

TAALERI PLC

**CORPORATE RESPONSIBILITY
POLICY**

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TAALERI CORPORATE RESPONSIBILITY POLICY

1 Introduction

Taaleri's responsibility mission is to ensure that people, communities, the environment and Taaleri's and its customers' resources are safe also in the future. To meet this mission, we evaluate three criteria: economic profitability, sustainability and development impact.

Responsible business practices add value to investments and contribute to creating positive impacts. Our Strategy is the base for our responsibility work, and we want to work together with our clients and partners to raise their awareness and commitment as well as to support them in improving about our own and their environmental and social impact.

2 Purpose and scope

This Policy outlines Taaleri's commitment to sustainable development and responsible business practices applicable to Taaleri's own operations as well as its investments, both direct (equity and loans) and indirect (i.e. through private equity funds and financial institutions).

This overarching Corporate Responsibility Policy covers environmental, social and governance issues and development impact. Taaleri main sustainability goal is to impact. This policy first describes the three pillars of sustainability (environmental, social and governance, "ESG") for Taaleri.

In addition, the purpose of this document is to define the strategy, organization and responsibilities of corporate responsible Taaleri Plc. (the "Company") adheres to in its operations.

3 Taaleri's Corporate responsibility pillars

In all its investments Taaleri requires its partners to comply with applicable host country laws and regulations as well as the relevant international obligations.

3.1 We create a sustainable future

Impact is the spearhead of Taaleri's corporate responsibility. We actively pursue profitable projects that build a sustainable future.

We are committed to having an impact that contribute to a more sustainable future. We actively seek new opportunities to support this commitment.

We want to be the chosen partner for our stakeholders. We believe that we can grow our business and leverage our impact creation ability for an even better tomorrow, and at the same time support our own business continuity.

3.2 We impact with expertise and passion

We offer our employees a growth platform to develop and an opportunity to be profiled as an influencer in society.

We empower and encourage our employees to make a difference. Our most important asset is our employees. The satisfaction and well-being of our employees must be preserved and continuously improved in order to enable our business to improve.

We want to enable our customers to do responsible choices by offering sustainable investment opportunities.

3.3 We build solid trust

Compliance is the solid foundation of Taaleri's operations. We integrate responsibility and risk management with business in an expedient manner.

We act in a responsible and sustainable manner. We collect and analyse ESG data as part of our risk management and investment process. Before an investment decision is made, we make sure that the investment target fulfils the responsibility standards set forth in our corporate responsibility framework. These standards are monitored over the lifespan of the investment.

4 Climate Change and Social Impact

Taaleri contributes to international efforts to combat for example climate change through investing in projects that reduce and avoid greenhouse gas emissions, sequester carbon, and help to adapt to climate change. In addition, we want to support sustainable economic growth and create employment.

We highlight the impact of our activities through UN Sustainable Development Goals (SDGs) to show our impact in a global perspective.

We have analysed the company's direct and indirect value chain impacts and have identified 3 SDG's where our impact is strongest and where there are commercial opportunities for the company.

These are: SDG 7: Affordable and Clean Energy

We are looking for and developing energy infrastructure projects. We invest in the availability of renewable energy and improving energy efficiency is an important factor in many of our investments. We are contributing to the fight against climate change by supporting the transition to fossil-free energy.

SDG 8: Decent Work and Economic Growth

We have launched the world's first private equity fund in the circular economy. The numerous investment opportunities and financial services we provide support sustainable economic growth and create employment in Finland and abroad. Through our Code of Conduct, we strive to ensure acceptable working conditions throughout our value chain, where possible, for example by requiring a safe work environment, upholding workers' rights, and intervening in forced and child labour and in the work of partners.

SDG 9: Industry, Innovation and Infrastructure.

Our products and solutions help companies grow and flourish with new business development opportunities. We will improve access to finance for SMEs. We provide financial services such as guarantees that facilitate the development of critical infrastructure. In addition to supporting business growth, we also serve people by bringing services closer and providing opportunities for better livelihoods.

Our goal is to ensure that people, communities, the environment and our resources are safe.

5 Operational implementation

Taaleri's business segments are independently responsible for the implementation of Taaleri's Corporate responsibility activities, including oversight, compliance with the principles of good governance and responsible investment. Investment processes and mechanisms i.e. Screening, Due diligence, Ownership and exit are explained in the business areas own responsibility policies at <https://www.taaleri.com/en/corporate-responsibility/sustainability/responsibility-policies-in-business-segments>

A Corporate Responsibility Committee evaluates the effectiveness of the corporate responsibility work and drives the implementation. The Committee generate analyses for the Executive Management Team and the Board of Directors. The Executive Management team sets boundaries and goals and reviews progress against the set goals on a yearly basis and reports on the progress to the Board of Directors.

6 Taaleri's stakeholder engagement and transparency

Taaleri strives to enhance its accountability in line with the requirements of the relevant legislation and our Disclosure Policy, while observing commercial confidentiality. The Company's Disclosure Policy defines the internal and external practices related to communications and investor relations that Taaleri Plc observes in external communications. In its communications, Taaleri complies with the rules, [instructions and provisions of NASDAQ OMX Helsinki Ltd](#) and the [Finnish Financial Supervisory Authority](#) as well as the obligations regarding listed companies laid out in [Finland's Limited Liability Companies Act](#), [Securities Markets Act](#) and other legislation. The Disclosure Policy considers the 2015 Corporate Governance Code recommendations on communications, disclosure and public reporting.

We actively engage in discussions with our stakeholders and aim to look for and make use of collaboration opportunities with them.

Taaleri takes an active approach to communicating its views to stakeholders and seeking improvements if a stakeholder has failed to apply the appropriate and agreed ESG standards, or if they have failed to provide adequate disclosures. Decisions to intervene are made on a case-by-case basis.

Taaleri is transparent in reporting on social, environmental and ethical issues facing the company. Taaleri publishes information on ESG-related activities on its website at www.taaleri.com/corporateresponsibility/sustainability, and as a part of our financial statements.

7 Memberships

We are a signatory to the United Nations Principles for Responsible Investment (UNPRI) and are committed to considering the environmental, social and corporate governance (ESG) impacts of our investments in our investment activities.

We joined CDP signatories in 2017. CDP is an independent, non-profit organization that collects and distributes information on issues such as corporate emissions. We use the data we obtain through CDP to evaluate the carbon footprint of our investments.

We are also one of the founding members of the Finnish Association for Responsible Investment (FINSIF) and participate in FIBS (Finnish Business & Society), a network of Finnish companies promoting socially and economically sustainable development.

In addition, Taaleri's goal is to comply with the Equator Principles in all project finance projects for the Energy segment's investments. The Equator Principles are intended to ensure that the minimum social and environmental standards are met in all funded projects.

8 Governance

8.1 Code of Conduct

Taaleri is committed to follow the highest standards of business ethics in its operations. The Taaleri Code of Conduct guides all our operations and the main principles of the code are honesty, transparency, responsibility and professionalism. Practical tools developed to support the implementation of the Code of Conduct include internal procurement policies and internal audit mechanisms. Taaleri also has an online whistleblowing mechanism to report any suspected wrongdoings in the operations. Taaleri provides training on corporate governance for its personnel.

Taaleri's Code of Conduct and values clarify the ethical principles guiding our operations and what we think is the right way to act. Taaleri's Code of Conduct serves as the foundation for all operations in Taaleri Group, and it can-not be compromised.

Underlying the Taaleri Code of Conduct are Taaleri's values: ethicality, customer understanding, mutual respect and entrepreneurship.

In addition to the Taaleri Code of Conduct, Taaleri Plc's Board of Directors has ratified certain principles and guide-lines concerning the entire Group. They guide the operation of all companies in Taaleri Group in each business area and, based on them, the companies decide their own, more detailed operating and working instructions. The purpose of the above-mentioned instructions, along with this Code of Conduct, is to ensure that the administration of all Group companies is reliable, and the key methods are faultless and consistent throughout the Group, taking the differences between business areas into consideration.

We understand that climate change, evolving legislation, and other factors can change the long-term risk and returns profile, and therefore we are continuously developing our business. ESG risks and opportunities are hence integrated into the company's processes.

8.2 Corporate Governance

Taaleri is a financial group whose parent company Taaleri Plc is listed on the Official List of NASDAQ Helsinki Ltd.

Taaleri Group's operations are governed by the legal obligations of a listed company, as well as by EU-level finance and insurance sector regulations, national regulations, and Finnish Financial Supervisory Authority regulations, guidelines and recommendations.

Taaleri Group's governance, operating activities and internal control are administered with consideration to the above-mentioned regulations and Taaleri's internal values and principles. Accordingly, comprehensive documentation has been compiled on the operating principles and operating guidelines related to strategy, governance, operating activities and internal control. A review of the company's Corporate Governance Statement is available on Taaleri's website at: <https://www.taaleri.com/en/corporate-responsibility/document-archive>

9 Approval and revisions

Taaleri keeps this Policy and the underlying procedures up to date and continuously improves them, based on lessons learned and feedback from stakeholders.

This policy was approved by Taaleri's Board of Directors on 31 October 2019. The policy is publicly accessible and communicated to all relevant parties internally and externally.