EVLI

Evli European High Yield B

Long—term fixed income fund that invests in European corporate bonds with low credit ratings.

FUND MANAGER'S COMMENT

Markets remained eventful in February. US tariff threats continued to dominate headlines, but most assets posted steady gains. With some weaker data coming out of the US and growing inflation fears, European markets continued to outperform. The 10-year Bund yield came down by 5 basis points to 2.41%. During the month, high yield spreads tightened by 17 basis points.

The fund's monthly return was 0.77% (B series), behind the index return of 1.02%. The best relative performance came from banking, where AT1s performed well. Our underweight in retail was the largest drag compared to the benchmark. New issue market activity in Europe has been somewhat underwhelming, but the Nordics saw many new deals. We believe that defaults will decrease, as company earnings have been stable and balance sheets are strong. Currently, the best risk-return ratio is found in higher-quality high yield companies. Even though spreads are on the tighter end, we struggle to see reasons for them to widen meaningfully. The yield level is still attractive, and we believe 2025 will be favorable for high yield investors.

The fund's yield to maturity (YTM) was 6.09% and its modified duration was 2.31.

BASIC INFORMATION

Fund Manager	Mikael Lundström, Einari Jalonen
Benchmark	ICE BofA European Currency Developed Markets High Yield Constrained Index
ISIN	FI0008803929
CNMV Registry Number	1461
Fund Starting Date	14.3.2001
Morningstar Fund Category™	EUR High Yield Bond
Morningstar Rating™	★ ★ ★ ☆ ☆
SFDR	Article 8
Responsibility Score	A
Carbon Footprint (t CO2e/$M sales)	55
Subscription Fee, %	-
Redemption Fee, %	-
Management and Custody Fee p.a., %	0.95
Performance Fee, %	-
UCITS	Yes

PERFORMANCE 10 YEARS

02.03.2015 – 28.02.2025

— Fund — Index

Past performance is no guarantee of future returns.

RISK AND REWARD PROFILE

Lower risk
Typically lower rewards

Higher risk
Typically higher rewards

| 1 | 2 | **3** | 4 | 5 | 6 | 7 |

Read more about the fund risks and calculating the risk category from the Key Investor Document (KID).

RECOMMENDED INVESTMENT HORIZON

at least 4 years

PERFORMANCE, %

	Fund	Benchmark	Difference
Year-to-Date	1.63	1.68	-0.05
1 Month	0.77	1.02	-0.25
3 Months	2.04	2.32	-0.28
6 Months	4.47	4.40	0.07
1 Year	8.83	8.71	0.12
3 Years, annualized return	4.88	4.68	0.21
5 Years, annualized return	2.72	3.42	-0.70
Since Launch (14.3.2001)	236.14	301.60	-65.46
Since Launch, annualized return	5.19	5.97	-0.78
2024	8.33	8.15	0.18
2023	12.06	12.29	-0.23
2022	-10.57	-11.10	0.53
2021	3.18	3.36	-0.18

KEY FIGURES, 12 MONTHS

	Fund	Benchmark
NAV per B Unit, EUR	336.140	-
Fund Size, EUR million	837.45	-
Volatility, %	1.37	1.59
Sharpe Ratio	3.66	3.07
Tracking Error, %	0.52	-
Information Ratio	0.23	-
R2	0.90	-
Beta	0.82	1.00
Alpha, %	1.02	-
TER, %	0.97	-
Portfolio Turnover	0.31	-
Modified Duration	2.31	3.21
Yield (YTM), %	6.08	5.85
YTW, %	5.79	5.44
OAS	360	299
Avg. Rating	BB-	BB-

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RESPONSIBILITY SCORES

The Fund's responsibility scores are an assessment of the Fund's holdings from a responsibility perspective. The Fund's rating scale from best to worst is AAA, AA, A, BBB, BB, B and CCC. The ESG ratings distribution of the Fund's holdings are based on MSCI's analysis. MSCI is an independent ESG research provider offering a comprehensive global database.

Responsibility Score	A
Environment	A
Social	BBB
Governance	BBB
Coverage of the Analysis (%)	50

Excellent (AAA)
Very Good (AA)
Good (A)
Average (BBB)
Satisfactory (BB)
Weak (B)
Very Weak (CCC)

ESG means factors related to Environmental, Social and Governance issues.

ESG Rating: companies are analysed and measured by how well they manage key risks and opportunities arising from ESG factors. The assessment is done within the industry.

Responsibility Score: based on MSCI's methodology and taking into account the market value-weighted average of the fund's individual companies' ESG ratings.
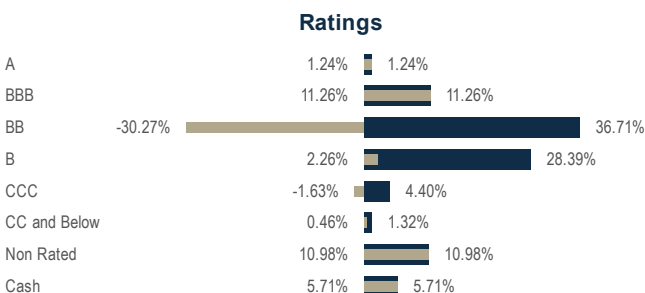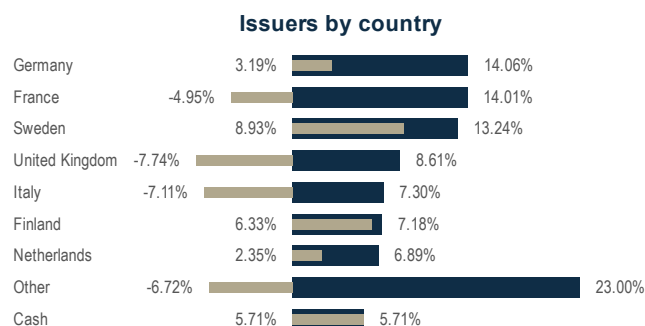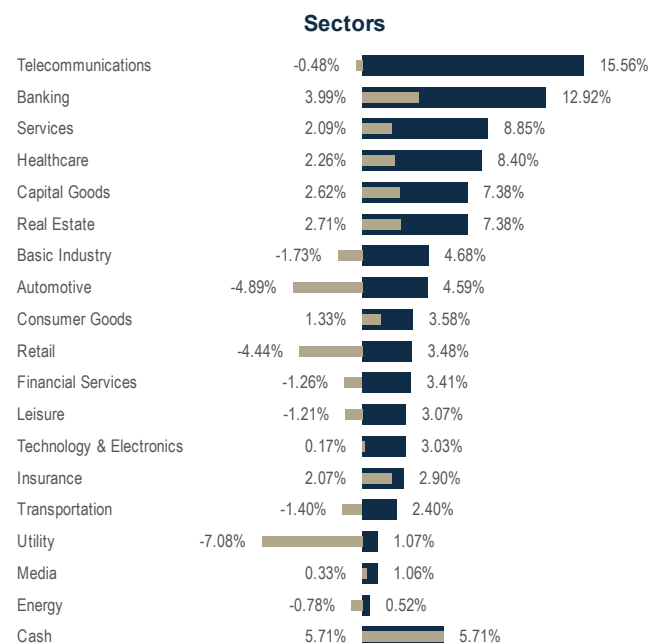
CARBON FOOTPRINT

Evli uses weighted average carbon intensity to measure the carbon footprint according to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). According to MSCI's analysis, the weighted average carbon intensity is categorized as following Very Low (0 to <15), Low (15 to <70), Moderate (70 to <250), High (250 to <525), and Very High (>=525).

Carbon Footprint	55 (t CO2e/$M sales)

Read more about Fund's responsibility from its ESG-report

PORTFOLIO STRUCTURE

- Weight
- Active weight

Sectors

Sector	Active weight	Weight
Telecommunications	-0.48%	15.56%
Banking	3.99%	12.92%
Services	2.09%	8.85%
Healthcare	2.26%	8.40%
Capital Goods	2.62%	7.38%
Real Estate	2.71%	7.38%
Basic Industry	-1.73%	4.68%
Automotive	-4.89%	4.59%
Consumer Goods	1.33%	3.58%
Retail	-4.44%	3.48%
Financial Services	-1.26%	3.41%
Leisure	-1.21%	3.07%
Technology & Electronics	0.17%	3.03%
Insurance	2.07%	2.90%
Transportation	-1.40%	2.40%
Utility	-7.08%	1.07%
Media	0.33%	1.06%
Energy	-0.78%	0.52%
Cash	5.71%	5.71%

Issuers by country

Country	Active weight	Weight
Germany	3.19%	14.06%
France	-4.95%	14.01%
Sweden	8.93%	13.24%
United Kingdom	-7.74%	8.61%
Italy	-7.11%	7.30%
Finland	6.33%	7.18%
Netherlands	2.35%	6.89%
Other	-6.72%	23.00%
Cash	5.71%	5.71%

Ratings

Rating	Active weight	Weight
A	1.24%	1.24%
BBB	11.26%	11.26%
BB	-30.27%	36.71%
B	2.26%	28.39%
CCC	-1.63%	4.40%
CC and Below	0.46%	1.32%
Non Rated	10.98%	10.98%
Cash	5.71%	5.71%

10 LARGEST INVESTMENTS

	%
Telefonica Europ 2.88% Perp/Call Variable	1.47
Dynamo Newco Ii 15.10.2031 6.25% Callable Fixed	1.23
Iliad Holding 15.4.2031 6.875% Callable Fixed	1.19
Lorca Telecom 18.9.2027 4% Callable Fixed	1.16
Nidda Healthcare 21.2.2030 5.625% Callable Fixed	1.12
Bpce 13.10.2046 2.125% Callable Variable	1.07
Ziggo 28.2.2030 3.375% Callable Fixed	1.06
Allianz Se 2.625% Perp/Call Variable	1.03
Nidda Healthcare 21.8.2026 7.5% Callable Fixed	0.99
Telecom Italia 15.4.2025 2.75% Callable Fixed	0.98

10 LARGEST ISSUERS

	%
Nidda Healthcare Holding GmbH	2.11
Altice France SA/France	1.47
Telefonica Europe BV	1.47
Telecom Italia SpA/Milano	1.40
Q-Park Holding I BV	1.34
Commerzbank AG	1.31
Vodafone Group PLC	1.31
Assemblin Caverion Group AB	1.29
iliad SA	1.28
Intesa Sanpaolo SpA	1.28

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SHARE CLASS INFORMATION

Share Class	A	B	IB	ASEK	BSEK	BNOK	DSEK
Launch Date	14.3.2001	14.3.2001	16.1.2017	1.8.2017	1.6.2012	7.10.2015	28.11.2017
Currency	EUR	EUR	EUR	SEK	SEK	NOK	SEK
NAV 28.2.2025	140.491	336.140	128.142	910.213	1,860.564	1,440.454	1,209.503
Management and Custody Fee per Year, %	0.95	0.95	0.50	0.95	0.95	0.95	0.40
TER per Year, %	0.97	0.97	0.52	0.97	0.97	0.97	0.42
Sales Registration	FI,SE	FI,SE,FR,ES,IT,DE, LT,LV,EE	FI,SE,FR,ES,IT,DE	FI,SE	FI,SE	FI,SE,NO	FI,SE
ISIN	FI0008803911	FI0008803929	FI4000233259	FI4000261243	FI4000043690	FI4000122916	FI4000283155
Bloomberg	EVLEHYA FH	EVLEHYB FH	EVEHYIB FH	EVLAINC FH	EVLBACC FH	EVEHBKH FH	EVEHDSH FH
WKN	-	A1JLV2	A2JDF9	-	-	-	-
Clean Share	No	No	Yes	No	No	No	Yes
Minimum Investment	5,000	1,000	10,000,000	10,000	10,000	10,000	200,000,000
Profit Distribution	Annually	Accumulated	Accumulated	Annually	Accumulated	Accumulated	Accumulated
Target Investor	Retail	Retail	Institutional	Retail	Retail	Retail	Institutional

DICTIONARY

Alpha describes the effect of the portfolio manager's investment choices on the fund's return compared with the return of an index portfolio with corresponding market risk, i.e. the additional returns attained by the fund in relation to its market risk.

Beta describes the sensitivity of the fund's value to changes in the benchmark index. If the value of the benchmark index changes by one percent, the expected change in the fund's value is beta x 1 percent. On average, the fund's value will change more than the value of the benchmark index if the beta value is greater than 1. A beta value less than 1 indicates the opposite, i.e. that the fund's value will change less than the benchmark value.

Carbon Footprint Evli uses weighted average carbon intensity to measure the carbon footprint according to the recommendations of the Task Force on Climate-related Financial Disclosures (TFCD). The funds holdings' carbon intensity figures are based on the emissions figures produced by MSCI.

Duration measures the average repayment term (in years) of a fixed income instrument. Modified duration indicates the price sensitivity of a fixed income security to changes in interest rates. The higher the duration number, the greater the interest rate risk of the fund portfolio.

Information Ratio describes the long-term ability of a portfolio manager to add value through active portfolio management. If the Information Ratio is zero, the long-term return of the fund equals that of the benchmark index. In practice this means that the fund has outperformed the benchmark index, on average, for five years out of ten. The higher the Information Ratio, the greater the probability that the fund will outperform its benchmark. With an IR of 0.5 the fund has outperformed the benchmark, on average, in seven years out of ten, and with an IR of 1.0 in 8.5 years out of ten.

OAS describes average credit spread to similar maturity government bonds in basis points (0.01 percentage points). Measures the excess yield of corporate bonds to risk free rate.

Portfolio Turnover is a measure of the length of time that a security remains in a portfolio during a given period. The portfolio turnover rate is calculated by subtracting the sum of subscriptions and redemptions of fund units (EUR S+T) from the sum of the securities bought and sold by the fund (EUR X+Y). The turnover is the abovementioned difference divided by the average market value of the fund, which has been calculated from the daily market values over the past 12 months. For example, if all assets have been sold and bought once it would equal to a turnover rate of 1. Portfolio turnover rate = ((X + Y) - (S + T)) / M x 100 / 2, where X = Securities bought, Y = Securities sold, S = Fund's fund units issued / subscribed, T = Fund's fund units cancelled / redeemed, M = Average total value of net assets.

R2 (R-squared) describes the extent to which the fund's performance is dependent on the performance of the benchmark index. R-squared is the square of the correlation coefficient.

SFDR In accordance with the Sustainable Finance Disclosure Regulation (SFDR), article 8 funds promote sustainability factors among other features, and article 9 funds aim to make sustainable investments. Other funds address only sustainability risks in their investments decisions (article 6 funds).

Sharpe Ratio indicates the size of return relative to risk taken. The Sharpe ratio measures the fund's return (with volatility of one percent) in excess of a risk-free return. The higher the Sharpe ratio, the more favorable the relationship between return and risk.

TER (Total Expense Ratio) is a measure of a fund's total expenses in relation to its average assets and is expressed as an annualized percentage. The expenses include all the fund's management and custody fees and any profit-related fees. Securities commissions are excluded. TER = A + B + C + D, where A = Management fee charged from the fund's assets, B = Custodian fee that may be charged separately from the fund's assets, C = Account maintenance and other bank charges that may be charged from the fund's assets, D = Any other fees which, according to the fund's rules, are charged directly from the fund's assets. As a rule, funds registered in Finland do not make such charges on top of trading fees.

Tracking Error indicates the risk of active portfolio management in relation to the risk of the benchmark index. The higher the number, the more the fund's performance differs from the benchmark's performance. If the tracking error is 5%, the fund's return will deviate in about two years out of three ±5% of the benchmark's return. The tracking error is zero if the relative weights of the fund's investments are exactly the same as in the benchmark index. Tracking error increases if investment weights are changed relative to the weights of the benchmark index.

Volatility is a risk measure generally used in financial markets. It reflects variability in the return of an investment or a portfolio. The higher the volatility, the greater the variability in return and the risk involved. If the fund's expected return is 12% and the volatility is 20%, then the fund's return for two years out of three is 12 ± 20%, that is, between -8% and +32%. Volatility is calculated on the basis of the standard deviation of weekly returns and expressed as an annual percentage.

Yield (YTM) Estimated annual rate of return to maturity (yield to maturity).

YTW Lowest estimated annual rate of return, if bonds are callable before maturity date (yield to worst).

BASIC INFORMATION

Domicile	Finland
Trade Frequency	Daily
Clearing Time	Trade Date + 2
Cut Off Time	14:00 EET (Trade date)
Currency	EUR
Custodian	Skandinaviska Enskilda Banken AB (publ) Helsinki branch
Auditor	Ernst & Young
NAV Calculation, Fund Registry Keeper and Fund Management Company	Evli Fund Management Company Ltd
Global Investment Performance Standards (GIPS®) Compliant	Yes
Orders In	Shares or currency

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