims to promote sustainable practices in the built environment.

- In accordance with the quarterly monitoring Evli excluded in 2021 one company based on Evli's climate principles.

- During 2021, Evli also took the ISS ESG Climate Data Bank into use, updated and expanded the ESG tools available to portfolio managers, and developed the expertise of portfolio managers by organising training sessions on climate data and future legislation.

- At the end of the year, Evli launched two new funds, Evli Private Equity III, a global private equity fund with a solid ESG process, and Evli Residential II, a residential development fund that is able to take into account demanding sustainability aspects such as energy solutions and building materials through its own target development.

- Evli's responsible investment performed well in external evaluations. Evli was rated the best in responsible investing both among ”Large” asset managers and among all asset managers in a client survey by SFR Scandinavian Financial Research, which evaluated 18 asset managers on their responsible investing expertise based on the views of Finland's largest professional institutional investors. In the Kantar Prospera survey of institutional investors, Evli's responsible investment performance was rated second best in 2021.

It is important for Evli to continuously develop its responsible investment practices and listen to feedback from clients and other stakeholders. Over the coming years, the aim is to, among other things, promote our work in line with climate targets in concrete ways, launch new responsibility funds and strengthen our responsibility work in investment through both engagement and active ownership.

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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

Evli aims to be carbon neutral by 2050 at the latest

Evli's climate targets apply to emissions from both Evli's own operations and its investments. We recognise that a credible long-term net zero target needs to be supported by sufficiently ambitious interim targets, based on the latest knowledge on climate change and the measures required to reduce emissions. We set the following milestones for our activities:

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

2) Evli sets an interim target of a 50% reduction in indirect emissions from investments by 2030, provided that the investment environment allows for it. We will be using 2019 as the base year.

3) Evli will establish a Working Committee for the years 2021-2022 in order to assess how the investment-related interim target can be reached through real world carbon emission reductions and to ensure that it will be in line with the Paris Agreement. In this assessment work, we will use, among others, a Science-Based Targets (SBT) framework.

More information **Evli's Climate Targets**

Responsible governance

Evli's operations are always based on good governance, legislation and official regulations. In addition, integrity and ethical operations are considered the foundation of sustainable business.

Profit performance forms the core of financial responsibility

(GRI 201-1: Direct economic value generated and distributed)

Financial responsibility is fundamental to Evli's operations. Financial responsibility means maintaining competitiveness, strong performance and good profit performance. These factors enable profitable growth and thus add value in the long-term to all Evli's key stakeholders: clients, society, personnel, and shareholders. Evli aims to improve profit performance by enhancing operating efficiency, innovating new products and service solutions and developing its core processes. A financially solid company can shoulder its responsibility for the environment, look after its personnel, meet its clients' needs and serve society. Evli's goal is to increase the sales of its existing wealth management services, mutual funds and alternative investment products in Finland and to increase the international sales of selected mutual funds. The goal is also to bring new products and service solutions to the market, which will help to achieve a positive result development. In addition, Evli's aim is to enhance its operations in order to ensure the competitiveness of services and continuity of operations in the future.

Evli aims to be an interesting investment, both from the perspective of dividend income and the increase in share value. Evli avoids unnecessary risks and concentrates on moderate, long-term growth and development. With responsible operations, Evli creates long-term value for the owners and improves the ability to react to the opportunities and risks arising from economic, social and environmental megatrends.

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Results and priorities for 2021

- Evli Group's operating income increased by 45% to EUR 115.6 million. Growth in international sales and sales of alternative investment products as well as strong sales of wealth management products and services contributed positively to the performance.
- Sales of alternative investment products more than doubled from the previous year and assets under management reached EUR 1.6 million at the end of the year.
- International sales continued to grow. At the end of 2021, EUR 3.3 billion of Evli's EUR 10.6 billion in fund capital came from clients outside Finland.
- Evli continued its IT investments with the aim of streamlining processes and improving service to clients. During the year, Evli launched a new My Evli mobile application. Due to the remote working recommendations of the coronavirus epidemic, all Evli staff worked mostly remotely, but partial office work was also possible given the coronavirus situation. Despite the remote working, all tasks could be carried out and clients could be served according to their needs. This was possible thanks to IT investments in previous years.
- Evli paid its shareholders a dividend of EUR 0.73 per share, which is 11% more than in the previous year.

Taxes are paid in accordance with local legislation in each country of operation

(GRI 201-1: Direct economic value generated and distributed)

Evli's head office is located in Finland. The company also has branch offices and subsidiaries in Sweden and the United Arab Emirates. In each country, Evli pays its taxes in accordance with the local legislation. Evli is committed to ensuring that it complies with all statutory obligations and it discloses all required information to the relevant tax authorities and engages in an open discussion with them. Evli considers compliance with tax legislation as an important part of its corporate responsibility.

Results and priorities for 2021

- Evli paid a total of EUR 10.5 million in taxes (2020: EUR 6.3 million).

INCOME DISTRIBUTION, M€	2021	2020	2019	2018
Net interest income	0.1	0.2	0.3	0.7
Commission income and expense, net	111.7	76.8	72.2	67.1
Net income from securities transactions and foreign exchange dealing	3.5	2.4	3.2	0.7
Other operating income	0.2	0.2	0.1	0.1
Share of profits (losses) of associates	0.5	0.4	-0.6	2.6
Total Income	**116.0**	**80.0**	**75.2**	**71.2**
Personnel expenses	31.0	25.9	24.8	23.1
Other administrative expenses	18.5	12.5	14.0	15.9
Depreciation, amortisation and write-down	4.8	5.7	3.5	2.1
Other operating expenses	1.8	1.7	3.7	3.6
Impairment losses on loans and other receivables	0.1	0.1	0.1	0.0
Society				
Taxes	10.5	6.3	4.9	4.2
Social security costs	1.6	1.2	1.4	1.2
Pension expenses	4.8	3.4	4.1	3.7
Equity holders of parent company	36.3	21.3	17.3	16.0
Non-controlling interest	6.7	1.9	1.4	1.3
Distribution of income	**116.0**	**80.0**	**75.2**	**71.2**

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Corruption, bribes and money laundering not acceptable

(GRI 205-2: Communication and training about anti-corruption policies and procedures, GRI 205-3: Confirmed incidents of corruption and actions taken)

Evli does not accept corruption, bribery or any other illegal activity under any circumstances. Evli's ethical principles guide its personnel in this matter. For example, employees will not offer, demand or accept inappropriate gifts, trips or payments. Moreover, there is an internal guideline on hosting in the company's name and giving business gifts.

As a bank, Evli plays an important role in preventing money laundering and the funding of terrorism. For this purpose, Evli has clear operating instructions that apply to the entire 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 analysed 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 customer. Evli has also adopted an active role in developing the regulation and good operating practices in the industry.

Evli provides an opportunity to report violations through the whistleblowing procedure. If an employee suspects that unethical activities have occurred or that someone has engaged in activities that violate the law, regulations, the authorities' instructions, or the Evli Group's internal guidelines, a separate procedure is available with dedicated guidelines that the employee can follow to report the matter.

Results and priorities for 2021

- No cases of corruption, bribery or money laundering in the Evli's operations were reported.
- Training events were mainly concerned with the prevention of money laundering and the funding of terrorism.

Own operations help promote positive environmental action

(GRI 302-1: Energy consumption within the organisation, GRI 302-4: Reduction of energy consumption)

Evli's own operations do not have any significant immediate environmental impacts. The company's principal environmental impacts are related to its investment activities. However, the company is aware that it can promote positive environmental impacts through its own operations by reducing paper consumption, developing and improving digital services, and reducing air travel and the consumption of electricity

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 transaction channels and utilising the opportunities given by technology, Evli offers new forms of services that have a smaller environmental impact than before.

In all purchases, Evli seeks to ensure the responsibility of the suppliers. The supplier's environmental responsibility is always a consideration in internal procurement concerning personnel needs, client premises, business gifts, office supplies and furniture. This means, among others, that business gifts are mainly procured by suppliers that manufacture products from recycled materials, and that durability is an important factor in choosing office furniture. The food offered in client meetings and events is prepared when possible using local and organic products and food wastage is minimised.

Evli's head office in Helsinki has been awarded the LEED * Gold certification, one of the world's best-known green building certificates. Evli is committed to reducing the energy consumption and CO2 emissions of its offices and paying attention to the environmental impacts of waste and consumption of paper. Unnecessary travel is avoided by favouring telephone and video conferences. Employees continuously strive to reduce their ecological footprint in their everyday work.

Results and priorities for 2021

- Evli continued the development of its website www.evli.com and the My Evli online service in order to, among others, reduce the amount of paper reporting.
- Evli's energy consumption decreased by 18.8 percent. A main factor contributing to the decreased energy consumption was the extensive remote working recommendations during the year and the reduced office space in the Helsinki office. Air travel decreased even further from the previous years due to the coronavirus pandemic.

[3] LEED=Leadership in Energy and Environmental Design

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Responsible employer

Evli's success is based on the professional skills of its employees and their ability to create new solutions, added value for the benefit of the clients and to serve them professionally. Evli believes that employee commitment and thriving at work is reinforced by creating a flexible, efficient and balanced work community, which is characterised by innovativeness and the capacity to change and bring about change.

To ensure that the best experts in the business will serve clients also in the future, Evli pays particular attention to employee development and motivation. In addition to competitive pay, personnel benefits include expert level occupational healthcare services and varied opportunities for developing skills.

Most of the personnel work in Finland

(GRI 102-8: Information on employees and other workers, GRI 401-1: New employee hires and employee turnover)

At the end of 2021, the Evli Group had 290 employees, up by 11 percent on the previous year. Of the total personnel, 91 percent worked in Finland, eigth percent in Sweden and almost one percent in the United Arab Emirates.

The total number of new hires in 2021 was 32. The number of new employees does not include summer workers and trainees. The average personnel turnover was 10 percent.

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PERSONNEL DATA	2021	2020	2019	2018
Personnel	290	261	249	254
Permanent	251	233	224	226
Temporary[1]	39	24	25	24
On study or parental leave	7	4	3	4
Full time[2]	244	240	237	243
Part time[3]	39	21	12	11
Women/men (%)	38/62	39/61	36/64	38/62
Average age	40.3	41.4	41.1	40.5
Average period of service	9.3	10.5	9.9	9.1
Average personnel turnover (%)[4]	10.0	8.0	8.5	8.3
New hires	32	20	16	15
Sickness absences, days/person	1.8	1.2	2.2	2.9
Occupational accidents at work	0	0	0	0
Training days/person	1.3	1.0	2.1	3.7
Personnel covered by performance reviews (%)	100	100	100	100

[1] Includes both trainees and summer workers
[2] Includes both permanent and temporary employees with full-time contracts.
[3] Includes both permanent and temporary employees with part-time contracts
[4] Personnel turnover was calculated using the following formula: ((Number of new persons employed Jan 1-Dec 31 + number of employees leaving Jan 1-Dec 31)/2)/number of employees on Dec 31.

A diverse work environment and equal opportunities

(GRI 405-1: Diversity of governance bodies and employees)

Fairness, including equality, non-discrimination and diversity are a material part of Evli's responsibility. Work in this was further organised in 2018 as Evli Bank's Board of Directors approved Evli Group's diversity policy and goals for 2022. The diversity policy defines the company's principles concerning equality, non-discrimination and diversity. Under the principles, 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. In addition, a material factor of diversity is that all employees feel they have the same opportunities to develop and advance in their careers.

Good management of diversity and work for non-discrimination can improve personnel well-being and commitment and enable employees to perform to their full potential. In addition, diversity promotes innovations, productivity and the company's competitiveness. At Evli, diversity applies to all business areas and diversity is taken into account in all personnel management from hiring to career progress and development.

In addition to Evli Group's diversity policy, the goal of the Board of Directors' diversity policy is to ensure that the Board is as diverse as possible. Diversity emphasises the Board members' expertise regarding different industry sectors and training and skills that complement those of other members. In addition, factors that are relevant regarding the diversity of the Board include age and gender distribution and the length of term. The goal is for both genders to be represented on the Board.

Additional information about the Board of Directors diversity is found on page 151.

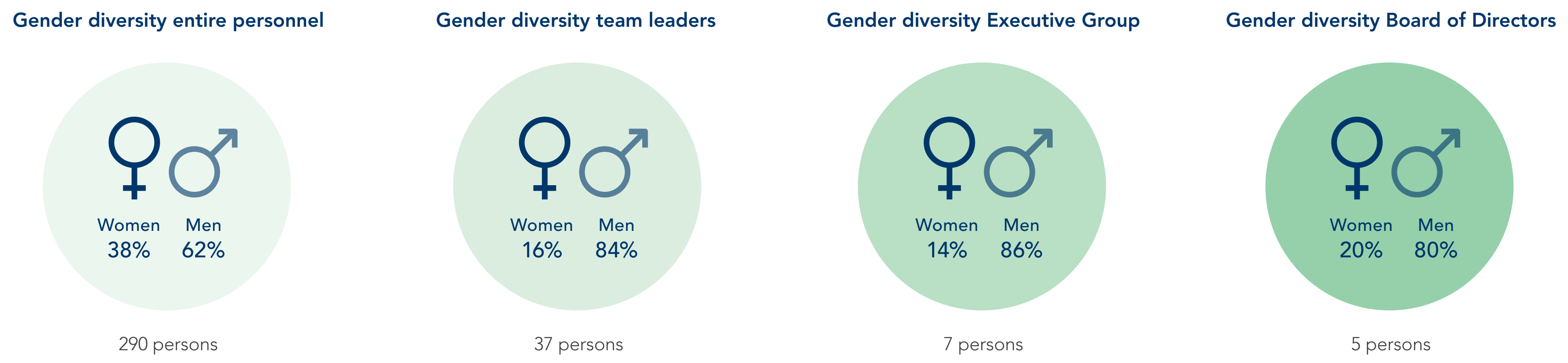
Results and priorities for 2021

- Evli's recruitment process was further improved and recruitment increasingly focused on diversity, including through collaboration with different stakeholders. For example, efforts are being made to make the investment industry more attractive to women.

Diversity goals for 2022

- There are at least 40 percent of each gender represented in expert positions in all business areas
- There are at least 30 percent of each gender represented in team leader positions in business areas and administration
- Both genders are sufficiently represented on the Board of Directors and in the Executive Group. In planning the composition of the Board, important factors include members' skills, experience and expertise to ensure effective performance.
- In recruitment, the most suitable person for the position is always selected. The annual equality and equal treatment review developed policies to ensure equal opportunities for all applicants in recruitment and to achieve the greatest possible diversity in the organisation.
- Both genders must be represented in the group of people selected for the trainee program.

EVLI'S DIVERSITY 2021



- Systematic work continued to improve the image of Evli as an employer and the awareness of Evli. Evli feels that by improving its image as an employer, it is easier both to attract new promising employees and to retain staff. Efforts to improve the employer image continued, including more systematic use of social media and improving the content of Evli's own website.

Evli looks after the well-being of its employees

(GRI 403-2: Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities, GRI 401-3: Parental leave)

Motivated and committed employees whose well-being are at a high level are vital to Evli's operations, development and profitability. Evli's goal is to develop and promote the comprehensive well-being of its employees and to focus on proactive measures on workplace well-being. One of the key prerequisites for both mental and physical well-being is a work-life balance. This is supported by offering a flexible work culture, which means, among others, the possibility of flexible working hours, remote working and a shortened workweek. In addition, Evli uses a so-called age management model that takes into account and supports employees at different stages of their careers and lives.

Evli's employees have access to expert level occupational healthcare including, among others, access to specialist-level doctors, physiotherapy, ultrasounds, MRIs and x-rays. In addition, the mental and physical well-being are supported by offering employees opportunities to take part in exercise classes and lectures. Evli's policy also includes preventing long-term sick leave through an early support model.

Job satisfaction and well-being at work are measured by means of an employee survey and smaller in-house surveys. The results drive the further development of workplace well-being and practices.

Results and priorities for 2021

- About three percent of the employees worked a shorter week and were, for example, on part-time childcare leave.
- In the wake of the coronavirus pandemic, most staff worked mainly remotely during the spring and the year end. A hybrid model combining teleworking and office work was introduced in the autumn. To promote well-being at work, Evli organised various webinars during the year and instructed managers on remote management.
- Every month, staff responded to a so-called 'well-being at work' questionnaire. The survey and its results and feedback were a tool for managers to manage and strategically develop well-being at work.

Personnel development helps increase competitiveness

(GRI 404-1: Average hours of training per year per employee, GRI 404-2: Programs for upgrading employee skills and transition assistance programs)

The skills of motivated and committed employees 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 innovative solutions that meet the market demand. Evli Academy, established in 2006, organises both internal and external training events to improve the employees' skills and to enhance occupational health and well-being.

In addition to training opportunities, Evli encourages learning on the job and job rotation. Job rotation is encouraged by, for example, publishing all open positions on Evli's Intranet.

The work of Team Leaders is considered an important part of personnel development and work satisfaction. Team Leaders are trained on a continuous basis to enable them to support their team members as well as possible and to develop the teams' practices. The work of Team Leaders is evaluated regularly based on external surveys.

Results and priorities for 2021

- The number of training days per person was 1.3. Training days includes internally organised training. A total of three persons transferred to new job tasks as part of job rotation.
- With the coronavirus pandemic and the widespread remote work recommendation, managerial work has taken on a more important role. Coaching and guidance on leadership, and in particular on remote leadership, was provided to managers in the form of management information sessions (8 in total) and in the Evli Academy's four-module online workshops on the theme of courageous interaction.
- The entire staff was offered a series of online workshops on self-management in four modules of the Evli Academy. The personnel reverse mentoring programme, launched in 2020, continued in 2021.
- An Eezy Spirit People Power survey was sent to all personnel, to which around 80.9% of the employees responded. The survey measures leadership fulfilment, performance and staff engagement. The results show that Evli employees have confidence in management's decision-making ability and feel that the company is heading in the right direction and that the future is bright. They feel they have the opportunity to participate and express their own opinions. There is also a convergence of values between staff and Evli. The results showed that there was a need for development and support in clarifying the meaning of one's own work and in balancing work and leisure time. Based on the employee satisfaction results, Evli was again recognised as one of Finland's most inspiring workplaces.

IN FINLAND'S MOST INSPIRING WORKPLACES

> **Based on the employee satisfaction survey results, Evli was once again awarded as one of the most inspiring workplaces in Finland.**

An attractive employer

Competition for the best talent is very severe in the finance sector. Finding the right people and keeping them is vital for a company that offers expert services. Evli believes that by offering its employees good learning and development opportunities, and by investing in their well-being and work-life balance, it can attract new employees and commit them to the company.

Evli's recruitment activities emphasise finding the right people who match Evli's corporate culture and are prepared to develop to become future top experts at Evli. Fresh graduates or students close to graduation are attracted to work at Evli by offering, for example, a trainee program. The goal of the trainee program is to find motivated young talents that can become future top experts at Evli and bring innovations and ideas to the company.

In addition to the trainee program, Evli supports schools and subject organizations, visits schools and introduces students to the field and Evli as a company and participates in various recruitment events. The purpose of these events is to increase awareness of Evli among students.

Results and priorities for 2021

- Systematic work to improve employer branding continued. Evli feels that by improving the image of the company as an employer, it will be easier to attract promising new employees and to retain current employees. In order to improve the employer image, more systematic use of social media and the improvement of the content of Evli's own website continued aa well as the co-operation with schools and subject organizations.
- The trainee program was carried out around the year despite the coronavirus. During the year around 800 persons applied for the trainee-program and from these 10 persons were hired to Evli as trainees.
- Evli partnered with the Women's Career Society in order to support female students' career paths.

Reporting practice

GRI 102-47: List of material topics

The economic, social and environmental impact of Evli's business comes both directly through its own operations and indirectly through its investment activities. The topics and priorities relevant to Evli's responsibility are presented on pages 14-31.

GRI 102-48: Restatements of information

No material changes have been made to previously reported data.

GRI 102-49: Changes in reporting

Evli conducted its first GRI Corporate Responsibility Report in 2018. In the 2021 report, the scope and boundaries of the report have remained the same and the content matches that of the 2019 and 2020 reports.

GRI 102-50: Reporting period

The reporting period is from January 1 to December 31, 2021.

GRI 102-51: Date of most recent report

Evli's Annual Report 2020 including the Responsibility Report was published on February 11, 2021.

GRI 102-52: Reporting cycle

Evli's Annual Report is published yearly, by calendar year. The Annual Report consists of a Business Overview, Responsibility Report, Financial Statement and Corporate Governance Statement as well as the Remuneration Policy and Report.

GRI 102-53: Contact point for questions regarding the report

The contact point for questions is Evli's Responsible Investment team as well as the Marketing, communications and IR team. Contact details are available at **www.evli.com**.

GRI 102-54: Claims of reporting in accordance with the GRI standards

The corporate responsibility report includes a GRI report which has been drawn up in accordance with the GRI standards, where applicable. The report also includes information that concerns Evli's own relevant responsibility matters in accordance with the reporting principles of the GRI standard. The GRI content comparison on pages 34-38 lists the GRI indicators used and where more information is available. The corporate responsibility report, including the GRI report, supplements Evli's financial reporting and concerns the operations of the Group as a whole unless otherwise indicated. The GRI report includes information and indicators that have been identified through materiality analysis that are relevant to stakeholders and Evli's business operations.

GRI 102-56: External assurance

The responsibility report, which includes a GRI report, is not externally audited.

[8] Global Reporting Initiative.

GRI 103-1: Explanation of the material topic and its boundary

RESPONSIBILITY THEMES	RELEVANT RESPONSIBILITY SUBJECTS	SIGNIFICANCE TO BUSINESS OPERATIONS AND STAKEHOLDERS	CALCULATION PARAMETERS
Responsible products and services	Responsible marketing	Development area	Own operations
	Customer privacy protection and data security	Base	Own operations
	Responsible investing	Focus area	Own operations - Responsibility of wealth management investment
Responsible governance	Profit performance	Focus area	Own operations
	Taxes and tax footprint	Base	Own operations
	Corruption, bribes and money laundering	Base	Own operations
	Direct environmental impacts	Development area	Own operations (Helsinki office)
Responsible employer	Fairness: equality, non-discrimination and diversity	Focus area	Own operations
	Work well-being and health	Development area	Own operations (Helsinki office)
	Education and development	Development area	Own operations (Helsinki office)
	Attractive employer	Focus area	Own operations

GRI 103-2: The management approach and its components

All business areas at Evli are part of ensuring that responsibility is integrated into everyday work. Every employee is responsible for observing it in practice. Evli's Responsible Investments team supports the business areas in matters concerning responsibility and especially the coordination of responsible investment. Evli believes that through responsible investment activities the company can have the most impact on responsibility. This is why Evli has invested most in the development of responsible investment in recent years. Evli has a Responsible Investment team that carries out responsible investment under the Head of Sustainability.

Compliance with the principles of responsible investment at Evli is supervised by the Responsible Investment Executive Group. The members of the Executive Group include the CEO, executives from the legal and risk management department, institutional and private clients' departments, portfolio management and the responsible investment team. The Responsible Investment Executive Group decides on Evli's Principles for Responsible Investment and related practices and reports to Evli's Executive Group.

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GRI content index

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102-1	Name of the organization	Financial Statements, p. 77	
102-2	Activities, brands, products and services	Evli in brief, p. 3-4	
102-3	Location of headquarters	Financial Statements, p. 77	Aleksanterinkatu 19 A, 00101 Helsinki
102-4	Location of operations	Evli in brief, p. 3-4	
102-5	Ownership and legal form	Shares and Shareholders, p. 59-60, Financial Statements, p. 120-123	
102-6	Markets served	Evli in brief, p. 3-4	
102-7	Scale of the organization	Evli in brief, p. 3-4, Financial figures, p. 45	
102-8	Information on employees and other workers	Responsibility, p. 28-31	
102-10	Significant changes to the organization and its supply chain	Financial Statements, p. 124	
102-11	Precautionary Principle or approach	Risk management and internal control, p. 83-87	
102-12	External initiatives	Responsibility, p. 22-23	
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102-14	Statement from senior decision-maker	CEO's review, p. 5-6	
102-15	Key impacts, risks, and opportunities	Megatrends & Strategy, p. 10-11	
Ethics and integrity			
102-16	Values, principles, standards, and norms of behavior	Business model, p. 9	
102-17	Mechanisms for advice and concerns about ethics	Responsibility, p. 27	
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102-18	Governance structure	Corporate Governance Statement, p. 147	
102-19	Delegating authority	Responsibility, p. 33	
102-20	Executive-level responsibility for economic, environmental, and social topics	Responsibility, p. 33	
102-22	Composition of the highest governance body and its committees	Corporate Governance Statement, p. 148	
102-23	Chair of the highest governance body	Corporate Governance Statement, p. 148-149	
102-24	Nominating and selecting the highest governance body	Corporate Governance Statement, p. 148	
102-26	Role of highest governance body in setting purpose, values, and strategy	Corporate Governance Statement, p. 147	
102-27	Collective knowledge of highest governance body	Corporate Governance Statement, p. 148-149	
102-28	Evaluating the highest governance body's performance	Corporate Governance Statement, p. 147	
102-30	Effectiveness of risk management processes	Risk management and internal control, p. 83-87	
102-35	Remuneration policies	Remuneration policy, p. 156-158	
102-36	Process for determining remuneration	Remuneration policy, p. 156-158	

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102-43	Approach to stakeholder engagement	Responsibility, p. 16-17	
102-44	Key topics and concerns raised	Responsibility, p. 17	
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102-45	Entities included in the consolidated financial statements	Financial Statements, p. 77	
102-46	Defining report content and topic boundaries	Responsibility, p. 15-16	
102-47	List of material topics	Responsibility, p. 15-16	
102-48	Restatements of information	Responsibility, p. 32	
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102-54	Claims of reporting in accordance with the GRI Standards	Responsibility, p. 32	
102-55	GRI content index	GRI content index, p. 34-38	
102-56	External assurance	Responsibility, p. 32	The report has not been externally assured

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103-1	Explanation of the material topic and its boundary	Responsibility, p. 16	
103-2	The management approach and its components	Responsibility, p. 33	
Economic topics			
Economic performance			
201-1	Direct economic value generated and distributed		

ECONOMIC VALUE GENERATED AND DISTRIBUTED

Income distribution, M€	2021	2020	2019
Net interest income	0.1	0.2	0.3
Commission income and expense, net	111.7	76.8	72.2
Net income from securities transactions and foreign exchange dealing	3.5	2.4	3.2
Other operating income	0.2	0.2	0.1
Share of profits (losses) of associates	0.5	0.4	-0.6
Total Income	**116.0**	**80.0**	**75.2**
Personnel expenses	31.0	25.9	24.8
Other administrative expenses	18.5	12.5	14.0
Depreciation, amortization and write-down	4.8	5.7	3.5
Other operating expenses	1.8	1.7	3.7
Impairment losses on loans and other receivables	0.1	0.1	0.1
Society			
Taxes	10.5	6.3	4.9
Social security costs	1.6	1.2	1.4
Pension expenses	4.8	3.4	4.1
Equity holders of parent company	36.3	21.3	17.3
Non-controlling interest	6.7	1.9	1.4
Distribution of income	**116.0**	**80.0**	**75.2**

DISCLOSURE INDEX	DISCLOSURE TITLE	PAGE	ADDITIONAL INFORMATION
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205-2	Communication and training about anti-corruption policies and procedures	Responsibility, p. 27	
205-3	Confirmed incidents of corruption and actions taken	Responsibility, p. 27	
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302-1	Energy consumption within the organization	Responsibility, p. 27	
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Employment			
401-1	New employee hires and employee turnover	Responsibility, p. 29	
401-2	Full-time staff benefits not provided to fixed-term or part-time staff		All employee benefits are offered throughout the personnel, regardless of employment.
401-3	Parental leave		Employees are provided with an opportunity of shortened working hours and depending on work tasks, the possibility of flexible working hours.
Occupational health and safety			
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Responsibility, p. 29	
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404-1	Average hours of training per year per employee	Responsibility, p. 29	
404-2	Programs for upgrading employee skills and transition assistance programs	Responsibility, p. 30-31	
404-3	Percentage of employees receiving regular performance and career development reviews	Responsibility, p. 29	Evli's development discussion process covers all permanent employees who are not absent due to, for example, parental leave or study leave. Developmental discussion needs for temporary employees are assessed case-by-case.
Diversity and equal opportunity			
405-1	Diversity of governance bodies and employee	Responsibility, p. 29-30, Board of Director's Diversity; Corporate Governance Statement, p. 151	
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418-1	Number of legitimate complaints about customer privacy violation and customer loss	Responsibility, p. 19	

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	Decreasing amount of air travel	Responsibility, p. 27	

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ANNEX

Task Force on Climate-related Financial Disclosures report

Evli has committed to supporting the Task Force on Climate-related Financial Disclosures (TCFD) reporting framework and published its first TCFD report in 2020 based on the situation in 2019. This annex provides updated information on Evli's climate risks and opportunities and compiles information on Evli's climate work progress in 2021.

Introduction

In August 2019, Evli became a public supporter of the TCFD with the goal of developing Evli's own climate risk reporting. 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.

It is important for asset managers and other investors to be able to identify and assess the economic impact of climate change on both their own operations and those of investment companies. The transition to a low-carbon economy is changing the business environment and companies are also exposed to the physical effects of climate change. On the other hand, climate change also creates opportunities for companies that offer products or services that contribute to climate change adaptation and mitigation.

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

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

Reporting framework of the TCFD report

Management

As part of the broader debate on responsibility, Evli's Board and Executive Group regularly address climate-related issues. Evli's Head of Sustainability regularly attends Board and Executive Group meetings. 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 Legal and Risk Management, Private and Institutional Clients, Portfolio Management and the Responsible Investment team.

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 implementation of the UN Global Compact, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and the Evli Principles for Climate Change and has the right to exclude individual companies from investment.

When analysing 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.

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The responsible investments governance model

Responsible Investment Executive Group

- Decides on the principles and practical procedures of responsible investing
- Members: CEO, executives from the legal and risk management department, institutional and private clients' departments, portfolio management and the Responsible Investment team
- Regular meetings on a quarterly basis
- Reports to Evli's Executive Group.

Responsible Investment team

- Monitors the implementation of the UN Global Compact principles and Evli´s Principles for Climate Change. Has the right to exclude individual companies from investments
- Responsible for engaging with companies
- Report to the Responsible Investment Executive Group.

Portfolio Managers

- Take ESG matters into consideration when analysing potential investments and making investment decisions
- Responsible for implementing the Principles for Responsible Investment and ESG integration
- Reports to the Responsible Investment team on companies that violate the Principles for Responsible Investment.

The investment activities of Wealth Management are guided by the Evli Principles for Responsible Investment, which define Evli's 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. In 2021, Evli published separate **climate targets**. In line with the 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. The targets include separate milestones. A separate roadmap has also been defined for the climate targets and a separate working committee has been set up to further clarify how the investment milestone can best be achieved through real-world emission reductions and in line with the Paris Agreement.

Strategy

At Evli, responsibility has been an integral part of portfolio management for many years. In January 2020, Evli made responsibility one of its strategic focus areas for the coming years, and in June 2021, Evli set Evli's climate targets and related milestones in line with its strategic objectives. Climate change mitigation has always been an important issue for Evli and Evli wants to contribute to creating products that address climate change challenges and set concrete targets for Evli's operations.

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. Evli has committed to reducing energy consumption and carbon emissions from its premises and to avoiding unnecessary travel. As part of its climate targets, Evli also set separate milestones for 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 Evli's products and investment strategies, and this is also reflected in the 2021 climate targets.

The TCFD divides climate change risks into risks from the transition to a low-carbon economy and physical risks from climate change. 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 materialise, could affect the market value and returns on investments. As clients' climate strategies evolve, Evli must also 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 the physical impacts of climate change, which can be the result of single events or long-term changes in the climate. In Evli's investment activities, physical risk may materialise, for example, in real estate investments, which may be increasingly exposed to extreme weather events, sea-level rise or flooding damage, for example, as a result of climate change. However, the physical impacts of climate change are not limited to real estate investments, but 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.

Climate change also brings opportunities for investors. These include 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. For example, in autumn 2019, Evli organised the first issuance of Green Note autocall certificates in Finland. The funds raised through the issue will be used to finance projects supporting sustainable development. In 2021, Evli carried out a total of three similar issuances. In addition to these, new funds launched in 2020, Evli Green Corporate Bond, an investment fund focusing on green corporate bonds, and Evli Impact Forest Fund I, a forest fund that aims to mitigate climate change by achieving positive carbon impacts, are part of Evli's investment offering. In the case of the forest fund, which is part of the alternative investment funds, Evli's performance fee is dependent on the achievement of the fund's decarbonisation target.

Evli has examined the sustainability of its investment strategy by conducting scenario analyses based on climate data provided by ISS ESG. The purpose of the scenario analysis is to assess the potential impact of climate-related risks and opportunities in global warming scenarios. In addition to the report, the scenario analysis is included in the tools used by portfolio managers of the equity and corporate bond funds managed by Evli before and after investment decisions. The tools also allow systematic monitoring of the evolution of investment strategy scenarios. Based on the situation at the end of 2021, 27 percent of Evli's equity and corporate bond funds were aligned with the 1.5 degree scenario and 69 percent of funds were aligned with the 2 degree scenario. In line with its roadmap of climate objectives, Evli is currently building a more detailed snapshot and will expand its reporting to include scenario analysis as a result.

Risk Management

Evli's Principles for Climate Change and climate goals 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 investment portfolio by portfolio managers and the responsible investment team. Climate risk management measures in line with the Principles for Climate Change include the analysing and monitoring, engagement and exclusion of greenhouse gas emissions from investments. Evli uses data from an external service provider, which is also used by the company's portfolio managers for investment decisions, for monitoring the climate principles and other day-to-day work related to responsibility.Evli has also set a separate roadmap for its climate targets, according to which Evli will systematically build on its climate work.

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

The emissions of companies in Evli's equity and corporate bond funds are monitored by analysing the carbon intensity weighted by the portfolio weights of the funds, as recommended by the TCFD, which measures the exposure of the portfolio to carbon-intensive companies. Emissions data and other climate analysis data, along with other ESG data, are integrated into the portfolio management systems, allowing Evli to monitor and assess the evolution of climate risks in its investments. Evli has also excluded companies producing peat for energy production, and avoids investing in companies with a significant proportion (30% or more) of their turnover coming from coal mining, its use in energy production or oil sands extraction. If the company has a credible plan to reduce its use of coal, the exclusion may be waived by a decision of the Responsible Investment team. In addition, some funds follow an even broader exclusion for coal and fossil fuels. The information required by the climate principles, as well as the broader exclusion information for the funds, is all 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 also be automatically reported to the Responsible Investment team who would analyse the company.

Evli also sees corporate engagement as a way to manage climate change risks and aims to influence companies to report in accordance with the TCFD. In its advocacy work, Evli also encourages companies to set climate targets and monitors company-specific targets. In addition, Evli has committed to a number of investor initiatives (see pages 22-23 for more information), which aim, among other things, to influence companies at risk from a climate change perspective and to encourage governments to take more ambitious measures to mitigate climate change. In addition to these measures, Evli regularly monitors changes in climate change regulation and has been actively involved in the EU legislative debate.

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Indicators and objectives

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 analysing the level 1 and 2 emissions[1)] of each investment, relating them to the company's turnover 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 excluded emissions from level 3[1)] from the analysis as they are not yet widely reported by companies and are therefore still largely based on estimates.

While carbon footprint tracking helps to understand an investment's emissions profile, it is not a complete single measure of the emissions associated with a portfolio, nor does it help to assess future emissions trends or emission reduction opportunities. For this reason, Evli also analyses the share of companies owning fossil fuel reserves and compares it to the corresponding figure in the fund's benchmark index. In addition, 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 stakeholders and the environment, including the impact on climate change. Evli's ESG reports for equity and corporate bond funds are also publicly available to all on Evli's website, **www.evli.com**.

In line with its responsible investment objectives, Evli set 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 also set three intermediate 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 sets an interim target of a 50 percent reduction in indirect emissions from investments by 2030, provided that the investment environment allows for it. The base year is 2019.

3) Evli will establish a Working Committee for the years 2021-2022 in order to assess how the investment-related interim target can be reached through real world carbon emission reductions and to ensure that it will be in line with the Paris Agreement. In this assessment work, we will use, among others, a Science-Based Targets (SBT) framework.

The milestones and roadmap of climate targets come from the long-term carbon neutrality target. In line with the climate targets roadmap, Evli is currently building a snapshot and will refine the metrics to be monitored as work progresses and report accordingly.

[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 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. Scope 3 includes indirect emissions related to the company, including those from products, outsourcing, and business travel.

	Carbon intensity (1) (t CO_2e / USD million)	Compared to benchmark (2)	Weight of companies owning fossil fuel reserves (3) (%)	Compared to benchmark (2) (pp)	Coverage / Fund (4)	Coverage / Benchmark index (4)	Investments in Solutions category in the MSCI's Low Carbon Transition classification (5)
Equity Funds							
Evli Emerging Frontier	264.1		0.0%		38.1%		1.9%
Evli Europe	129.8	7.9%	0.0%	-7.7%	96.9%	99.5%	11.4%
Evli GEM	437.7	33.6%	7.9%	-2.0%	94.6%	99.4%	4.1%
Evli Japan	73.1	-0.4%	0.0%	-5.4%	89.9%	99.9%	3.1%
Evli Global	32.8	-75.0%	0.0%	-5.6%	96.2%	99.5%	8.2%
Evli Global X	33.2	-74.7%	0.0%	-5.6%	96.4%	99.5%	8.2%
Evli Equity Factor Europe	45.7	-62.0%	0.0%	-7.7%	95.7%	99.5%	5.6%
Evli Equity Factor Global	48.8	-62.8%	0.0%	-5.6%	94.4%	99.5%	7.2%
Evli Equity Factor USA	50.8	-60.1%	0.0%	-4.2%	96.0%	99.5%	8.1%
Evli North America	65.9	-51.2%	0.9%	-3.7%	98.7%	99.5%	3.4%
Evli Nordic	30.9	-61.9%	0.0%	-2.4%	92.2%	98.5%	7.4%
Evli Sweden Equity Index	22.3	0.0%	0.0%	0.0%	98.1%	100.0%	2.8%
Evli Swedish Small Cap	27.9	-47.7%	0.0%	0.0%	69.6%	82.5%	2.3%
Evli Finland Mix	123.5		0.0%		72.6%		6.2%
Evli Finnish Small Cap	63.7	-29.5%	0.0%	0.0%	50.6%	71.2%	7.8%
Evli Finland Select	122.2	-6.5%	0.0%	0.0%	83.7%	89.9%	3.0%
Fixed Income Funds							
Evli Green Corporate Bond	165.6	-44.7 %	1.0%	-7.5%	87.3%	94.6%	7.1%
Evli European High Yield	141.2	-24.6 %	0.6%	-3.3%	57.4%	77.3%	0.7%
Evli European Investment Grade	108.5	-44.9 %	1.4%	-8.7%	91.2%	95.3%	3.4%
Evli Emerging Markets Credit	588.5	-22.0 %	12.7%	-5.3%	68.6%	87.4%	3.5%
Evli Euro Liquidity	307.7		2.6%		35.2%		1.3%
Evli Short Corporate Bond	209.2		1.0%		78.2%		1.3%
Evli Nordic Corporate Bond	111.9	-22.8 %	0.0%	-7.5%	74.4%	95.7%	7.2%
Evli Nordic 2025 Target Maturity	164.5		0.0%		47.4%		5.0%
Evli Target Maturity Nordic Bond	137.0		0.0%		52.9%		6.3%
Evli Corporate Bond	119.5	-32.2 %	1.5%	-6.4%	85.5%	91.9%	4.7%

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.

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Financial review

In financial terms, 2021 was the best year in Evli's operating history. Despite the pandemic, Evli's two business segments, Wealth Management and Investor Clients, as well as Advisory and Corporate Clients, grew significantly. With the positive development the Evli Group achieved a turnover of more than EUR 115 million and a record operating profit of EUR 53 million. With a strong result the Group's operating profit margin rose to almost 46 percent and its return on equity exceeded 40 percent.

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Key financial figures

	2021	2020	2019	2018	2017
Income statement key figures					
Operating income, M€	115.6	79.7	75.8	68.5	71.4
Operating profit/loss, M€	53.0	29.1	24.1	18.9	21.3
Operating profit margin, %	45.9	36.5	31.8	27.6	29.8
Profit for the financial year, M€	43.0	23.2	18.7	17.3	17.5
Profitability key figures					
Return on equity (ROE), %	40.3	26.2	23.4	23.0	25.5
Return on assets (ROA), %	5.6	2.7	2.1	1.9	2.0
Balance sheet key figures					
Equity-to-assets ratio, %	15.6	12.3	8.9	9.5	7.6
Group´s capital adequacy ratio, %	15.4	15.2	15.1	16.2	15.0
Key figures per share					
Earnings per Share (EPS), fully diluted, €	1.47	0.87	0.71	0.68	0.69
Comprehensive Earnings per Share (EPS), fully diluted, €	1.48	0.88	0.71	0.67	0.69
Dividend/share, €	1.06	0.73*	0.66	0.61	0.52
Equity per share, €	4.73	3.86	3.40	3.27	3.12
Share price at the end of the period, €	26.20	12.20	10.40	7.28	9.60
Other key figures					
Expense ratio (operating costs to net revenue)	0.54	0.63	0.68	0.7	0.7
Recurring revenue ratio, %	130	124	124	113.0	113.0
Personnel at the end of the period	290	261	249	254	240
Market value, M€	631.7	294.1	248.6	172.5	224.9

*Board of Directors' proposal

Return on equity (%)

40.3

(2020: 26.2)

Recurring revenue ratio (%)

130

(2020: 124)

Dividend/share (EUR)

1.06

(2020: 0.73)

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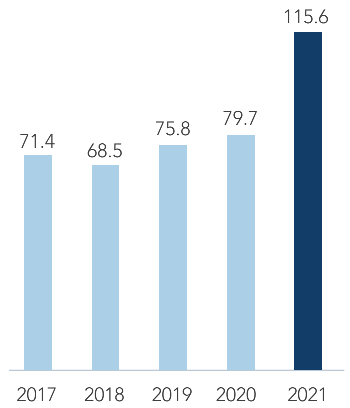
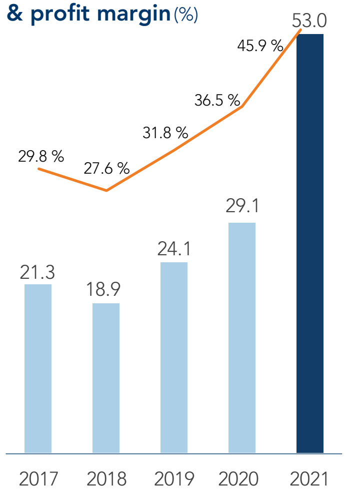
Graphs of the financial development

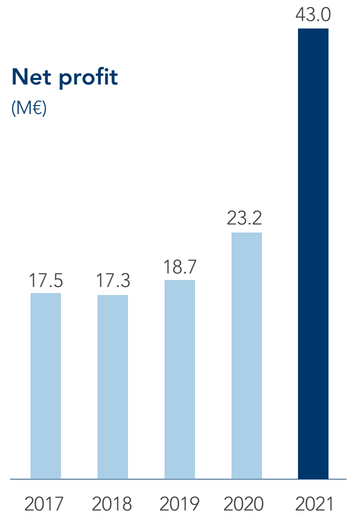
Net Revenue (M€)



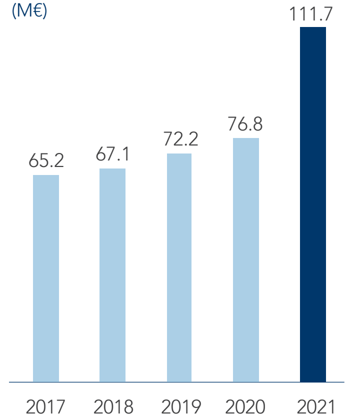
Operating profit (M€)
& profit margin (%)



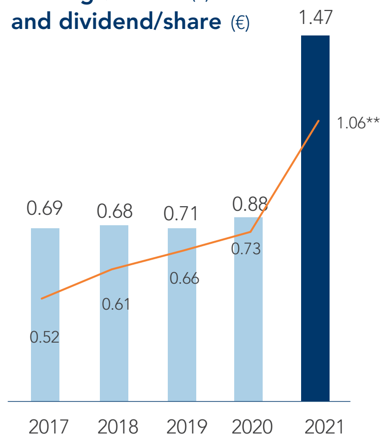
Net profit
(M€)



Net commission income
(M€)

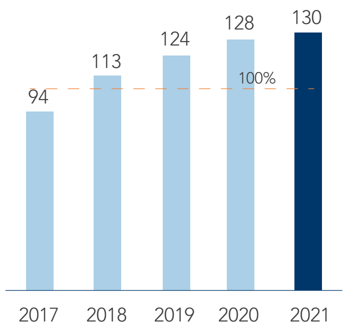


Earnings/share* (€)
and dividend/share (€)

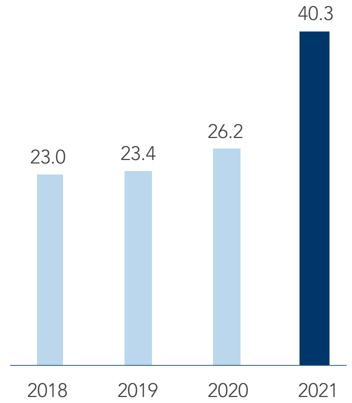


*Diluted IFRS
**Board of Directors' proposal

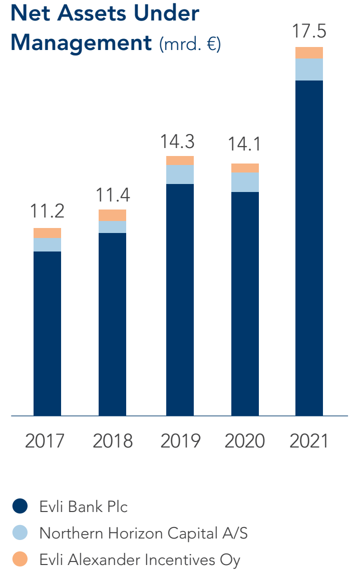
Proportion of recurring revenue to operating expenses (%)



Return to equity (%)



Net Assets Under Management (mrd. €)



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Board of directors report 1.1.–31.12.2021

Market performance

For investors, 2021 was an excellent year as stock markets around the world performed well. The positive performance was driven by both the long-lasting expansionary monetary policy from central banks and the economic recovery from the slump in 2020. The unwinding of coronavirus restrictions and stronger expectations for the manufacturing sector boosted confidence as the spring progressed. Consumer confidence developed positively and the prospects for corporate earnings improved. Towards the end of the year, however, coronavirus restrictions were reintroduced along with new virus variants, which negatively reflected on future expectations.

In the wake of the coronavirus pandemic, markets have experienced unprecedented stimulus measures. In the US, a USD 1,900 billion support package for American households and entrepreneurs was approved in the spring, followed in the autumn by a programme of around USD 1,200 billion for infrastructure development. Europe also saw support measures, but not quite on the same scale.

With the strong recovery, rapid growth and, on the other hand, production challenges in certain sectors, fears of accelerating inflation increased during the remainder of the year. The situation was further exacerbated by significant increases in raw material and energy prices over the past year. However, central banks have so far remained calm and have assessed the rapid price increases as only temporary. However, central banks in both the US and Europe have indicated that they will ease their stimulus measures; in December, the US Federal Reserve announced that it would accelerate the tapering of stimulus measures and indicated interest rate hikes are on tap for 2022. Meanwhile, the European Central Bank announced that it would ease its bond market support programme from the previous level of EUR 80 billion in monthly purchases to a new level of EUR 40 billion in early 2022.

In stock markets, US equities (S&P 500) rose by 28.7 percent and European shares (Stoxx 600) by 25.3 percent in the first nine months of the year. Over the same period, Finnish equities (OMX Helsinki Cap) rose by 25.3 percent.

Developments in the fixed income markets were mixed in January-December. Higher-rated corporate bonds fell by 1.1 percent in value and euro area government bonds dropped by 3.4 percent. In contrast, high yield bonds with a lower rating rose by 3.2 percent. The euro depreciated by seven percent against the dollar.

Financial performance

Development of revenue and result

In 2021, Evli Group's net commission income increased by 45 percent from the corresponding period of the previous year and amounted to EUR 111.7 million (EUR 76.8 million). The positive development of fee and commission income was mainly due to a significant increase in fund fees and advisory fees from the comparison period. The increase in fund fees has been driven by, among others, the growth of assets under management through successful new sales and positive development in valuation. With excellent investment activities the performance-related fees for the period considered have also contributed to the positive development. During the period under review, performance-related fees amounted to EUR 15.9 million (EUR 6.7 million). With regard to advisory fees, the increase is explained by the completion of an exceptional number of transactions during the period under review. The development of commission income was also positive for incentive plans, asset management and brokerage commissions.

Net income from securities trading and foreign exchange operations increased from the corresponding period of the previous year and amounted to EUR 3.5 million (EUR 2.4 million).

Overall, during the review period Evli Group's operating income increased by 45 percent from the corresponding period of the previous year and amounted to EUR 115.6 million (EUR 79.7 million).

Overall costs for January-December, including depreciation amounted to EUR 62.5 million (EUR 50.6 million). The Group's personnel expenses amounted to EUR 37.4 million (EUR 30.5 million), including an estimate of performance bonuses for the personnel. The Group's administrative expenses amounted to EUR 18.5 million (EUR 12.5 million). Administrative expenses include non-recurring costs related to, among other things, the partial demerger of the company and a disagreement regarding the termination of an individual distribution agreement in Central Europe. In total, 3.7 million non-recurring costs were incurred during the period under review. The Group's depreciation and impairment amounted to EUR 4.8 million (EUR 5.7 million). Other operating expenses were EUR 1.8 million (EUR 1.7 million). Evli's expense/income ratio was 0.54 (0.63).

The Group's operating profit grew 82 percent from the corresponding period of the previous year and was EUR 53.0 million (EUR 29.1 million). Operating profit margin was 45.9 percent (36.5%). The result for the review period was EUR 43.0 million (EUR 23.2 million). As a result

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of the profit improvement, the Group's annualised return on equity also increased to 40.3 percent (26.2%).

Balance sheet and funding

Evli Group's balance sheet total was EUR 757.7 million (EUR 772.6 million) at the end of December 2021. Due to daily changes in client activity, significant fluctuations in the size of the balance sheet total are possible from one quarter and from one year to the next. At the end of the review period, the Evli Group's equity was EUR 118.1 million (EUR 95.4 million).

Evli Bank's Extraordinary General Meeting held on December 22, 2021 confirmed the partial demerger of Evli Bank Plc, where the current Evli Group's asset management business will be transferred to a new company that will be established in the demerger, Evli Plc. In addition to the partial demerger, the Extraordinary General Meeting approved the merger of Evli Bank Plc, which continues banking business after demerger, and Fellow Finance Plc. Under the arrangement, the shareholders of the current Evli Bank Plc will receive shares in Evli Plc as a result of the partial demerger.

The interpretation of IFRIC 17 as a part of IFRS standards has been taken into account when preparing the balance sheet of the consolidated IFRS financial statements for the financial year ended December 31, 2021. In accordance with this interpretation, the business transferred in the partial demerger has been recognized in the consolidated balance sheet as a distribution liability. The purpose of the asset distribution liability in the balance sheet is to illustrate the value of Evli Plc shares being distributed to shareholders of Evli Bank Plc, i.e. a calculated value for the business being transferred to Evli Plc. Distribution liability is presented in the consolidated IFRS financial statements as a separate line, on one hand reducing equity and on the other increasing the company's liabilities towards shareholders accordingly. Asset distribution liability is an accounting presentation technique based on IFRS standards, in which the asset distribution liability is discharged upon completion of the arrangement.

Asset distribution liability based on IFRS standards has no effect on the company's financial position, solvency, key figures or potential distribution of dividends. Given that this is only an accounting presentation issue, the financial position of the company should be considered without the liability to distribute funds in accordance with IFRIC 17. In order to provide investors with relevant information, the company presents the balance sheet without the asset distribution liability in accordance with the interpretation of IFRIC 17 in addition to the consolidated balance sheet based on IFRS standards.

Evli applies the standardised approach (capital requirement for credit risk) and the basic indicator approach (capital requirement for operational risk) in its capital adequacy calculation. The Group's capital adequacy ratio of 15.4 percent clearly exceeds the regulator's requirement of 10.5 percent including the extra capital requirement. The Group's own minimum target for capital adequacy is 13.0 percent.

The Group's funding from the public and credit institutions increased by 6.6 percent compared to the comparison period. The company's loan portfolio decreased by 10.6 percent compared to the comparison period and was EUR 98.0 million (EUR 109.6 million). The ratio of loans granted by the Group to Evli Bank Plc's deposits from the public was 24 percent. The Group's liquidity is good.

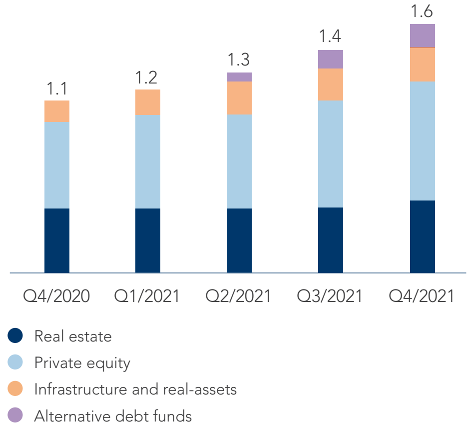
The probability of credit losses has not changed significantly during the fourth quarter of the year. When the Corona crisis started, Evli estimated that credit loss risks had increased and at that time increased its credit loss provisions and tightened the calculation model for credit loss provisions. During the period under review, the company did not detect substantial changes in client's credit worthiness, which has slightly reduced credit loss provisions. This has not had a substantial effect on the result. The total effect of the reduction of credit loss provisions was EUR 0.1 million. Evli's loan portfolio consists mainly of secured investment loans, the collateral values of which are monitored on a daily basis. No credit losses were realised during the review period.

Business areas

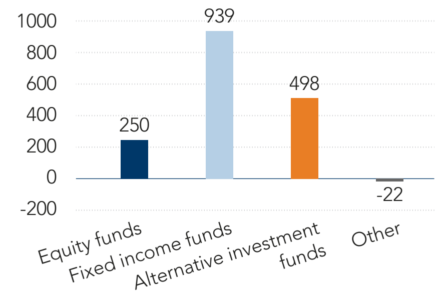
Wealth Management and Investor Clients

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,

Assets under Management in alternative investment products



Net sales per fund classes 1-12/2021
(MEUR)



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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.

Wealth Management

Assets under asset management developed positively in the fourth quarter, especially supported by the market development. At the end of the review period, Evli had EUR 6.0 billion (EUR 5.2 billion) in discretionary asset management assets, which includes both traditional and digital services.

Traditional mutual funds

Fund sales during the period under review developed excellently. According to the Mutual Fund Report carried out by Investment Research Finland, net subscriptions to Evli's mutual funds in cumulative terms were EUR 1,183 million (EUR -1071 million). Most of the net subscriptions were to fixed income funds, but sales of Evli's equity funds also developed positively due to increased client demand. Most net subscriptions were made to Evli Euro Liquidity (EUR 491 million), Evli Short Corporate Bond (EUR 471 million), and Evli Nordic Corporate Bond (EUR 307 million). According to Evli's strategy, the goal is to increase the international sales of its investment products. In the review period, net subscriptions from foreign investors amounted to EUR 737 million (EUR -471 million).

According to the Mutual Fund Report carried out by Investment Research Finland, Evli Fund Management Company's market share grew by 0.1 percentage points on the previous year and was 6.7 percent at the end of December. The combined capital of traditional investment funds managed by the Evli Fund Management Company was EUR 10.6 billion (EUR 8.7 billion). Of this, approximately EUR 3.4 billion was invested in equity funds (EUR 2.4 billion), EUR 7.0 billion in fixed income funds (EUR 6.0 billion) and EUR 0.1 billion in balanced funds (EUR 0.1 billion). At the end of December, EUR 3.3 billion of Evli's fund capital came from clients outside of Finland (EUR 2.3 billion).

Alternative investment products

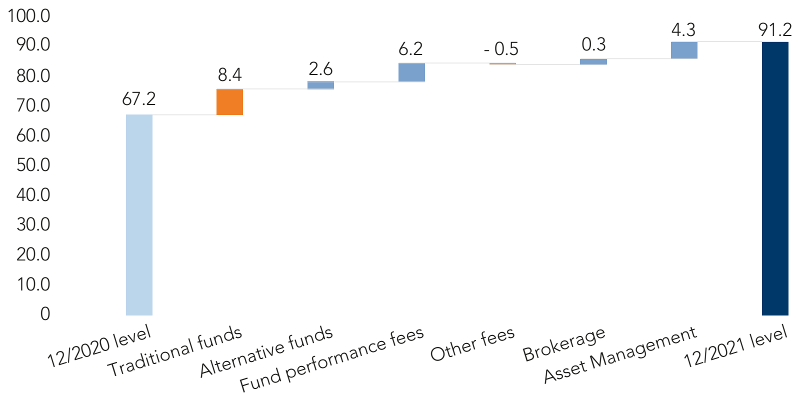
Sales of strategically important alternative investment products proceeded as expected. Subscriptions and investment commitments for alternative investment products totalled around EUR 500 million during the year. Of the subscriptions and investment commitments, almost EUR 57 million went to the newly launched Evli Private Equity Fund III, which is a continuation of the very successful Evli Private Equity Fund II. Also the Evli Residential Fund II had a good start and raised EUR 35 million in the last quarter of the year. In addition, approximately EUR 62 million of the subscriptions and investment commitments were made to the Evli Growth Partners Fund II, around EUR 53 million to the Evli Impact Forest Fund and almost EUR 76 million to the Evli Private Debt Fund. The non-UCITS fund Evli Rental Yield collected subscriptions of EUR 25 million and Evli Leverage Loan EUR 83 million. Evli Private Equity I fund raised EUR 67 million and Evli Inf-

KEY FIGURES - WEALTH MANAGEMENT AND INVESTOR CLIENTS SEGMENT

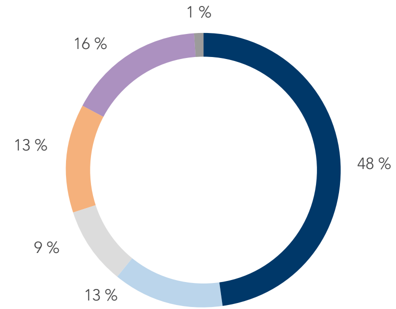
M€	2021	2020	Change, %
Net revenue	91.4	67.1	36
Operating profit/loss before Group allocations	53.8	33.5	61
Operating profit/loss	44.8	27.7	62
Number of personnel	166	160	4
Market share, %*	6.7	6.6	-
Net subscriptions**	1183	-1.071	-

*Evli Fund Management Company. Source: fund report by Investment Research Finland
**Net subscription to Evli's traditional mutual funds. Source: fund report by Investment Research Finland

Development of Investor client commission (M€)



Split of Wealth Management fees 2021



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rastructure I -fund correspondingly EUR 51 million.

Other investment products

Demand for brokerage products increased compared to the comparison period, especially for equities and ETF instruments. In contrast, demand for structured products did not reach the corresponding level of the comparison period. Last year's market turmoil supported sales of structured products, which were exceptionally strong in the comparison period.

Financial performance

In 2021, the profit of the Wealth Management and Investor Clients segment developed positively. Net revenue grew by 36 percent from the previous year and totalled EUR 91.4 million (EUR 67.1 million). The development of revenue performance was positively influenced particularly by the positive development of fund fees due to successful new sales and performance-related fees. During the period under review, performance-related fees amounted to EUR 15.9 million from asset management or funds (EUR 6.7 million).

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.

Assets under management developed positively during the review period, supported by net sales and market development, reaching a new record. At the end of December 2021, the Group's total net assets under management amounted to EUR 17.5 billion (EUR 14.1 billion).

At the end of 2021, assets under discretionary management amounted to EUR 6.0 billion (EUR 5.2 billion). Correspondingly, direct investments in Evli's traditional mutual funds were EUR 7.6 billion (EUR 6.1 billion) at the end of the review period. The assets under management in alternative investment products was EUR 1.6 billion (EUR 1.1 billion). Assets managed through subsidiaries and associated companies also increased from the corresponding level of the previous year.

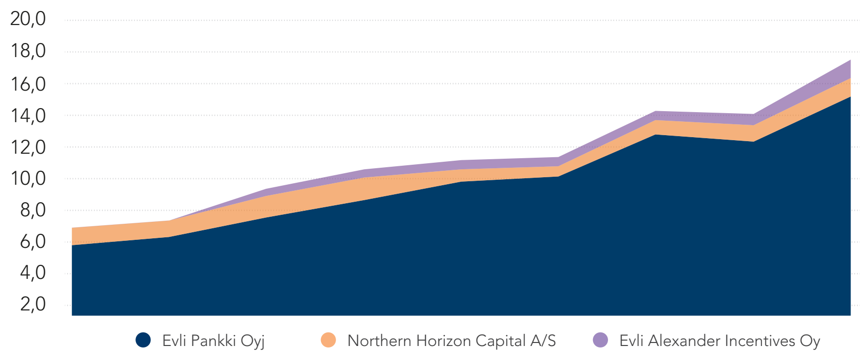
Advisory and Corporate Clients

The Advisory and Corporate Clients segment provides advisory services related to M&A transactions, including corporate acquisitions and divestments, IPOs and share issues. The segment also offers incentive program administration services and investment research for listed companies.

M&A transactions

Client activity in the advisory business remained high throughout the whole year. This was reflected, in particular, in the positive development of the mandate base. During the review period, Evli acted as an advisor on 30 assignments. Invoicing in 2021 clearly exceeded the level of the comparison period.

Development of assets under management
(b. EUR)



Incentive systems

At the end of 2021, Evli managed around 110 incentive programs, mostly for Finnish companies. The company annually advises more than 130 companies on remuneration-related assignments. Increasing sales of product and service offerings related to incentive schemes to overseas and unlisted companies has progressed well during the first three quarters, with the company acquiring several new Nordic listed companies as well as domestic unlisted companies as its clients.

In the review period, revenues from the incentive systems business were EUR 8.5 million (EUR 5.9 million). The revenue development was positively affected by both the increase in the number of client companies from the comparison period and the cross-selling of incentive planning and management solutions. In addition, interest in incentive schemes for all employees, such as employee share issue, was higher than before. In the fourth quarter of the year, various survey products and analyses were also realised, such as compensation surveys for top executives and key personnel.

Financial performance

In 2021, the net revenue in the Advisory and Corporate Clients segment doubled from the previous year and amounted to EUR 20.2 million (EUR 9.7 million). Revenue growth was positively impacted by the clear recovery in the M&A market seen during the first half of the year, as well as the well-continued growth of the incentive business. Significant fluctuations in revenue from one quarter to the next are typical of the segment's M&A activities.

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Group Operations

The Group Operations segment includes support functions serving the business areas, such as Information Management, Financial Administration, Marketing, Communications and Investor Relations, Legal Department, Human Resources, and Internal Services. Banking services and the company's own investment operations that support the company's operations, and the Group's supervisory functions; Compliance, Risk Management and Internal Audit, are also part of Group Operations.

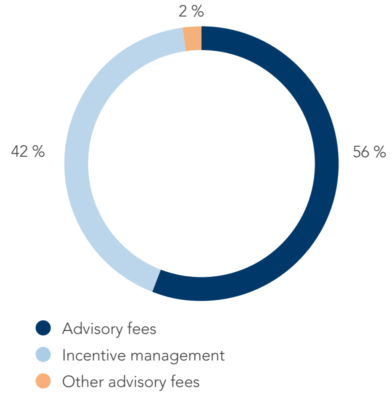
Financial performance

In January-December, the net revenue in the Group Operations segment increased 39 percent compared to the previous year and was EUR 3.9 million (EUR 2.8 million).

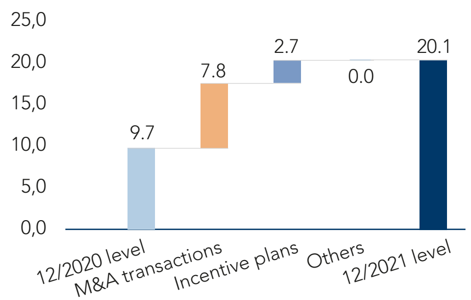
Personnel

At the end of December, the Group had 290 (261) employees. The number grew by 11 percent from the corresponding period of the previous year. 91 percent of the personnel worked in Finland and nine percent outside Finland.

Split of advisory commissions 1-12/2021



Development of advisory commissions
M€



Corporate responsibility

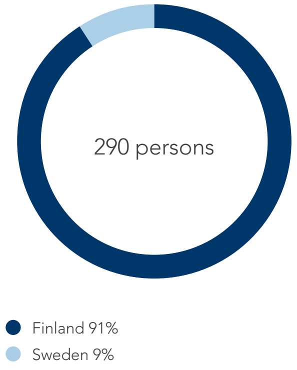
Evli has raised responsibility to one of its strategic focus areas. Responsibility factors have been integrated into investment operations in Evli's most significant business area, Wealth Management, which means that responsible investment is a systematic part of portfolio management. Investments made by Evli's mutual funds are also monitored for possible breaches of standards, and Wealth Management engages with companies independently and together with other investors.

Evli's successful work in responsible investment received again recognition in external evaluations. Evli was rated the best in responsible investing both among "Large" asset managers and among all asset managers in a client survey by SFR Scandinavian Financial Research, which evaluated 18 asset managers on their responsible investing expertise based on the views of Finland's largest professional institutional investors.

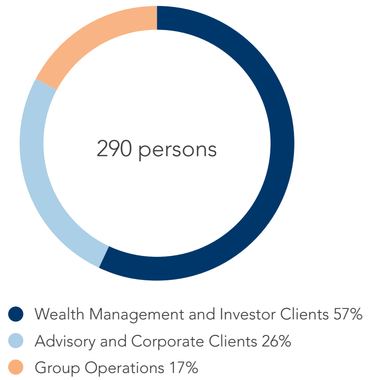
Find out more about the development of responsibility and responsible investment at Evli during 2021 on page 14-24.

EMPLOYEE FACTS

Employees per country



Employees per segment



KEY FIGURES - ADVISORY AND CORPORATE CLIENTS SEGMENT

M€	2021	2020	Change, %
Net revenue	20.2	9.7	108
Operating profit/loss before Group allocations	9.6	2.7	255
Operating profit/loss	7.4	1.8	316
Number of personnel	74	53	40

KEY FIGURES – GROUP OPERATIONS SEGMENT

M€	2021	2020	Change, %
Net revenue	3.9	2.8	39
Operating profit/loss before Group allocations	-10.4	-6.7	55
Operating profit/loss	0.9	0.0	4,894
Number of personnel	50	48	4

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Evli's shares and share capital

Evli Bank Plc's total number of shares at the end of December was 24,109,420 shares, of which 14,507,948 series A shares and 9,601,472 Series B shares. The company held 251,983 B shares. At the end of December, the company's share capital was EUR 30,194,097.31. There were no changes in the share capital.

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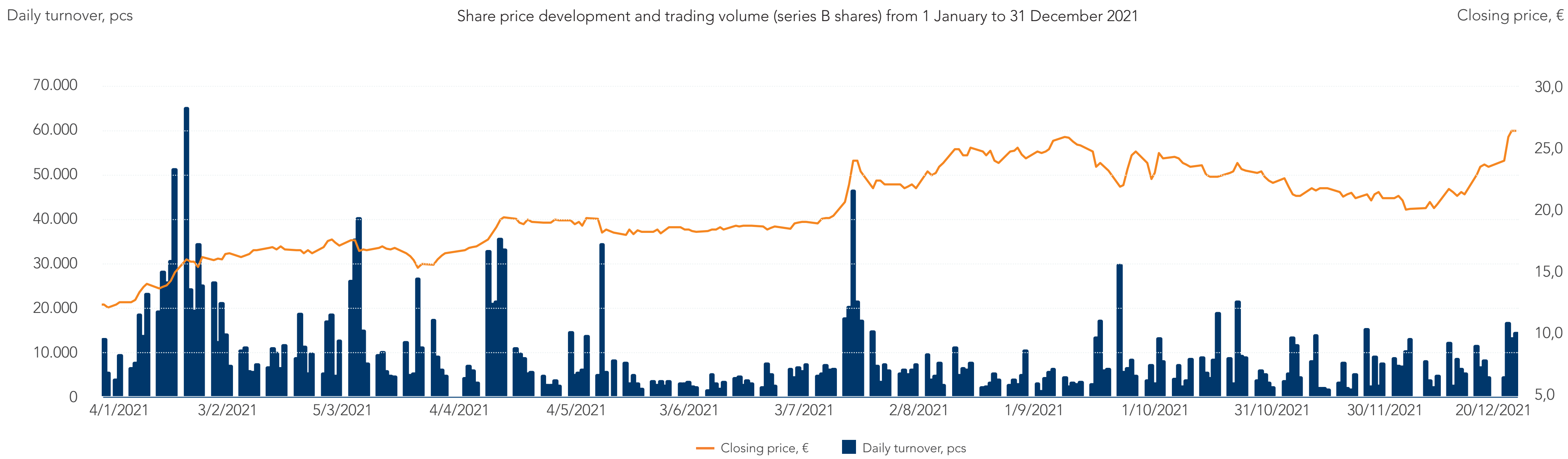
TRADING ON NASDAQ HELSINKI

	1-12/2021	1-12/2020
Highest price, €	26.90	13.20
Lowest price, €	11.90	6.80
Exchange of shares, €	42,046,006	24,737,199
Exchange of shares, pcs	2,224,929	2,465,545

	31.12.2021	31.12.2020
Evlin B shares, pcs	9,601,472	9,474,156
Closing price, €	26.20	12.20
Market value*, M€	631.7	294.1

*The market value is calculated on the basis of unlisted Series A and listed Series B shares. The A share has been valued at the closing price of the B share for the period.

Share price development and trading volume (series B shares) from 1 January to 31 December 2021



Shareholders

Evli Bank Plc's total number of shareholders was 5,897 (5,172) at the end of December. Finnish companies owned 54 percent (55%) and the shareholding of Finnish private individuals 27 percent (27%). Remaining 19 percent (18%) the shares were owned by financial and insurance corporations, general government, non-profit-making entities and foreign investors. The ten largest shareholders are presented on page 60.

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Decisions taken by the Annual General Meeting

Evli Bank Plc's Annual General Meeting, held in Helsinki on March 9, 2021, decided on the following matters:

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

Evli Bank Plc's Annual General Meeting adopted the financial statements. The Meeting approved the Board of Directors' proposal authorize the Board of Directors to pay a dividend for the financial year 2020 and that the maximum amount of the dividend is EUR 0.73 per share. The Annual General Meeting authorized the Board of Directors to decide on the payment of the dividend in one or more instalments at a time it deems best, taking into account the current authority recommendations. The dividend will be paid to shareholders who are entered in the shareholder register maintained by Euroclear Finland Oy on a record date determined separately by the Board of Directors.

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

The Annual General Meeting granted release from liability to the Members of the Board of Directors and the CEO for the 2020 financial year.

Remuneration policy

The Annual General Meeting approved the Remuneration Report 2020 of the company's governing bodies.

Number of Board members, members and fees

The Annual General Meeting confirmed five as the total number of members of the Board of Directors. Henrik Andersin, Fredrik Hacklin, Sari Helander, Robert Ingmanand Teuvo Salminen were re-elected to Evli Bank Plc's Board of Directors. The meeting attendance fee payable to Board members is EUR 5,000.00 per month, and the attendance fee payable to the Chairmen of the Committees is EUR 6,000.00 per month. The meeting attendance fee payable to the Chairman of the Board is EUR 7,500.00 per month.

Auditors and auditors' fees

PricewaterhouseCoopers Oy, an auditing firm, was elected as the auditor, with Jukka Paunonen, Authorized Public Accountant, as the principally responsible auditor. The auditor shall be paid remuneration according to a reasonable invoice approved by the company.

Board authorizations

The Annual General Meeting authorized the Board of Directors to decide on the repurchase of the company's own series A and series B shares in one or more lots as follows:

The total number of own series A shares to be repurchased may be a maximum of 1,463,526 shares, and the total number of own series B shares to be repurchased may be a maximum of 947,416 shares. The number of shares represents approximately ten 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 repurchased with unrestricted equity.

The company's own shares may be repurchased at the price formed for series B shares in public trading or at the price otherwise formed on the market on the purchase day.

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

The authorization will replace earlier unused authorizations to repurchase the company's own shares. The authorization will be in force until the next Annual General Meeting but no later than until June 30, 2022.

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 lots, 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 2,410,942 series B shares. The number of shares represents approximately ten percent of all the shares of the company on the date of the Notice of the Annual General Meeting. Of the above-mentioned total number, however, a maximum of 241,094 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 of 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 will replace 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, 2022.

Decisions taken by the Extraordinary General Meeting

Evli Bank Plc's Extraordinary General Meeting held on 22 December 2021 has approved the arrangement between Evli Bank Plc ("Evli") and Fellow Finance Plc ("Fellow Finance"), where Evli will demerge through a partial demerger into a new asset management group of companies which will be listed on a stock exchange and into a company that will carry on Evli's banking services and into which Fellow Finance will merge.

Demerger

In order to complete the demerger, the General Meeting resolved to approve the partial demerger of Evli Bank in accordance with the demerger plan dated 30 September 2021 and approved by the Board of Directors of Evli Bank and registered with the Trade Register on 1 October 2021 (the "Demerger Plan") and to approve the proposals of the Board of Directors in order to complete the following matters in relation to the completion of the demerger:

(A) the establishment of Evli Plc and the approval of the articles of association;
(B) the composition of the Board of Directors of Evli Plc and on the remuneration paid to the members of the Board of Directors;
(C) the election and remuneration of the Auditor of Evli Plc;
(D) the issuance of a shares and b shares in Evli Plc to the shareholders of Evli Bank as demerger consideration;
(E) authorisation of the Board of Directors of Evli Plc to issue shares and special rights entitling to shares in Evli Plc;
(F) authorisation of the Board of Directors of Evli Plc to decide on the repurchase of Evli Plc's own shares;
(G) authorisation of the Board of Directors of Evli Plc to decide on a share issue for establishing a share-based incentive plan with similar terms as evli's incentive plan currently in force; and
(H) the decrease of Evli Bank's share capital and the dissolution of the share premium reserve.

Resolutions that are conditional on the completion of the demerger will enter into force in connection with the registration of the completion of the demerger. The planned completion date of the demerger is 2 April 2022. The completion date may change in accordance with the Demerger Plan.

In accordance with the Demerger Plan, Evli Bank will demerge so that all assets and liabilities relating to Evli Bank's asset management services, custody, clearing and settlement, and trading services and their support services (i.e. the operations falling under the investment services authorisation) will transfer without a liquidation procedure to Evli Plc, a company to be incorporated in the demerger as set forth in the Demerger Plan, through a partial demerger in accordance with the Finnish Companies Act (624/2006, as amended) and the Act on Commercial Banks and Other Credit Institutions in the Form of a Limited Company (1501/2001, as amended). The demerging company will retain the assets and liabilities relating to banking services, i.e. the operations falling under the credit institution license.

In addition to the other matters described in the Demerger Plan, the resolution on the merger included the following key matters described in more detail in the Demerger Plan:

(A) The establishment of Evli Plc, and the approval of the Articles of Association

Evli Plc as the receiving company in the demerger is established in connection with the registration of the completion of the demerger. It has been proposed that the trade name of the company be Evli Oyj (in English: Evli Plc), and the company's Articles of Association are included in full as an appendix to the Demerger Plan.

(B) The number of the members of the Board of Directors of Evli Plc, election of the members of the Board of Directors and remuneration to be paid to the members of the Board of Directors

In accordance with the proposal of the Board of Directors of Evli Bank, the General Meeting resolved to elect five (5) members to the Board of Directors of Evli Plc. Henrik Andersin, Fredrik Hacklin, Sari Helander, Robert Ingman and Teuvo Salminen were elected as members of the Board of Directors for a term starting on the registration date of the completion of the demerger and ending at the end of the first Annual General Meeting following the registration date.

The General Meeting resolved that the members of the Board of Directors of Evli Plc shall be paid the following remuneration for the term ending at the end of the next Annual General Meeting:

- Chairperson of the Board, EUR 7,500.00 per month,
- Committee Chairpersons EUR 6,000.00 per month, and
- Each member of the Board, EUR 5,000.00 per month.

(C) Election of the Auditor of Evli Plc and the remuneration paid to the Auditor

PricewaterhouseCoopers Oy was elected as the auditor of Evli Plc, with Jukka Paunonen acting as the responsible auditor. The auditor will be reimbursed in accordance with the auditors' reasonable invoice approved by the Board of Directors of Evli Plc.

(D) Demerger consideration

In accordance with the Demerger Plan, the shareholders of Evli Bank shall receive as demerger consideration one (1) new A share of Evli Plc for each A share owned in Evli Bank and one (1) B share of Evli Plc for each B share owned in Evli Bank, that is, the demerger consideration shall be issued to the shareholders of Evli Bank in proportion to their existing shareholding with a ratio of 1:1.

Evli Plc has two (2) share classes (A shares and B shares). The shares of Evli Plc do not have a nominal value.

No other consideration shall be issued to the shareholders of Evli Bank in addition to the aforementioned demerger consideration to be issued in the form of shares in Evli Plc.

(E) Authorisation to issue shares and special rights entitling to shares in Evli Plc

In accordance with the proposal of the Board of Directors of Evli Bank, the General Meeting

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resolved to authorise the Board of Directors of Evli Plc to decide on the issuance of shares and special rights entitling to shares as referred to in Chapter 10, section 1 of the Limited Liability Companies Act in one or more tranches either against payment or free of charge.

The maximum number of shares to be issued or transferred based on the authorisation, including the shares received on the basis of the special rights, is 2,410,942 of Evli Plc's class B Shares in total. The proposed number of shares corresponds to approximately 10 percent of the company's shares as at the date of this notice convening the general meeting. However, a maximum of 241,094 of Evli Plc's class B shares of the aforementioned maximum amount can be issued for use as part of Evli Plc's share-based incentive plans, which corresponds to approximately 1 percent of the total number of all shares in the company at the date of this notice convening the general meeting.

The authorisation entitles the Board of Directors of Evli Plc to decide on all terms of the issuance of shares and special rights entitling to shares, including the right to deviate from the shareholders' pre-emptive subscription right. The Board of Directors of Evli Plc can decide to issue either new shares or treasury shares potentially held by the company.

The authorisation is valid until the end of the next Annual General Meeting, however, no longer than until 30 June 2023.

(F) Authorisation to decide on repurchase of Evli Plc's own shares

In accordance with the proposal of the Board of Directors of Evli Bank, the General Meeting resolved to authorise the Board of Directors of Evli Plc to decide on the repurchase of Evli Plc's own class A Shares and class B shares in one or more tranches as follows:

The maximum number class A Shares that can be repurchased is 1,463,526 shares, and the maximum number of B Shares that can be repurchased is 947,416 shares. The proposed number of shares corresponds to approximately 10 percent of the company's shares as at the date of this notice convening the general meeting.

The company's own shares can only be repurchased based on the authorisation using the company's unrestricted equity.

The Board of Directors of Evli Plc resolves on the manner in which shares are to be repurchased. Shares may be repurchased using, inter alia, derivatives. The company's own shares can be acquired other than in proportion to the shareholdings of the shareholders (directed acquisition). Shares can be repurchased at the price of the class B Share determined in public trading organised by Nasdaq Helsinki Ltd on the repurchase date.

The authorisation is valid until the next Annual General Meeting, however no longer than until 30 June 2023.

(G) Authorisation to decide on a share issue for establishing a share-based incentive plan

In accordance with the proposal of the Board of Directors of Evli Bank, the General Meeting resolved to authorise the Board of Directors of Evli Plc to establish incentive plans for Evli Plc and its employees that correspond Evli's existing and registered incentive plans.

The General Meeting authorised the Board of Directors of Evli Plc to decide on the issuance of shares and special rights entitling to shares as referred to in Chapter 10, section 1 of the Limited Liability Companies Act in one or more tranches either against payment or free of charge. The authorisation will be used for carrying out the company's share-based incentive plans.

The maximum number of shares to be issued or transferred based on the authorisation, including the shares received on the basis of the special rights, is 733,338 of Evli Plc's class B Shares in total.

The authorisation will entitle the Board of Directors of Evli Plc to decide on all terms of the issuance of shares and special rights entitling to shares, including the right to deviate from the shareholders' pre-emptive subscription right. The Board of Directors of Evli Plc can decide to issue either new shares or treasury shares potentially held by the company.

The authorisation is valid until the end of the next Annual General Meeting, however, no longer than until 30 June 2023.

(H) Decrease of share capital and dissolution of share premium reserve

The share capital of Evli Bank is decreased in connection with the demerger by an amount equalling Evli Plc's share capital, i.e. to EUR 6,448,637.65. The amount by which the share capital of Evli is decreased shall be used to transfer funds to Evli Plc. The proposed share capital of Evli Plc is EUR 23,745,459.66. In connection with the demerger, Evli Bank's share premium reserve will be dissolved and these funds will be transferred to Evli Plc's reserve for invested unrestricted equity.

The merger

In order to complete the combination, the General Meeting resolved to approve the absorption merger of Fellow Finance into Evli Bank in accordance with the merger plan dated 30 September 2021 and approved by the Board of Directors of Evli Bank and Fellow Finance, registered with the Trade Register on 1 October 2021 (the "Merger Plan") and to approve the proposals of the Board of Directors in order to complete the following matters in relation to the execution of the merger:

(a) the amendment of Evli Bank's Articles of Association after the demerger and the combination of Evli's class A shares and class B shares after the demerger into one share class;
(b) the composition of the Board of Directors of Evli Bank after the demerger and on the remunerati on paid to the members of the Board of Directors;
(c) the election and remuneration of the auditor of Evli Bank after the demerger;
(d) the issuance of shares in Evli Bank to the shareholders of Fellow Finance as merger consideration after the demerger; and
(e) the establishment of a Shareholders' Nomination Board.

Resolutions that are conditional on the completion of the merger will enter into force in connection with the registration of the completion of the merger. The planned completion date of the merger is 2 April 2022. The completion date may change in accordance with the Merger Plan.

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In accordance with the Merger Plan, Fellow Finance will merge into Evli Bank through an absorption merger so that all assets and liabilities of Fellow Finance will be transferred without a liquidation procedure to Evli Bank as set forth in the Merger Plan.

In addition to the other matters described in the Merger Plan, the resolution on the merger included the following key matters described in more detail in the Merger Plan:

(A) Amendment of the Articles of Association and combination of share classes

In accordance with the proposal of the Board of Directors of Evli Bank, the General Meeting resolved that, in addition to the other amendments, the Articles of Association of Evli Bank following the demerger shall be amended in accordance with the Merger Plan as follows:

(I) Article 1 concerning the company's trade name is amended so that the company's new trade name is Fellow Bank Oyj (in English: Fellow Bank Plc) ("Fellow Bank").
(Ii) Article 2 concerning the company's line of business is amended so as to better reflect the business of the combined company.
(Iii) The class A shares and class B shares of the Company will be combined into one share class by removing Article 4 concerning shares from the Articles of Association..

Upon the completion of the merger and after the demerger Evli Bank's class A and class B shares shall be converted into one share class whereby each share confers one vote. The 20 votes conferred by Evli Bank's class A shares are converted into one vote conferred by a share of the combined class so that after the combination of the share classes each share in Evli Bank following the demerger confers one (1) vote.

The proposed amended Articles of Association are included in full as an appendix to the Merger Plan.

The amendment will enter into force in connection with the registration of the completion of the merger.

(B) The number of the members of the Board of Directors of Evli Bank after the demerger, election of the members of the Board of Directors and remuneration to be paid to the members of the Board of Directors

The General Meeting resolved that to elect six (6) members to the Board of Directors of Evli Bank. Markku Pohjola, Teuvo Salminen, Lea Keinänen, Kai Myllyneva, Jorma Pirinen and Tero Weckroth were elected as members of the Board of Directors for a term starting on the registration date of the completion of the merger and ending at the end of the first Annual General Meeting following the registration date.

The General Meeting resolved that the members of the Board of Directors of Evli Bank after the demerger shall be paid the following remuneration for the term ending at the end of the next Annual General Meeting:

- Chairperson of the Board, EUR 5,000.00 Per month,
- Committee chairpersons, EUR 4,000.00 Per month, and
- Other members of the Board, EUR 3,400.00 Per month.

(C) Election of the auditor of Evli Bank after the demerger and the remuneration paid to the auditor;

PricewaterhouseCoopers Oy was elected as the auditor of the company, with Jukka Paunonen acting as the responsible auditor. The auditor will be reimbursed in accordance with the auditor's reasonable invoice approved by the Board of Directors of Evli.

(D) Merger consideration

In accordance with the Merger Plan, the shareholders of Fellow Finance shall, after the combination of the share classes of Evli described above, receive as merger consideration six (6) new shares in Evli Bank for each share they hold in Fellow Finance.

(E) Establishment of a Shareholders' Nomination Board

The General Meeting resolved, conditionally upon the completion of the merger, to establish a permanent Shareholders' Nomination Board to prepare the election and remuneration of the Board of Directors (the "Nomination Board") after the demerger and confirm the charter for the Nomination.

The main provisions of the charter read as follows:

- The duties of the Nomination Board are to: (i) prepare and present a proposal to the General Meeting for the number of members of the Board of Directors, (ii) prepare and present a proposal to the General Meeting for the Chairperson, Vice Chairperson and members of the Board of Directors, (iii) prepare and present a proposal to the General Meeting for the remuneration of the members of the Board of Directors (including the Chairperson and the Vice Chairperson) in accordance with the remuneration policy for governing bodies, (iv) respond in the General Meeting to the shareholders' questions concerning the proposals prepared by the Shareholders' Nomination Board, (v) prepare and see to it that the Company has up to date principles on the diversity of the Board of Directors and (vi) see to the successor planning for the members of the Board of Directors.
- The Nomination Board has four (4) members. The chairperson of the Company's Board of Directors may participate in the work of the Nomination Board as an expert without the right to participate in the Nomination Board's decision making.
- The members of the Nomination Board are appointed so that the Company's four (4) largest shareholders are entitled to appoint one (1) member each.
- The number of shares owned by the shareholders is determined on the basis of the Company's shareholders' register in accordance with the situation on the last day of August each year.
- The Nomination Board must make its decisions unanimously. If unanimity cannot be reached, the Nomination Board must inform the Board of Directors of this without delay.

The increase of Fellow Bank's share capital proposed in the Merger Plan immediately after the completion of the merger

In accordance with the proposal of the Board of Directors, the General Meeting resolved on a share issue, which is conditional upon the

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completion of the merger. The share issue will be carried out as a directed share issue, i.e. in deviation from the shareholders' pre-emptive subscription right so that shares will be subscribed for by Taaleri Plc, TN Ventures Oy and Evli Plc in accordance with the undertakings they have issued.

The directed share issue will be of the amount of EUR 11,715,469.09 and will be used to strengthen Fellow Bank's solvency, i.e. CET1 core Tier 1 capital. Therefore, there is a weighty financial reason for deviating from the shareholders' pre-emptive subscription right.

The new shares issued in the directed share issue will be subscribed for and paid immediately after the completion of the merger. The issue shares represent approximately 29.9 percent of all shares in Fellow Bank immediately after the completion of the merger calculated on the basis of the number of shares in Evli Bank's and Fellow Finance issued and outstanding on the date of the notice convening the General Meeting. After the combination of the share classes, a total of 20,005,924 new shares will be issued in the directed share issue so that a total of 4,205,325 shares will be offered for subscription to Taaleri Plc, 512,296 shares to TN Ventures Oy and 15,288,303 shares to Evli Plc. The subscription price of the shares is EUR 0.5856 per share, and the subscription price is determined on the basis of the pricing applied in the Arrangement. The subscription price of the shares must be paid to the Fellow Bank on the completion date of the merger, at the latest.

Changes in the group structure

Evli Bank Plc acquired five percent and sold 40 percent of its shares in Terra Nova Capital Advisors Ltd to the company's employees. After the transactions, Evli Bank's holding in the company will be 55 percent.

Alexander Incentives Oy, a fully-owned subsidiary of Evli Alexander Incentives Oy, was merged with Evli Alexander Incentives Oy on 30 April 2021.

Evli Bank Plc sold seven percent of its shares in Evli Corporate Finance AB to the company's employees. After the transactions, Evli's holding in the company will be 52 percent.

Evli Bank Plc sold all its shares in Evli Research Partners Oy, 70 percent of the company's shares, to its subsidiary Evli Corporate Finance Ab.

Evli Fund Management Company, an Evli Group company, established Evli Growth Partners II Oy, an alternative investment fund business, together with the key persons of the fund. Evli Fund Management Company owns 70% of the company.

Evli Private Equity Partners Oy, an Evli Group company, established Evli Private Equity III GP Oy, an alternative investment fund business, together with key members of the fund. Evli Private Equity Partners Oy owns 92.5% of the company.

Evli Fund Management Company established Evli Residential II GP Oy, an alternative investment fund business, together with key members of the fund. Evli Fund Management Company owns 70% of the company.

Business environment

The year 2022 has started on a challenging note for markets, with heightened interest rate and inflation fears, increased geopolitical risks and a drop in the markets.

The excellent performance of traditional investment products and the growing investment interest of clients provide good conditions for growth. Evli already has a strong position among both institutions and wealthy individuals. The prospects for growth in the company's domestic market in Finland are good, especially with the expanded product range.

In line with its strategy, Evli has increasingly invested in the development of international sales and alternative investment products. These are seen as significant sources of growth for the company and as a way to further diversify the company's revenue base. Investments have also been made to achieve greater business scalability.

In terms of international growth, the company's focus is on the Nordic and European markets. In addition to product availability, the streamlining and adaptation of administrative processes and structures to correspond to the standards that investors are accustomed to in other markets are critical for the success of international growth. Evli is excellently placed where international sales are concerned, and the image of a high-quality Nordic fund management boutique is of interest to foreign investors. Thanks to the company's highly developed products, the company's prospects for growth abroad have further improved.

Evli sees alternative investment products as another important strategic priority. The company's ambition is to be able to offer a comprehensive range of products from typical, very liquid fixed income funds to real and private equity funds. To achieve this goal, Evli has introduced several new products to the market over the last few years, and the company's product offering currently covers a wide range of different asset classes. As the investment period for these products draws to a close, the company intends to launch new products in the product categories, such as the Evli Private Equity III fund, which was launched in the fourth quarter. The Finnish market for alternative investment products is highly competitive. Despite the challenges posed by the operating environment, Evli's aim is to turn alternative investment products into a major source of revenue, with the help of a comprehensive offering and exceptional expertise.

Risk management and business risks

Evli's most significant near-term risk is the impact of market performance on the company's business functions. Securities market performance has a direct impact on the wealth management business. Its revenue is based on the performance of assets under management and is therefore subject to market fluctuations. The general performance of the markets also has an impact on brokerage operations. In advisory assignments, any changes in the market confidence of investors and corporate management may result in the lengthening or termination of projects.

Evli's most significant risks associated with its bank and investment activities are liquidity, market and interest rate risks. These risks are

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controlled with limits set by Evli Bank's Board of Directors. The limits are constantly monitored. The basis for investments made by the company is that they must not endanger Evli's result or solvency. Evli's investments are very highly diversified, and dependency on a single company is restricted by limiting the size of company-specific investments, for example. Regardless of good monitoring, there is always a certain degree of risk involved in investment activities, which means the return from investment activities can fluctuate significantly from one quarter to the next. A more detailed description of operational risks is provided on pages 83-87.

Outlook for 2022

The year 2022 has started on a challenging note for markets, with heightened interest rate and inflation fears, increased geopolitical risks and a drop in the markets.

With the demerger planned for 2022, Evli will be able to better focus on developing both its wealth management and banking businesses. Growth prospects for the asset management business, which includes products and services for investors and corporates, are stable. However, there are always risks associated with the general development of the equity and fixed income markets. A possible fall in share prices or a reduction in investors' risk appetites would have a negative impact on the company's performance. The Group's assets under management reached a new record level at the end of 2021 and the product range has expanded, in particular in alternative investment products, which will mitigate the negative impact on results from a possible market turnaround.

The banking business will be clearly strengthened by the merger of Fellow Finance Plc with Evli Bank Plc, which will result in positive growth prospects for this business. However, there is considerable uncertainty about the development of the loan and deposit portfolio, which is critical for the business. These will have a direct impact on the company's short-term performance.

In view of the above, the outlook for the banking operations will become clearer once the demerger and merger are completed. For the asset management business, we expect the operating result to be at a good level. The outlook for asset management will be further specified after the completion of the demerger and during the year as the outlook for market developments becomes clearer.

Helsinki, February 10, 2022

EVLI BANK PLC

Board of Directors

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Shares and Shareholders'

Shares and Shareholders' Equity

Evli Bank has two series of shares, the A and B series. One series A share entitles the holder to twenty (20) votes and one series B to 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 FI4000170915.

At the end of December 2021, the aggregate number of Evli's shares was 24,109,420, with the series A shares accounting for 14,507,948 shares and series B shares for 9,601,472 shares. The company held 251,983 of its own series B shares. At the end of 2021, the company's share capital amounted to 30,194,097.31 euro. The share capital remained unchanged throughout the year.

Trading in shares

At the end of December 9,601,472 of Evli's series B shares were publicly traded in Nasdaq Helsinki. The share exchange between January and December totalled 42.0 million euro while the number of Evli shares exchanged was 2,224,929. During 2021, the highest trading price of the share was EUR 26.90 while the lowest price was EUR 11.90. The share's closing price on December 31, 2021 was EUR 26.20. Evli's market capitalisation, calculated based on both the unlisted series A and the listed series B shares, was EUR 631.7 million on December 31, 2021. The series A shares are valued at the review year closing price of the series B shares.

Shareholders

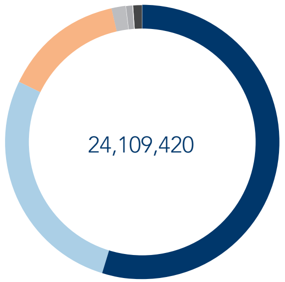
At the end of 2021, Evli had 5,897 (5,172) shareholders in the book-entry register. The stake of Finnish companies was 54 percent (54%) and that of private Finnish individuals was 27 percent (27%). The remaining 19 percent of the shares (18%) were owned by Financial and insurance institutions, public sector organizations, non-profit institutions serving households and foreign investors.

Market capitalisation, M€

631.7

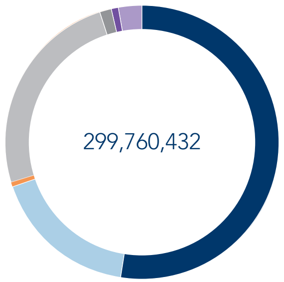
(2020: 294.1)

Breakdown of shareholdings by owner group



- Companies: 54.1%
- Households:26.9%
- Financial and insurance institutions: 14.1%
- Non-profit institutions: 1.6%
- Public sector organizations: 0.8%
- Foreigners: 0.9%

Breakdown of votes by owner group



- Companies: 64.4%
- Financial and insurance institutions: 16.0%
- Public sector organizations: 0.1%
- Households: 19.4%
- Non-profit institutions: 0.1%
- Foreigners: 0.1%
- Nominee registered: 0.1%

LARGEST SHAREHOLDERS 31.21.2021	A Shares	B Shares	Shares total	% of all shares	Number of votes	% of votes
1. Oy Scripo Ab	3,803,280	950,820	4,754,100	19.7	77,016,420	25.7
2. Prandium Oy Ab	3,803,280	950,820	4,754,100	19.7	77,016,420	25.7
3. Oy Fincorp Ab	2,319,780	339,141	2,658,921	11.0	46,734,741	15.6
4. Ingman Group Oy Ab	1,860,000	650,000	2,510,000	10.4	37,850,000	12.6
5. Lehtimäki Maunu	533,728	171,031	704,759	2.9	10,845,591	3.6
6. Moomin Characters Oy Ltd	0	411,235	411,235	1.7	411,235	0.1
7. Hollfast John Erik	328,320	82,080	410,400	1.7	6,648,480	2.2
8. Tallberg Claes	369,756	32,588	402,344	1.7	7,427,708	2.5
9. Evli Pankki Oyj	0	251,983	251,983	1.0	251,983	0.1
10. Svenska Litteratursällskapet i Finland	0	220,336	220,336	0.9	220,336	0.1

BREAKDOWN OF SHAREHOLDINGS BY OWNER GROUP	Number of shareholders	Proportion of shareholders, %	Number of shares	Proportion of shares, %	Number of votes	Proportion of votes, %
Companies	250	4.2	13,046,471	54.1	192,911,111	64.4
Financial and insurance institutions	26	0.4	3,396,480	14.1	47,855,614	16.0
Public sector organizations	2	0.0	182,288	0.8	182,288	0.1
Households	5,567	94.4	6,478,128	26.9	58,188,680	19.4
Non-profit institutions	24	0.4	374,996	1.6	374,996	0.1
Foreigners	28	0.5	222,031	0.9	247,743	0.1
Total	**5,897**	**100.0**	**24,109,420**	**100.0**	**299,760,432**	**100.0**
of which nominee registered	10		409,026	1.7	409,026	0.1
Number of shares issued			**24,109,420**	**100.0**	**299,760,432**	**100.0**

BREAKDOWN OF SHAREHOLDINGS BY SIZE CLASS	Number of shareholders	Proportion of shareholders, %	Number of shares	Proportion of shares, %	Number of votes	Proportion of votes, %
1-100	2,450	41.5	112,683	0.5	112,683	0.0
101-1,000	2,868	48.6	911,816	3.8	911,816	0.3
1,001-10,000	486	8.2	1,363,812	5.7	1,645,012	0.5
10,001-100,000	66	1.1	2,180,352	9.0	10,675,442	3.6
100,001-500,000	22	0.4	4,158,877	17.3	36,952,307	12.3
500,001-	5	0.1	15,381,880	63.8	249,463,172	83.2
Total	**5,897**	**100.0**	**24,109,420**	**100.0**	**299,760,432**	**100.0**
of which nominee registered	10		409,026	1.7	409,026	0.1
Number of shares issued			**24,109,420**	**100.0**	**299,760,432**	**100.0**

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Authorisations given to the Board of Directors

The Annual General Meeting on March 9, 2021 authorized the Board of Directors to decide on the repurchase of the company's own series A and series B shares in one or more lots. The total number of own series A shares to be repurchased may be a maximum of 1,463,526 shares, and the total number of own series B shares to be repurchased may be a maximum of 947,416 shares. The proposed number of shares represents approximately ten percent of all the shares of the company' on the date of the Notice of the Annual General Meeting. The authorisation remains in force until the following Annual General Meeting, however, no longer than until June 30, 2022. In 2021 Evli did not acquire any own shares.

Evli's series A shares can be converted into series B shares under Article 4 of the Articles of Association. During 2020, the company converted A shares into B shares as follows:

- 109,716 A shares were converted into B shares on October 20, 2021 and November 1, 2021. Public trading with the converted shares began at Nasdaq Helsinki Ltd on November 9, 2021.
- 10,000 A shares were converted into B shares on July 14, 2021. Public trading with the converted shares began at Nasdaq Helsinki Ltd on July 26, 2021.
- 7,600 A shares were converted into B shares on January 22, 2021. Public trading with the converted shares began at Nasdaq Helsinki Ltd on January 23, 2021.

CHANGES IN THE SHARE CAPITAL, BOARD AUTHORIZATIONS AND OPTION PROGRAMS

	Number of own shares held	Number of outstanding shares	Share capital, M€	Share premium fund, M€	Fund of invested non-restricted equity, M€
1.1.2020	375,387	23,526,033	30.2	1.8	18.7
Aquisition of own shares	0	0	0.0	0.0	0.0
Option rights subscription (option program 2014)	-46,389	254,389	0.0	0.0	1.5
Aquisition of minority interest	0	0	0.0	0.0	2.7
31.12.2020	**328,998**	**23,780,422**	**30.2**	**1.8**	**22.8**
Total number of shares		24,109,420			
1.1.2021	328,998	23,780,422	30.2	1.8	22.8
Aquisition of own shares	0	0	0	0	0
Disposal of own shares	-77,015	77,015	0	0	0
Other changes	0	0	0	0	2.0
31.12.2021	**251,983**	**23,857,437**	**30.2**	**1.8**	**24.8**
Total number of shares		24,109,420			

Option and share-based incentive programs

Evli's has five share-based incentive programs established in 2017, 2018, 2019, 2021 and 2021-2025. The rewards based on the incentive program are given in Evli shares. Further information on the incentive program on the web page **www.evli.com/investors** and Note 1.8. Employee benefits as well as from the remuneration report on pages 159-162.

Share ownership of executives

The share ownership of the Board members of Evli Bank Plc, including the holdings in the controlled corporations, were 7,341,550 shares in total on December 31, 2021, accounting for 30.8 percent of the total shares and 38.3 percent of voting rights. The members of the Board of Directors of Evli Bank Plc held no stock options.

At year-end, CEO Maunu Lehtimäki owned 704,759 shares which is 2.9 percent of the shares and 3.6 percent of the voting rights. Moreover, he has been allocated 50,000 Evli shares in the context of the share-based incentive program established in 2019.

At year-end, other members of Evli Group's Executive Group owned 720,233 shares in aggregate, corresponding to 3.0 percent of the total shares and 2.4 percent of the voting rights. In addition, the Executive Group was allocated 9,200 Evli shares in the context of the share-based incentive program established in 2017 and 14.001 Evli shares in the context of the share-based incentive program established in 2018 and 140,000 Evli shares in the context of the share based incentive program established in 2019.

Information to shareholders

Basic share information

Evli Bank has two share series, series A shares and series B shares. A 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 FI4000170915.

- A shares (December 31, 2021): 14,507,948
- B shares (December 31, 2021): 9,601,472

Investor calendar 2022

- Annual report and financial statements for the financial year 2021: week 7
- Final registration date for voting at the Annual General Meeting: March 2, 2022 at 4.00 pm.
- Annual General Meeting (AGM), Helsinki: March 9, 2022
- Dividend record date March 11, 2022
- Proposed dividend payment date March 18, 2022
- Silent period: March 23-April 21, 2022
- The interim report for January-March 2022, published on April 21, 2022
- Silent period: June 16-July 15, 2022
- The half-year financial report for January-June 2022, published on July 15, 2022
- Silent period: September 21-October 20, 2022
- The interim report for January-September 2022, published on October 20, 2022.

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 **www.evli.com/investors.**

Annual General Meeting of shareholders

The Annual General Meeting (AGM) of Evli Bank Plc will be held in accordance with the provisions of the temporary legislation approved by the Finnish Parliament on September 15, 2020 (677/2020, Act on temporary deviation from the Limited Liability Companies Act) without the physical presence of shareholders and their proxy representatives.

The notice to the AGM and the Board's proposals to the AGM are published as a stock exchange release and on **www.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 annual general meeting 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 from the Board of Directors, well in advance of the meeting, so that the item can be added in the notice of the annual general meeting. In accordance with the Act on temporary deviation from the Limited Liability Companies Act a decision proposal may be included in the AGM agenda provided that the shareholders having submitted the proposal hold at least one percent of all the shares in the company.

Registration and voting

A shareholder wishing exercise the right to vote on matters to be discussed at the AGM must register as a participant by March 2, 2022. Additional information about the registration at **www.evli.com/agm-2022**

Proposed distribution of dividends

The Board proposes to the AGM a dividend of a maximum of EUR 1.06 per share be paid for series A and B shares, totalling approximately EUR 25.3 million. The Board of Directors proposes that the dividend is paid on March 18, 2022.

Evli's investor communications

The main channel for Evli's investor communications is the company's website, where the company publishes all its stock exchange releases 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. **www.evli.com/investors**.

Contact information

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CFO
juho.mikola@evli.com
Tel. +358 40 717 8888

Annual General Meeting

9.3.2022

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Capital adequacy

EVLI GROUP´S CAPITAL ADECUACY	2021	2020	2019	2018	2017
Own assets (common equity Tier 1 capital), M€	62.8	54.5	48.6	48.8	43.0
Risk-weighted items total for market- and credit risks, M€	239.7	220.6	188.1	177.3	166.9
Operational risk, capital requirement	13.4	11.1	10.7	9.9	9.6
Capital adequacy ratio, %	15.4	15.2	15.1	16.2	15.0
Evli Bank Plc:s adequacy ratio, %	17.9	18.7	19.1	18.8	20.4
Own funds surplus M€	30.3	25.8	22.8	24.8	20.0
Own funds in relation to the minimum capital requirement	1.9	1.9	1.9	2.0	1.9

Capital adequacy ratio, %

15.4

(2020: 15.2)

COMMON EQUITY TIER 1 CAPITAL, M€	2021	2020
Own funds include share capital, funds and retained earnings. These items are not subject to special terms.		
Common equity tier 1 capital		
Share capital	30.2	30.2
Funds total and retained earnings	46.4	40.3
Minority interest	0.0	0.0
Decreases:		
Intangible assets	13.8	16.0
Other decreases	0.0	0.0
Total common equity tier 1 capital	**62.8**	**54.5**

Based on the capital adequacy disclosure requirements (CRR article 431), the following required additional disclosures are presented in the financial statements in the following sections:

- Exposure to counterparty credit risk: Notes on risk position/ Credit Risk (counterparty risk).
- Credit risk adjustments: Notes on risk position/ General information on credit and dilution risk (standard model) and Techniques to reduce credit risk.
- Use of ECAIs: Notes on risk position/ General information on credit and dilution risk (standard model).
- Exposure to market risk: Notes on risk position/ Market risk.
- Operational risk: Notes on risk position/ Operational risk.
- Exposures in equities not included in the trading book: Notes on risk position/ Shares outside the trading book.
- Risk management objectives and policies: Risk management and internal control.
- Unencumbered assets: Notes to balance sheet/ Assets pledged as collateral and other commitments.
- Exposure to interest rate risk on positions not included in the trading book: Risk management and internal control.
- Remuneration policy: Governance / Renumeration policy.
- Leverage: Risk management and internal control.
- Capital requirements, adequacy of internal capital: Risk management and internal contro.

MINIMUN REQUIREMENT OF OWN FUNDS, M€			
Minimun capital adequacy requirement by asset group. standard credit risk method	Own funds min. requirement	Risk-weighted value	Exposure value after credit risk deductions
Claims from the state and central banks	0.0	0.0	384.3
Claims from regional governments and local authorities	0.0	0.0	0.0
Claims from credit institutions and investment firms	2.7	33.9	130.5
Investments in mutual funds	6.0	75.6	74.8
Claims secured with property	0.0	0.2	0.7
Claims from corporate customers	2.0	24.6	27.8
Items with high risk. as defined by the authorities	0.2	2.6	1.8
Other items	7.7	95.8	95.8
Total	**18.6**	**232.7**	**715.7**
Minimum amount of own funds. market risk	0.6	6.9	0.0
Risk-weighted receivables. investments and off-balance sheet obligations. total	**19.2**	**239.7**	**715.7**
Minimum amount of own funds. operational risk	13.4	166.9	0.0
Total	**32.5**	**406.6**	**715.7**

As of January 1, 2014, capital adequacy has been calculated according to the Basel III standards. The term Basel III is used in the financial statements to mean the EU's Capital Requirements Regulation 575/2013 and the related additional regulations issued by the European supervisory authority and international supervisory authorities.

Requirement for permanent funding

In accordance with Article 451a (3) of the Solvency Regulation

		a	b	c	d	e
		Unweighted value by residual maturity				Weighted value
	(in currency amount)	No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items						
1	Capital items and instruments	112 936 509	-	-	-	112 936 509
2	Own funds	112 936 509	-	-	-	112 936 509
3	Other capital instruments		-	-	-	
4	Retail deposits		250 908 479	-	-	225 817 632
5	Stable deposits		-	-	-	-
6	Less stable deposits		250 908 479	-	-	225 817 632
7	Wholesale funding:		111 487 412	-	-	25 326 264
8	Operational deposits		-	-	-	-
9	Other wholesale funding		111 487 412	-	-	25 326 264
10	Interdependent liabilities		-	-	-	-
11	Other liabilities:	0	107 089 499	11 565 233	88 237 567	82 702 478
12	NSFR derivative liabilities					
13	All other liabilities and capital instruments not included in the above categories		107 089 499	11 565 233	88 237 567	82 702 478
14	Total available stable funding (ASF)					446 782 882
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					0
EU-15a	Assets encumbered for more than 12m in cover pool		-	-	-	-
16	Deposits held at other financial institutions for operational purposes		-	-	-	-
17	Performing loans and securities:		-	-	-	137 257 966
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		-	-	-	-
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		-	-	-	-
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		31 874 564	12 635 623	53 421 020	67 662 961
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk				709 946	461 465
22	Performing residential mortgages, of which:		-	-	-	-
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		-	-	-	-
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchan- ge-traded equities and trade finance on-balance sheet products		9 072 017	19 186 305	65 043 891	69 133 540
25	Interdependent assets					
26	**Other assets:**					**55 564 429**
27	Physical traded commodities					
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		3 063 265	-	-	2 603 775
29	NSFR derivative assets		-	-	-	-
30	NSFR derivative liabilities before deduction of variation margin posted		4 297 467	-	-	214 873
31	All other assets not included in the above categories		64 674 093	-	52 745 780	52 745 780
32	Off-balance sheet items		**18 122 824**	**-**	**-**	**906 141**
33	**Total RSF**					**193 728 536**
34	**Net Stable Funding Ratio (%)**					**230,6%**

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EU LIQ1 - Quantitative information of LCR

Group		a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
EU 1a	Quarter ending on (DD Month YYY)	31.12.2021	30.9.2021	30.6.2021	31.3.2021	31.12.2021	30.9.2021	30.6.2021	31.3.2021
EU 1b	Number of data points used in the calculation of averages								
HIGH-QUALITY LIQUID ASSETS									
1	Total high-quality liquid assets (HQLA)					379 545 565	306 626 719	318 198 005	346 834 688
CASH - OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	250 908 479	229 305 188	239 458 061	234 348 428	30 924 535	28 200 987	29 763 440	28 411 036
3	Stable deposits								
4	Less stable deposits	250 908 479	229 305 188	239 458 061	234 348 428	30 924 535	28 200 987	29 763 440	28 411 036
5	Unsecured wholesale funding	113 066 651	97 267 159	90 934 720	102 991 654	81 391 999	75 788 093	68 730 322	85 415 362
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks								
7	Non-operational deposits (all counterparties)	363 975 131	326 572 347	330 392 781	337 340 081	112 316 534	103 989 080	98 493 762	113 826 398
8	Unsecured debt								
9	Secured wholesale funding								
10	Additional requirements								
11	Outflows related to derivative exposures and other collateral requirements	67 236 000	67 236 000	67 236 000	67 236 000	67 236 000	67 236 000	67 236 000	67 236 000
12	Outflows related to loss of funding on debt products	937 650	927 675	299 250	696 255	937 650	927 675	299 250	696 255
13	Credit and liquidity facilities	17 882 824	13 088 031	12 614 206	17 282 054	5 859 937	3 536 625	3 324 969	4 322 565
14	Other contractual funding obligations	334 651	18 000 255	1 299 447	1 349 190	334 651	18 000 255	1 299 447	1 349 190
15	Other contingent funding obligations	240 000	253 000	1 065 000	0	240 000	253 000	1 065 000	0
16	**TOTAL CASH OUTFLOWS**					**186 924 772**	**193 942 634**	**171 718 428**	**187 430 407**
CASH - INFLOWS									
17	Secured lending (e.g. reverse repos)	9 085 236	258 726	249 719	2 649 560	4 542 618	129 363	124 860	1 324 780
18	Inflows from fully performing exposures	631 177	2 240 665	4 130 618	7 875 879	631 177	2 240 665	4 130 618	7 875 879
19	Other cash inflows	1 059 005	2 712 647	2 946 289	2 193 395	1 059 005	2 712 647	2 946 289	2 193 395
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)								
EU-19b	(Excess inflows from a related specialised credit institution)								
20	**TOTAL CASH INFLOWS**	**10 775 418**	**5 212 038**	**7 326 626**	**12 718 834**	**6 232 800**	**5 082 675**	**7 201 766**	**11 394 054**
EU-20a	Fully exempt inflows								
EU-20b	Inflows subject to 90% cap								
EU-20c	Inflows subject to 75% cap	10 775 418	5 212 038	7 326 626	12 718 834	6 232 800	5 082 675	7 201 766	11 394 054
TOTAL ADJUSTED VALUE									
EU-21	LIQUIDITY BUFFER					379 545 565	306 626 719	318 198 005	346 834 688
22	TOTAL NET CASH OUTFLOWS					180 691 971	188 859 960	164 516 662	176 036 354
23	LIQUIDITY COVERAGE RATIO					210%	162%	193%	197%

EU LR1 - LRSum: Reconciliation Summary of Financial Statement Assets and Minimum Solvency Ratio Liabilities

		Applicable amount
1	Total assets according to published financial statements	**757 660 162**
2	Adjustment for entities consolidated for accounting purposes but not subject to prudential consolidation	
3	(Adjustment for securitized exposures that meet operational requirements for risk transfer)	
4	(Adjustment to take account of the temporary exemption for central bank liabilities (where applicable))	
5	(Adjustment for assets entrusted to the balance sheet in accordance with the applicable accounting rules but excluded from the total amount of liabilities in accordance with Article 429a (1) (i) of the Solvency Regulation)	
6	Adjustment for regular way purchases and sales of financial assets that are subject to trade date recognition	
7	Eligible cash pooling transaction adjustment	
8	Adjustment for derivative instruments	**49 460 151**
9	Adjustment for securities transactions	
10	Adjustment for off-balance sheet items (ie conversion of off-balance sheet liabilities into credit equivalent amounts)	**5 992 574**
11	(Adjustment for prudent value adjustments and special and general provisions which have reduced Common Equity Tier 1 capital (T1))	
EU-11a	(Adjustment for exposures excluded from the total amount of exposures under Article 429a (1) (c) of the Solvency Regulation)	
EU-11b	(Adjustment for exposures excluded from the total amount of exposures under Article 429a (1) (j) of the Solvency Regulation)	
12	Other adjustments	-13 813 954
13	**Total liabilities**	**799 298 933**

EU LR2 - LRCom: Joint publication of the minimum solvency margin

	Minimum solvency ratio liabilities under the Solvency Regulation	
	a	b
	31.12.2021	30.9.2021
Liabilities included in the balance sheet (excluding derivatives and financial transactions in securities)		
Balance sheet items (excluding financial transactions in derivatives and securities but including collateral)	731 255 754	734 246 162
(Amounts deducted in determining Tier 1 capital)	-13 813 954	-14 230 239
Total liabilities included in the balance sheet (excluding derivatives and financial transactions in securities)	717 441 800	720 015 922
Derivative liabilities		
Replacement value related to derivative transactions subject to the SA-CCR method (ie less the acceptable margin on cash received)	26 404 407	17 283 800
Increases in potential future counterparty risk (PFE) related to derivative transactions subject to the SA-CCR method	49 460 151	47 867 406
Total derivative liabilities	**75 864 558**	**65 151 206**
Liabilities for financial transactions in securities		
Total exposures to financial transactions in securities	**0**	**0**
Other off - balance sheet liabilities		
Gross nominal amount of liabilities related to off - balance sheet items	20 701 969	15 801 668
(Adjustments for credit conversion)	-14 709 395	-10 631 581
(General provisions deducted in determining Tier 1 capital (T1) and special provisions for off-balance sheet liabilities)		
Off - balance sheet liabilities	**5 992 574**	**5 170 087**
Liabilities excluded from total liabilities		
(Total liabilities excluded from total liabilities)	0	0
Capital and total liabilities		
Tier 1 capital (T1)	62 777 221	63 061 875
Total liabilities	**799 298 933**	**790 337 215**
Minimum solvency ratio		
Minimum solvency ratio (%)	7.854%	7.979%
Minimum capital adequacy ratio (excluding the effect of the exemption for public investment and promotional loans) (%)	7.854%	7.979%
Minimum capital adequacy ratio (excluding the effect of possible temporary exemptions from central bank liabilities) (%)	7.854%	7.979%
Statutory requirement for minimum solvency ratio (%)	3%	3%

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EU LR3 - LRSpl: Breakdown of liabilities included in the balance sheet (excluding derivatives, securities transactions and exempt liabilities)

		a
		Minimum solvency ratio liabilities under the Solvency Regulation
EU-1	Total liabilities included in the balance sheet (excluding derivatives, securities transactions and exempt liabilities), of which:	731 255 754
EU-2	Liabilities included in the trading book	60 788
EU-3	Liabilities not included in trading book, of which:	
EU-4	Covered bonds	-
EU-5	Liabilities considered to be government liabilities	384 302 461
EU-6	Receivables from regional governments, international development banks, international organizations, and public entities and bodies governed by public law which are not considered to be government liabilities	
EU-7	Institutions	81 635 596
EU-8	Liabilities secured by real estate	709 946
EU-9	Retail liabilities	-
EU-10	Companies	25 777 272
EU-11	Liabilities in insolvency	-
EU-12	Other liabilities (such as equity liabilities, securitisations and other non-credit-obligation assets)	238 769 691

Form EU LRA: Reporting of qualitative information on the minimum solvency ratio

Row		
a	Description of the processes used to manage the risk of over-indebtedness	Given the nature and control of Evli Group's operations, the risk of over-indebtedness is not considered material. Evli has restricted the cash deposits of major depositors. In addition, Evli's risk management committee, Credalco, approves the issuance of structured products. In addition, the number of certificates of deposit issued is limited.
		Given the nature and control of Evli Group's operations, the risk of over-indebtedness is not considered material. Evli holds most of its assets with central banks to ensure extreme liquidity. In addition to this, the company is able to fund all limits simultaneously and still exceed the required regulatory limits.
b	Description of the factors that have contributed to the minimum solvency ratio during the period to which the published minimum solvency ratio refers	The most significant changes are due to the development of own funds developed through positive business operations and the development of the deposit portfolio.

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EU LIQA – Liquidity Risk Management in accordance with Article 451a (4) of the Solvency Regulation

Row		
a)	Liquidity risk management strategies and processes, including policies to diversify planned funding sources and maturities	According to Evli's liquidity strategy, Evli's risk appetite for liquidity risk is low. According to the liquidity policy, long-term funding must be at least as much as long-term receivables. Evli's long-term funding sources are equity capital and issued structured products. According to Evli's liquidity policy, Evli must always have financing in such a way that it can finance all issued internal and external financing limits simultaneously.
b)	Structure and organization of the liquidity risk management function (powers, statutes, other arrangements)	Liquidity risk is managed centrally in Evli Bank's Treasury unit. Liquidity risk monitoring is constant. The Risk Control Unit generates liquidity risk assessments, analyzes and reports and, if necessary, escalates key risk figures with risk limits to the Management Group and the Treasury Unit on a daily basis.
c)	Description of the level of concentration of liquidity management and the interaction between the Group's units	Treasury unit and the Group's cash management unit are related to liquidity management. Evli Group's Treasury unit is responsible for liquidity management throughout the Group. Any business units in need of liquidity will contact the Treasury when they need financing. The Treasury also determines the cost of financing. Thecash management unit, in turn, monitors liquidity at the operational level and makes intraday payments.
d)	Extent and content of systems for reporting and measuring liquidity risk	Evli uses in-house liquidity reporting, which extensively retrieves information from the company's various datasets.
e)	Policies to hedge and mitigate liquidity risk and strategies and processes to continuously monitor the effectiveness of hedging and mitigation techniques	A significant liquidity buffer is used to hedge against liquidity risk. The starting point for everything is that long-term financing must match long-term receivables. In addition, Evli must always have the ability to finance all granted limits simultaneously.
f)	Outline of the Bank's contingency plans	In a scenario where Evli's ordinary funding is not possible, the Group will sell the most liquid assets. These are typically the company's investments in traditional UCITS mutual funds. In addition, other measures would be to reduce the Group's internal credit limits and limit other discretionary use of liquidity.
g)	A description of how stress testing is used	The stress test is performed daily. In addition to LCR monitoring, the amount of liquidity buffer left over would be monitored if all granted limits were used simultaneously. A minimum of three steps is set for that buffer. Separate measures are planned for each stage if this limit is exceeded.
h)	Approved by the senior management body, the institution's liquidity risk management arrangements declaration of adequacy	Evli Bank Plc's Board of Directors confirm that the liquidity control measures in place at Evli Group are sufficient considering the profile and the strategy of Evli Bak Plc.
i)	Risk statement on the overall liquidity risk profile related to the Group's business strategy.	Evli's maturity classes can be found in the section "Other notes " in Table 7.1 "Maturity breakdown of assets and liabilities". Due to the corporate reorganization of Evli Bank Plc and Fellow Finance Plc, Evli Bank Plc is preparing for the outflow of the entire deposit portfolio.

Table of qualitative information on the EU LIQB liquidity requirement (completes form LIQ1) in accordance with Article 451a (2) of the Solvency Regulation

Row		
a)	An explanation of the main factors affecting the results of the liquidity requirement and the development of the factors affecting the calculation of the liquidity requirement over time	
b)	A statement of changes in the liquidity requirement over time	There have been no material changes in the Group's liquidity requirement during the review period.
c)	Report on the actual concentration of funding sources	The Group's source of funding is mainly deposits, issued structured bonds and the Group's equity. With regard to concentration risk, the relevant areas to be examined are the deposit base and structured bonds. There is no identifiable significant risk of concentration. Both the deposit base and the investor base financing the company through structured bonds are highly diversified, taking into account the company's level and need for liquidity.
d)	Top-level description of the composition of the institution's liquidity buffer	Evli's liquidity buffer consists mainly of deposits. In addition, Evli has some investments in UCITS funds that can be redeemed in the short term if required.
e)	Derivative liabilities and possible collateral requirements	Evli prepares for possible collateral requirements for derivative liabilities based on stress scenarios.
f)	Currency imbalance in the liquidity requirement	Evli operates mainly in the euro market, so there is no significant currency imbalance in Evli's operations.
g)	Other items in the calculation of the liquidity claim that are not covered by the liquidity claim disclosure form but that the institution considers to be part of its liquidity profile	Evli has no other liquidity requirements outside the disclosure form.

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Calculation of key ratios

Sales		Net interest income + commission income + net income from securities transactions and foreign exchange dealing + other operating income.	
Net revenue		From Income Statement. Includes gross returns, deducted by interest and commission expenses.	
Operating profit/loss		From Income Statement.	
Profit for the financial year		From Income Statement.	
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 ratio, %	=	Equity incl. non-controlling interest's share of equity / Average balance total	x 100
Expense/income ratio	=	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	
Net revenue per employee	=	Net revenue / Number of personnel during the period, avarage	
Earnings per Share (EPS)	=	Profit for the year after taxes attributable to the shareholders of Evli Bank Plc / Average number of shares outstanding	
Comprehensive Earnings per Share (EPS), fully diluted	=	Comprehensive income for the year after taxes attributable to the shareholders of Evli Bank Plc / Average number of shares outstanding including issued shares and option rights	
Earnings per Share (EPS), fully diluted	=	Profit for the year after taxes attributable to the shareholders of Evli Bank Plc / Average number of shares outstanding including issued shares and option rights	
Group´s capital adecuacy (CET1), %	=	Group assets (common equity Tier 1 capital) / Risk-weighted items total	x 100
Equity per share	=	Equity attributable to the shareholders of Evli Bank Plc / Number of shares at the end of the year	
Recurring revenue to operating costs ratio	=	All revenues that are not transaction based but time dependant* / All operative expenses excluding reservation for bonuses from review period	

*Asset management, fund fees, administration of incentive systems, research, custody and client net interest fees

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Consolidated comprehensive income statement , IFRS

Accounting policies

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. 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.

	Note	2021	2020
Interest income	1.1.	2.3	2.8
Interest expenses	1.2.	-2.1	-2.6
NET INTEREST INCOME		**0.1**	**0.2**
Income from equity investments	1.6.	0.0	0.0
Fee and commission income	1.3.	114.5	79.9
Fee and commission expenses	1.4.	-2.7	-3.1
Net income from securities transactions	1.5.	3.5	2.4
Other operating income	1.7.	0.2	0.2
NET REVENUE		**115.6**	**79.7**

Net revenue per employee, K€

398

(2020: 318)

	Note	2021	2020
Operating expenses			
Personnel expenses	1.8.	-37.4	-30.5
Other administrative expenses	1.9.	-18.5	-12.5
Impairment charges on goodwill	1.11.	0.0	0.0
Depreciation and amortization on tangibleand intangible assets	1.11.	-4.8	-5.7
Other operating expenses	1.10.	-1.8	-1.7
Excpected credit losses on loans and other receivables	1.12.	0.1	-0.1
Impairment losses on other financial assets	1.12.	0.0	0.0
OPERATING PROFIT/LOSS		**53.0**	**29.1**
Share of profit or loss of associates	1.13.	0.5	0.4
PROFIT BEFORE INCOME TAX		**53.5**	**29.5**
Income taxes	1.14.	-10.5	-6.3
PROFIT / LOSS FOR THE FINANCIAL YEAR		**43.0**	**23.2**
Attributable to			
Minority interest		6.7	1.3
Shareholders of parent company		36.3	21.9
PROFIT / LOSS FOR THE FINANCIAL YEAR		**43.0**	**23.2**
OTHER COMPREHENSIVE INCOME / LOSS			
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation differences - foreign operations		0.1	0.2
Other comprehensive income/loss		**0.1**	**0.2**
Other comprehensive income after taxes / loss for the year		0.1	0.2
OTHER COMPREHENSIVE INCOME / LOSS FOR THE YEAR		**43.1**	**23.4**
Attributable to			
Non-controlling interest		6.7	1.3
Equity holders of parent company		36.5	22.1
Earnings / Share (EPS)	1.15.	1.51	0.90
Earnings / Share (EPS), fully diluted	1.15.	1.47	0.87
Diluted earnings / share IFRS, fully diluted	1.15.	1.48	0.88

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Consolidated balance sheet, IFRS

ASSETS	Note	31.12.2021	31.12.2020
CASH AND EQUIVALENTS	2.1.	384.1	331.6
Financial assets measured at amortized cost			
Claims on credit institutions	2.2.	48.1	66.8
Claims on the public and public sector entities	2.3.	98.0	109.6
FINANCIAL ASSETS MEASURED AT AMORTIZED COST		**146.1**	**176.4**
Leasing		7.4	9.6
Financial assets at fair value through profit or loss			
Debt securities eligible for refinancing with central banks	2.4.	33.4	37.2
Debt securities	2.4.	0.7	9.8
Shares and participations	2.5.	49.6	57.3
Derivative contracts	2.6.	26.4	52.2
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		**110.1**	**156.3**
Other than financial assets			
Shares and participations in associates	8.2.	4.0	4.2
Intangible assets and goodwill	2.7.	13.8	16.0
Property, plant and equipment	2.8.	1.4	1.4
Other assets	2.9.	88.0	73.7
Accrued income and prepayments	2.10.	2.6	3.3
Deferred tax assets	2.11.	0.1	0.1
OTHER THAN FINANCIAL ASSETS, TOTAL		**110.0**	**98.8**
TOTAL ASSETS		**757.7**	**772.6**

LIABILITIES AND EQUITY	Liite	31.12.2021	31.12.2020
LIABILITIES			
Financial liabilities at amortized cost			
Liabilities to credit institutions and central banks	2.12.	8.6	0.7
Liabilities to the public and public sector entities	2.13.	402.9	385.2
Debt securities issued to the public	2.14.	91.0	131.1
FINANCIAL LIABILITIES AT AMORTIZED COST, TOTAL		**502.6**	**517.0**
Financial liabilities at fair value through profit or loss			
Derivative contracts and other liabilities held for trading	2.15.	26.3	52.5
FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS		**26.3**	**52.5**
Other than financial liabilities			
Other liabilities	2.16.	75.7	84.4
Accrued expenses and deferred income	2.17.	35.0	23.3
Deferred tax liabilities	2.18.	0.0	0.0
OTHER THAN FINANCIAL LIABILITIES, TOTAL		**110.7**	**107.7**
TOTAL LIABILITIES BEFORE IFRIC 17 DISTRIBUTION LIABILITY		**639.5**	**677.2**
IFRIC 17 distribution liability		620.2	0,0
TOTAL LIABILITIES		**1259.7**	677,2
EQUITY	2.19.		
Share capital		30.2	30.2
Share premium fund		1.8	1.8
Fund of invested non-restricted equity		24.8	22.8
Retained earnings		56.1	37.5
Non-controlling interest		5.2	3.0
EQUITY BEFORE IFRIC 17 DISTRIBUTION LIABILITY		**118.2**	**95.4**
Equity to holders of parent company		112.9	92.4
Non-controlling interest in capital		5.2	3.0
TOTAL EQUITY INCLUDING IFRIC 17 DISTRIBUTION LIABILITY		-502.0	95.4
TOTAL LIABILITIES AND EQUITY		**757.7**	**772.6**

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Cash flow statement , IFRS

Accounting policies

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 direct 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.

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.

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.

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.

	2021	2020
Operating activities		
Operating profit	53.0	29.1
Adjustment for items not included in cash flow	13.6	8.2
Income taxes paid	-7.6	-5.0
Cash flow from operating activities before changes in operating assets and liabilities	**59.1**	**32.3**
Changes in operating asset. total	**41.2**	**170.5**
Changes in operating liablities. total	**-22.4**	**-158.4**
Cash flow from operating activities	**77.9**	**44.5**
Investing activities		
Change in intangible asset	-0.6	-0.6
Change in property. plant and equipment	-0.2	-0.2
Cash flow from investing activities	**-0.7**	**-0.9**
Financing activities		
Dividends paid to company´s shareholders	-17.4	-15.3
Dividends paid to non-controlling interests in subsidiaries	-3.1	-1.0
Payment of finance lease liabilities	-1.7	-2.0
Used option rights	0.0	1.5
Cash flow from financing activities	**-22.2**	**-16.8**
Cash and cash equivalents at the beginning of period	338.2	311.4
Cash and cash equivalents at the end of year	393.2	338.2
Change	**54.9**	**26.8**

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Consolidated statement of changes in equity, IFRS

	Share capital	Share premium fund	Reserve for invested unrestricted equity	Retained earnings	Total	Non-controlling interest	Equity before IFRIC 17 distribution liability	IFRIC 17 distribution liability	Total equity
Equity 31.12.2019	30.2	1.8	18.7	29.3	**80.1**	1.7	**81.8**		**81.8**
Translation difference				0.4	**0.4**		**0.4**		**0.4**
Profit/loss for the period				21.9	**21.3**	1.3	**23.2**		**23.2**
Dividends				-15.3	**-15.3**	-1.0	**-16.3**		**-16.3**
Share options exercised			1.5		**1.5**		**1.5**		**1.5**
Acquisition of own shares					**0.0**		**0.0**		**0.0**
Acquisition of non-controlling interest					**0.0**		**0.0**		**0.0**
Other changes*			2.7	1.2	**3.8**	1.0	**4.8**		**5.4**
Equity 31.12.2020	**30.2**	**1.8**	**22.8**	**37.5**	**92.4**	**3.0**	**95.4**	**0.0**	**95.4**
Translation difference				0.1	**0.1**		**0.1**		**0.1**
Profit/loss for the period				36.3	**36.3**	6.7	**43.0**		**43.0**
Dividends				-17.4	**-17.4**	-3.1	**-20.5**		**-20.5**
Share options exercised			0,0		**0.0**		**0.0**		**0.0**
Acquisition of own shares					**0.0**		**0.0**		**0.0**
Acquisition of non-controlling interest				0.0	**0.0**		**0.0**		**0.0**
Other changes**			2.0	-0.5	**1.5**	-1.3	**0.2**		**0.2**
IFRIC 17 distribution liability								**-620.2**	**-620.2**
Equity 31.12.2021	**30.2**	**1.8**	**24.8**	**56.1**	**113.0**	**5.2**	**118.2**	**-620.2**	**-502.0**

The Group´s equity capital is specified in Note 2.19. Equity Capital.

*Other changes from 2019 include the accrual of expenses arising from granted retention share programs, which is presented as part of the change in the retained earnings column (0.6 M€).
**Other changes from 2020 include the accrual of expenses arising from granted retention share programs, which is presented as part of the change in the retained earnings column (1.2 M€). In addition, the share exchange between Evli Awards Management Oy and Alexander Incentives Oy and its effect is presented as other changes both in reserve for invested unrestricted equity (2.7 M€) fund and in non-controlling interests (1.0 M€).
***The Group’s distribution liability is based on the application of IFRIC 17. This interpretation based on IFRS standards became applicable with the decision of Evli Bank Plc’s Annual General Meeting held on December 22, 2021, at which the Extraordinary General Meeting decided on the partial demerger of Evli Bank Plc. According to IFRIC 17, the business to be transferred in a partial demerger is presented in Evli’s consolidated financial statements as a distribution liability measured at fair value, where the distribution liability is presented as a separate item in among liabilities in the balance sheet and the counterpart as equity.

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Notes to the consolidated financial statements

Accounting policies

Basic information on the company

Evli Bank Plc is Finland's leading asset manager whose clients are institutions, companies and present or future high net worth individuals. Evli Bank Plc and its subsidiaries form the Evli Group ("Evli"). Evli serves its clients in international groups in two business areas: Wealth Management and Investor Clients and Advisory and Corporate Clients. Evli's product and service selection include mutual funds, asset management, capital market services, alternative investment products, investment research, management of incentive systems, and M&A services.

Evli's head office is in Finland. In addition, the company operates in Sweden through a branch office of Evli Fund Management Company and its subsidiary Evli Corporate Finance AB and in the United Arab Emirates through its subsidiary Terra Nova Ltd.

The Group's parent company is Evli Bank Plc. The parent company is domiciled in Helsinki and its registered address is Aleksanterinkatu 19 A, 00100 Helsinki.

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

Basis for preparation of the financial statements

The consolidated financial statements have been prepared in compliance with IFRSs (International Financial Reporting Standards), approved for application in the EU, and IASs (International Accounting Standards) valid at the end of 2021, 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 preparing the consolidated financial statements. The figures in the financial statements are presented in millions of euros, unless indicated otherwise. The consolidated financial statements have been prepared based on historical cost, with the exception of financial assets and liabilities recognised at fair value through profit or loss, and derivative financial instruments.

During a financial year, the figures are presented in interim reports so that the income statement items are compared with the corresponding period of the previous year while the comparison of balance sheet items relates to the end of the previous year, unless specified otherwise.

The accounting policies apply to 2021. The accounting policies for comparative figures are presented in the 2020 Financial Statements. Read more at **www.evli.com/investors**.

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.

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 recognised in income and expenses recognised 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 recognised in income and expenses recognised directly in equity and presented under equity. When a subsidiary is disposed of wholly or partly, the cumulative translation differences are recognised in profit or loss as part of gains or losses from disposal.

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Financial assets and liabilities

The Group's financial assets and liabilities are classified in accordance with the IFRS 9 Financial Instruments standard. Under the IFRS 9 standard the classification of financial assets is based on the business model and the type of contractually accrued cash flows. The business model reflects how a group of financial assets are managed in a business unit in order to meet a certain financial objective. The following are the classification groups:

- Financial assets measured at amortised cost
- Financial assets measured at fair value through other comprehensive income
- Financial assets measured at fair value through profit or loss.

A financial asset is classified at amortised cost if the following criteria are met:

- the aim of the business model is to collect contractual cash flows
- the contractual cash flows only contain payments of principal and interest (i.e. a debt instrument).

A financial asset is classified at fair value through comprehensive income if the following criteria are met:

- the aim of the business model is both to collect contractual cash flows and to sell them
- the contractual cash flows only contain payments of principal and interest (i.e. a debt instrument).

Other financial assets that do not meet the above criteria are classified as at fair value through profit or loss.

Financial assets are reclassified only if a business unit's operating model changes substantially. Previously recorded profits and losses are not changed retrospectively. Financial liabilities are measured at amortised cost or fair value through profit or loss.

The classification of financial assets and liabilities occurs in connection with the initial acquisition of financial instruments. Financial assets are initially recognised at fair value, including transaction costs, in the case of an item that is not measured at fair value through profit or loss.

A financial asset is derecognised 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. Financial assets and liabilities are recognised according to the trade date. A financial liability is derecognised when the obligation specified in the contract is discharged.

A financial asset and a financial liability shall be offset only when the Group has a legally enforceable right to offset the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. There are no substantial offset items in the consolidated balance sheet.

The Group's measurement process for financial instruments is approved by Evli Bank's Board of Directors. The measurements are based on IFRS 13, and on the Financial Supervisory Authority's regulations 1/2013: Financial Sector Accounting. The bank's financial administration together with risk management administers the Group's valuation process which includes the review and validation of valuation prices, checking the parameters used in valuations, and the classification of financial instruments in accordance with the standard. Every quarter, the bank's Audit Committee audits and submits for approval by the Board of Directors the measurement of equities and units for which no market value is available (instruments in measurement level 3 and associate companies).

Financial assets

Equity investment and derivatives

Financial assets recognised at fair value through profit or loss

The Group's equity investments and derivatives are all classified at fair value through profit or loss as a general principle. This category includes equities and derivatives held in the trading book, and longer-term mutual fund and equity investments in the Group's operations. Unrealized and realized gains and losses arising from changes in the fair value are recognised in net income or loss from securities trading in profit or loss for the period in which they were incurred.

Financial assets recognised at fair value through comprehensive income

There were no equity investments recognised through comprehensive income in the consolidated balance sheet on the balance sheet date.

The value of financial assets at fair value is determined on the basis of prices quoted on active markets, i.e. bid quotations and closing prices on the balance sheet date. In cases where price quotations are not available from active markets, the fair value is determined using common theoretical measurement models.

Common derivatives pricing models are used in the pricing of unquoted derivatives, or the price is obtained from the counterparty in the case of an OTC instrument.

The fair value of unquoted shares is estimated primarily using the instrument's net asset value or using a cash flow analysis based on future outlook. If the company's share has been traded, this price information is used in the assessment. If the acquisition price of an unquoted investment falls short of the theoretical valuation, in individual cases, the instrument's acquisition price may be used as the measurement principle, subject to consideration. The acquisition price may be used if other sufficient or sufficiently accurate information does not exist for making the measurement.

In measurement of private equity funds and real estate funds the fund's management company's most recently published valuation price, which is usually published four times per year, is used.

Debt instruments

Financial assets recognised at fair value through profit or loss

The Group's investments in bonds and money market instruments are all classified at fair value through profit or loss as a general principle.

Distribution of financial assets IFRS 9:

Financial assets	Measured at amortized cost; expected credit loss calculation applied	Receivables from credit institutions and central banks	
		Receivables from the public; lending	-Promissory notes from individuals and corporate entities -Credit accounts for individuals and companies
	Financial assets measured at fair value through profit or loss	Financial assets held for trading	-Shares and participations, quoted -Derivatives -Bonds
		Other financial assets measured at fair value through profit or loss	-Shares and participations, quoted and unquoted -Bonds and money market instruments -Mutual funds -Private equity and real estate funds
	Financial assets measured at fair value through comprehensive income	The Group has not classified assets in this group	

Evli's investments in bonds and other interest-bearing papers are included in this category. Unrealised and realised gains and losses on bonds arising from changes in the fair value are recognised in net income or loss from securities trading for the period in which they were incurred. Changes in the value of money market instruments are recognised as interest income or expense.

Financial assets recognised at fair value through other comprehensive income

The Group has not classified bond investments as financial assets recognised at fair value through other comprehensive income.

The value of fixed income securities measured at fair value is determined on the basis of prices quoted on active markets, i.e. bid quotations on the balance sheet date and closing prices. The fair value of money market instruments is calculated by discounting cash flows with the relevant interest curve, and with the yield spread that was valid on the day of acquiring the instrument. For unquoted bonds, a price quotation issued by an individual bank or broker is used, or the price of the fixed income security is calculated by Evli Bank in such a way that the instrument's required return corresponds to the required return of similar instruments with the same risk level.

More detailed information on measurement of financial assets measured at fair value through comprehensive income is available in note 7.3.

Financial assets measured at amortised cost

The Group's lending, including promissory notes and accounts with credit facility, receivables from credit institutions and other financial assets are classified under financial assets measured at amortised cost.

Financial assets measured at amortised cost are initially recognised at fair value inclusive of expenses immediately caused by the acquisition. After initial recognition, the items are measured at amortised cost using the effective interest rate method. This refers to the interest rate at which the future payments that are expected to become payable or receivable during the financial instrument's assumed exercise period are discounted to the level of the financial instrument's net book value. The book value is adjusted by a credit loss provision using the expected credit loss measurement model (see next section Impairment of financial assets).

Impairment of financial assets

Impairment of financial assets is based on the expected credit loss calculation model, in which potential credit losses are estimated at each reporting date. The impairment model estimates the change in credit quality after initial recognition using a three-step model. Financial assets that are subject to the calculation of expected credit losses are financial assets measured at amortised cost, such as loans granted. Impairment losses also apply to off-balance sheet commitments, such as unused credit facilities. Impairment is not applied to financial assets measured at fair value unless they are measured at fair value through profit or loss. A simplified calculation procedure has been established for trade and lease receivables.

Expected Credit Loss (ECL) is calculated using a probability-weighted formula as follows: Receivable * PD (probability of default) * LGD (% of loss on receivables including collateral realisation). The ECL reflects the company's own estimate of how much less cash is expected to be obtained from the loan than what is contractually required. The probabilities of loss are assessed using various statistical methods, such as looking at one's own credit portfolio and its loss history, as well as the broader group in which credit risk is expected to be similar. Estimates of the future market environment and its development trends should also be used in the calculation.

The IFRS 9 standard uses the three-stage model to measure credit losses. The first stage is to assess the likelihood that the borrower will have payment difficulties over the next 12 months. Stage 1 includes items where the credit risk is not estimated to have increased significantly since initial recognition, or the credit risk of the item is estimated to be low. If the borrower's credit risk has increased significantly since the initial recognition, the expected credit loss for the entire term of the agreement is estimated (stage 2). Assets in Stage 3 are impaired assets that have already been identified as having a negative effect on future cash flows, such as the insolvency of a counterparty.

The loss provision is presented on a separate line in the income statement. Interest income on financial assets is presented for the gross capital of financial assets of stage 1 and 2, net of the capital at stage 3, i.e. after provisions.

Factors affecting the assessment of a counterparty's credit risk include, for example, late payments and breaches of contract, negative changes in the counterparty's financial position and credit rating, and significant changes in macroeconomic factors that directly affect the debtor's solvency.

A loan is classified as non-performing if the interest payment or instalment has been due for more than 90 days or if it is estimated that the debtor is unlikely to meet its future payment obligations.

Impairment is recognised as an actual credit loss when the debtor has been declared insolvent in bankruptcy proceedings, has ceased operations or the receivable has been forgiven in either a voluntary or statutory debt arrangement.

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Financial liabilities measured at amortised cost

Financial liabilities are initially recognised at fair value based on the consideration received inclusive of expenses immediately attributable to the acquisition. After initial recognition, financial liabilities such as bonds issued by the company, deposits by the public and other financial liabilities are measured using the effective interest rate method at amortised cost.

Financial liabilities recognised at fair value through profit or loss

Liabilities recognised at fair value through profit or loss include shorted equities and derivative liabilities held for trading, such as written options.

The fair value of liabilities measured at fair value through profit or loss is determined principally on the basis of prices quoted on active markets, i.e. quoted asking prices and closing prices on the balance sheet date. In cases where price quotations are not available from active markets, the fair value is determined using common theoretical measurement models.

In securities lending occurring in conjunction with shorting shares, the securities are retained in the original owner's balance sheet.

Distribution of financial liabilities IFRS 9:

Financial liabilities	Financial liabilities measured at fair value through profit or loss	- Derivative contracts - Shorted shares
	Other financial liabilities, at amortized cost	- Deposits by financial institutions - Deposits by the public - Issued bonds - Other financial liabilities

Hedge accounting

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

IFRS 3 Business combination

Business combinations are always carried out using the acquisition cost method. The identifiable assets and liabilities to be acquired are measured at fair value at the time of acquisition, with any limited exceptions. The Group recognises the non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or, alternatively, based on the non-controlling interest's share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred. To the extent that the acquisition price exceeds the identifiable net assets of the acquiree, the surplus is recognised as goodwill. If the acquisition price is less than the value of the identifiable net assets, the difference is recognised in profit or loss. In the event that part of the payment of the purchase price is deferred, future amounts are discounted to their present value at the time of the transaction. The discount rate used is based on management's estimate of the Group's cost of debt.

IFRS 15 Revenue from contracts with customers

The IFRS 15 guidance applies to all revenues collected from clients that are not processed in accordance with other IFRS standards such as IFRS 9. Interest and dividend income are also examples of revenue items that do not come under IFRS 15. According to IFRS 15, revenue is recognised when a company transfers control of goods or services to a customer either over time or at a point in time.

Key revenue streams that fall under the standard and are based on client contracts have been analysed using the five-step model. The client contract on which the stream is based and any performance criteria on which fees are based have been identified for each revenue stream. The fee charged has then been allocated to each performance criterion and the revenue recognition principles have been built around meeting the criteria. The standard breakdown of revenue into time-based and event-based revenue recognition is presented as part of the segment reporting.

IFRS 16 Leases

Leases

In accordance with IFRS 16, in principle all leases are recognised in the balance sheet as property, plant and equipment and lease liabilities, except for short-term leases and agreements for low-value assets. The lease liability under these agreements is determined as the present value of the remaining lease payments. The future cash flows from the leases have been discounted at the time of review using the interest rate according to the company's financing cost. Rents payable are allocated to capital and financial expenses. Finance costs are recognised in the income statement over the lease term so that the interest rate on the outstanding liability is the same in each period. The company has not estimated a separate interest component for the funds needed to finance the lease liability in 2021 due to the company's low funding cost and excess liquidity.

Based on the analysis of its contract portfolio, IFRS 16 primarily affects leases for business premises. Typically, leases are for a period of two to five years and may include a possible option to extend the lease term. Individual agreements have been negotiated for different premises, where the terms may differ. Possible extension options included in the leases have not been taken into account as part of the calculation due to the related uncertainties.

Leases in which the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rents paid under operating leases are expensed in the income statement on a straight-line basis over the lease term.

The effect of the standard on the Group's other assets and other liabilities was EUR 7.4 million at the end of the review period. Possible further options included in the leases have not been taken into account as part of the calculation due to the related uncertainties.

Matters requiring management judgement

The drawing up of financial statements in accordance with IFRS standards requires that certain accounting assessments are made. In addition, management must use its judgement. Judgement 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 judgement on the basis of estimates and assumptions that

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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 judgement 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 provided in the note in question, under the title Management judgement.

MEASUREMENT OF LEASE LIABILITIES	2021
Commitments related to leases on 31.12.2020	9.6
Less (-) short-term leases not recognized as a liability	0.0
Less (-) leases of low-value assets	0.0
Add/less (-): contracts reassessed as lease contracts	0.0
Add/less (-): adjustments as a result of a different treatment of extension and termination options	0.0
Add/less (-): adjustments relating to changes in the index or rate affecting variable payments	0.0
Lease liability recognized on 1.1.2021	**9.6**
Additions	0.0
Deductions	0.0
Depreciation	-2.2
Lease liability according to balance sheet on 31.12.2020	**7.4**
Of which are:	
Current lease liabilities	1.7
Non-current lease liabilities	5.7

Provisions

A provision is recognised 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.

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

New standards are not expected for the next financial year that would have a significant impact on Evli Group´s accounting policies.

IFRIC 17 Distributions of Non-Cash Assets to Owners application in consolidated financial statements 2021

This IFRIC interpretation became applicable following the decision of the Extraordinary General Meeting of Evli Bank Plc held on December 22, 2021, in which the meeting decided on the partial demerger of Evli. IFRIC 17 requires an entity to recognise a liability for the distribution of assets to reflect the partial demerger at the time the entity makes the decision to distribute the assets and has an obligation to distribute those assets to its owners if uncertainties beyond the entity's control are eliminated. In other words, the company must recognise a liability when the distribution of assets has been appropriately approved by shareholders and is no longer at the company's discretion. The liability to distribute assets is measured at the fair value of the business to be transferred in the partial demerger. In Evli's consolidated financial statements, the liability to distribute assets is presented as a separate line item within liabilities on the balance sheet and the counterpart is presented within consolidated equity. The technical accounting items in accordance with this interpretation are included in the consolidated balance sheet and in the statement of changes in equity. In order to provide quality information to investors, the company also presents these calculations without the liability to distribute assets under the interpretation.

When the demerger is implemented, estimated to occur by April 2, 2022, Evli Bank will derecognise the assets and liabilities to be transferred to Evli Plc as well as the liability to distribute assets, and the difference between the net assets to be transferred and the liability to distribute assets will be recognised in profit or loss.

The fair value of the liability to distribute assets has been calculated inversely by deducting the value of the remaining banking operations in the distribution from the market value of Evli Bank Plc on December 31, 2021. The value of the remaining banking operations is based on the value calculated through the merger consideration under the merger plan. The liability to distribute assets under IFRS has no impact on the company's financial position, solvency, ratios or distribution of assets. To ensure that investors are provided with relevant information, the company presents, in addition to the consolidated balance sheet under IFRS, a separate balance sheet excluding the liability to distribute assets under IFRIC 17.

Application of IFRS 5 Non-current Assets Held for Sale and Discontinued Operations in the Consolidated Financial Statements 2021

In accordance with IFRS 5, a company shall classify the assets and liabilities that are transferred in a partial demerger as distributable to owners when the entity to be transferred is immediately transferable in its present condition at the balance sheet date and its transfer is highly probable.

Assessment of the facts concerning the immediate transferability of the entity

Based on management discretion, the assets and liabilities transferred in the partial demerger on 31 December 2021, Evli Group's investment services operations, were not immediately transferable in their current form for several reasons beyond the company's control. The partial demerger is conditional on the completion of the overall combination agreement, in which Evli Bank Plc will be partially demerged into Evli Plc, which engages in investment services and requires an investment

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services license, and Evli Bank Plc, which will continue to merge with Fellow Finance Plc and change its name to Fellow Bank Plc.

The condition of immediate divestiture was not met, inter alia, because the divested business did not have the required license to conduct business. With regards to applying for a license, the company has initiated the regulatory process by the balance sheet date. Managements view is that there is always uncertainty associated with obtaining a new license, and the company did not have any visibility at the balance sheet date regarding the progress of the regulatory process. The new investment services company Evli Plc, which will be created in the partial demerger, will need an investment services license from the Financial Supervisory Authority. Correspondingly, the company continuing the banking operations, to which Fellow Finance Plc will merge as part of the overall arrangement, will require the passing of ownership control by the European Central Bank, which in the company's understanding corresponds to the new bank's license process in this case. At the balance sheet date, the company had not received confirmation from either authority regarding the licenses. Obtaining licenses is not solely dependent on the company's own measures but is also dependent on the measures taken by Fellow Finance Plc to meet the license requirements. Evli Bank Plc has no control over Fellow Finance Plc's operations.

In addition, in order to enable the transfer of operations, the company will be required to make arrangements, inter alia, to reduce its loan portfolio in order to ensure sufficient liquidity for the operations to be transferred in the partial demerger. This matter does not depend solely on the company's decision-making but is dependent on other banks with which the company negotiates co-operation arrangements as well as customer actions. At the balance sheet date, this was associated with uncertainty.

The business was also not immediately transferable at the balance sheet date due to organizational reasons, as the organizational structures of the company and Fellow Finance Plc did not enable the separation of banking and investment services and the related merger at that time.

Separation of functions at the balance sheet date was also not possible for IT reasons. Evli Bank Plc has historically had a centralized information system structure. In order to implement the partial demerger, the company must build and separate information systems for investment services and banking. At the balance sheet date, the investment service business was also not disposable as such.

Assessment of the facts concerning the requirement of a highly probable extradition

When assessing the application of IFRS 5 at the balance sheet date, in addition to being immediately transferable, the probability of a potential transaction occurring, where the transfer must be highly probable, must be assessed. Based on management discretion, this has also been associated with uncertainty at the balance sheet date, because despite the General Meeting's decision in favor of the overall arrangement, the transaction is conditional on several matters beyond the company's control.

First, the demerger is conditional on the approval of creditors for both Fellow Finance Plc and Evli Bank Plc. At the balance sheet date, there was uncertainty regarding the approval of creditors, as the company did not have full visibility into the situation, especially regarding the approval of Fellow Finance Plc's creditors.

Second, the implementation of the arrangement is conditional on the favorable decisions of the Financial Supervisory Authority and the European Central Bank regarding the new Evli Plc's investment services license, as well as the ownership control process of Fellow Bank Plc, which will be created in the arrangement through merger. Company considers that there are always uncertainties associated with regulatory licenses. In particular, the decision-making process of the European Central Bank has been assessed as challenging by the company and, from the company's point of view, involves clear uncertainty regarding the decision in favor. Fulfillment of the licensing conditions is also dependent on Fellow Finance Corporation's actions to comply with the permit conditions.

Third, the overall arrangement is conditional on the maintenance of certain business conditions in accordance with the Combination Agreement. The conditions are not dependent on the company, and the company did not have full assurance that the conditions would be met at the balance sheet date.

Fourth, the fulfillment of the business conditions for information systems has included uncertainty regarding the functions to be transferred at the balance sheet date. Uncertainty applies to international data transmission services, which need to be secured for migratory activities.

In view of the above, management has determined, after consideration, that the conditions in IFRS 5 for the entity to be disposed of immediately in its present condition and for the disposal to be highly probable have not been met together at the balance sheet date. Therefore, in the Company's view, the criteria for classification as distributable to owners at the balance sheet date were not met for the assets and liabilities to be transferred.

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Risk management and internal control

Evli operates in a constantly changing market environment, which subjects the company to risks caused by changes in the business environment or the company's own operations.

Risk management refers to actions that systematically seek to assess, identify, analyse and prevent risks. The objective of risk management is to:

- ensure the sufficiency of 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.

Organisation of the control operations

Evli's Board of Directors is primarily responsible for Evli Group's risk management. The Board 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 control is organised. The Board has also appointed a credit and asset liability committee (Credalco), which briefs it on risk-taking matters. Its members during the financial year 2021 were Kristian Nybergh (Chairman), Juho Mikola, Kim Pessala and Maunu Lehtimäki; expert members were Mari Etholén, Bengt Wahlström and Jan-Erik Eriksson.

Evli Group's risk management is founded on the "three lines of defence" model:

1. The first line of defence 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 of defence consists of Risk Control and Compliance 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 Risk Control function reports on findings to Credalco, the Executive Group and the company's Board of Directors.

The Compliance function is responsible for ensuring compliance with the rules in all of 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.

3. The third line of defence 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 organised administratively under the CEO. Internal Audit assesses the functioning of Evli Group's internal control system, the appropriateness and efficiency of its operations, and the compliance with guidelines, through audits that are based on a plan of action for internal auditing that is confirmed annually by the Audit Committee of Evli Bank's Board of Directors.

Additional information about the organisation of Evli Bank's control operations in the Corporate Governance Statement on pages 147-155.

Risk management and the largest risks

Evli operates in a constantly changing market environment, which subjects the company to risks caused by changes in the business environment or the company's own operations.

The risk factors described below might have a negative impact on the business operations or financial situation of the company, and hence its value. Also, other risks, unknown to Evli at this time, or risks not considered significant at this time, might become significant in the future.

Evli divides risks into three main categories:

1. **Financial risks**: market, credit and liquidity risks
2. **Operational risks**: legal, compliance and information security risks
3. **Strategic risks**: changes in business environment and M&A

Financial risks

Financial risk is a risk caused by the operating environment of the company and any market changes therein, and the nature of the company's business. Financial risks include market risk that contains equity, currency and interest rate risk as well as credit and liquidity risks.

Market risks

Evli is conservative when it comes to direct market risk and taking market risk is not considered as a real source of income for Evli. According

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to Evli's market risk strategy, market risk should not have a significant impact on Evli's profit under normal market conditions, and market risk should not under any circumstances endanger Evli's continuity or profitability.

Equity risk

Equity risk means the sensitivity of Evli's profitability and the market value of the balance sheet to changes in the general price level of the stock market. Evli's direct equity risks consist of Corporate Finance operations, the temporary position of the brokerage business and strategic investments. In the Corporate Finance and brokerage business there were no equity positions on December 31, 2021.

Most of the strategic investments are private equity funds, in which Evli has either deve-loped the product and/or acted as the distributor, or seed capital investments into Evli Fund Management Company's mutual funds, hedges associated with business operations or difficult-to-sell equities obtained in corporate transactions. The direct equity risks are presented in table 1.

Share-based incentive plans administered under agreement on behalf of clients are implemented by purchasing shares of the client companies in question. Due to contractual arrangements made with clients, this arrangement does not pose an equity market risk to Evli. The credit risks and counterparty risks generated by changes in the market prices are monitored separately. The monitoring procedure is described in the paragraph Credit risks.

Of the entire investment portfolio and trading book, 9.1 percent has been valuated using theoretical valuation methods, since no market price has been available. Information about the methods used in the valuation of the investment instruments is presented in the accounting policies in the financial statements. Instruments measured by theoretical means were recognised 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.

Evli's business involves an indirect equity risk resulting from the business operations of Evli Fund Management Company and the Wealth Management and Investor Clients segment. The stock market affects the allocation, size and returns of the capital managed in these business operations.

Currency risk

Evli's Treasury manages the currency risk of the balance sheet. The currency risk limit is defined by currency and total gross amount. The gross total currency position may not exceed four million euros without an authorisation from Credalco. The maximum total currency position is six million euros, subject to Credalco's permission. The currency position on December 31, 2021 is described in more detail in the Notes on risk position section 6.4. Market risk.

Interest risk

Interest risk refers to the sensitivity of the current value in the balance sheet to changes in the general interest rate. Interest risk arises as a result of fixed income investments of the financial activities, trading book, derivatives market-making and strategic investments, which are seed capital investments into Evli Fund Management Company's fixed-income funds. The interest risks are presented in table 2.

The basic scenario, (Scenario A) measures the effect on the current value of the balance sheet, if the interest rate changes linearly by one percentage point. Another scenario (Scenario B), which is used for measuring the fixed income investments of the bank's financial activities, measures the effect of the change in the slope of the interest rate curve to the market value in the balance sheet. In Scenario B, the short interest rates change by 0.5 percentage points, and at the same time, the over one-year interest rates change in the opposite direction by 0.25 percentage points. The net result from Scenario A and B is added up, and the result indicates the total sensitivity of the financial activities to interest rates. The inte-rest rate risk, taking into account assets and liabilities, was EUR 1.0 million on December 31, 2021. In the other operations the interest risks were not significant.

Credit risks

According to Evli´s credit risk strategy, taking credit risks is not Evli's primary source of income, but a consequence of other businesses, and under no circumstances can credit risks jeopardise Evli's continuity. Credit risks arise from the bank's financial activities, trading book and the counterparty risk of trading.

Table 1: Equity risks December 31, 2021, M€

Business operations	Market value	Effect of a 20% change in the stock market to the financial result
Brokerage	0.1	0.0
Strategic investments	10.3	-2.1
Corporate Finance	0	0

Table 2: Interest risks December 31, 2021, M€

Business operations	Market value	Scenario A	Scenario B	Total
Assets – Financial activities	592.1	-1.1	0.1	-1.2
Liabilities – Financial activities	-542.3	0.3	0.1	0.4
Strategic investments	0.1	0		0

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The credit risk in Evli's financial activities consists of client lending, investments of the financial activities and the counterparty risk of currency/interest rate hedging. The purpose of lending is not to be the primary source of income alone, but lending focuses on the clients of Evli's Wealth Management, and loans must have corresponding collateral. Acceptable collateral includes cash, liquid shares, mutual funds, bonds and structured pro-ducts. Not all of these products are eligible for deduction in the standard method used by Evli to assess the credit risk. The concentration risk in lending is limited to five million euros per individual client entity. The rest of Evli´s assets of its banking operations are invested primarily in securities issued by the Government and other public-sector bodies as well as banks and credit institutions ope-ra-ting in the Nordic countries or with at least a credit rating A-. Investments in credit institutions focus on credit institutions operating in the Nordic countries. In addition, the Treasury unit may invest in capital debt instruments or funds investing in them, taking into account the solvency and liquidity ratio. Credalco limits the total amount of direct corporate debt instruments made by Treasury. At the end of 2021, the limit was EUR 10 million. In addition, the Treasury may invest in Evli's fixed income funds, where the maximum investment per fund is EUR 12 million according to the limits of the Board of Directors.

Interbank OTC derivatives and counterparty risk between Evli and the funds are managed through daily collateral management, using only cash as collateral. Interbank OTC derivatives are used for hedging purposes, such as currency and interest rate risk or structured products issued by Evli. Credalco accepts all counterparties with whom it enters into non-standardised derivative contracts. The limits for financial activities are set taking into account, among others, the credit rating and geographical location of the issuer.

During the year, the credit risks in the brokerage business were low. Derivatives brokerage was discontinued in 2021. The collateral requirements from market venues for brokerage operations totalled EUR 1.6 million as at December 31, 2021, mainly consisting of collateral provided for equity brokerage. The clearing and settlement risks for stockbroking were low in the year of operation. There were few outstanding trade receivables, which are monitored through a quantitative process. Table 3 summarises the credit risks. The credit risk position is further disclosed in paragraphs 6.4 to 6.6 of the Risk Position notes.

Table 3: Credit risks December 31, 2021, M€

	Market value	Collateral	Type of collateral
Financial activities			
Lending	98.1	346.5	Clients' portfolios
Investment activities	74.1	0	
Finnish municipal paper	0.0	0	
Banks (minimum credit rating A-)	33.4	0	
Banks (no credit rating)	0	0	
Corporate Bonds (direct)	0.7	0	
Corporate Bonds (mutual funds)	40.0	0	
OTC derivatives between banks	-0.8	14.7	Cash
OTC derivatives between Evli and funds	-6.1	29.7	Cash
Trading book	0.1	0	

Liquidity risks

As with other financial risks, the risk-taking regarding liquidity risks is conservative, and Evli's liquidity cannot be compromised under any circumstances. According to the liquidity risk strategy, there must be an additional buffer over the regulatory requirements.

Evli Bank Plc's Board of Directors confirms the limits for using tied-up capital. Proposals for these limits are prepared by Credalco. In its funding operations, Evli must always be prepared to ensure that its liquidity matches the set limits. The Treasury function is responsible for managing the liquidity risk. The liquidity risk is monitored by, for example, having the risk management unit of the Group follow the maturity distribution of assets and liabilities and reporting this to the Executive Group, Credalco and the Board of the company. The assets and liabilities of the Group are presented in the Other notes section 7.1. Maturities of financial assets and liabilities.

Most of the expenditure in 2021 consisted of lending and the Treasury function's investment portfolio. Other factors tying up capital were the collaterals for the clearing and derivatives operations.

The Liquidity Coverage Ratio (LCR) entered force on October 1, 2015. The requirement describes the extent of the bank's liquid assets with relation to net outflows that take place in a stressed situation in a 30-day period. The net outflows include outflows of savings and other funding, and can be offset by inflows, such as receivables falling due in 30 days.

As the LCR entered force, the ratio had to be at least 100 percent. Evli's Board of Directors has set, that the ratio must be at least 110 percent. The LCR calculation and its results are described in more detail in the Other notes in section 7.7 Liquidity Coverage Requirement (LCR).

Furthermore, Evli's internal liquidity adequacy assessment process (ILAAP) has been deve-loped to meet the requirements of authorities.

Leverage ratio

Leverage ratio describes the ratio of Tier 1 capital to the total exposures. The total exposure includes the exposure values of all assets and the amount of off-balance sheet items

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which have not been subject to decreases when determining the amount of own funds. Off-balance sheet items are included in the calculation according to the credit counter-value ratio and derivatives according to the exposure value. The leverage ratio of Evli Group was 7.85 percent on December 31, 2021.

Operational risks

Operational risks mean 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, compliance and data security risks. Therefore, operational risks are associated with, for example, the management system, operative processes, information systems, individuals and various external factors or threats. Each unit is responsible for managing the operational risks of their respective areas. According to the risk management strategy, all relevant operational risks must be identified and mitigated to such a level that Evli's continuity or profitability is not compromised.

Evli continuously pays special attention to the identification, monitoring and control of operational risks. The business units carry out regular self-assessments of the operational risks of products, services, individuals, operating processes and systems. Evli has prepared a separate group-wide standard operating procedure for identifying, assessing, controlling and reporting operational risks. Operational risks increase the requirement for minimum capital in the capital adequacy calculation. In its capital adequacy calculation, Evli uses the Basic Indicator Approach for operational risks, where the capital requirement of operational risks is based on the average gross income from the preceding three years multiplied by the factor set by the Basel committee (0.15). The calculation of the solvency requirement is described in the Notes on risk position 6.8. Solvency Supplement.

Legal and compliance risks

Rapid changes in legislation and legal praxis pose challenges to the implementation of guidelines and regulations. Changes often require a lot of time and effort. The primary responsibility for compliance with specific laws and governmental regulations applicable to the different Evli companies always rests with the line management in charge of the function in question. Moreover, Evli's Board of Directors has appointed a Compliance Officer, and the Executive Group has designated a Compliance Steering Committee whose members represent the various business functions.

Information security risks

Evli's operations are based to large extent on the utilisation of information technology and telecommunications. One of the key objectives of all Evli functions is the efficient, error-free and secure processing of information in a variety of formats. Evli handles and stores substantial amounts of information that is designated as confidential under applicable law, guidelines or contracts or otherwise requires special security arrangements. The confidentiality, accuracy and usability of such information must be protected at all times. To manage information risk, it is necessary to ensure that information systems function properly and reliably and to pay particular attention to the correctness of information updated in databases and to the management of access rights.

Information asset owners are primarily responsible for protection of the information assets at Evli. Information protection includes the correctness, availability and confidentiality of data. The system administrator is the person who takes care of the technical maintenance tasks required for the system. Evli's Information Management is responsible for organising the maintenance of Evli's systems. Technical maintenance is planned and executed in collaboration with the information system owner and its administrator. For this reason, a specific "Information Security Policy" that addresses information security and related procedures has been prepared for the management of operational risks related to information systems and information security. No financial losses were sustained in 2020 as a result of misuse of information systems or disturbances affecting them. In addition to arranging normal asset protection, Evli has comprehensive insurance coverage for liability and criminal losses.

New products and services

The safe introduction of new products and services requires that, prior to making the final decision on introduction, assurance has been obtained that all units participating in the delivery of the product know their respective duties and that they have made the function in question aware of any operational and other risks involved in launching it on the market. The indirect effects of the realisation of risks on the whole Group need to be assessed with particular care. Evli uses a standardised procedure concerning the approval and introduction of new products and services.

Outsourcing operations

The delegation of business operations to agents or other outsourcing of operations does not relieve Evli of its responsibilities or obligations. Evli has adopted guidelines regarding the principles that must be complied with when Evli's business operations are delegated outside the Group. These guidelines ensure that the management and monitoring of operational risks relating to the outsourced functions is arranged in the manner required by the Financial Supervisory Authority.

Strategic risks

Changes in the business environment

Negative developments in the Finnish and international economies and uncertainty in the financial markets may reduce customer activity and make it more difficult for customers to access funding. In this environment, assets under management in the Wealth Management and Investor Clients business segment may decrease, both due to market movements and client defaults, which will have a direct negative impact on the level of fee income received by Evli.

Mergers and acquisitions

Evli may participate in mergers and acquisitions. Mergers and acquisitions may result in, among other things, additional or significant unnecessary costs, unnecessary use of resources and reputational damage,

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which, if consummated, could have a delayed negative impact on future business, financial condition, results of operations, prospects or the value of Evli's shares. In addition, the benefits of the acquisition may not be achieved.

Continuity management

Evli's operations may be threatened by external or internal crises of a physical or other nature. In crisis situations, an organisation must:

- be prepared
- have crisis management capability
- have prepared by means of drills.

To ensure operational continuity, each function has a continuity plan. The purpose of continuity planning is to ensure that, in the event of certain threats materialising, it is possible to ensure the safety of Evli's clients 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.

Evli has compiled a Recovery Plan that complies with official requirements. The law states that each bank must have a Recovery Plan that describes the measures that will ensure the continuation of operations if the bank's financial position weakens. The coordination of continuity planning is the responsibility of the Group's Risk Control unit.

Risk monitoring and reporting

The Group's Risk Control unit is responsible for corporate-wide risk reporting, which consists of both numerical and written reports. The reports include at least the following:

1. Daily report to the Executive Group on the utilisation of corporate limits
2. Monthly numerical and verbal risk management report and summary of client exposure and limit utilisation to Credalco
3. Quarterly numeric and verbal summary of risks to Evli's Board of Directors
4. Annual operational risk assessment report to the Executive Group and the Board of Directors.

In addition, the Compliance function and the internal audit report regularly on risk management matters to the top management.

Managing capital adequacy

An essential element of the regulations is compliance with the solvency requirement set by the regulations and the Internal Capital Adequacy Assessment Process (ICAAP). The capital adequacy regulation is based on the principle that the quantity, quality and allocation of the bank's own assets must be continuously sufficient to cover the material risks applying 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 capa-city includes not only capital and profitability, but also reliable management, well-organised internal control and risk management.

Evli's Board of Directors has set a target of maintaining at least a 13.0 percent BIS capital adequacy. This target is monitored by means of the Risk Control unit´s monthly reports to the Board of Directors, the Executive Group and Credalco. Evli's internal capital adequacy management calculations are updated as deemed necessary by the management. However, this updating takes place at least once a year as part of strategic planning during the budgetary process.

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Notes to income statement

Accounting policies

Interest income and expenses

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

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.

1.1. INTEREST INCOME	2021	2020
At fair value through profit or loss		
Debt securities	0.3	0.4
Derivative contracts	0.0	0.0
Interest income from other loans and claims		
Claims on credit institutions	0.1	0.1
Claims on the public and public sector entities	1.4	1.5
Other interest income	0.5	0.9
Interest income, total	**2.3**	**2.8**

1.2. INTEREST EXPENSES	2021	2020
At fair value through profit or loss		
Derivative contracts and trading liabilities	0.0	0.0
Interest expenses from other borrowing		
Liabilities to the public, public sector entities and credit institutions	-2.0	-2.1
Debt securities issued to the public	-0.1	-0.4
Other interest expenses	0.0	-0.2
Interest expenses, total	**-2.1**	**-2.6**

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Accounting policies

Revenue recognition

From the Wealth Management and Investor Clients segment, Evli receives management fee income from mutual funds and pays clients fee refunds related to management fees. Fund fees consisting of management fees and client refunds 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 market value or initial investment in the fund as well as on agreed upon fee percentage over time. Any non-recurring fees related to the mutual 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-related fees. These may consists of performance fees related to mutual and special investment funds, carry fees received by the general partner of an alternative investment fund as well as performance 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 special investment funds are invoiced on a quarterly basis. Performance fees related to the asset management portfolios are recognized as income only when the final amount of the fee can be reliably estimated. Evli Group annually reviews the performance-based fees of alternative investment funds due to the general partner of the fund, the so-called carry fees, and models the probabilities related to their realization. The company will only consider the performance fee for the alternative funds to the extent that it is probable that the amount of accrued recognized income will not need to be significantly reversed at a later date.

Evli brokers direct investment instruments such as equities, ETFs and derivatives for its clients. For the brokerage service 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 recognised on a trade date basis. In addition to the above mentioned investment instruments, Evli also brokers equity linked notes. The commission received on the sale of the company's own and other operators' equity linked notes is recognised immediately in the income statement. The full amount of the fee is available on the date of issue of the note and is attributable to services related to the issue of the loan. The interest expense for the notes is calculated by using the effective interest method. The 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 fees and success fees related to corporate consulting, ie Corporate Finance. Monthly retainer fees are recognized as income over time whereas recognition of success fees, which are 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. Costs incurred for any project are expensed immediately.

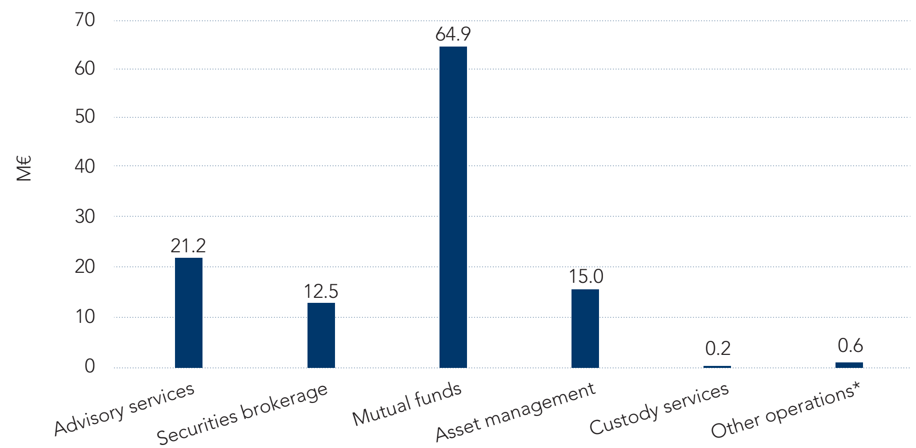
Evli also receives fees related to the design and management of incentive programs. Fees related to the design of incentive programs are invoiced on a monthly basis and recognized as income for the period in which the invoicing has taken place. For the management of incentive programs, fees are billed on a quarterly, semi-annual or annual basis. Remuneration is accrued evenly over the period to which the work relates. Other consultancy fees, including analytical services, 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.

1.3. COMMISSION INCOME	2021	2020
Credit related fees and commissions	0.1	0.0
Income from payment transactions	0.0	0.0
Insurance brokerage	0.3	0.1
Advisory services	21.2	10.1
Securities brokerage	12.5	9.2
Securities issue	0.0	0.0
Mutual funds	64.9	47.6
Asset management	15.0	10.8
Custody services	0.2	0.3
Other operations	0.3	1.7
Commission income, total	**114.5**	**79.9**

Commission Income



*Other includes lending, payment transaction, insurance brokerage, securities issuance and other activities.

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1.4. COMMISSION EXPENSES	2021	2020
Trading fees paid to stock exchanges	-0.8	-1.8
Other	-2.0	-1.3
Commission expenses, total	**-2.7**	**-3.1**

1.5. NET INCOME FROM SECURITIES TRANSACTIONS AND FOREIGN EXCHANGE DEALING	2021	2020
Net income from securities transactions		
Financial assets held for trading	0.1	-0.2
Financial assets at fair value through profit or loss	1.4	0.6
Net income from securities transactions, total	**1.5**	**0.4**

	Gains and losses on sales	Changes in fair value	Total 2021	Total 2020
Net income from securities transactions by instrument				
Debt securities	-0.1	-0.3	-0.4	-0.9
Shares and derivative contracts	1.5	0.4	1.9	1.3
Net income from securities transactions, total	**1.4**	**0.1**	**1.5**	**0.4**
Net income from foreign exchange operations	2.0	0.0	2.0	2.0
Net income from securities transactions and foreign exchange operations, total	**3.4**	**0.1**	**3.5**	**2.4**

1.6. INCOME FROM EQUITY INVESTMENTS	2021	2020
Dividends from financial assets valued at fair value	0.0	0.0
Dividends from available-for-sales securities	0.0	0.0
Dividends from associated companies	0.0	0.0
Income from equity investments, total	**0.0**	**0.0**

1.7. OTHER OPERATING INCOME	2021	2020
Rental income	0.0	0.0
Gain on sale of owner-occupied investment properties	0.0	0.0
Other income	0.2	0.2
Other operating income, total	**0.2**	**0.2**

1.8. PERSONNEL EXPENSES

Accounting policies

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 systems.

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 systems. The company has three share-based incentive program that are currently in effect: Share Program 2018, 2019 and 2021/1 and 2021/2. Under the 2018 program, shares are issued gratuitously during the next three years in equal instalments to the members of the program, provided that the person is still employed by the company. After granting, there is still a three-year evaluation period during which the company has the right to recall the shares if there is a valid reason, such as resignation. Similarly, in the 2019 and 2021/1 schemes, shares are granted free of charge four years after the start of the scheme, provided that the individuals are still employed by the company. Under the 2021/2 share plan, members of the plan have the opportunity to earn shares for successful performance in accordance with the terms of the plan. The allocation of shares has been decided by the Board of Directors. For more information on share-based incentive schemes, see Remuneration Policy, pages 156-158.

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 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.

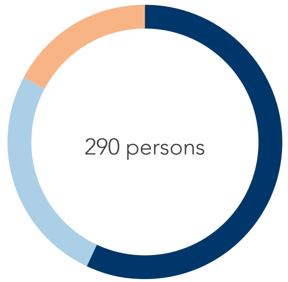
EMPLOYEE BENEFITS		2021		2020
Wages and salaries		-29,5		-24.6
of which bonuses	-7.1		-4.8	
Other social security costs		-1.6		-1.2
of which relating to bonuses	-0.2		-0.1	
Pension expenses		-4.8		-3.4
of which relating to bonuses	-0.6		-0.3	
defined contribution plans	-4.8		-3.4	
Equity-settled share options		-1.5		-1.3
Employee benefits, total		**-37.4**		**-30.5**

	2021	2019
Number of personnel during the period, average	279	251
Number of personnel at the end of the period	290	261
Employees by business segment at the end of the period		
Advisory and Corporate Clients	74	53
Wealth Management and Investor Clients	166	160
Group Operations	50	48
Total	**290**	**261**
Employees by geographic market at the end of the period		
Finland	265	245
Sweden	23	15
Arab Emirates	2	1
Total	**290**	**261**

2021	Board of Directors	CEO	Executive group
Salaries and fees	0.4	0.6	1.5
Additional pension arrangements		0.1	
Share based incentives, granted during the period	-	-	-

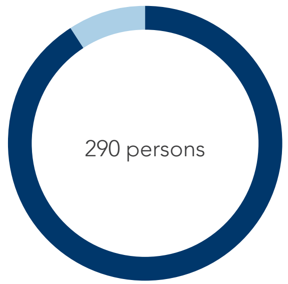
Employee facts

Employees per segment

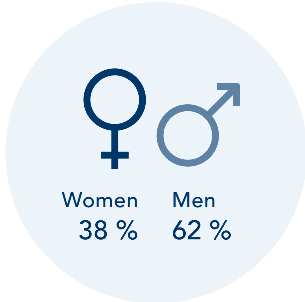


- Advisory and Corporate Clients 57%
- Wealth Management and Investor Clients 26%
- Group Operations 17%

Employees per country



- Finland 91%
- Sweden 9%



290 persons

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SHARE BASED INCENTIVES

Plan	Restricted Share Plan 2017	Restricted Share Plan 2018	Restricted Share Plan 2019	Restricted Share Plan 2021	Restricted Share Plan 2021-2025	Total
Type	Share	Share	Share	Share		
Initial amount, pcs	233,000	233,000	350,000	118,000	120,000	1,054,000
Initial allocation date	30.9.2017	8.6.2018	14.6.2019	12.2.2021	12.2.2021	
Vesting date	30.9.2021 / 30.9.2022 / 30.9.2023	30.6.2022 / 30.6.2023 / 30.6.2024	30.6.2024	8.2.2026	*	
Maximum contractual life, yrs	6	5	5	5.0	-	5.3
Remaining contractual life, yrs	1.7	1.5	2.5	4.1	-	2.0
Number of persons at the end of the reporting year	8	16	15	21	2	
Payment method	Cash & Equity	Cash & Equity	Cash & Equity	Cash & Equity	Cash & Equity	

*The compensation is earned in installments during 2021-2025 based on required performance criteria. Each installment is subject to a 3 year vesting period. The ownership to the share is transferred to the recipient after the vesting period. The shares are restricted to trading for one year after they are received.

Changes during the period 2021	Restricted Share Plan 2017	Restricted Share Plan 2018	Restricted Share Plan 2019	Restricted Share Plan 2021	Restricted Share Plan 2021-2025	Total
1.1.2021						
Outstanding at the beginning of the reporting period, pcs	148,730	137,346	350,000	0	0	636,076
Changes during the period						
Granted	0	0	0	118,000	120,000	238,000
Forfeited	15,333	0	0	8,000	0	23,333
Invalidated during the period	0	0	0	0	0	0
Excercised	72,065	68,673	0	0	0	140,738
Weighted average subscription price, €	0	0	0	0	0	0
Weighted average price of shares, €*						
Expired						
31.12.2021						
Excercised at the end of the period	148,735	68,673	0	0	0	217,408
Outstanding at the end of the period	61,332	68,673	350,000	110,000	120,000	710,005

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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, €	16.05
Share price at reporting period end, €	26.20
Expected dividends, €	5.25
Fair value December 31, 2021, €	1,824,218

Expected volatility was determined by calculating the historical volatility of the Group`s share using monthly observations over corresponding maturity.

Effect of Share-based Incentives on the result and financial position during the period	
Expenses for the financial year, share-based payments, equity-settled	1,511,818
Future cash payment to be paid to the tax authorities from share-based payments, estimated at the end of the period December 31, 2021	8,593,666

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1.9. OTHER ADMINISTRATIVE EXPENSES	2021	2020
Office expenses	-1.2	-1.3
IT and infosystems	-7.7	-6.8
Business expenses	-0.6	-0.5
Travel expenses	-0.2	-0.3
Car costs	-0.1	-0.1
Other HR related expenses	-0.9	-0.5
Marketing expenses	-0.9	-0.6
Banking and custodian expenses	-0.9	-0.8
External services	-6.0	-1.6
Other administrative expenses, total	**-18.5**	**-12.4**

1.10. OTHER OPERATING EXPENSES	2021	2020
Supervision expenses	-0.8	-0.7
Rental expenses	-0.2	-0.5
Other expenses	-0.9	-0.6
Other operating expenses, total	**-1.8**	**-1.7**

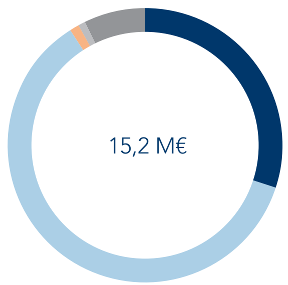
1.11. DEPRECIATION, AMORTIZATION AND IMPAIRMENT LOSSES	2021	2020
Depreciation and amortization		
Applications and software	-2.4	-2.3
Other intangible assets	-0.3	-0.9
Leasehold improvements	0.0	-0.1
Leasing	-0.1	-0.1
Assets acquired under finance leases	-1.7	-2.0
Equipment and furniture	-0.2	-0.2
Depreciation, amortization and impaiment losses, total	**-4.8**	**-5.7**
Write-downs		
Impairment of goodwill	0.0	0.0

1.12. EXPECTED CREDIT LOSSES ON LOANS AND OTHER COMMITMENTS AND IMPAIRMENT LOSSES ON OTHER FINANCIAL ASSETS	2021	2020
Claims on the public and public sector entities		
Expected credit losses on group level	0.1	-0.1
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	0.0	-0.1
Impairment losses on other financial assets	0.0	0.0
Impairment losses, total	**0.1**	**-0.1**

1.13. SHARE OF PROFIT OR LOSS OF ASSOCIATE COMPANIES	2021	2020
Northern Horizon Capital A/S	**0.5**	**0.4**

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.



Depreciation breakdown by asset class

- Applications and software 30%
- Other intangible assets 61%
- Leasehold improvements 1%
- Assets acquired under finance leases 1%
- Equipment and furniture 7%

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1.14. INCOME TAXES

Accounting policies

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.

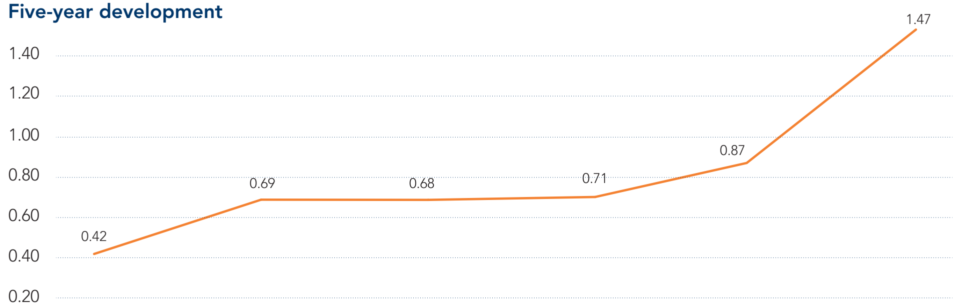
Deferred tax is generally calculated on all temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The largest temporary differences arise from the depreciation of fixed assets and tax losses. No deferred tax is recognized on the undistributed 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.

INCOME TAXES	2021	2020
Current tax expense	-10.5	-5.9
Taxes from previous years	-0.1	-0.4
Deferred taxes	0.0	0.1
Other taxes	0.0	0.0
Income taxes, total	**-10.5**	**-6.3**
Reconciliation between the income tax expense recognized in the income statement and the taxes calculated using the parent company's domestic tax rate.		
Profit/loss before taxes, Finland	42.7	28.2
Profit/loss before taxes, other countries	10.8	1.3
Profit/loss before taxes, total	**53.5**	**29.5**
Tax at domestic tax rate	10.6	-5.9
Effect of foreign subsidiaries' differing tax rates	-0.1	-0.2
Income not subject to tax	-0.3	0.0
Expenses not deductible for tax purposes	0.0	0.0
Taxes from previous years	0.0	-0.4
Change in other deferred tax assets	0.0	0.1
Other taxes	0.3	0.0
Income tax charge in the consolidated income statement	**10.5**	**-6.5**

1.15. EARNINGS PER SHARE	2021	2020
Profit for the year attributable to shareholders in Evli Bank Plc	36.35	21.31
Avarage number of A-shares	14,595,235	14,898,070
Avarage number of B-shares	9,514,185	9,107,351
Earnings / Share (EPS)	**1.51**	**0.90**
Share and option rights for share-based incentive programs	710,005	636,076
Earnings per Share (EPS), fully diluted, €	**1.47**	**0.87**
Comprehensive income attributable to shareholders in Evli Bank Plc	36.46	21.48
Comprehensive Earnings per Share (EPS), fully diluted, €	**1.48**	**0.88**

As both A and B series shares entitle holders to equal amounts of the company's profit, these are not shown separately.

Earnings per share (EPS), fully diluted, Five-year development



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Notes to balance sheet

2.1. CASH AND CASH EQUIVALENTS	2021	2020
Balances with central banks	384.1	331.5
Other	0.0	0.1
Cash and cash equivalents total	**384.1**	**331.6**

2.2. CLAIMS ON CREDIT INSTITUTIONS	2021	2019
Repayable on demand		
Domestic credit institutions	3.9	5.5
Foreign credit institutions	5.1	1.2
Repayable on demand, total	**9.1**	**6.7**
Other than repayable on demand		
Domestic credit institutions	28.2	24.0
Foreign credit institutions	10.8	36.1
Other than repayable on demand, total	**39.0**	**60.1**
Claims on credit institutions, total	**48.1**	**66.8**

2.3. CLAIMS ON THE PUBLIC AND PUBLIC SECTOR ENTITIES BY SECTOR	2021	2020
Repayable on demand		
Financial and insurance corporations	0.0	0.0
Repayable on demand, total	**0.0**	**0.0**
Other than repayable on demand		
Enterprises and housing associations	22.6	27.0
Financial and insurance corporations	1.2	0.9
Households	66.9	71.8
Foreign countries	7.3	9.9
Other than repayable on demand, total	**98.0**	**109.6**
Claims on the public and public sector entities by sector, total	**98.0**	**109.6**

2.4. DEBT SECURITIES	2021			2020
Issued by public corporations	**Publicly quoted**	**Other**	**Total**	Total
Local government notes	0.0	0.0	0.0	8.0
Issued by other than public corporations	**0.0**	**0.0**	**0.0**	**8.0**
Issued by other than public corporations				
Fair valued				
Bonds issued by banks	33.4	0.1	33.4	37.5
Other debt securities	0.0	0.7	0.7	1.4
Issued by other than public corporations	**33.4**	**0.7**	**34.1**	**38.9**
Debt securities, total	**33.4**	**0.7**	**34.1**	**46.9**

	2021	2020
Debt securities by balance sheet category		
Debt securities eligible for refinancing with central banks		
On public sector entities	0.0	0.0
Other	33.4	37.2
Debt securities		
On public sector entities	0.0	8.0
Other	0.7	1.8
Total	**34.1**	**46.9**

Debt securities by country	2021	2020
Finland	21.7	30.6
Sweden	5.3	11.0
France	0.0	0.0
Denmark	7.1	5.3

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2.5. SHARES AND PARTICIPATIONS

	2021		
Balance sheet category	**Publicly quoted**	**Other**	**Total**
Shares and participations			
Valued at fair value through profit or loss			
Held for trading	0.0	0.0	0.0
Other	42.1	7.5	49.6
Shares and participations, total	**42.1**	**7.5**	**49.6**

	2020		
Balance sheet category	Publicly quoted	Other	Total
Shares and participations			
Available for sale			
Valued at fair value through profit or loss			
Held for trading	0.1	0.0	0.1
Other	49.9	7.2	57.0
Shares and participations, total	**50.0**	**7.2**	**57.1**

Net risk position is described in section Market Risk, Notes on Risk Position.

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2.6. DERIVATIVE CONTRACTS

Accounting policies

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.

Equity derivatives in the banking book hedge the equity risk in equity-linked bonds issued to the public.

The interest rate derivatives hedge the interest rate risk in liabilities in the balance sheet.

Currency derivatives comprise commitments made against clients and the associated hedges, and contracts made to hedge currency risk in the balance sheet. The net open risk position of the total amount is small. The largest part of the contracts are in SEK (2,763 M€), and in NOK (662 M€).

Overall effect of risks associated with derivative contracts

Nominal value of underlying , gross	Remaining maturity				2021	2021
Held for trading	**Less than 1 year**	**1-5 years**	**5-15 years**	**Fair value (+/-)**	**ASSETS**	**LIABILITIES**
Interest rate derivatives						
Interest rate swaps	4.5	70.5	3.2	0.0	2.0	2.0
Equity-linked derivatives						
Futures	2.2	1.0	0.0	0.0	0.4	0.4
Options bought	0.0	0.0	0.0	0.0	0.0	0.0
Options sold	0.0	0.0	0.0	0.0	0.0	0.0
Currency-linked derivatives	4,073.2	8.3	0.0	0.1	24.1	24.0
Held for trading, total	**4,079.9**	**79.8**	**3.2**	**0.1**	**26.4**	**26.3**
Derivative contracts, total	**4,079.9**	**79.8**	**3.2**	**0.1**	**26.4**	**26.3**

Overall effect of risks associated with derivative contracts

Nominal value of underlying , gross					2020	2020
Held for trading						
Interest rate derivatives						
Interest rate swaps	2.1	100.7	2.2	0.0	1.0	1.0
Equity-linked derivatives						
Futures	0.7	3.4	0.0	0.0	0.0	0.0
Options bought	0.0	0.0	0.0	0.0	0.0	0.0
Options sold	0.0	0.0	0.0	0.0	0.0	0.0
Currency-linked derivatives	4,555.2	32.1	0.0	0.1	51.1	51.0
Held for trading, total	**4,558.0**	**136.1**	**2.2**	**0.1**	**52.2**	**52.0**
Derivative contracts, total	**4,558.0**	**136.1**	**2.2**	**0.1**	**52.2**	**52.0**

2.7. GOODWILL

Accounting policies

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-gene-rating 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 development.

In the final value method growth is determined using the management's conservative assessment of the long-term growth of cash flow. 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.

2021	Administration and design of incentive schemes	Fund portfolio management	Private wealth management	Alternative investment funds
Goodwill, EUR million	**5,5**	**0,5**	**1,2**	**2,1**
Assumption of growth in turnover	7%	-2%	0%	4%
Assumption of growth in costs	2%	2%	0%	5%
Discount rate	**11%**	**11%**	**11%**	**11%**
Terminal growth rate	2%	1%	1%	2%

The table above shows the average annual rates of change in revenues and expenses, discount rates, perpetuity growth rate assumptions and the carrying amounts of goodwill for each year used in the goodwill test.

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 others, 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
- The discount rate was increased by 3 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.

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 this units' carrying amounts. 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.

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Accounting policies

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.

Management judgment

At each balance sheet date 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

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INTANGIBLE ASSETS AND GOODWILL	2021	2020
Goodwill		
Cost at 1.1.	**9.3**	**5.0**
Increases/Decreases	0.0	4.3
Cost at 31.12.	9.2	9.3
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.	**9.2**	**9.2**

Goodwill allocation

- Administration of incentive programs 60%
- Fund management 5%
- Private Banking 13%
- Alternative investment funds 22%

SOFTWARE OR PROJECTS IN PROGRESS	2021	2020
Cost at 1.1.	**0.0**	**0.1**
Increases/Decreases	-	-0.1
Cost at 31.12.	0.0	0.0
Book value at 31.12.	**0.0**	**0.0**

Applications and software	2021	2020
Cost at 1.1.	**24.1**	**23.3**
Increases/Decreases	0.6	0.7
Cost at 31.12.	24.7	24.1
Accumulated amortisation and impairment losses at 1.1.	**-17.7**	**-15.4**
Amortisation for the period	-2.4	-2.3
Accumulated amortisation and impairment losses at 31.12.	-20.1	-17.7
Book value at 31.12.	**4.5**	**6.4**
Other intangible assets		
Cost at 1.1.	**7.1**	**7.1**
Increases/Decreases	0.0	0.0
Cost at 31.12.	7.1	7.1
Accumulated amortisation and impairment losses at 1.1.	**-6.7**	**-5.9**
Amortisation for the period	-0.3	-0.9
Accumulated amortisation and impairment losses at 31.12.	-7.1	-6.7
Book value at 31.12.	**0.0**	**0.3**
The most significant “Other intangible assets” are client relationships.		
Book value of intangible assets at 31.12.	**13.8**	**16.0**
Intangible assets, total at 31.12.	**13.8**	**16.0**

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2.8. PROPERTY, PLANT AND EQUIPMENT

Accounting policies

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.

Property, plant and equipment	2021	2020
Equipment and furniture		
Cost at 1.1.	**1.9**	**1.7**
Increases/Decreases	0.2	0.2
Cost at 31.12.	2.1	1.9
Accumulated depreciation at 1.1.	**-1.4**	**-1.2**
Depreciation for the period	-0.2	-0.3
Accumulated depreciation at 31.12.	-1.7	-1.4
Book value at 31.12.	**0.4**	**0.5**

Property, plant and equipment	2021	2020
Assets acquired under finance leases		
Cost at 1.1.	**3.7**	**3.7**
Increases/Decreases	0.2	0.1
Cost at 31.12.	3.9	3.7
Accumulated depreciation at 1.1.	**-3.6**	**-3.5**
Depreciation for the period	-0.1	-0.1
Accumulated depreciation at 31.12.	-3.7	-3.6
Book value at 31.12.	**0.2**	**0.2**
Property, plant, and equipment, total 31.12.	**0.6**	**0.7**
Leasehold improvements		
Cost at 1.1.	**1.4**	**1.4**
Cost at 31.12.	1.4	1.4
Accumulated depreciation at 1.1.	**-1.3**	**-1.1**
Depreciation for the period	0.0	-0.1
Accumulated depreciation at 31.12.	-1.3	-1.3
Book value at 31.12.	**0.1**	**0.1**
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.	**1.4**	**1.4**
Book value of tangible assets at 31.12.	**1.4**	**1.4**

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2.9. OTHER ASSETS	2021	2020
Securities sale receivables	1.5	0.2
Commission receivables	23.3	19.9
Securities broking receivables	55.7	52.9
Other receivables	7.5	0.7
Other assets total	**88.0**	**73.7**

2.10. ACCRUED INCOME AND PREPAYMENTS	2021	2020
Interest	0.3	0.4
Taxes	0.1	0.5
Staff-related	0.0	0.1
Other items	2.1	2.4
Accrued income and prepayments total	**2.6**	**3.3**

2.11. DEFERRED TAXES

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.

DEFERRED TAXES	2021	2020
Tax assets		
Due to timing differences*	0.0	0.0
Other temporary differences		
From tax losses carried forward	0.1	0.1
Deferred taxes total	**0.1**	**0.1**

*Deferred tax assets result from timing differences in fixed asset depreciation.

2.12. LIABILITIES TO CREDIT INSTITUTIONS AND CENTRAL BANKS	2021	2020
Credit institutions		
Repayable on demand	0.0	0.0
Other than repayable on demand	8.6	0.7
Liabilities to credit institutions and central banks, total	**8.6**	**0.7**

2.13. LIABILITIES TO THE PUBLIC AND PUBLIC SECTOR ENTITIES	2021	2020
Deposits		
Repayable on demand	402.9	385.1
Other than repayable on demand	0.0	0.1
Other liabilities		
Repayable on demand	0.0	0.0
Other than repayable on demand	0.0	0.0
Liabilities to the public and public sector entities, total	**402.9**	**385.2**

2.14. DEBT SECURITIES ISSUED TO THE PUBLIC	2021	2020
Certificate of deposits	0.0	10.0
Bonds	91.0	121.1
Debt securities issued to the public, total	**91.0**	**131.1**
Changes in bonds issued to the public		
Issues	4,2	31.7
Repurchases	34,3	34.4

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2.15. DERIVATIVE CONTRACTS AND OTHER LIABILITIES HELD FOR TRADING	2021	2020
Derivative contracts	26.3	52.0
Due to short selling of shares	0.0	0.4
Derivative contracts and other liabilities held for trading, total	**26.3**	**52.5**

2.16. OTHER LIABILITIES	2021	2020
Securities broking liabilities	61.6	54.7
Securities purchase liabilities	0.8	0.0
Finance lease payables	0.2	0.2
Income tax payable	0.1	0.0
Personnel related	0.8	0.7
Other short-term liabilities	9.4	3.4
Lease liability	7.4	9.6
Current lease liabilities	1.7	2.2
Non-current lease liabilities	5.7	7.3
Prepayments of cash customers	0.3	14.0
VAT payable	2.5	1.8
Other liabilities, total	**75.7**	**84.4**

2.17. ACCRUED EXPENSES AND DEFERRED INCOME	2021	2020
Interest	0.0	0.1
Tax payables	5.5	1.8
Personnel related	15.6	11.6
Other accrued expenses	13.7	9.8
Accrued expenses and deferred income, total	**35.0**	**23.3**

2.18. DEFERRED TAX LIABILITIES	2021	2020
Due to timing differences	0.0	0.0
Deferred tax liability, total	**0.0**	**0.0**

2.19. EQUITY CAPITAL

Accounting policies

Equity capital

The cost of treasury shares acquired by the parent company is deducted from equity. When such shares are sold later, all consideration received is included in equity.

Share premium fund

The share premium fund comprises the following items: the amount exceeding the counter-book value of the share paid for shares prior to September 1, 2006 in a new issue.

Fund of invested non-restricted equity

The fund of invested non-restricted equity includes the proceeds from the disposals of own shares received after September 1, 2006, the amount paid for a subscription right based on an option right and redemptions of own shares.

Own shares held by the credit institution

The company has not acquired own shares during the review period. On December 31, 2021 the company held a total of 251,983 own shares.

EQUITY CAPITAL	2021	2020
Share capital	30.2	30.2
Share premium fund	1.8	1.8
Restricted equity	**32.0**	**32.0**
Reserve for invested unrestricted equity	24.8	22.8
Retained earnings 1.1.	37.5	29.3
Dividends	-17.4	-15.3
Translation difference and other changes in retained earnings	-0.3	1.6
Retained earnings 31.12.	19.7	15.6
Profit for the period	36.3	21.9
Unrestricted equity for shareholders	**80.9**	**60.4**
Non-controlling interest in capital	5.2	3.0
Equity before IFRIC 17 distribution liability	**118.2**	**95.4**
IFRIC 17 distribution liability	**-620.2**	**0.0**
Equity including IFRIC 17 distribution liability	**-502.0**	**95.4**

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Breakdown of off-balance sheet commitments

3.1. RENTAL OBLIGATIONS	2021	2020
Rental obligations, under one year	1.7	2.2
Rental obligations, between one and five years	5.6	6.0
Rental obligations, over five years	0.1	1.4
Leasing obligations, under one year	0.0	0.1
Leasing obligations, between one and five years	0.0	0.3

3.2. BREAKDOWN OF OFF-BALANCE SHEET COMMITMENTS	2021	2020
Commitments given to a third party on behalf of a customer*	0,4	5,4
Irrevocable commitments given in favour of a customer	2,6	2,3
Guarantees on behalf of others	0,0	0,0
Unused credit facilities, given to clients	18,1	9,6

*Commitments given to a third party on behalf of a customer 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.

Segment reporting

Accounting policies

Segment reporting

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 comprehensive product and service selection includes wealth management services, 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 offers incentive plan design and administration as well as corporate analysis for listed companies.

The Group Operations segment includes support functions serving the business areas, such as Information Management, Financial Administration, Marketing, Communications and Investor Relations, Legal Department, Human Resources and Internal Services. Banking services and the company's own investment operations that support the company's operations, and the Group's supervisory functions; Compliance, Risk Management 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.

In addition to business segments, the Group uses geographical areas in monitoring revenue: Finland, Sweden and other countries.

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4.1. SEGMENT INCOME STATEMENT	2021					2020				
	Investor Clients	Corporate clients	Group Operations	Unallocated	Cost Center Group	Investor Clients	Corporate clients	Group Operations	Unallocated	Cost Center Group
REVENUE										
Net Interest Income	-0.1	0.0	0.2	0.0	0.1	0.0	0.0	0.2	0.0	0.2
Commission income and expense, net	91.5	20.2	0.0	0.0	111.7	67.2	9.7	0.0	0.0	76.8
Net income from securities transactions and foreign exchange dealing	0.0	0.0	3.6	0.0	3.5	-0.1	0.0	2.5	0.0	2.4
Other operating income	0.0	0.0	0.2	0.0	0.2	0.0	0.1	0.2	0.0	0.2
External sales	91.4	20.2	3.9	0.0	115.6	67.1	9.7	2.8	0.0	79.7
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	**91.4**	**20.2**	**3.9**	**0.0**	**115.6**	**67.1**	**9.7**	**2.8**	**0.0**	**79.7**
Timing of revenue recognition										
Over time	64.3	6.5	0.0	0.0	70.8	52.0	5.4	0.0	0.0	57.4
At a point of time	27.2	13.7	0.0	0.0	40.9	15.2	4.3	0.0	0.0	19.4
RESULT										
Segment operating expenses	-35.5	-10.2	-12.2	0.0	-57.8	-30.3	-6.6	-8.9	1.1	-44.7
Business units operating profit before depreciations and Group allocations	**56.0**	**10.1**	**-8.2**	**0.0**	**57.8**	**36.9**	**3.1**	**-6.1**	**1.1**	**35.0**
Depreciation, amortisation and write-down	-2.2	-0.4	-2.2	0.0	-4.8	-3.4	-0.4	-0.5	-1.5	-5.7
Impairment losses on loans and other receivables	0.0	0.0	0.1	0.0	0.1	0.0	0.0	-0.1	0.0	-0.1
Business units operating profit before Group allocations	**53.8**	**9.6**	**-10.4**	**0.0**	**53.0**	**33.5**	**2.7**	**-6.7**	**-0.4**	**29.1**
Allocated corporate expenses	-9.0	-2.3	11.3	0.0	0.0	-5.8	-0.9	6.7	0.0	0.0
Operating profit including Group allocations	**44.8**	**7.4**	**0.9**	**0.0**	**53.0**	**27.7**	**1.8**	**0.0**	**-0.4**	**29.1**
Share of profits (losses) of associates	0.0	0.0	0.5	0.0	0.5	0.0	0.0	0.0	0.4	0.4
Income taxes*	-4.8	-2.0	-3.6	-0.1	-10.5	-3.6	-0.7	-2.0	0.1	-6.3
Segment profit/loss after taxes	**39.9**	**5.3**	**-2.2**	**-0.1**	**43.0**	**24.1**	**1.1**	**-2.0**	**0.1**	**23.2**

Regular reporting to top management does not include breakdown of assets and liabilities of Evli Group to different business segments. Because of this, the breakdown of assets and liabilities to segments is not included in the official segment report. Allocated corporate expenses includes cost items relating to general administration of Evli Group and banking business that are allocated to business units using allocation drivers in place at each time of review. Group Operations comprise support functions serving the business areas, such as Information Management, Financial Administration, Marketing, Communication and Investor Relations, Legal Department, Human Resources and Internal Services. Banking services and the company´s own investment operations, and the Group´s supervisory functions; Compliance, Risk Management and Internal Audit, are also part of Group Operations.

4.2. GEOGRAPHICAL INCOME STATEMENT AND BALANCE SHEET	1.1.–31.12.2021				1.1.–31.12.2020			
	Finland	Sweden	Other countries	Group	Finland	Sweden	Other countries	Group
Income statement								
Net revenue	98.9	12.1	4.5	115.6	73.7	4.6	1.4	79.7
Balance sheet								
Assets	744.0	13.3	0.3	757.7	754.0	7.7	1.2	763.0

Expected credit losses

Accounting policies

The key elements of IFRS 9, based on expected losses, are the assessment of a significant increase in credit risk and the calculation model for expected credit losses, including the grouping of loans for the purpose of the calculation. The model includes a number of discretionary inputs that may materially affect the final results of the calculation model. The results of the calculation model produced by Evli are regularly reported to Credalco, the Group's Risk Control. The Group Financial Administration, in cooperation with Group Risk Control and Treasury, assesses credit risks and maintains the calculation model.

Evaluation of substantial increase in credit risk

The credit risks of financial assets are under constant monitoring by the company. The company monitors various factors, both quantitative and qualitative, that are considered to be relevant in assessing credit risk. Estimates of future economic developments are also taken into account. The assessment takes into account factors that are available without unreasonable cost or labour input. If the credit risk of a receivable has increased materially since origination and the credit risk has not been assessed as low, the risk level of the receivable shall be increased to Stage 2, which estimates the expected credit loss associated with the exposure over the entire term. The risk level shall also be assessed separately for entire credit groups. The following criteria are an indication that credit risk has increased significantly:

- Payments of the receivable are overdue by more than 30 days, for reasons other than a technical reason
- Changes in the financial situation of the counterparty, such as a material deterioration in creditworthiness and financial standing, and payment defaults. Information on changes in the financial situation of the counterparty is automatically obtained through the credit reporting services
- Significant deterioration in the value of collateral; the counterparty is unable to make good the collateral shortfall
- Restructuring of the payment plan and terms of the credit as a result of an increase in credit risk
- There has been a significant change for the worse in macroeconomic factors affecting the financial position of the counterparty
- Other factors that have a significant impact on credit risk or the value of collateral.

Factors that cause a loan to be classified as Stage 3

Stage 3 includes individual loans for which there is evidence of impairment. The counterparty has experienced one or more events that will have a negative impact on future cash flows. These may include, for example, one of the following:

- bankruptcy or liquidation of the company, or other significant financial difficulties
- payment of instalments (principal or interest) more than 90 days overdue
- the counterparty has been declared insolvent.

Credit risk reduced after reclassification

If, on the basis of all available information, it is assessed that the credit risk has been significantly reduced after the credit's risk level has been increased to Stage 2, and the risk is at the same level as at the time the credit was granted, the risk level of the credit may be returned to Stage 1.

At the balance sheet date, the Group had a total of EUR 0.8 million (four exposures) of Stage 2 lending assets.

Calculation model for expected credit losses (ECL)

Expected credit loss is a probability-weighted estimate of the difference between the following cash flows: cash flows under the receivable contract - cash flows that the bank expects to receive from the contract.

Expected credit loss = PD (probability of default) * LGD (loss given default, i.e., the total loss after taking into account the realisation of collateral) * the amount of the receivable.

The probability of default (PD) is estimated for the next 12 months or for the whole maturity (Stage 2 and 3 financial assets).

The capital items included in the calculation are assets measured at amortised cost:

- debt securities and credit accounts (receivables from the public)
- receivables from credit institutions; fixed-term deposits
- undrawn credit facilities and committed lines, and guarantees
- trade receivables

Grouping of credit for calculation

As it is not appropriate and cost-effective to consider the counterparties to a credit risk assessment on an individual basis, the credit portfolio is divided into different groups of similar credit risk, counterparties, product type, collateral type and maturity. The grouping shall be reviewed periodically to ensure that no error of assessment is introduced in the event that the group is no longer homogeneous in terms of credit risk. At the balance sheet date, the Group has six different categories in its lending calculation model, the largest of which is secured investment loans to asset management clients (73% of total loans).

Determining the probability of default

Probability of Default (PD) refers to the probability that a borrower will default on its future obligations, either over the next 12 months or for the remainder of the term.

Probabilities of default are determined in Stage 1, in principle at the group level, unless the PD of an individual loan is materially different from the PD of the group and it is not appropriate to define a separate group for the loan. A simplified model for trade receivables has been developed, where PD is defined according to the number of days past due and whether the counterparty belongs to the normal or high risk group. When determining the PD for a counterparty, the counterparty's collateral is not taken into account.

The starting point for the Group-level PD percentage is defined as the company's share of non-performing loans in the total loan portfolio in Finland for household and corporate loans. As the company does not have a sufficiently comprehensive own credit loss history available, a broader peer group is also used, where the credit risk is expected to be similar. This model is justified by the fact that the majority of the company's credit portfolio consists of domestic household and corporate loans. The majority of the Group's credit portfolio is estimated to be low risk, which is also reflected in the average PDs. Lending is targeted at own wealth management clients or own funds, which have a very low historical credit risk.

*ECL=Expected credit losses

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For household and corporate clients, the PD percentages of loans at the balance sheet date ranged from 0.25% to 1.54% for Stage 1 assets.

If a loan is moved to Stage 2, the PD is always redefined on an individual basis. In this case, the future cash flows of the credit are estimated over the life of the credit and discounted to present value, giving an estimate of the total loss on the credit before realisation of the collateral. Stage 2 PD estimates also draw on estimates from credit reference agencies. At the onset of the coronavirus crisis, Evli estimated an increase in its exposure to credit losses and at that time increased its loan loss provisions and tightened its loan loss provisioning calculation model. During the period under review, the company did not observe any material changes in the creditworthiness of its clients, resulting in a slight easing of the loan loss provisions.

The PD percentage for other corporate receivables, high risk exposures and credit institution receivables is determined by the statistical risk of loss, available by credit rating. The statistical data are obtained from the credit rating agencies.

The PD percentage is also determined for off-balance sheet exposures. The utilisation rate for open unused credit lines is estimated at 50%, so that the credit line is included in the calculation with a 50% weighting compared to the drawn credit lines. The guarantee granted is treated in the same way as a normal drawn credit.

If there is significant uncertainty about the future in terms of sharply lower security prices, gross domestic product (GDP) figures, increased unemployment or other general economic factors, the group PD figures may be increased in Stage 1.

The group PDs are updated quarterly and the individual PDs are updated immediately when it is assessed that the credit risk of an individual exposure has increased materially or when the credit risk of an exposure is assessed to be different from that of its group.

Definition of loss given default (LGD)

LGD (Loss Given Default) determines the total loss when the realisation of collateral is taken into account in the event of default. The bank's ECL calculation estimates what the loss would be in a realisation scenario if the worst-case scenario were to occur with the estimated probability. In that case, do the assets cover the remaining capital of the collateral receivable. The worst-case scenario in Evli's calculation is a severe fall in the price of securities or real estate, such as the stock market crash of 2008. The calculation takes into account the average collateral value, the type of collateral and the liquidity of the collateral associated with the group's receivables. The collateral values assigned to the collateral are so conservative within the Group that losses are not realised on debt securities except in the event of a sharp fall in share prices. LGD is generally determined for receivables at a group level. The one-year level of LGD is obtained by estimating the probability of a worst-case scenario occurring in the next 12 months. For individual exposures, an individual LGD may be determined if the amount or quality of collateral for the receivable differs materially from the average collateral of the group.

LGD values at the balance sheet date for lending were, depending on the group, between 5-30% for assets valued according to Stage 1.

The main variables affecting the LGD calculation model are actual and projected changes in security prices and the estimated probability of a scenario in which client collateral is no longer sufficient to cover the value of the receivable.

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5.3. ITEMS MEASURED ACCORDING TO IFRS 9, EXCEPCTED CREDIT LOSSES

Financial assets and sales receivables measured at amortised cost

Asset	Total amount	Level 1 assets	Level 2 assets	Level 3 assets	Expected credit loss	Opening saldo, credit loss allowance 1.1.
Cash and Central Bank receivables	384.1	384.1	0.0	0.0	0.0	0.0
Claims on credit institutions	48.1	48.1	0.0	0.0	0.0	0.0
Claims on the public and public sector entities	98.0	97.3	0.7	0.0	0.1	0.2
Claims on corporations	25.0	24.8	0.3	0.0	0.0	0.1
Claims on private persons	72.9	72.5	0.4	0.0	0.0	0.1
Claims on other	0.0	0.0	0.0	0.0	0.0	0.0
Sales receivables	4.2	4.2	0.0	0.0	0.0	0.0
Total assets	**534.4**	533.7	0.7	0.0	0.1	0.2
Unused credit facilities, given to clients	17.9	17.8	0.1	0.0	0.0	0.0
Credit loss reserve total	**0.1**	0.0	0.1	0.0	0.1	0.2

Expected Credit Loss (ECL) is a probability weighted mathematical formula, in which the parameters Probability of default (PD) and Loss Given Default (LGD) are estimated. The parameters are assessed on group levels and the loans are grouped based on similar risk profile and collateral. Counterparty PD is mainly assessed using statistical data on a national level. For sales receivables a simplified method is used. The group has no investments that are fair valued through other comprehensive income or recognised as amortised cost. During the year three loan receivables have been transferred from level 2 to level 1, totally EUR 1.3 million. The bank has no credit payment receivables past due by at least 90 days.

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Notes on risk position

6.1. GENERAL INFORMATION ON CREDIT AND DILUTION RISK (STANDARD MODEL)

Lending, exposure per geographic area and non-performing credits

Exposure and home country	Lending stock	Average remaining maturity years	Overdue by at least 90 days	Impaired loans
Private Persons Finland	66.9	1.1	0.0	0.0
Corporations Finland	23.8	1.5	0.0	0.0
Other sectors Finland	0.0	0.0	0.0	0.0
Private persons EU countries	2.9	1.3	0.0	0.0
Corporations EU countries	1.3	0.3	0.0	0.0
Private persons other countries	3.1	1.2	0.0	0.0
Total	**98.0**	**1.2**	**0.0**	**0.0**

Loans are entered as non-performing if payment of interest or instalments are overdue by at least 90 days, or if it is estimated that the debtor is propably not going to be able to manage the loan commitments. There were no non-performing loans at year-end, and no loan payments overdue by at least 90 days in the loan stock by 31.12.2021.

The goal of the lending is to support customer relations and the Bank's main businesses. At the same time, the risk corrected income from lending has to be sufficient.

Lending is focused on wealth management customers. Domestic private customer's share of the loan stock was 68 percent and foreign private customer's share was 6 percent.

Exposure by risk weight, credit risk standard model

Risk weight -%	Original exposu-re value	Credit risk reducing collateral	Exposure value after credit risk deductions	Risk-weighted value
0	384.4	0.0	384.4	0.0
20	111.5	0.0	111.5	22.3
35	0.7	0.0	0.7	0.2
50	24.4	0.0	24.4	12.2
76	13.7	0.0	13.7	10.5
100	197.0	-20.2	166.3	166.3
150	8.0	0.0	8.0	12.0
Other	5.4	0.0	5.4	8.0
Exposure by risk weight, total	**745.2**	**-20.2**	**714.5**	**231.5**
Credit value adjustment	1.2	0.0	1.2	1.2
Total	**746.4**	**-20.2**	**715.7**	**232.7**

The credit rating institutions used in the standard method are Standard & Poor's, Moody's and Fitch. Their credit ratings are used to assign risk weights for credit institutions and corporations. If a credit rating is not available, the risk weight is assigned in accordance with the credit quality group of the home country of the institution.

The Treasury function's investments in debt instruments are focused at Nordic bank bonds, whose credit rating is at minimum A, at corporate bonds and at short term investments like local government notes and commercial papers. In the capital adequacy calculations, 47 percent a risk weight of 20 percent, 51 percent a risk weight of 50 percent, and 2 percent had a risk weight of 100 percent. Total investments in debt instruments was at year-end EUR 34 million, additionally treasury has invested EUR 40 million in interest rate mutual funds.

6.2. TECHNIQUES TO REDUCE CREDIT RISK

The valuation of collateral uses the credit and asset liability committee, Credalco's approved collateral factors that are based on the collateral's realizability and susceptibility to changes in value.

The goal is to receive liquid collateral, which can also be used as risk-reducing collateral in the capital adequacy calculations. Credalco decides the maximum amount of illiquid collateral which can be accepted per customer. Only in certain special cases, can the Bank deviate from the normal process for accepting collateral.

Principal real collateral types used in capital adequacy calculation:
- Residential property collateral
- Cash deposits
- Bonds issued by Evli

Evli does not use master netting agreements or similar agreements in capital adequacy calculation.

Exposures hedged with approved collateral in capital adequacy calculation	2021	2020
Mortgages	0.7	3.1
Other credits	20.2	26.4
Counterparty exposure of OTC derivatives hedged with collateral	38.3	51.6

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6.3. CREDIT RISK (COUNTERPARTY RISK)	2021	2020
Positive fair value of OTC derivatives in the financial statement	26.4	52.2
The derivatives comprise equity, currency and fixed income derivatives		
Collateral reducing counterparty risk in capital adequacy calculations	38.3	51.6
After the collateral-reducing effect the credit counter-value of derivatives totaled	74.9	47.1

	Exchange traded derivatives		OTC derivatives	
2021	Nominal value	Fair value	Nominal value	Fair value
Derivatives assets	0.0	0.0	2 066.1	26.4
Derivatives liabilities	0.0	0.0	2 096.8	-26.3

	Exchange traded derivatives		OTC derivatives	
2020	Nominal value	Fair value	Nominal value	Fair value
Derivatives assets	0.0	0.0	2 301.7	52.2
Derivatives liabilities	0.0	0.0	2 394.7	-52.0

6.4. MARKET RISK	2021	2020
Minimun capital adequacy requirement, trading book		
Position risk total	0.0	0.1
Position risk equity instruments	0.0	0.1
Position risk debt instruments	0.0	0.0
Settlement risk	0.0	0.0
Minimun requirement for the currency risk of all operations	0.6	0.4
Total	**0.6**	**0.5**
Net positions in trading book, equity instruments		
Long net positions	0.0	0.1
Short net positions	0.0	-0.4
Net total	**0.0**	**-0.3**
Net positions in trading book, debt instruments		
Long net positions	0.1	0.4
Short net positions	0.0	0.0
Net total	**0.1**	**0.4**
Net positions in currencies		
Swedish krona	6.0	4.0
US dollar	0.3	-2.1
Danish krona	0.0	0.0
Pound sterling	0.1	-0.3
Japanese yen	0.0	0.0
Norwegian krone	0.2	-0.1
Swiss franc	-0.6	0.0
Other currency position	0.1	0.3
Total net position	**6.3**	**1.8**

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6.5. OPERATIONAL RISK

The method applied in the capital adequacy calculations is the basic indicator approach, which is based on the Group's revenues for the previous three years. The capital requirement is 15 percent of the average revenue from the previous three calender years.

6.6. SHARES OUTSIDE THE TRADING BOOK

Shares and participations in the banking book are measured at fair value through profit or loss.

The value of the investments in the financial statements was EUR 49.6 million, which is the fair value of the investments.

The listed shares are related to the equity incentive schemes, the shares don't affect the market risk of the bank.

Type of investment	2021	2020
Private equity funds	1.8	0.9
Real estate funds	5.4	6.1
Unlisted shares	0.2	0.3
Mutual funds	42.1	49.9
Listed shares	0.0	0.0
Total	**49.6**	**57.2**

Private equity funds, real estate funds and mutual funds have been valued by applying the last known fair value from the funds' management companies.

The fair value of unlisted shares is estimated primarily by using the share's net asset value or a cah flow analysis based on future outlooks. If no better estimate of the fair value is available, the acquisition price can be used as the fair value.

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Other notes

7.1. MATURITIES OF FINANCIAL ASSETS AND LIABILITIES

Debt securities, loans and other claims, derivatives and financial liabilities at amortized cost are reported in the maturity class according to the maturity of the instrument. Shares and participations are reported so that quoted shares in the trading book and quoted mutual funds are in the shortest maturity period. Unquoted shares are reported according to the estimated liquidation period, and venture capital- and real estate funds are reported according to the expected ending day of the fund.

	2021						2020					
	less than 3 months	**3-12 month**	**1-5 years**	**5-10 years**	**over 10 years**	**Total**	less than 3 months	3-12 month	1-5 years	5-10 years	over 10 years	Total
Assets												
Cash and cash equivalents	384.1	0.0	0.0	0.0	0.0	**384.1**	331.6	0.0	0.0	0.0	0.0	**331.6**
Financial assets at amortized cost												
Claims on credit institutions	48.1	0.0	0.0	0.0	0.0	**48.1**	66.8	0.0	0.0	0.0	0.0	**66.8**
Claims on the public and public sector entities	23.6	21.6	52.7	0.0	0.0	**98.0**	4.9	22.7	81.2	0.7	0.0	**109.6**
Financial assets at fair value through profit or loss												
Debt securities eligible for refinancing with central banks	8.0	9.9	15.4	0.0	0.0	**33.4**	0.0	15.7	21.5	0.0	0.0	**37.2**
Debt securities	0.0	0.0	0.4	0.4	0.0	**0.7**	8.3	0.0	1.1	0.4	0.0	**9.8**
Shares and participations	42.7	3.0	0.5	2.8	0.6	**49.6**	50.6	0.8	3.3	2.5	0.1	**57.3**
Derivative contracts	23.9	0.7	1.9	0.0	0.0	**26.4**	51.1	0.0	1.0	0.0	0.0	**52.2**
Accrued interest	0.3	0.1	0.0	0.0	0.0	**0.3**	0.3	0.1	0.0	0.0	0.0	**0.4**
Liabilities												
Financial liabilities at amortized cost												
Liabilities to credit institutions	8.6	0.0	0.0	0.0	0.0	**8.6**	0.7	0.0	0.0	0.0	0.0	**0.7**
Liabilities to the public and public s ector entities	402.9	0.0	0.0	0.0	0.0	**402.9**	385.1	0.1	0.0	0.0	0.0	**385.2**
Debt securities issued to the public	0.9	10.7	75.2	4.2	0.0	**91.0**	1.0	11.8	116.0	2.2	0.0	**131.1**
Financial liabilities at fair value through profit or loss	23.7	0.7	1.9	0.0	0.0	**26.3**	51.4	0.0	1.0	0.0	0.0	**52.5**
Accrued interest, debt	0.0	0.0	0.0	0.0	0.0	**0.0**	0.1	0.0	0.0	0.0	0.0	**0.1**
Off-balance sheet commitments	12.0	6.0	3.1	0.0	0.0	**21.1**	5.4	3.3	6.3	0.0	0.0	**15.1**
Leasing	0.4	1.3	5.6	0.1	0.0	**7.4**	0.6	1.7	6.0	1.4	0.0	**9.6**

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7.2. ASSETS AND LIABILITIES DENOMINATED IN DOMESTIC AND FOREIGN CURRENCY

	2021			2020		
Assets	Domestic currency	Foreign currency	Total	Domestic currency	Foreign currency	Total
Financial assets at amortized cost						
Cash and cash equivalents	384.1	0.0	384.1	331.6	0.0	331.6
Claims on credit institutions	42.6	5.6	48.1	61.3	5.5	66.8
Claims on the public and public sector entities	98.0	0.0	98.0	109.6	0.0	109.6
Financial assets at fair value through profit or loss						
Debt securities eligible for refinancing with central banks	34.1	0.0	34.1	0.0	0.0	0.0
Debt securities	0.0	0.0	0.0	46.6	0.4	46.9
Shares and participations	48.4	1.1	49.6	57.1	0.2	57.3
Derivative contracts	26.1	0.3	26.4	51.9	0.2	52.2
Other asset items	115.6	1.8	117.4	85.9	22.5	108.3
Total	**748.9**	**8.8**	**757.7**	**743.9**	**28.7**	**772.6**
Financial liabilities at amortized cost						
Liabilities to credit institutions	8.6	0.0	8.6	0.7	0.0	0.7
Liabilities to the public and public sector entities	392.9	10.1	402.9	369.8	15.5	385.2
Debt securities issued to the public	91.0	0.0	91.0	131.1	0.0	131.1
Financial liabilities at fair value through profit or loss	26.0	0.3	26.3	51.8	0.7	52.5
Other liabilities items	107.9	2.8	110.7	85.4	22.3	107.7
Total	**626.3**	**13.2**	**639.5**	**638.7**	**38.5**	**677.2**

The largest foreign currency assets and liabilities are in SEK (assets 7.7 M€, liabilities 5.9 M€) and USD (assets 0.6 M€, liabilities 6.4 M€). Derivatives positions which hedge the foreign exchange risk are not included in these figures.

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7.3. VALUE OF FINANCIAL INSTRUMENTS ACROSS THE THREE LEVELS OF THE FAIR VALUE HIERARCHY

Management judgment

In situations where no external market price is available for individual financial instruments when valuing unquoted securities or derivatives at their fair value, a price which is calculated based on the generally approved valuation models used on the market is generally used. Alternatively, valuation based on net asset value is employed.

	Level 1 2021	Level 2 2021	Level 3 2021	Total
Financial assets:				
Shares and participations classified as held for trading	0.0	0.0	0.0	0.0
Shares and participations, other	42.1	0.0	7.4	49.6
Debt securities eligible for refinancing with central banks	33.4	0.0	0.0	33.4
Debt securities	0.0	0.4	0.4	0.7
Positive market values from derivatives	0.0	24.1	2.3	26.4
Total financial assets held at fair value	**75.5**	**24.4**	**10.1**	**110.1**
Financial liabilities:				
Shares and participations classified as held for trading	0.0	0.0	0.0	0.0
Negative market values from derivatives	0.0	24.0	2.3	26.3
Total financial liabilities held at fair value	**75.5**	**24.4**	**10.1**	**110.1**

Financial assets:	2020	2020	2020	Total
Shares and participations classified as held for trading	0.1	0.0	0.0	0.1
Shares and participations, other	49.9	0.0	7.2	57.2
Debt securities eligible for refinancing with central banks	37.2	0.0	0.0	37.2
Debt securities	0.3	8.3	1.2	9.8
Positive market values from derivatives	0.0	51.1	1.1	52.2
Total financial assets held at fair value	**87.5**	**59.4**	**9.5**	**156.3**
Financial liabilities:				
Shares and participations classified as held for trading	0.4	0.0	0.0	0.4
Negative market values from derivatives	0.0	50.9	1.1	52.0
Total financial liabilities held at fair value	**0.4**	**50.9**	**1.1**	**52.5**

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Explanation of fair value hierarchies:

Level 1
Fair values measured using quoted prices in active markets for identical instruments.

Level 2
Fair values measured using directly or indirectly observable inputs, other than those included in level 1.

Level 3
Fair values measured using inputs that are not based on observable market data.

Level 1 of the hierarchy includes listed shares, mutual funds and derivatives listed on exchanges, and debt securities that are traded in active OTC- and public markets.

Shares and participations classified in level 3 are usually instruments which are not publicly traded, like venture capital funds, real estate funds, equities and equity rights.

Derivatives in level 2 are forwards whose values are calculated with inputs like quoted interest rates and currency rates.

Derivative valuations for level 3 instruments contain inputs (volatility and dividend estimate) which are not directly observable in the market. The values are calculated with pricing models widely in use, like Black-Scholes. Valuations received from the counterparty of the OTC trade are classified as level 3 valuations.

Debt securities valuations that are obtained from markets that are not fully active, have a fair value level hierarchy of 2. Level 3 valuations for debt securities are valuations for illiquid securities that are received directly from the arranger of the issue, or the valuation is calculated by Evli Bank.

The fair values of financial instruments are defined in accordance to IFRS13. In principle, valuation of financial instruments is based on public market quotations. For unquoted financial instruments, Evli Bank's Financial Administration together with the Risk Control function evaluate and classify instruments.

Level 2 valuation methods, detailed description:

Financial instrument	Valuation method/ inputs
Money market instrument, not quoted	Interest rate spread to Euribor-curve, acquisition date spread is used if no significant change has occured in the credit risk of the instrument.
Bond instrument, no active market	Bid quote (price source Bloomberg)
Derivative instruments: OTC forwards	Price calculated by using the market price of the underlying instrument, and quoted interest and currency rates.

Level 3 valuation methods, detailed description:

Financial instrument	Valuation method/ inputs
Bond instrument, illiquid/not quoted	Price received from arranger of issue or price calculated by Evli Bank.
Shares, unlisted	Estimate of company value calculated by using the book value of the share, or by an estimated future cash-flow analysis. If the share has been traded, the price level can be used in the valuation. If no better estimate of the fair value is available, the acquisition price can be used as the fair value.
Unlisted options, warrants and equity rights	The values are calculated at Evli Bank with pricing models widely in use. Calculation inputs which are estimated are the volatility of the underlying instrument, and dividend estimate.
Venture capital and real estate funds	Last known fair value from the funds' management companies, valuation received four times a year. The valuation is corrected if after the valuation date, such information has been received of an ownership in the portfolio that significantly will affect the value of the fund.

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7.4. ANALYSIS OF FINANCIAL INSTRUMENTS CATEGORIZED IN LEVEL 3	2021	2020
Financial assets:		
Shares and participations classified as held for trading	0.0	0.0
Unlisted shares and participations	0.2	0.3
Venture capital funds and real estate funds	7.2	7.0
Debt securities	0.4	1.2
Quoted equity derivatives	0.0	0.0
OTC equity derivatives	2.3	1.1
Total financial assets held at fair value	**10.1**	**9.5**
Financial liabilities:		
Shares and participations classified as held for trading	0.0	0.0
Quoted equity derivatives	0.0	0.0
OTC equity derivatives	2.3	1.1
Total financial liabilities held at fair value	**2.3**	**1.1**

Changes during the year. considering level 3 categorized instruments:

Financial assets	2021	2020
Shares and participations classified as held for trading-Initial Balance 31.12.2020	0.0	0.0
Purchases	0.0	0.0
Sales	0.0	0.0
Valuation changes	0.0	0.0
Shares and participations classified as held for trading 31.12.2021	**0.0**	**0.0**
Unlisted shares and participations-Initial Balance 31.12.2020	0.3	0.4
Purchases	0.0	0.0
Sales	0.0	0.0
Valuation changes	0.0	-0.1
Unlisted shares and participations 31.12.2021	**0.2**	**0.3**
Venture capital funds and real estate funds-Initial Balance 31.12.2020	7.0	6.1
Purchases	0.9	0.3
Sales	-1.3	0.0
Valuation changes	0.6	0.6
Venture capital funds and real estate funds 31.12.2021	**7.2**	**7.0**
Debt securities-Initial Balance 31.12.2020	1.2	3.6
Purchases	0.0	0.1
Sales	-0.6	-2.0
Valuation changes	-0.2	-0.6
Debt securities 31.12.2021	**0.4**	**1.2**
OTC equity derivatives-Initial Balance 31.12.2020	1.1	4.5
Purchases	0.0	0.0
Sales	-0.1	-0.5
Valuation changes	1.3	-2.9
OTC equity derivatives 31.12.2021	**2.3**	**1.1**

Financial liabilities	2021	2020
Shares and participations classified as held for trading-Initial Balance 31.12.2020	0.0	0.0
Purchases	0.0	0.0
Sales	0.0	0.0
Valuation changes	0.0	0.0
Shares and participations classified as held for trading 31.12.2021	**0.0**	**0.0**
OTC equity derivatives-Initial Balance 31.12.2020	1.1	4.5
Purchases	0.0	0.0
Sales	-0.1	-0.5
Valuation changes	1.3	-2.9
OTC equity derivatives 31.12.2021	**2.3**	**1.1**

Sensitivity analysis for level 3 instruments; effect of measurements to fair values

Derivative contracts

If the volatility estimate in the options pricing model for level 3 categorized options, is changed to a publicly available historical volatility (3 months), the options market value would change by net EUR 0.0 million. Volatility is the standard deviation or variability of the price of the underlying instrument for a given time period.

Shares and participations

When determining the fair value of unquoted instruments Evli uses estimates of the company's future cash flows and trends. The estimates are based on conservative estimates, and the use of other realistic alternative scenarios would not change the fair value estimates significantly. For real estate funds, there are uncertainty factors related to the valuation of real estate that have an impact on the fund's NAV. The total impact on fair value in the share and participations group is under EUR -0.9 million.

Debt securities

The return requirements used in the pricing of unquoted bonds correspond to the returns of instruments with similar risk levels and characteristics. If the discount rate used is raised by 1 percentage unit, the fair value will decline in total by less than EUR 0.1 million.

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7.5. UNREALIZED PROFIT/LOSS FOR FINANCIAL INSTRUMENTS CATEGORIZED IN LEVEL 3

	Unrealised profit/loss	
	2021	2020
Financial assets		
Shares in trading book	0.0	0.0
Other shares	1.0	0.9
Debt securities	-1.4	-1.2
Derivatives	2.3	1.0
Unrealized P/L at year-end, financial assets	**1.9**	**0.6**
Financial liabilities		
Shares in trading book liabilities	0.0	0.0
Derivatives liabilities	-2.3	-1.0
Unrealized P/L at year-end, financial liabilities	**-2.3**	**-1.0**
Unrealised profit/loss total*, level 3 instruments	**-0.4**	**-0.4**

*Total unrealized profit is recorded in net income from securities transactions.

7.6. CLASSIFICATION OF FINANCIAL INSTRUMENTS

	2021				
Assets	**Financial assets measured at amortized cost**	**Fair value through profit and loss**	**Fair valued through comprehensive income**	**Other assets**	**Total**
Cash and cash equivalents	384.1				384.1
Claims on credit institutions	48.1				48.1
Claims on the public and public sector entities	98.0				98.0
Debt securities eligible for refinancing with central banks		33.4			33.4
Debt securities		0.7			0.7
Shares and participations		49.6			49.6
Derivative contracts		26.4			26.4
Shares and participations in associates				4.0	4.0
Intangible assets and goodwill				13.8	13.8
Property, plant and equipment				1.4	1.4
Other assets				88.0	88.0
Leasing				7.4	7.4
Accrued income and prepayments				2.6	2.6
Deferred tax assets				0.1	0.1
Total	**530.2**	**110.1**	**0.0**	**117.4**	**757.7**

Liabilities	**Valued at amortized cost**	**Fair valued through profit and loss**	**Other debt**	**Total**
Liabilities to credit institutions and central banks	8.6			8.6
Liabilities to the public and public sector entities	402.9			402.9
Debt securities issued to the public	91.0			91.0
Financial liabilities at fair value through profit or loss		26.3		26.3
Other liabilities			75.7	75.7
Accrued expenses and deferred income			35.0	35.0
Deferred tax liabilities			0.0	0.0
Total	**502.6**	**26.3**	**110.7**	**639.5**

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7.7. LIQUIDITY COVERAGE REQUIREMENT (LCR)

	2021	
Items included in the liquidity coverage ratio		
Requirement 100%		
	Amount/ market value	**Weighted value**
Liquidity buffer		
Central Bank deposits, withdrawable	379.5	379.5
Local government notes	0.0	0.0
Liquidity buffer total	**379.5**	**379.5**
	Amount/ market value	**Inflow**
Inflows over the next 30 days		
Maturing loans, retail customers	9.1	4.5
Monies due from financial customers	1.7	1.7
Inflow Total	**10.8**	**6.2**
	Amount/ market value	**Outflow**
Outflows over the next 30 days		
Retail deposits	250.9	30.9
Deposits by financial customers	62.4	62.4
Deposits by other customers	50.7	19.0
Impact of an adverse market scenario on derivatives, financing transactions and other contracts	67.2	67.2
Credit facilities	17.9	5.9
Planned derivatives payables	0.0	0.0
Other debt	0.2	0.2
Other off-balance sheet and contingent funding obligations	0.3	0.3
Issued debt securities	0.9	0.9
Outflow total	**450.6**	**186.9**
Net liquidity outflow		180.7
LCR % = Liquidity buffer / Net liquidity outflow		**210.1%**

7.8. SECURITIES LENDING

	2021	2020
Market value of securities lending at 31.12., lent in	2.3	2.8
Market value of securities lending at 31.12., lent out	0.0	0.0

7.9. FAIR VALUES AND BOOK VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

	2021	2021
	Book value	**Fair Value**
Financial assets		
Liquid assets	384.1	384.1
Debt securities eligible for refinancing with central banks	33.4	33.4
Claims on credit institutions	48.1	48.1
Claims on the public and public sector entities	98.0	98.0
Debt securities	0.7	0.7
Shares and participations	49.6	49.6
Derivative contracts	26.4	26.4
Financial liabilities		
Liabilities to credit institutions and central banks	8.6	8.6
Liabilities to the public and public sector entities	402.9	402.9
Debt securities issued to the public	91.0	90.2
Derivative contracts and other liabilities held for trading	26.3	26.3

The lending rate is tied to the Euribor rates, and so the carrying amount of loans is not considered to differ significantly from the fair value.

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7.10 ASSETS PLEDGED AS COLLATERAL

ASSETS	Fair value of encumbered assets 2021	Fair value of unencumbered assets 2021	of which usable as collateral 2021
Liquid assets and Central Bank deposits	0.0	384.1	379.5
Debt securities eligible for refinancing with central banks	33.4	0.0	0.0
Claims on credit institutions	39.0	9.1	9.1
Claims on the public and public sector entities	0.0	98.0	0.0
Debt securities	0.0	0.7	0.0
Shares and participations	0.0	49.6	0.0
	72.4	**541.4**	**388.6**
Usage of collateral			
Markeplace collateral, stock- and derivatives trades	1.6		
Collateral for OTC derivatives trades	34.7		
Collateral for securities lending	2.7		
Bank Of Finland, collateral for daily limit account	33.4		
	72.4		

Received collateral	Fair value of collateral recieved
LIABILITIES	
Received cash	**38.3**

ASSETS	2020	2020	2020
Liquid assets and Central Bank deposits	0.0	331.6	326.7
Debt securities eligible for refinancing with central banks	33.8	3.4	3.4
Claims on credit institutions	60.1	6.7	6.7
Claims on the public and public sector entities	0.0	109.6	0.0
Debt securities	0.0	9.8	0.0
Shares and participations	0.0	57.3	0.0
	93.9	**518.2**	**336.7**
Usage of collateral			
Markeplace collateral, stock- and derivatives trades	10.0		
Collateral for OTC derivatives trades	47.3		
Collateral for securities lending	2.8		
Bank Of Finland, collateral for daily limit account	33.8		
	93.9		

Received collateral	Fair value of collateral recieved
LIABILITIES	
Received cash	**53.3**

7.11. ASSETS UNDER MANAGEMENT	2021	2020
Assets under management at Evli Group as of 31 December		
Gross	18,170.0	15,059.0
Net	15,190.0	12,395.0
Assets under management on the basis of power of attorney		
Discretionary asset management	5,870.0	5,024.0
Consultative asset management	100.0	162.0
Total	**5,970.0**	**5,186.0**

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Consolidation

8.1. GROUP STRUCTURE

GROUP STRUCTURE

- Group company
- Branch office
- Associated companies

Associated companies
Ahti Ivest Oy (30%)

Evli Bank Plc
Finland

Evli Bank´s affiliated company
Northern Horizon Capital A/S, 50%
Denmark

- Evli Corporate Finance AB (52,1%), Finland
  - Evli Research Partners Ltd (70%)
- Aurator Asset Management Ltd (100%), Finland
- Evli Alexander Incentives Ltd (65%), Finland
- Terra Nova Capital Advisors Ltd (55%), United Arab Emirates
- Evli Investment Solutions Oy (85%), Finland
- Evli Life Ltd (100%), Finland
- Evli Fund Management Company Ltd (100%), Finland
  - Evli Fund Management Ltd (Finland), Stockholm Branch, Sweden
  - Evli Infrastructure Partners Oy (82%), Finland
    - Evli Infrastructure I GP Oy (100%), Finland
  - Evli Private Debt I GP Oy (85%)
  - Evli Impact Forest I GP Oy (100%), Finland
  - EGP General Partner II Oy (70%), Finland
  - EGP General Partner Oy (70%), Finland
  - Evli HC I GP Oy (82%), Finland
  - EAI Feeder GP Oy (100%), Finland
  - Evli Private Equity Partners Oy (80%), Finland
    - Evli Private Equity I GP Oy (100%), Finland
    - Evli Private Equity II GP Oy (100%), Finland
    - Evli Private Equity III GP Oy (92.5%),Finland
  - EAI Residential Partners Oy (75%), Finland

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Accounting policies

General consolidation principles

Subsidiaries

The consolidated financial statements comprise the financial statements of Evli Bank Plc and all the 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 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 nega-tive, unless the non-controlling interests have an exemption not to meet obligations which exceed the non-controlling interests' investment in the company.

Associated companies

The consolidated financial statements 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.

Companies outside the Group

Subsidiaries and associated 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 the risk of the companies' assets or liabilities.

Mutual funds managed on behalf of clients are also not consolidated, since the Group has no control over them.

Related party disclosures

The Group's related parties include the parent company, subsidiaries, and associates. Related parties also include the Group management consisting of the members of the Board of Directors and the Group's Executive Group, as well as the board members of the subsidiaries.

Transactions between management and the company are typical transactions between the bank and the client. The company's liabilities to management include the management's cash assets in their bank accounts in Evli. Similarly, receivables relate to potential market-priced loans management has drawn. There are no other exceptional loan arrangements compared to other Evli's clients.

	Country	Ownership, %	Share of voting rights, %
Minority share			
Evli Corporate Finance AB	Sweden	47.9	47.9
Terra Nova Capital Adv	United Arab Emirates	45	45
Evli Research Partners Ltd	Finland	30	30
Evli Investment Solutions Oy	Finland	15	15
Evli Alexander Incentives Ltd	Finland	35	35
EAI Residential Partners Ltd	Finland	25	25
Evli Residential II GP Oy	Finland	30	30
Evli Private Equity Partners Oy	Finland	20	20
Evli Private Equity III GP Oy	Finland	7.5	7.5
Evli HC I GP Oy	Finland	18	18
EGP General Partner Oy	Finland	30	30
EGP General Partner II Oy	Finland	30	30
Evli Infrastructure Partners Oy	Finland	18	18
Evli Private Debt I GP Oy	FInland	15	15

Evli Bank Plc holds 50 percent of the share capital of Northern Horizon Capital A/S, which confers 45 percent of the votes in the company as agreed upon in the partnership agreement. Considering that Evli Bank Plc does not have control in the company, Northern Horizon Capital A/S is consolidated as an associated company by using equity method of accounting.

Evli Bank Plc owns 30 percent of Ahti Invest Oy. The holding was acquired in December 2021. Company is treated as an associated company in the financial statement of 2021.

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Financial success in companies with non-controlling owners

Company	Evli Corporate Finance AB	Terra Nova Capital Advisors Ltd	Evli Research Partners Ltd	Evli Investment Solutions Oy	EAI Residential Partners Oy	Evli Private Equity Partners Oy	Evli HC I GP Oy
Domicile	Sweden	United Arab Emirate	Finland	Finland	Finland	Finland	Finland
Assets	6.7	0.3	0.4	1.2	0.7	0.7	0.5
Liabilities	2.1	0.1	0.2	0.1	0.1	0.0	0.4
Profit/Loss for the financial year	4.8	4.0	0.0	1.1	0.5	1.7	0.0
Attributable to non-controlling interest	0.0	1.7	0.0	0.2	0.1	0.4	0.0
Dividends paid to non-controlling interest	4.8	4.0	0.0	1.1	0.5	1.5	0.0
Cash flow from operating activities	3.8	4.0	-0.1	1.1	0.5	1.5	0.0
Cash flow from investing activities	-0.5	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from financing activities	0.0	-3.9	0.0	-1.4	-0.3	-1.8	0.0
Change in cash and cash equivalents	3,3	0,1	-0,1	-0,2	0,0	-0,3	0,0
Attributable to non-controlling interest	1,6	0,0	0,0	0,0	0,1	-0,1	0,0

Company	EGP General Partner Oy	Evli Infrastructure Partners Oy	Evli Alexander Incentives Ltd	EGP General Partner II Oy	Evli Private Debt I GP Oy	Evli Residential II GP Oy	Evli Private Equity III GP Oy
Domicile	Finland	Finland	Finland	Finland	Finland	Finland	Finland
Assets	0.6	0.0	7.3	0.4	0.0	0.1	0.0
Liabilities	0.1	0.0	3.1	0.1	0.0	0.0	0.0
Profit/Loss for the financial year	0.5	0.4	2.4	0.2	-0.1	0.0	0.0
Attributable to non-controlling interest	0.2	0.0	0.4	0.0	0.0	0.0	0.0
Dividends paid to non-controlling interest	0.4	0.4	3.1	0.3	-0.1	0.0	0.0
Cash flow from operating activities	0.4	0.4	4.6	0.0	0.2	0.1	0.0
Cash flow from investing activities	0.0	0.0	-0.4	0.0	0.0	0.0	0.0
Cash flow from financing activities	-0.6	-0.3	-1.2	0.0	-0.2	-0.1	0.0
Change in cash and cash equivalents	-0.3	-0.2	3.1	0.0	0.0	0.1	0.0
Attributable to non-controlling interest	-0.1	0.0	1.1	0.0	0.0	0.0	0.0

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8.2. SHARES AND PARTICIPATIONS IN ASSOCIATES AND JOINT VENTURES

Management judgment

An impairment is recognized in an associate's value if the company's financial position has deteriorated substantially or if the company's future outlook is deemed to contain substantial risk factors that, if realized, would weaken the associated company's financial position. The valuation is calculated using theoretical methods, and the impairment is reported in the income statement under "share of associated companies' profit".

Shares and participations in associates and joint ventures	2021	2020
At the beginning of the period	4.2	3.8
Share of profit/loss	0.5	0.0
Additions	1.0	0.3
Disposals	-1.7	0.0
At the end of the period	**4.0**	**4.2**

Holdings in consolidated associated companies

Company name	Northern Horizon Capital A/S
Domicile	Denmark
Assets	6.7
Liabilities	1.3
Revenue	6.4
Profit/Loss	1.0
Evli's share of profit/loss	0.5
Ownership (%)	50.0

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8.3. CHANGES IN CORPORATE STRUCTURE

Evli Bank Plc bought a five percent stake and sold 40 percent of its Terra Nova shares to the company's employees in the first quarter. Following the transaction, Evli's holding in Terra Nova is 55 percent.

Alexander Incentives Oy, a subsidiary of Evli Alexander Incentives Oy, merged with its parent company on April 30, 2021.

Evli Bank Plc sold seven percent of Evli Corporate Finance Ab's shares to the company's employees in June. Following the transaction, Evli's holding in the company is 52 percent.

Evli Bank Plc sold its entire holding in Evli Research Partners Oy, 70 percent, to its subsidiary Evli Corporate Finance Ab. At the same time, Evli Reserarch Partners Oy bought from its employee 10 percent of the company's shares.

Evli Group company, Evli Fund Management Company, established Evli Growth Partners II Oy together with key business personnel. Evli Management Company owns 70 percent of the company.

Evli Private Equity Partners Oy, a company belonging to the Evli Group, established a new company together with key personnel, Evli Private Equity III GP Oy. Evli Private Equity Partners Oy owns 92.5 percent of the established company.

Evli Management Company established a company called Evli Residential II GP Oy together with key business personnel in December. Evli Management Company owns 70 percent of the established company. In relation to this transaction, Evli acquired a 30 percent stake in Ahti Invest Oy.

8.4. RELATED PARTY TRANSACTIONS

Transactions with related parties 2021	Subsidiaries	Associated companies	Group management
Sales	30.5	0.0	0.0
Purchases	2.3	0.0	0.0
Receivables	4.8	0.0	0.7
Liabilities	45.8	0.0	0.3
Shares owned by related parties: 14,124,076 pcs			
Transactions with related parties 2020			
Sales	25.0	0.0	0.0
Purchases	2.8	0.0	0.0
Receivables	4.3	0.0	0.5
Liabilities	23.9	0.0	0.1
Shares owned by related parties: 14,246,829 pcs			

8.5. FEES PAID TO AUDITORS

Fees payd to auditors	2021	2020
Audit - Group		
PricewaterhouseCoopers	0.7	0.2
Other companies	0.0	0.0
Total	**0,7**	**0.2**
Audit - Parent Company		
PricewaterhouseCoopers	0.5	0.1
Other companies	0.0	0.0
Total	**0.5**	**0.1**
Other than auditing fees		
Other services - Group		
PricewaterhouseCoopers*	0.3	0.1
Other companies	0.0	0.0
Total	**0,3**	**0.1**
Other services - Parent company		
PricewaterhouseCoopers	0.3	0.0
Other companies	0.0	0.0
Total	**0.3**	**0.0**

The advisory services are mainly related to consultation services regarding the partial demerger of Evli Bank Plc and the subsequent merger with Fellow Finance Plc.

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Parent company's income statement

	Note	2021	2020
Interest income	9.1.	2.4	2.9
Interest expenses	9.2.	-2.1	-2.6
NET INTEREST INCOME		**0.3**	**0.3**
Income from equity investments	9.3.	12.9	10.2
Fee and commission income	9.4.	46.8	38.8
Fee and commission expenses	9.5.	-3.9	-5.5
Net income from securities transactions	9.6.	3.4	2.5
Other operating income	9.7.	4.9	3.5
NET REVENUE		**64.4**	**49.7**
Operating expenses			
Personnel expenses	9.8.	-19.5	-16.1
Other administrative expenses	9.9.	-11.5	-8.9
Depreciation and amortization on tangible and intangible assets	9.10.	-2.8	-3.2
Other operating expenses	9.11.	-2.7	-3.0
Excpected credit losses on loans and other receivables	9.12.	0.1	-0.1
Impairment losses on other financial assets	9.12.	0.0	0.0
OPERATING PROFIT/LOSS		**28.0**	**18.4**
PROFIT BEFORE INCOME TAX		**28.0**	**18.4**
Income taxes	9.13.	-3.6	-2.0
PROFIT / LOSS FOR THE FINANCIAL YEAR		**24.4**	**16.5**

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Parent company’s balance sheet

	Note	31.12.2021	31.12.2020
ASSETS			
Cash and equivalents	9.14.	384.1	331.6
Debt securities eligible for refinancing with central banks	9.17.	33.4	37.2
Claims on credit institutions	9.15.	40.1	61.2
Claims on the public and public sector entities	9.16.	98.1	110.7
Debt securities	9.17.	0.7	9.8
Shares and participations	9.18./9.19.	73.2	79.9
Derivative contracts	9.20.	26.4	52.2
Intangible assets and goodwill	9.21.	4.5	6.9
Property, plant and equipment	9.22.	0.9	1.0
Other assets	9.23.	72.2	59.1
Accrued income and prepayments	9.24.	1.2	1.3
Deferred tax assets	9.25.		0.0
TOTAL ASSETS		**734.8**	**750.5**

	Note	31.12.2021	31.12.2020
LIABILITIES AND EQUITY			
LIABILITIES			
Liabilities to credit institutions and central banks	9.26.	8.6	0.7
Liabilities to the public and public sector entities	9.27.	442.7	407.6
Debt securities issued to the public	9.28.	91.0	131.1
Derivative contracts and other liabilities held for trading	9.29.	26.3	52.5
Other liabilities	9.30.	70.8	73.4
Accrued expenses and deferred income	9.31.	12.0	9.0
Deferred tax liabilities	9.32.	0.0	0.0
TOTAL LIABILITIES		**651.5**	**674.2**
EQUITY	9.33.		
Share capital		30.2	30.2
Share premium fund		1.8	1.8
Fund of invested non-restricted equity		23.3	23.3
Retained earnings		3.6	4.6
Profit/loss for financial year		24.4	16.5
TOTAL EQUITY		**83.3**	**76.4**
TOTAL LIABILITIES AND EQUITY		**734.8**	**750.5**

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Parent company´s statement of cash flow

	2021	2020
Operating activities		
Operating profit	28.0	18.4
Adjustment for items not included in cash flow	3.7	3.1
Income taxes paid	-1.3	-1.3
Cash flow from operating activities before changes in operating assets and liabilities	**30.4**	**20.2**
Changes in operating asset	**40.8**	**187.5**
Changes in operating liablities	**0.2**	**-168.5**
Cash flow from operating activities	**71.3**	**39.2**
Investing activities		
Change in intangible asset	-0.2	-0.1
Change in property, plant and equipment	-1.2	-0.2
Cash flow from investing activities	**-1.4**	**-0.3**
Financing activities		
Dividends paid	-17.4	-15.5
Used option rights	0.0	1.5
Cash flow from financing activities	**-17.4**	**-14.1**
Cash and cash equivalents at the beginning of period	332.6	307.8
Cash and cash equivalents at the end of year	385.2	332.6
Change	**52.5**	**24.8**

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Parent Company´s accounting policies

Basic information on the company

Evli Bank Plc is domiciled in Helsinki and its registered address is Aleksanterinkatu 19 A, 00100 Helsinki.

Evli Bank Plc's financial statements are prepared and presented in accordance with the regulations 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. The Accounting Act and the regulations on financial statements of the Limited Liability Companies Act are complied with, with the exceptions stated in Section 30(2) of the Act on Credit Institutions.

Evli Bank Plc's notes to the separate financial statements correspond to the Evli Group's principles, except for the exceptions listed below.

Employee benefits

Evli finances all its retirement plans as payments to employee pension companies.

Income 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.

Leases

Leases of property, plant and equipment in which the company bears a substantial portion of the risks and rewards of ownership are classified as finance leases. In the parent company financial statements, the payment made on the basis of such leases are treated as rental expenses. The assets acquired through finance leases are also not recognized in the balance sheet.

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Parent company's notes to income statement

9.1. INTEREST INCOME	2021	2020
At fair value through profit or loss	0.3	
Debt securities	0.0	0.4
Interest income from other loans and claims		
Claims on credit institutions	0.1	0.1
Claims on the public and public sector entities	1.5	1.6
Other interest income	0.5	0.9
Interest income, total	**2.4**	**2.9**

9.2. INTEREST EXPENSES	2021	2020
At fair value through profit or loss	0.0	
Interest expenses from other borrowing		
Liabilities to the public, public sector entities and credit institutions	-2.0	-2.1
Debt securities issued to the public	-0.1	-0.4
Other interest expenses	0.0	-0.1
Interest expenses, total	**-2.1**	**-2.6**

9.3. INCOME FROM EQUITY INVESTMENTS	2021	2020
Dividends from associated companies	1.7	0.0
Dividends from group companies	11.2	10.2
Income from equity investments, total	**12.9**	**10.2**

9.4. COMMISSION INCOME	2021	2020
Credit related fees and commissions	0.1	0.0
Advisory services	1.7	1.0
Securities brokerage	12.4	9.2
Securities issue	0.0	0.0
Mutual funds	25.9	17.8
Asset management	5.9	5.1
Custody services	0.5	3.9
Other operations	0.2	1.7
Commission income, total	**46.8**	**38.8**

9.5. COMMISSION EXPENSES	2021	2020
Trading fees paid to stock exchanges	-0.8	-1.8
Other	-3.1	-3.7
Commission expenses, total	**-3.9**	**-5.5**

9.6. NET INCOME FROM SECURITIES TRANSACTIONS AND FOREIGN EXCHANGE DEALING	2021	2020
Net income from securities transactions		
Financial assets held for trading	0.1	-0.2
Financial assets at fair value through profit or loss	1.4	0.6
Net income from securities transactions, total	**1.5**	**0.4**

	Gains and losses on sales	Changes in fair value	Total	Total
Net income from securities transactions by instrument				
Debt securities	-0.1	-0.3	-0.4	-0.9
Shares and derivative contracts	1.5	0.4	1.9	1.3
Net income from securities transactions, total	**1.4**	**0.1**	**1.5**	**0.4**
Net income from foreign exchange operations	1.9	0.0	1.9	2.0
Net income from securities transactions and foreign exchange operations, total	3.3	0.1	**3.4**	**2.5**

9.7. OTHER OPERATING INCOME	2021	2020
Other income	4.9	3.5
Other operating income, total	**4.9**	**3.5**

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9.8. EMPLOYEE BENEFITS		2021		2020
Wages and salaries		-15.7		-13.8
of which bonuses	-4.0		-2.7	
Other social security costs		-0.5		-0.4
of which relating to bonuses	-0.1		0.0	
Pension expenses		-2.6		-1.8
of which relating to bonuses	-0.3		-0.2	
defined contribution plans	-2.6		-1.8	
Employee benefits, total		**-19.5**		**-16.1**

	2021	2020
Number of personnel during the period, average	151	146
Number of personnel at the end of the period	152	147
Employees by business segment at the end of the period		
Advisory and Corporate Clients	96	5
Wealth Management and Investor Clients	6	95
Group Operations	50	47
Total	**152**	**147**

9.9. OTHER OPERATING EXPENSES	2021	2020
Office expenses	-1.1	-1.1
IT and infosystems	-5.9	-5.5
Business expenses	-0.3	-0.2
Travel expenses	-0.1	-0.1
Other HR related expenses	-0.6	-0.3
Marketing expenses	-0.7	-0.5
Banking and custodian expenses	-0.6	-0.6
External services	-2.0	-0.5
Other operating expenses total	**-11.5**	**-8.8**

9.10. DEPRECIATION, AMORTIZATION AND IMPAIRMENT LOSSES	2021	2020
Depreciation and amortization		
From goodwill	-0.2	-0.2
Applications and software	-2.0	-2.0
Other intangible assets	-0.3	-0.8
Equipment and furniture	-0.2	-0.2
Depreciation, amortization and impaiment losses, total	**-2.8**	**-3.2**

9.11. OTHER OPERATING EXPENSES	2021	2020
Supervision expenses	-0.5	-0.4
Rental expenses	-1.4	-2.1
Other expenses	-0.8	-0.6
Other operating expenses total	**-2.7**	**-3.0**

9.12. EXPECTED CREDIT LOSSES ON LOANS AND OTHER COMMITMENTS AND IMPAIRMENT LOSSES ON OTHER FINANCIAL ASSETS	2021	2020
Claims on the public and public sector entities		
Expected credit losses on group level	0.1	-0.1
Expected credit losses individual	0.0	0.0
Realised loan losses	0.0	-0.1
Impairment losses, total	**0.1**	**-0.1**

9.13. INCOME TAXES	2021	2020
Current tax expense	-3.6	-1.7
Taxes from previous years	0.0	-0.3
Income taxes, total	**-3.6**	**-2.0**

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Parent company's notes to balance sheet

9.14. CASH AND EQUIVALENTS	2021	2020
Balances with central banks	384.1	331.5
Other	0.0	0.1
Cash and cash equivalents total	**384.1**	**331.6**

9.15. CLAIMS ON CREDIT INSTITUTIONS	2021	2020
Repayable on demand		
Domestic credit institutions	1.1	1.1
Foreign credit institutions	0.0	0.0
Repayable on demand, total	**1.1**	**1.1**
Other than repayable on demand		
Domestic credit institutions	28.2	24.0
Foreign credit institutions	10.8	36.1
Other than repayable on demand, total	**39.0**	**60.1**
Claims on credit institutions, total	**40.1**	**61.2**

9.16. CLAIMS ON THE PUBLIC AND PUBLIC SECTOR ENTITIES BY SECTOR	2021	2020
Repayable on demand		
Financial and insurance corporations	0.0	0.0
Repayable on demand, total	**0.0**	**0.0**
Other than repayable on demand		
Enterprises and housing associations	22.6	27.0
Financial and insurance corporations	1.4	0.9
Households	66.9	71.8
Foreign countries	7.3	11.1
Other than repayable on demand, total	**98.1**	**110.7**
Claims on the public and public sector entities by sector, total	**98.1**	**110.7**

			2021	2020
9.17. DEBT SECURITIES	**Publicly quoted**	**Other**	**Total**	Total
Issued by public corporations				
Local government notes	0.0	0.0	0.0	8.0
Issued by other than public corporations	**0.0**	**0.0**	**0.0**	**8.0**
Issued by other than public corporations				
Bonds issued by banks	33.4	0.1	33.4	37.5
Other debt securities	0.0	0.7	0.7	1.4
Issued by other than public corporations	**33.4**	**0.7**	**34.1**	**38.9**
Debt securities, total	33.4	0.7	**34.1**	**46.9**
Debt securities by balance sheet category				
Debt securities eligible for refinancing with central banks				
Other			33.4	37.2
Debt securities				
On public sector entities			0.0	8.0
Other			0.7	1.8
Total			**34.1**	**46.9**
Debt securities by country				
Finland			21.7	30.6
Sweden			5.3	11.0
France			0.0	0.0
Denmark			7.1	5.3

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9.18. SHARES AND PARTICIPATIONS

Fair valued through profit or loss

Balance sheet category	2021 Publicly quoted	2021 Other	2021 Total
Shares and participations			
Valued at fair value through profit or loss			
Held for trading	0.0	0.0	0.0
Other	42.1	7.3	49.4
Shares and participations, total	**42.1**	**7.3**	**49.4**

Balance sheet category	2020 Publicly quoted	2020 Other	2020 Total
Shares and participations			
Valued at fair value through profit or loss			
Held for trading	0.1	0.0	0.1
Other	49.9	7.2	57.0
Shares and participations, total	**50.0**	**7.2**	**57.1**

Net risk position is described in section Market Risk, Notes on Risk Position.

9.19. SHARES AND PARTICIPATION IN ASSOCIATES AND JOINT VENTURES

	2021	2020
At the beginning of the period	4.4	4.4
Additions/Disposals	1.0	0.0
At the end of the period	**5.4**	**4.4**
Shares and participations in companies belonging to Group		
At the beginning of the period	18.5	21.2
Additions/Impairments	0.0	-2.7
At the end of the period	**18.5**	**18.5**

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9.20. DERIVATIVE CONTRACTS

Overall effect of risks associated with derivative contracts					2021	2021
Nominal value of underlying , gross	Remaining maturity					
Held for trading	Less than 1 year	1-5 years	5-15 years	Fair value (+/-)	ASSETS	LIABILITIES
Interest rate derivatives	4.5	70.5	3.2	0.0	2.0	2.0
Interest rate swaps						
Equity-linked derivatives						
Futures	2.2	1.0	0.0	0.0	0.4	0.4
Options bought	0.0	0.0	0.0	0.0	0.0	0.0
Options sold	0.0	0.0	0.0	0.0	0.0	0.0
Currency-linked derivatives	4073.2	8.3	0.0	0.1	24.1	24.0
Held for trading, total	**4 079.9**	**79.8**	**3.2**	**0.1**	**26.4**	**26.3**
Derivative contracts, total	**4 079.9**	**79.8**	**3.2**	**0.1**	**26.4**	**26.3**

Overall effect of risks associated with derivative contracts					2020	2020
Held for trading						
Interest rate derivatives						
Interest rate swaps	2.1	100.7	2.2	0.0	1.0	1.0
Equity-linked derivatives						
Futures	0.7	3.4	0.0	0.0	0.0	0.0
Options bought	0.0	0.0	0.0	0.0	0.0	0.0
Options sold	0.0	0.0	0.0	0.0	0.0	0.0
Currency-linked derivatives	4 555.2	32.1	0.0	0.1	51.1	51.0
Held for trading, total	**4 558.0**	**136.1**	**2.2**	**0.1**	**52.2**	**52.0**
Derivative contracts, total	**4 558.0**	**136.1**	**2.2**	**0.1**	**52.2**	**52.0**

Equity derivatives in the banking book hedge the equity risk in equity-linked bonds issued to the public.

The interest rate derivatives hedge the interest rate risk in liabilities in the balance sheet.

Currency derivatives comprise commitments made against clients and the associated hedges, and contracts made to hedge currency risk in the balance sheet. The net open risk position of the total amount is small. The largest part of the contracts are in SEK (2.763 M€)), and in NOK (662 M€).

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9.21. INTANGIBLE ASSETS AND GOODWILL	2021	2020
Goodwill		
Cost at 1.1.	**1.2**	**1.2**
Increases/Decreases	0.0	0.0
Cost at 31.12.	1.2	1.2
Accumulated depreciation at 1.1.	**-0.5**	**-0.3**
Impairment losses for the period	0.0	0.0
Accumulated depreciation at 31.12.	-0.8	-0.5
Book value at 31.12.	**0.4**	**0.6**
Software or projects in progress		
Cost at 1.1.	**0.0**	**0.1**
Increases/Decreases	0.0	-0.1
Cost at 31.12.	0.0	0.0
Book value at 31.12.	**0.0**	**0.0**
Applications and software		
Cost at 1.1.	**21.3**	**21.1**
Increases/Decreases	0.2	0.2
Cost at 31.12.	21.5	21.3
Accumulated amortisation and impairment losses at 1.1.	**-15.7**	**-13.7**
Amortisation for the period	-2.0	-2.0
Accumulated amortisation and impairment losses at 31.12.	-17.7	-15.7
Book value at 31.12.	**3.8**	**5.6**
Leasehold improvements FAS		
Cost at 1.1.	**1.4**	**1.4**
Cost at 31.12.	1.4	1.4
Accumulated amortisation and impairment losses at 1.1.	**-1.3**	**-1.1**
Amortisation for the period	-0.1	-0.1
Accumulated amortisation and impairment losses at 31.12.	**-1.4**	**-1.3**
Book value at 31.12.	**0.0**	**0.1**

	2021	2020
Other intangible assets		
Cost at 1.1.	**2.3**	**2.3**
Cost at 31.12.	2.3	2.3
Accumulated amortisation and impairment losses at 1.1.	**-1.9**	**-1.2**
Amortisation for the period	-0.2	-0.7
Accumulated amortisation and impairment losses at 31.12.	-2.1	-1.9
Book value at 31.12.	**0.2**	**0.4**
Intangible assets, total at 31.12.	**4.5**	**6.9**
Book value of intangible assets at 31.12.	**4.5**	**6.9**

9.22. PROPERTY, PLANT AND EQUIPMENT	2021	2020
Equipment and furniture		
Cost at 1.1.	**1.5**	**1.3**
Increases/Decreases	0.2	0.2
Cost at 31.12.	1.7	1.5
Accumulated amortisation and impairment losses at 1.1.	**-1.2**	**-1.0**
Amortisation for the period	0.0	0.0
Accumulated amortisation in respect of decreases	-0.2	-0.2
Accumulated amortisation and impairment losses at 31.12.	-1.3	-1.2
Book value at 31.12.	**0.3**	**0.4**
Property, plant, and equipment, total 31.12.	**0.3**	**0.4**
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.	**0.9**	**1.0**
Book value of tangible assets at 31.12.	**0.9**	**1.0**

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9.23. OTHER ASSETS	2021	2020
Securities sale receivables	1.5	0.2
Commission receivables	2.8	2.0
Securities broking receivables	55.7	52.9
Other receivables	12.2	3.9
Other assets total	**72.2**	**59.1**

9.24. ACCRUED INCOME AND PREPAYMENTS	2021	2020
Interest	0.3	0.4
Staff-related	0.0	0.0
Other items	0.9	0.8
Accrued income and prepayments total	**1.2**	**1.3**

9.25. DEFERRED TAX ASSETS	2021	2020
Due to timing differences*	0.0	0.0
Deferred taxes total	**0.0**	**0.0**

*Deferred tax assets result from timing differences in fixed asset depreciation.

9.26. LIABILITIES TO CREDIT INSTITUTIONS AND CENTRAL BANKS	2021	2020
Credit institutions		
Repayable on demand	0.0	0.0
Other than repayable on demand	8.6	0.7
Liabilities to credit institutions and central banks, total	**8.6**	**0.7**

9.27. LIABILITIES TO THE PUBLIC AND PUBLIC SECTOR ENTITIES	2021	2020
Deposits		
Repayable on demand	442.7	407.5
Other than repayable on demand	0.0	0.1
Liabilities to the public and public sector entities, total	**442.7**	**407.6**

9.28. DEBT SECURITIES ISSUED TO THE PUBLIC	2021	2020
Certificate of deposits	0.0	10.0
Bonds	91.0	121.1
Debt securities issued to the public, total	**91.0**	**131.1**
Changes in bonds issued to the public		
Issues	4.2	31.7
Repurchases	34.3	34.4

9.29. DERIVATIVE CONTRACTS AND OTHER LIABILITIES HELD FOR TRADING	2021	2020
Derivative contracts	26.3	52.0
Due to short selling of shares	0.0	0.4
Derivative contracts and other liabilities held for trading, total	**26.3**	**52.5**

9.30. OTHER LIABILITIES	2021	2020
Securities broking liabilities	61.6	54.7
Securities purchase liabilities	0.8	0.0
Income tax payable	0.1	0.0
Personnel related	0.4	0.4
Other short-term liabilities	7.3	3.9
Prepayments of cash customers	0.3	14.0
VAT payable	0.4	0.4
Other liabilities, total	**70.8**	**73.4**

9.31. ACCRUED EXPENSES AND DEFERRED INCOME	2021	2020
Interest	0.0	0.1
Tax payables	2.3	0.7
Personnel related	8.8	6.9
Other accrued expenses	0.9	1.3
Accrued expenses and deferred income, total	**12.0**	**8.9**

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9.32. EQUITY CAPITAL	2021	2020
Share capital		
Book value 1.1.	30.2	30.2
Book value 31.12.	**30.2**	**30.2**
Share premium		
Book value 1.1.	1.8	1.8
Book value 31.12.	**1.8**	**1.8**
Fund of invested non-restricted equity		
Book value 1.1.	23.3	24.8
Increases/Decreases	0.0	-1.5
Book value 31.12.	**23.3**	**23.3**
Retained earnings from previous years		
Retained earnings 1.1.	21.1	20.1
Dividends	-17.4	-15.5
Translation difference and other changes in retained earnings	0.0	0.0
Retained earnings 31.12.	3.6	4.6
Profit for the period	**24.4**	**16.5**

Own shares held by the credit institution

The company has not acquired own shares during 2021. On December 31, 2021 the company held a total of 251.983 own shares.

Share capital, parent company	
Evli has two share series: series A and series B.	
The A share confers 20 votes in a General Meeting while a B share confers one vote.	
Number of shares-A-shares	14,507,948 shares
Number of shares-B-shares	9,601,472 shares
Total number of shares is	24,109,420 shares

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9.33. MATURITIES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES OF CREDIT INSTITUTION

Debt securities, loans and other claims, derivatives and financial liabilities at amortized cost are reported in the maturity class according to the maturity of the instrument. Shares and participations are reported so that quoted shares in the trading book and quoted mutual funds are in the shortest maturity period. Unquoted shares are reported according to the estimated liquidation period, and venture capital- and real estate funds are reported according to the expected ending day of the fund.

	2021						2020					
	Less than 3 months	**3-12 months**	**1-5 years**	**5-10 years**	**over 10 years**	**Total**	Less than 3 months	3-12 months	1-5 years	5-10 years	over 10 years	Total
Assets												
Cash and cash equivalents	384.1	0.0	0.0	0.0	0.0	**384.1**	331.6	0.0	0.0	0.0	0.0	**331.6**
Financial assets at amortized cost												
Claims on credit institutions	40.1	0.0	0.0	0.0	0.0	**40.1**	61.2	0.0	0.0	0.0	0.0	**61.2**
Claims on the public and public sector entities	23.6	21.8	52.7	0.0	0.0	**98.1**	4.9	23.9	81.2	0.7	0.0	**110.7**
Financial assets at fair value through profit or loss												
Debt securities eligible for refinancing with central banks	8.0	9.9	15.4	0.0	0.0	**33.4**	0.0	15.7	21.5	0.0	0.0	**37.2**
Debt securities	0.0	0.0	0.4	0.4	0.0	**0.7**	8.3	0.0	1.1	0.4	0.0	**9.8**
Shares and participations	42.7	3.0	0.4	2.8	0.6	**49.4**	50.5	0.8	3.3	2.4	0.1	**57.1**
Derivative contracts	23.9	0.7	1.9	0.0	0.0	**26.4**	51.1	0.0	1.0	0.0	0.0	**52.2**
Accrued interest	0.3	0.1	0.0	0.0	0.0	**0.3**	0.3	0.1	0.0	0.0	0.0	**0.4**
Liabilities												
Financial liabilities at amortized cost												
Liabilities to credit institutions	8.6	0.0	0.0	0.0	0.0	**8.6**	0.7	0.0	0.0	0.0	0.0	**0.7**
Liabilities to the public and public sector entities	442.7	0.0	0.0	0.0	0.0	**442.7**	407.5	0.1	0.0	0.0	0.0	**407.6**
Debt securities issued to the public	0.9	10.7	75.2	4.2	0.0	**91.0**	1.0	11.8	116.0	2.2	0.0	**131.1**
Financial liabilities at fair value through profit or loss	23.7	0.7	1.9	0.0	0.0	**26.3**	51.4	0.0	1.0	0.0	0.0	**52.5**
Accrued interest, debt	0.0	0.0	0.0	0.0	0.0	**0.0**	0.1	0.0	0.0	0.0	0.0	**0.1**
Off-balance sheet commitments	12.0	6.0	3.1	0.0	0.0	**21.1**	5.4	3.3	6.3	0.0	0.0	**15.1**

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9.34. ASSETS AND LIABILITIES DENOMINATED IN DOMESTIC AND FOREIGN CURRENCY

Assets	**Domestic currency**	**Foreign currency**	**2021 Total**	Domestic currency	Foreign currency	2020 Total
Financial assets at amortized cost						
Cash and cash equivalents	384.1	0.0	384.1	331.6	0.0	331.6
Claims on credit institutions	39.7	0.4	40.1	56.9	4.2	61.2
Claims on the public and public sector entities	98.1	0.0	98.1	109.6	1.2	110.7
Financial assets at fair value through profit or loss						
Debt securities eligible for refinancing with central banks	34.1	0.0	34.1	0.0	0.0	0.0
Debt securities	0.0	0.0	0.0	46.6	0.4	46.9
Shares and participations	48.3	1.1	49.4	56.9	0.2	57.1
Derivative contracts	26.1	0.3	26.4	51.9	0.2	52.2
Other asset items	102.1	0.5	102.6	69.9	21.0	90.9
Total	**732.5**	**2.3**	**734.8**	**723.4**	**27.1**	**750.5**
Liabilities						
Financial liabilities at amortized cost						
Liabilities to credit institutions	8.6	0.0	8.6	0.7	0.0	0.7
Liabilities to the public and public sector entities	430.8	11.9	442.7	388.4	19.2	407.6
Debt securities issued to the public	91.0	0.0	91.0	131.1	0.0	131.1
Financial liabilities at fair value through profit or loss	26.0	0.3	26.3	51.8	0.7	52.5
Other liabilities items	82.3	0.5	82.8	60.8	21.5	82.4
Total	**638.8**	**12.7**	**651.5**	**632.7**	**41.4**	**674.2**

The largest foreign currency assets and liabilities are in SEK (assets 1.3 M€, liabilities 5.0 M€) and USD (assets 0.6 M€, liabilities 6.4 M€). Derivatives positions which hedge the foreign exchange risk are not included in these figures.

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9.35. SECURITIES LENDING	2021	2020
Market value of securities lending at 31.12., lent in	2.3	2.8
Market value of securities lending at 31.12., lent out	0.0	0.0

9.36. FAIR VALUES AND BOOK VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES	Book value 2021	Fair value 2021
Financial assets		
Cash and equivalents	384.1	384.1
Debt securities eligible for refinancing with central banks	33.4	33.4
Claims on credit institutions	40.1	40.1
Claims on the public and public sector entities	98.1	98.1
Debt securities	0.7	0.7
Shares and participations	49.4	49.4
Derivative contracts	26.4	26.4
Financial liabilities		
Liabilities to credit institutions and central banks	8.6	8.6
Liabilities to the public and public sector entities	442.7	442.7
Debt securities issued to the public	91.0	90.2
Derivative contracts and other liabilities held for trading	26.3	26.3

9.37. ASSETS PLEDGED AS COLLATERAL

ASSETS	Fair value of encumbered assets 2021	Fair value of unencumbered assets 2021	of which usable as collateral 2021
Cash and cash equivalents	0.0	384.1	379.5
Debt securities eligible for refinancing with central banks	33.4	0.0	0.0
Claims on credit institutions	39.0	1.1	1.1
Claims on the public and public sector entities	0.0	98.1	0.0
Debt securities	0.0	0.7	0.0
Shares and participations	0.0	49.4	0.0
	72.4	**533.4**	**380.6**
Usage of collateral			
Markeplace collateral, stock- and derivatives trades	1.6		
Collateral for OTC derivatives trades	34.7		
Collateral for securities lending	2.7		
Bank Of Finland, collateral for daily limit account	33.4		
	72.4		

Received collateral	Fair value of collateral recieved
LIABILITIES	
Received cash	**38.3**

ASSETS	2021	2021	2021
Cash and cash equivalents		663.1	653.4
Debt securities eligible for refinancing with central banks	67.6	6.7	6.7
Claims on credit institutions	120.2	7.7	7.7
Claims on the public and public sector entities		220.3	
Debt securities		19.5	
Shares and participations		114.4	
	187.8	**1 031.8**	**667.9**
Usage of collateral			
Markeplace collateral, stock- and derivatives trades	20.0		
Collateral for OTC derivatives trades	94.6		
Collateral for securities lending	5.5		
Bank Of Finland, collateral for daily limit account	67.6		
	187.8		

Received collateral	Fair value of collateral recieved
LIABILITIES	
Received cash	**106.5**

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9.38. OTHER RENTAL COMMITMENTS	2021	2020
Rental liabilities up to one year	1.7	2.2
Rental liabilities over one year and less than 5 years	5.6	6.0
Rental liabilities over 5 years	0.1	1.4
Leasing liabilities not later than one year	0.0	0.1
Leasing liabilities over year not later than five year	0.0	0.3

9.39. BREAKDOWN OF OFF-BALANCE SHEET COMMITMENTS	2021	2020
Commitments given to a third party on behalf of a customer*	0.4	5.4
Irrevocable commitments given in favour of a customer	2.6	2.3
Guarantees on behalf of others	0.0	0.0
Unused credit facilities, given to clients	18.1	9.6

*Commitments given on behalf of a client for a third party include collaterals for derivatives positions given on behalf of clients. The clients have covered their derivatives collateral to Evli in full. Other irrevocable commitments given on behalf of a client comprise subscription commitments guaranteed on behalf of clients.

MANDATORY ELEMENTS OF THE ESEF TAXONOMY	
Name of reporting entity or other means of identification	Evli Bank Plc
Domicile of entity	Helsinki
Legal form of entity	Public limited company
Country of incorporation	Finland
Address of entity's registered office	Aleksanterinkatu 19 A, 00100 Helsinki
Principal place of business	Helsinki
Description of nature of entity's operations and principal activities	Evli Bank Plc is a bank specializing in investment whose clients are institutions, companies and present or future high net worth individuals. Evli Bank Plc and its subsidiaries form the Evli Group. Evli serves its clients in international groups in two business areas: Wealth Management and Investor Clients and Advisory and Corporate Clients. Evli's product and service selection include mutual funds, asset management, capital market services, alternative investment products, investment research, management of incentive systems, and M&A services. The company also offers banking services that support clients' investment activities.
Name of parent entity	Evli Bank Plc
Name of ultimate parent of group	Evli Bank Plc

The ESEF report has not been assured by the auditors.

The Board of Directors' proposal to the General Meeting for the distribution of profit

The parent company's distributable assets on December 31, 2021 totaled EUR 51,312,186.20 of which EUR 28,027,140.21 were retained earnings and EUR 23,285,045.99 were in the reserve for invested unrestricted equity. The Board of Directors proposes to the Annual General Meeting of Shareholders that a dividend of EUR 1.06 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 25,288,883.20.

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 10, 2022

Chairman
Henrik Andersin

Robert Ingman

Fredrik Hacklin

Sari Helander

Teuvo Salminen

CEO
Maunu Lehtimäki

Auditor´s Note
Based on the auditing an audit report has been issued today.
Helsinki, February 10, 2022

PricewaterhouseCoopers Oy
Authorised Public Accountants

Jukka Paunonen
Authorised Public Accountant (KHT)

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Auditor’s Report

(Unofficial translation of the Finnish Original)

To the Annual General Meeting of Evli Bank Plc

Report on the Audit of the Financial Statements

Opinion

In our opinion

- the consolidated financial statements give a true and fair view of the group’s financial position and financial performance and cash flows in accordance with International Financial Reporting Standards (IFRS) 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 the financial statements in Finland and comply with statutory requirements.

Our opinion is consistent with the additional report to the Audit Committee.

What we have audited

We have audited the financial statements of Evli Bank Plc (business identity code 0533755-0) for the financial year January 1 to December 31, 2021. The financial statements comprise:

- the consolidated comprehensive income statement, consolidated balance sheet, consolidated statement of cash flow, consolidated statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies
- the parent company’s income statement, parent company’s balance sheet, parent company’s statement of cash flow and notes to the financial statements, including a summary of significant accounting policies.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

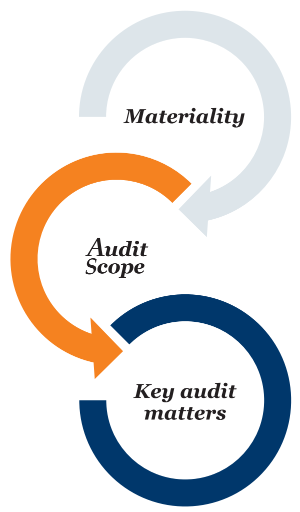
Independence

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.

To the best of our knowledge and belief, the non-audit services that we have provided to the parent company and to the group companies are in accordance with the applicable law and regulations in Finland and we have not provided non-audit services that are prohibited under Article 5(1) of the Regulation (EU) No 537/2014. The non-audit services that we have provided are disclosed in note 8.5 to the Financial Statements.

Our audit approach

Overview



Materiality

- Overall group materiality: € 3.5 million, which represents 0.46% of the balance sheet total

Audit Scope

- In addition to the parent company, the group audit scope included five significant companies

Key audit matters

- Recognition of commission income
- Valuation of financial assets and financial liabilities measured at fair value

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered areas where management made subjective judgements; for example, in respect of significant accounting estimates that involve assumptions and evaluation of future events that are inherently uncertain.

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Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They 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.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of the audit and the nature, timing and extent of the audit procedures and to evaluate the effect of misstatements on the financial statements as a whole.

Overall group materiality	EUR 3.5 million (previous year EUR 3.5 million)
How we determined it	0.46% of the balance sheet total
Rationale for the materiality benchmark applied	We chose the balance sheet total as a benchmark, because in our view, it is the appropriate benchmark to assess the group's performance, and it is a generally accepted benchmark. We chose 0.46%, which is within the range of acceptable quantitative materiality thresholds in auditing standards.

How we tailored our group audit scope

We tailored the scope of our audit, taking into account the structure of Evli Group, the accounting processes and controls, and the industry in which the group operates.

We determined the type of work that needed to be performed at group companies by us, as the group engagement team. Audits were performed in group companies which were considered significant either because of their individual financial significance or due to their specific nature, covering the majority of revenue, assets and liabilities of the group. Analytical procedures were performed to cover the remaining group companies.

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.

As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key audit matter in the audit of the group	How our audit addressed the key audit matter
Recognition of commission income	
Note 1.3 in the consolidated financial statements The assets managed by Evli Group entitle it to fee and commission income under the agreements made with customers and cooperation parties. The accuracy of calculation of commission and fee income inherently involves risk, considering that the calculation is system-based and partly manual based on contract data and other source data. Commission income in the consolidated financial statements was EUR 114.5 million representing a significant item in the consolidated income statement. We have determined recognition of commission and fee income as a key audit matter due to above mentioned aspects.	We obtained an understanding of business processes and IT systems related to commission and fee income and assessed the control environment. Our audit work also included a comparison of accounting data between sub-ledger systems and the general ledger. Furthermore, we have performed substantive testing of commission and fee income. We have assessed calculation models for recognized commission and fee income and compared the input parameters applied in the calculations to agreements on a sample basis.

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Key audit matter in the audit of the group	How our audit addressed the key audit matter
Valuation of financial assets and financial liabilities measured at fair value	
Notes 2.4, 2.5, 2.6, 7.1, 7.3, 7.4, 7.5 and 7.6 in the consolidated financial statements Determination of fair values is based on valuation principles outlined in the accounting policies of Evli Group's financial statements. A significant amount of financial assets and liabilities valued at fair value (hereafter referred to as "investments") is comprised of investments for which a quoted market price cannot be obtained, i.e. hierarchy level 2 and 3 investments. Fair values for these are based on valuation models that involve management judgment. Investments are a material line item in Evli Group's financial statements, and we have therefore determined their valuation as a key audit matter.	We have evaluated the valuation process, valuation model and control environment of investments and the compliance with the accounting policies in Evli Group. In connection with our audit, we have compared input parameters applied in the valuation model to market quotations and other external price sources and assessed the results of the valuation model. We have also assessed the appropriateness of the notes in the consolidated financial statements regarding investments.

We have no key audit matters to report with respect to our audit of the parent company financial statements.

There are no significant risks of material misstatement referred to in Article 10(2c) of Regulation (EU) No 537/2014 with respect to the consolidated financial statements or the parent company financial statements.

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 the consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) 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 a 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 to 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 about 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 '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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business operations within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance 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 to 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

Appointment

We were first appointed as auditors by the annual general meeting on March 13, 2017. We have acted as auditors consecutively for five fiscal 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.

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 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 the report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

In our opinion

- the information in the report of the Board of Directors is consistent with the information in the financial statements
- the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Helsinki, February 10, 2022

PricewaterhouseCoopers Oy

Authorised Public Accountants

Jukka Paunonen

Authorised Public Accountant (KHT)

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In addition to the tasks assigned to the Board of Directors by the Rules of Procedure and the law, Evli Bank Plc's Board of Directors' work focused on an arrangement in which Evli will demerge through a partial demerger into a new asset management group and a company that will carry on Evli's banking services and into which Fellow Finance Plc will merge.

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Corporate governance statement

The governance of Evli Bank 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 **www.evli.com/investors**.

Evli also complies with the Finnish Corporate Governance Code issued by the Securities Market Association. The Code can be viewed in full on the Securities Market Association's website at **www.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 and it has been prepared as a separate report from the Board of Directors' Report.

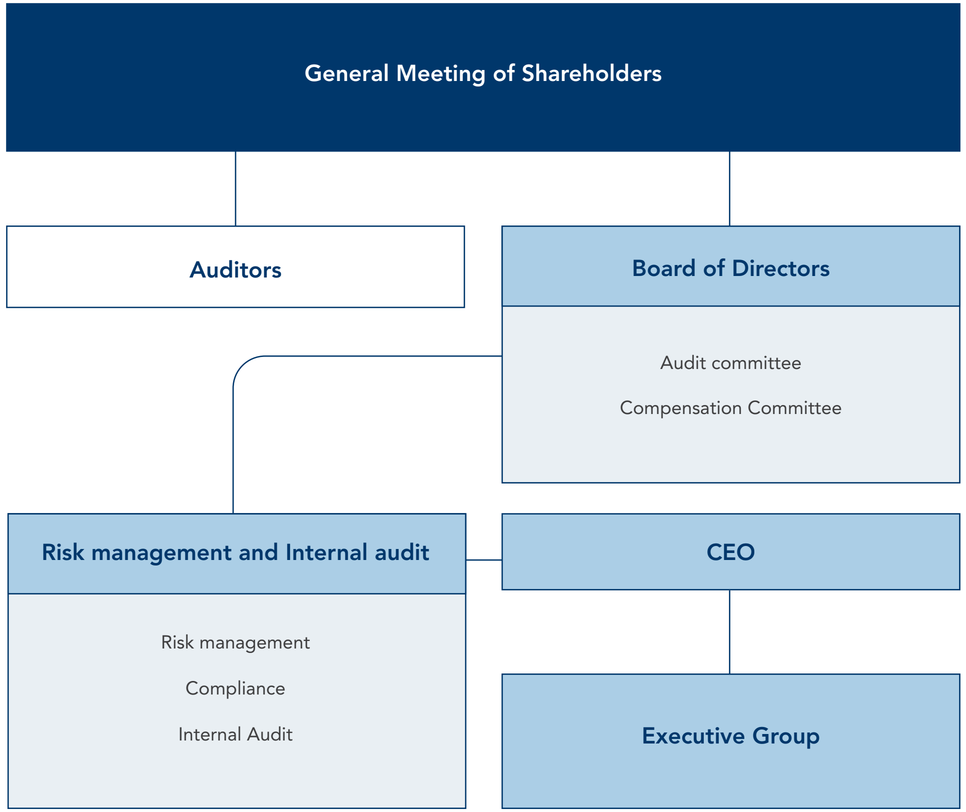
Discrepancies:

Recommendation 15 - Election of Committee members: contrary to the Recommendation, the Remuneration Committee of Evli has two members. The reason for this deviation is the low number of Board members.

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 Lia-

Evli Bank Plc's Governance Structure



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bility 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 Bank'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 the risk management and internal audit are organised.

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 Bank Plc 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 to 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, www.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 (**www.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 of 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.

In 2021, the Annual General Meeting of Evli was held on March 9, 2021, by special arrangement without the presence of shareholders or their proxies. The Board of Directors of the company decided on the exceptional procedure for the General Meeting of Shareholders on the basis of the temporary law approved by the Parliament on September 15, 2020 (Act No. 677/2020 on the temporary deviation from the Companies Act (the "Temporary Act")). Shareholders and their proxies could only participate in the meeting and exercise their rights by voting in advance and by submitting counter-proposals and questions in advance. In the advance voting, 37 shareholders representing a total of 55 percent of the company's shares and 69 percent of all votes had participated.

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. In 2021, an Extraordinary General Meeting was held on December 22, 2021, by special arrangement without the presence of shareholders or their proxies to decide on the partial demerger of Evli Bank Plc and the merger with Fellow Finance Plc. The Board of Directors of the Company resolved upon the extraordinary general meeting procedure pursuant to the Temporary Act (Act No 677/2020 on temporary derogation from the Limited Liability Companies Act, hereinafter the "Temporary Act") approved by the Parliament on September 15, 2020.

Board of Directors

The AGM of Evli Bank Plc elects each year a Board of Directors, 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:
- taking responsibility for the company's administration and appropriate organisation of operations
- ensuring that the company's accounting and asset management are monitored in an appropriate manner
- the handling of 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

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- 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 the implementation of these objectives
- 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 Evli's Board of Directors by representatives of major shareholders and external independent experts. The major shareholders of the company prepare 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 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 2020, 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 issued by the Securities Market Association in 2020 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 Chairman and a Deputy Chairman among themselves.

Evli Bank Plc's AGM held on March 9, 2021, confirmed five (5) as the number of members of its Board of Directors. Henrik Andersin, Fredrik Hacklin, Sari Helander, Robert Ingman, and Teuvo Salminen were re-elected to Evli Bank Plc's Board of Directors. The Board elected Henrik Andersin as the Chairman and Teuvo Salminen as the Deputy Chairman.

In 2021, the Board of Directors convened nine times. The average attendance rate of Board members at the meetings was 100 percent. The participation of each member in the meetings is listed in table 1.

Evli's current Board of Directors consists of industry experts and the company's major shareholders. The Board has assessed the independence of its members and has concluded that all the members are independent of the company, excluding Henrik Andersin. With the exception of Henrik Andersin and Robert Ingman, the other Board members are independent of the company's significant shareholders. Based on the shareholdings of controlled companies, Henrik Andersin and Robert Ingman are not independent of the company's significant shareholders.

Committees set up by the Board

The Board has established an Audit 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 Committee

The Audit 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 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 Committee consists of at least two 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.

The Audit Committee's members are Teuvo Salminen (Chairman), Robert Ingman and Fredrik Hacklin. The Committee met five times in 2021. The Audit Committee members' average attendance rate at meetings was 100 percent. The participation of each member in the meetings is listed in table 1.

Compensation Committee

The Compensation Committee is responsible for assisting the Board of Directors 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 two members, elected by the Board from among its members. The Committee Chairman is chosen from among the Committee members and must be an independent Board member. The members of Evli's Compensation Committee are Sari Helander (chairman) and Henrik Andersson. The Committee met four times in 2021. The Compensation Committee members' average attendance rate at meetings was 100 percent. The participation of each member in the meetings is listed in the table 1.

Table 1: Evli Bank Plc's Board of Directors in 2021

Name	Personal data	Attendance at board meetings in 2021	Attendance in Audit Committee meetings 2021	Attendance in Compensation Committee meetings 2021	Ownership in the company[1], number of shares		Independent of the company	Independent of the shareholders
					A-shares	B-shares		
Henrik Andersin	Board member since 1985. Chairman of the Board since 2006, Born 1960, M.Sc. (Econ) Committee memberships: Compensation Committee	9/9		4/4	3,803,280	950,820		
Fredrik Hacklin	Board member since 2019. Born 1978, Ph.D. (Management), M.Sc. (Engineering) Committee memberships: Audit Committee	9/9	4/4	1/1		2,150	√	√
Sari Helander	Board member since 2019. Born 1967, M.Sc. (Econ) Committee memberships: Compensation Committee	9/9	1/1	3/3		3,300	√	√
Robert Ingman	Board member since 2010. Born 1961, M.Sc. (Tech), M.Sc. (Econ. and Business Administration Committee memberships: Audit Committee	9/9	5/5		1,860,000[2]	602,000[2]	√	
Teuvo Salminen	Board member since 2010. Born 1954, M.Sc. (Econ. and business administration) Committee memberships: Audit Committee (Chairman)	9/9	5/5			70,000	√	√

[1]Shareholding on December 31, 2021, including holdings through a controlled company.
[2]Includes holdings of Ingman Group Oy Ab.

Operations of the board in 2021

In addition to the tasks assigned to the Board of Directors by the Rules of Procedure and the law, Evli Bank Plc's Board of Directors' work in the spring focused on the strategic review of the future of banking as part of Evli. As a result of the review, Evli announced in the summer that the Group's parent company Evli Bank Plc will be split through a partial demerger into a new group focusing on asset management and listed on the Helsinki Stock Exchange, and a company that will continue its banking activities, into which Fellow Finance Plc will be merged. As a result, the Board of Directors had a considerable number of matters related to the arrangement on its agenda during the autumn, such as facilitating the listing of the new Evli resulting from the demerger and Fellow Bank resulting from the merger. As part of the arrangement, the Board assessed, among others, the new, preliminary financial targets for the resulting asset management group and actively monitored the progress of the arrangement. In addition to the banking reorganisation and the listings, the Board meetings focused on topics such as Evli's product offering and responsibility. The Board also examined the activities of the group's various governance functions, such as payment transactions, trade execution and reporting.

Diversity of the Board of Directors

The principles concerning the diversity of the Board of Directors are stated in the Board's diversity policy, which the Board approved on December 13, 2017. 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' versatile and complementary expertise, experience from various industries and management, and the personal qualities of the members. The age and gender distribution of the Board members are taken into account, which supports the diversity of the Board. The actualisation and development of diversity towards the goals is evaluated in the annual self-evaluation discussion of the Board.

At the end of the financial year 2021, the Board members represented a wide range of expertise on management and board tasks in several industries, and their educational backgrounds and expertise complement each other. Both genders were represented on the Board. Of the Board members, one was female and four were male. The median age was 57, and the age difference between the youngest and the oldest member was 24 years.

Corporate management

Evli's corporate structure

Evli's business operations is organised around two client segments: Wealth Management and Investor Clients, and Advisory and Corporate Clients. These are supported by common group functions, which include Information Management, Financial Administration, Marketing, Communications, Investor Relations, Legal and Compliance, Human Resources, Internal Services, Risk Management and Internal Audit.

Corporate management

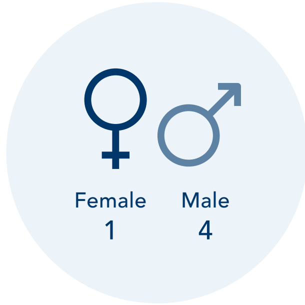
Evli's Board of Directors appoints the company's CEO and decides the terms and conditions of his or her service relationship. The CEO is responsible for the company's day-to-day management in compliance with the instructions and decisions provided by the Board of Directors. Evli Group's Executive Group assists the CEO in the operative management of the company.

CEO

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.

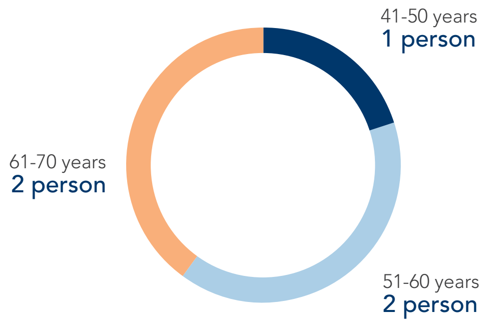
The CEO's period of notice is six months, and the severance compensation payable to the CEO in addition to the salary for the period of notice corresponds to 12 months' salary. The CEO's retirement age is 63 years. The company's CEO is Maunu Lehtimäki, M.Sc. (Econ.), born in 1967. In 2021, the CEO was

Board diversity – gender

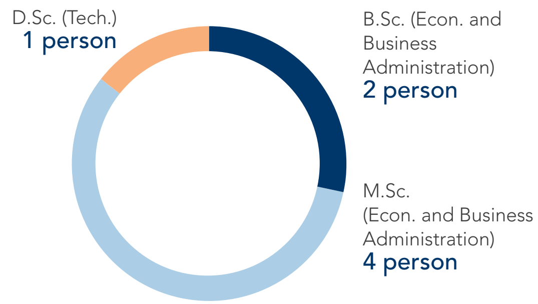


5 persons

Board diversity – age



Board diversity – education



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paid EUR 417,840 in salary and fringe benefits, performance bonuses amounting to EUR 219,372 and a supplementary pension of EUR 62,676 totalling EUR 699,888. In addition, the CEO was granted 50,000 shares in the incentive-program 2019. The CEO was issued 50,000 Evli shares, which were allocated as part of the share-based incentive plan established in 2019. The CEO Maunu Lehtimäki's share ownership in Evli Bank Plc is shown in table 2.

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 of Directors. The CEO convenes the Executive Group as necessary and serves as its Chairman. 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.

Operations of the Executive Group in 2021

In 2021, the Executive Group met twice a month, on average.

The year 2021 was particularly marked by the exploratory work launched in the spring on the future of banking as part of Evli. The Executive Group spent the spring exploring different options and their implications from a client and operational perspective. Alongside this, the Executive Group monitored the implementation of the process and information system changes initiated earlier. During the spring, the company also continued its efforts to launch new product areas and complete the so-called Evli Model. The Evli Model is based on the idea of a comprehensive wealth management solution, where all necessary asset classes are offered to clients by Evli, ensuring the best possible risk/return ratio for the client's needs. To achieve this goal, the company launched, among other things, a new alternative debt fund, Evli Private Debt, at the end of the spring.

The strategic review of the future of banking operations was completed in the summer and the company announced a partial demerger, as a result of which Evli Bank would be split into Evli, which would focus on asset management, and Evli Bank, which would continue to operate as a bank. At the same time, Fellow Finance Plc would be merged into the banking business and the company's name would be changed to Fellow Bank. The management team was then occupied with tasks related to the autumn project, including authorisations, listing prospectuses, operational activities and future products. Work also continued on the development of the product offering. In the autumn, Evli launched a couple of new generation funds, Evli Growth Partners II and Evli Private Equity III. In addition, the company launched a completely new fund focused on real estate development, Evli Residential II. The Executive Group

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Table 2: Evli's Executive Group in 2021

		Ownership in the company[1], number of shares	
Name	**Area of responsibility**	**A-share**	**B-share**
Maunu Lehtimäki[2] born in 1967, M.Sc. (Econ.)	CEO	533,728	171,031
Mari Etholén[3] born 1973, LL.M.	Legal and Human Resources functions	60,000	19,108
Panu Jousimies[4] born in 1969, M.Sc. (Econ.)	Production and execution of securities transactions	59,691	104,249
Juho Mikola[5] born in 1981, M.Sc. (Econ.)	Financial and Group Administration, Deputy CEO	68,000	39,796
Esa Pensala[6] born in 1974, M.Sc. (Tech)	Private clients	142,000	35,500
Kim Pessala[7] born in 1969, M.Sc. (Econ.)	Institutional clients	12,331	94,558
Mikael Thunved[4] born in 1965, B.Sc. (Econ.)	Corporate Finance business	-	85,000

[1] Shareholdings on December 31, 2021, including holdings through controlled entities.
[2] 50,000 Evli shares allocated under the share-based incentive scheme established in 2019.
[3] 4,667 Evli shares allocated under the share-based incentive scheme established in 2018 and 20,000 Evli shares under the share-based incentive scheme established in 2019.
[4] 20,000 Evli shares allocated under the share-based incentive scheme established in 2019.
[5] 9,200 Evli shares allocated under the share-based incentive scheme established in 2017, 4,667 Evli shares under the share-based incentive scheme established in 2018 and 30,000 Evli shares under the share-based incentive scheme established in 2019.
[6] 30,000 Evli shares allocated under the share-based incentive scheme established in 2019.
[7] 4,667 Evli shares allocated under the share-based incentive scheme established in 2018 and 20,000 Evli shares under the share-based incentive scheme established in 2019.

also promoted strategic studies to accelerate international growth and identify new growth opportunities.

Risk management and internal control

Evli's values and its policy of transparent and appropriate communications support the company's operational integrity and high ethical standards. The company's organisational structure, clearly established responsibilities and authorisations, and its competent employees support the planning, execution, control and monitoring of business operations in a manner that facilitates the achievement of set objectives.

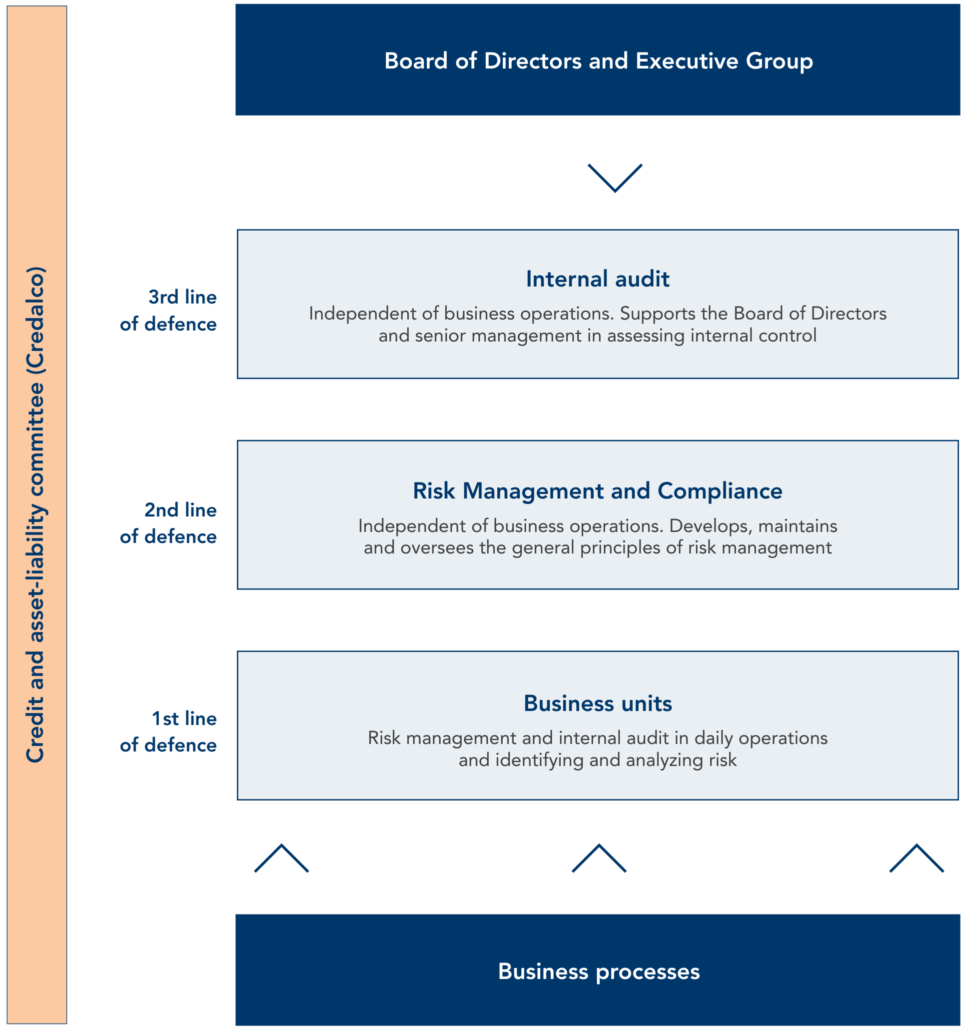
Risk management refers to actions aimed at systematically surveying, identifying, analysing and preventing risks. The objectives of risk management are to:

- 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 Bank defines risk as an event or series of events that jeopardise the company's income generation over the short or long term. Evli Bank's Board of Directors is primarily responsible for Evli Group's risk management.

The Board of Directors 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 organised. The Board has also set up a credit and asset-liability committee (Credalco), which briefs it on risk-taking matters. In addition to the general risk management policies, Evli Group's risk management is founded on the "three lines of defence" model.

Evli Group's risk management's three lines of defence



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First line of defence – business units

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 task of business units is to:

- build the processes and competence for risk management and internal audit
- identify and analyse risks
- make decisions on risk management by means of various protection measures.

Second line of defence – Risk Control and Compliance

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 Evli Group's overall risk position to the Board and the Executive Group each month.

The Compliance function is responsible for ensuring compliance with the rules in all of 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 Bank's Board of Directors. The Compliance function reports regularly via the audit committee to Evli Bank's Board and also to the operating management.

Third line of defence – Internal Audit

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 functions. It is administratively subordinate to the CEO and reports to the CEO and, via the Audit Committee, to the Board of Evli Bank. The 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 Committee of the Board of Evli Bank. Internal Audit follows not only the internal audit guidelines, but also the internationally acknowledged framework of professional practices (The Institute of Internal Auditors) and corresponding guidelines on information systems audit standards (The Information Systems Audit and Control Association).

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 Bank Plc 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 the AGM of Evli Bank Plc. The auditors also report the main points of the annual audit plan to the Board of Directors and to the Board's Audit Committee as well as presenting, in connection with each interim report and the financial statements, a written audit report covering the entire Group.

The AGM held on March 9, 2021, elected PricewaterhouseCoopers Oy, an auditing firm, as the auditor, with Jukka Paunonen, Authorised Public Accountant, as the principally responsible auditor. PricewaterhouseCoopers Oy generally serves as the auditor for all of the subsidiaries, with the exception of Terra Nova Ltd. Terra Nova's auditor is RSM Dahman Auditors.

In 2021, the auditing firms were paid fees totalling EUR 1.2 million. The fees for auditing came to EUR 0.7 million, and the fees for services unconnected with auditing were EUR 0.3 million. Other fees consist mainly of tax and legal advisory services.

Insider management

Evli Bank Plc has a guideline on insider rules and regulations that is approved by its Board of Directors 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. Evli Bank maintains a register of permanent insiders, which includes members of the Board of Directors and Executive Group. Evli Bank also maintains registers of project-specific and transaction-specific insiders that are required at any given time.

The insider registers are maintained in the Ticker-system. 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.

Evli Bank Plc's insiders 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 Bank Plc 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 of Directors, 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 of Directors. Evli reports relevant and material related party transactions annually in the notes of the consolidated financial statements.

Financial reporting

The Board of Directors is responsible for overseeing Evli Group's financial reporting. The Audit 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 of Directors. The Group's accounting and results reporting are centralised under the responsibility of the Group's Financial Administration unit.

The Financial Administration unit is subordinate to the CFO and is responsible for producing, on a centralised basis, the financial statements information required for external accounting. The unit also produces 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 unit 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 concerned parties.

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 a Group company in the United Arab Emirates.

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Remuneration policy

Introduction

The following Remuneration Policy of Evli Bank 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. Evli's Remuneration Policy is presented at Evli's Annual General Meeting (AGM) at least every four years and whenever significant changes are proposed. The Remuneration Report is presented annually, starting from the year 2021, 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, to promote both Evli's short-term growth objectives and the attainment of its strategic targets
- long-term variable remuneration 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 variable bonus may not exceed 100 percent of the annual fixed salary. Correspondingly, the short-term and long-term variable remuneration may not exceed 200 percent of the annual fixed salary.

Decision-making relating to remuneration

The Remuneration Policy is 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.

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.

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ELEMENTS 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 performance 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. The annual short-term incentive may not exceed 100 percent of the annual fixed salary of the person in question.
Long-term incentives (LTI)	The purpose is to encourage for long-term shareholder value growth and commitment to the company.	The Board of Directors decides on long-term incentives within the limits set by the Annual 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. The annual short- and long-term incentives may not exceed 200 percent of the annual fixed salary of the person in question.
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.

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 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 variable remuneration shall not exceed 100 percent of the CEO's annual fixed salary. Correspondingly, the CEO's short-term and long-term variable remuneration and the long-term incentives may not exceed 200 percent of the CEO's annual fixed salary. The variable bonus 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/

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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 Gene-ral 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.

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 2021

This Remuneration Report sets out how Evli has implemented its Remuneration Policy in 2021 and presents the remuneration and other financial benefits paid to the members of the Board of Directors ("Board") and the Group's CEO during the year.

Remuneration of the company's governing bodies is based on the Remuneration Policy that was presented for an advisory decision at the Annual General Meeting held on March 9, 2020. The policy will be applied until the Annual General Meeting 2024, 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 2021 at Evli's Annual General Meeting 2022. The shareholders made an advisory decision on Evli's Remuneration Report 2020 at the Annual General Meeting on March 9, 2021, with 99.99% of the vote.

Overview of remuneration in 2021

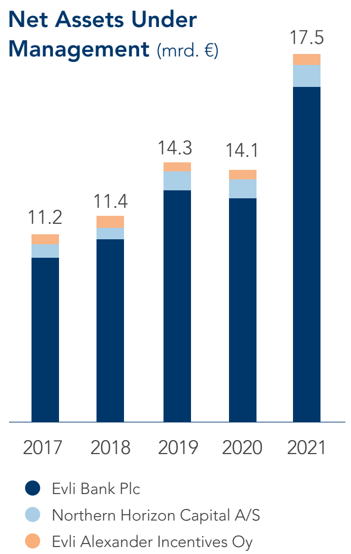
The decision-making process on remuneration, as defined in the Remuneration Policy, has been followed in the remuneration decision-making in 2021. No temporary deviations from the Remuneration Policy were applied in 2021. Furthermore, the Board did not observe any circumstances or activities that would have resulted in a need to apply claw-back clauses applicable to the CEO's variable remuneration in 2021. Regardless of the extraordinary business environment caused by the COVID-19 pandemic, the Board did not deem it necessary to use its right to adjust the performance criteria applied in 20201

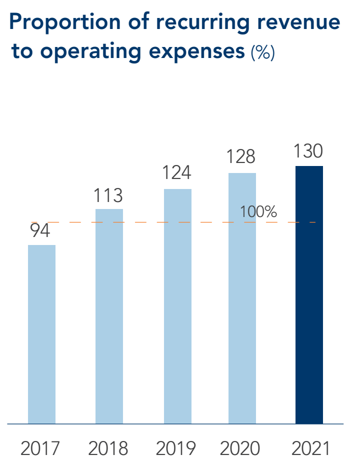
In line with the Remuneration Policy, remuneration in 2021 has supported Evli's business strategy with a focus on creating long-term growth and shareholder value. Although a significant part of the CEO's total remuneration is in the form of fixed payments, performance-based components are set to encourage the achievement of targets. Remuneration is balanced to avoid excessive risk-taking. The Compensation Committee has evaluated the CEO's remuneration for 2021 to ensure a competitive and fair total remuneration opportunity 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.

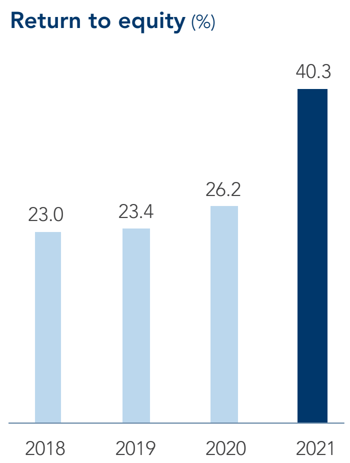
Development of financial performance and remuneration

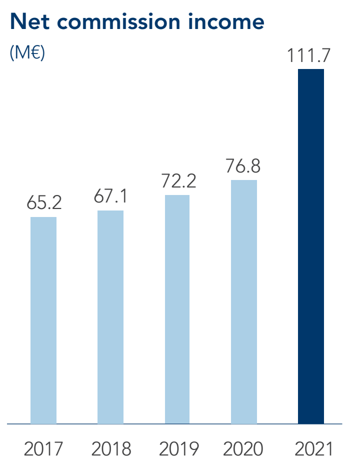
5-year development of financial performance

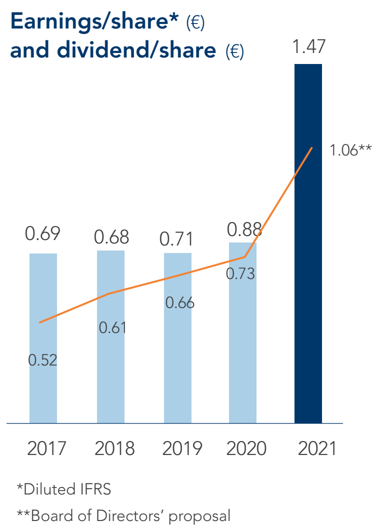
Evli's business has developed positively over the past five years. The company has set four key performance indicators that it considers to be good proxies for its business performance. These are the development of assets under management, the recurring revenue ratio, return on equity and net commission income. From a shareholder perspective, the company has been











5-year Development of Remuneration

	2017	2018	2019	2020	2021
Board of Directors					
Chairman of the Board of Directors, EUR	72,100	86,500	90,000	84,000	90,000
Development, %	0.1%	20%	4%	-7%	7%
Chairmen of the committees (on average), EUR	52,400	70,834	72,000	67,200	70,500
Development, %	-	35%	2%	-7%	5%
Other members of the Board of Directors (on average), EUR	49,200	60,000	60,000	56,000	60,000
Development, %	-	22%	-	-7%	7%
CEO					
CEO, EUR	422,673	440,109	488,116[3]	446,605[4]	699,888
Development, %	-2%	4%	11%	-9%	57%
Average employee salary					
Total salary costs, EUR	23,200,000	22,700,000	24.200,000	24,600,000	29,500,000
Number of employees at the end of the year	240	254	249	261	290
Average salary for the employees, EUR[1]	96,667	89,370	97,189	94,253	101,724
Development, %	-	-8%	9%	-3%	8%

[1] The salary development of the average employee is calculated from personnel expenses by deducting other personnel expenses from the total and dividing it by the number of employees at the end of the year.

[2] Development of net revenue.

[3] In addition, the CEO subscribed to the 212,500 shares granted to him in the Option-program 2014. The total value of the subscription was EUR 1,810,500 based on the closing price on the subscription day.

[4] 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.

able to provide stable returns to investors as depicted by dividend per share development.

Remuneration of the Board of Directors in 2021

Evli Bank Plc's General Meeting decides on the compensations payable to the Board members. The Annual General Meeting of March 9, 2021 made the following resolution on the compensation for attendance at meetings payable to the Chairman of the Board and other members:

- Chairman of the Board EUR 7,500 per month
- Chairmen of the committees EUR 6,000 per month
- Members EUR 5,000 per month

The Board has established and appointed an Audit Committee and a Compensation Committee to prepare matters to be handled by the Board. In 2021, the total compensation paid

Compensation paid to the members of the board, €

	2021
Henrik Andersin, Chairman of the Board	90,000
Fredrik Hacklin, member of the Board of Directors	60,000
Sari Helander, member of the Board of Directors Chairman of the Compensation Committee	69,000
Robert Ingman, member of the Board of Directors	60,000
Teuvo Salminen, Chairman of the Audit Committee	72,000
Mikael Lilius (until March 9, 2021)	18,000
Total	**369,000**

to the Evli Group Board members amounted to EUR 369,000. This sum is made up of meeting participation fees related to the work carried out in the Board and its committees. In 2021, the Board members did not receive any shares or share-based rights as compensation for their work, nor were they granted any other benefits.

Remuneration of the CEO

The Board of Evli Group adopts the principles and elements of the remunerations for the CEO on an annual basis. The remuneration of the CEO follows Evli's Remuneration Policy in force. All changes in the CEO's salary and remuneration are subject to the Board's approval.

Application of performance criteria in 2021

In 2021, Evli had a short-term incentive plan in place for the CEO. No long-term incentive plans were issued to the CEO during 2021. The short-term and long-term incentive plan performance criteria are evaluated annually by the Board. In accordance with the remuneration principles, the short-term variable bonus may not exceed 100 percent of the annual fixed salary. Correspondingly, the short-term and long-term variable remuneration may not exceed 200 percent of the annual fixed salary. The purpose of the short-term incentive is to incentivise for the achievement of stretched financial and non-financial short-term targets aligned with the business strategy. The short-term incentive plan remuneration is dependent on the financial performance of Evli, as well as reaching strategic targets. The Board of Directors decided on the performance targets and maximum amount of the short-term incentive plan for 2021 at the beginning of the financial year as follows:

Short-term incentive plan criteria 2021	Weight
Evli Group financial performance	50%
Group level Key Performance Indicator targets	30-50%
Finalising strategic projects	0-20%

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Although the business environment turned out to be extraordinary during 2021 due to the COVID-19 pandemic, no adjustments were made to the performance targets, due to Evli's excellent performance. The criteria for the 2021 short-term incentive scheme exceeded the target level. In accordance with the regulations, the renumeration will be paid in two installments.

During 2021, the company paid the CEO remuneration in accordance with the performance targets set for the financial year 2020, which were based on the performance targets of the 2020 short-term incentive plan and the delayed 2017 short-term variable remuneration.

Share-Based Incentives

Evli's long-term incentive plans have been implemented mainly as restricted share plan (RSP) schemes. 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 Restricted Share Plan offers an opportunity to earn a predetermined number of the company's shares as a reward for continuous service and retention. Evli's Restricted Share Plans consist of one to three, annually commencing periods followed by vesting periods of a minimum of three years. After the vesting period, shares in the Restricted Share Plans are usually delivered to the participants provided that 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 one-year waiting period in accordance with the regulation set for the financial sector. The possible rewards under the Restricted Share Plans are paid as a combination of shares and cash. The cash component is dedicated to cover the taxes and tax-related costs related to restricted shares.

Summary of share based incentives paid to the CEO during the reporting period

		Granted installments, number of shares*				
Plan - installment	Grant date	CEO	Deputy CEO	Vesting period	Payment year	Waiting period
Restricted share plan 2017 - Installment 2	30.9.2018		9,200	3 years	2021	+1 year
Restricted share plan 2017 - Installment 3	30.9.2019		9,200	3 years	2022	+1 year
Restricted share plan 2018 - Installment 1	8.6.2018		4,667	3 years	2021	+1 year
Restricted share plan 2018 - Installment 2	11.6.2020		4,667	3 years	2023	+1 year
Restricted share plan 2019 - Installment 1	14.6.2019	50,000	30,000	3 years	2023	+1 year

*Gross number of shares before income taxes on the payment of shares.

Remuneration of the CEO in 2021

Evli's CEO in 2021 was Maunu Lehtimäki. The CEO was paid EUR 417,840 in salary and fringe benefits, performance bonuses amounting to EUR 219,372 and a supplementary pension of EUR 62,676, totalling EUR 699,888.

The CEO has no significant separate fringe benefits and is covered by the shared Evli Group reward system. The CEO is covered by a six-month period of notice binding to 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.

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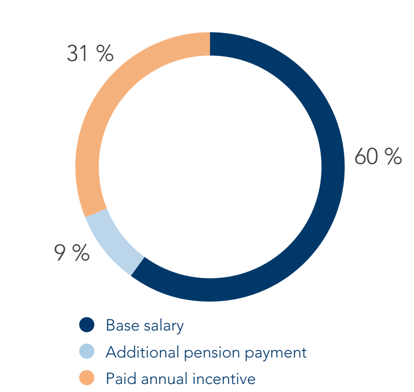
Remuneration of the CEO in 2021

CEO, €	Base salary	Additional pension payment	Paid annual incentive 2021	Paid long-term retention	Total paid compensation	Earned annual incentive	Earned long-term retention	Total earned compensation
CEO, Maunu Lehtimäki	417,840[1)]	62,676	219,372[2)]	-[3)]	699,888	298,000[4)]	-*[5)]	298,000*[6)]

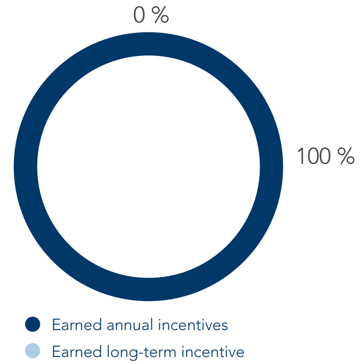
[1)] Including fringe benefits.
[2)] Annual incentives earned in 2020 and annual incentives earned and delayed in 2017.
[3)] No installments paid in 2021.
[4)] Earned in 2021. In accordance with the regulations, part of the renumeration will be paid in 2022 and part will be delayed for 3 years and will be paid in 2025.
[5)] No long-term compensation program has been introduced for the CEO in 2021.
[6)] Total compensation earned in 2021. The base salary will be paid in 2021 and the incentives partly in 2022 and partly in 2025.

*Actual value depends on Company share price at the reward payment date. For illustration purposes valued here using share price when plan was introduced.

Structure of paid Compensation in 2021



Structure of Earned Compensation in 2021



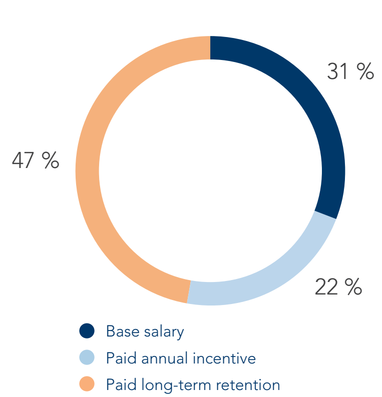
Remuneration of the Deputy CEO in 2021

Deputy CEO, €	Base salary	Additional pension payment	Paid annual incentive	Paid long-term retention	Total paid compensation	Earned annual incentive	Earned long-term retention	Total earned compensation
CFO, Deputy CEO, Juho Mikola	190,920[1)]	-	136,228[2)]	285,783[3)]	612,931	152,800[4)]	-*[5)]	152,800*[6)]

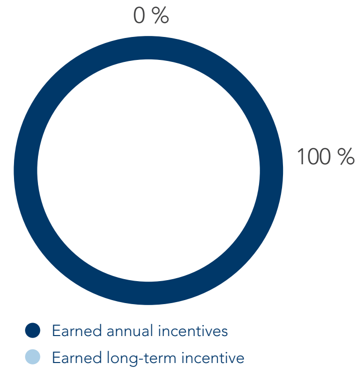
[1)] Including fringe benefits.
[2)] Annual incentives earned in 2020 and annual incentives earned and delayed in 2017.
[3)] Payment of the long-term incentives for 2017 and 2018.
[4)] Earned in 2021. In accordance with the regulations, part of the renumeration will be paid in 2022 and part will be delayed for 3 years and will be paid in 2025.
[5)] No long-term compensation program has been introduced for the Deputy CEO in 2021.
[6)] Total compensation earned in 2021. The base salary will be paid in 2021 and the incentives partly in 2022 and partly in 2025.

*Actual value depends on Company share price at the reward payment date. For illustration purposes valued here using share price when plan was introduced.

Structure of paid Compensation in 2021



Structure of Earned Compensation in 2021



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Board of Directors

The composition of the Board of Directors was resolved at Evli Bank Plc's Annual General Meeting on March 9, 2021.

Shareholdings on December 31, 2021

Henrik Andersin, born 1960
M.Sc. (Econ.)

- One of Evli Bank's founding partners and main owners
- Chairman of the Board of Directors of Nokian Panimo Oy and Oy Scripo Ab
- Member of the Board of Directors of Evli Bank Plc since 1985, CEO of Evli Bank Plc 1994-2006 and Chairman of the Board since 2006
- Shareholding: Holdings through controlled company Oy Scripo Ab 3,803,280 A shares and 950,820 B shares

Fredrik Hacklin, born 1978
Ph.D. (Management), M.Sc. (Engineering)

- Professor, Director and Member of Executive Committee at ZHAW School of Management and Law, Zurich. Associate professor at ETH Zurich
- Previous positions at Booz Allen Hamilton, Harvard University, Ericsson
- Advised multinationals and governments on entrepreneurship, strategy and technology management
- Member of the Board of Directors of Evli Bank Plc since 2019
- Shareholding: 2,150 B shares

Sari Helander, born 1967
M.Sc. (Econ.)

- CFO, Ramirent Group
- Previously served as CEO and Partner, Greenstep Oy. Before this Senior Vice President (Logistics Solution) and CFO at Posti Group Corporation and Vice President, Business Reporting & Control Nokia Corporation
- Member of the Boards of Directors of Enersense International Plc and Netum Group Plc
- Member of the Board of Directors of Evli Bank Plc since 2019
- Shareholding: 3,300 B shares

Robert Ingman, born 1961
M.Sc. (Tech.), M.Sc. (Econ. and Business Administration)

- Chairman of the Boards of Directors of Ingman Group Oy Ab, Ingman Finance Oy Ab, Ingman Development Oy Ab, Digia Oyj, Etteplan Oy, Halti Oy and Qt Group Ltd
- Member of the Board of Directors of Evli Bank Plc since 2010
- Shareholding: 1,860,000 A shares and 650,000 B shares*
  *Includes holdings of Ingman Group Oy Ab

Teuvo Salminen, born 1954
M.Sc. (Econ. and Business Administration)

- Various supervisory positions in Pöyry Plc 1985-2009
- Chairman of the Board of Directors of Glaston Oyj and T2H Oy, Member of the Boards of Directors of Cargotec Oyj and 3Step It Group Oy
- Member of the Board of Directors of Evli Bank Plc since 2010
- Shareholding: 70,000 B shares

Executive Group

Shareholdings on December 31, 2021

Maunu Lehtimäki, born 1967
M.Sc. (Econ.)

- Chief Executive Officer
- Joined Evli Bank Plc in 1996
- Shareholding: 533,728 A shares and 171,031 B shares

Mari Etholén, born 1973
LLM

- Legal and human resources functions
- Joined Evli Bank Plc in 2001
- Shareholding: 60,000 A shares and 19,108 B shares

Panu Jousimies, born 1969
M.Sc. (Econ.)

- Execution and Operations unit
- Joined Evli Bank Plc in 1997
- Shareholding: 59,691 A shares and 104,249 B shares

Juho Mikola, born 1981
M.Sc. (Econ.)

- Financial and Group administration, Deputy CEO
- Joined Evli Bank Plc in 2004
- Shareholding: 68,000 A shares and 39,796 B shares

Esa Pensala, born 1974
M.Sc. (Tech.)

- Private clients
- Joined Evli Bank Plc in 2001
- Shareholding: 142,000 A shares and 35,500 B shares

Kim Pessala, born 1969
M.Sc. (Econ.)

- Institutional clients
- Joined Evli Bank Plc in 1995
- Shareholding: 12,331 A shares and 94,558 B shares

Mikael Thunved, born 1965
B.Sc. (Econ.)

- Corporate Finance business area
- Joined Evli Bank Plc in 2002
- Shareholding: Holdings through controlled company 85,000 B shares

Evli Pankki_WM (in Finnish)
Evli Fund Management Company (in English)

Evli - Sijoittajan Pankki (in Finnish)
Evli Fund Management Company (in English)
Evli Research (in Finnish)

Evli Bank Plc (in Finnish)
Evli Fund Management Company (in English)

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