

THE CLIMATE FUND'S CODE OF CONDUCT

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1. INTRODUCTION

The Climate Fund (Ilmastorahasto Oy) is a state-owned special-assignment company. Its operations focus on combating climate change, boosting low-carbon industry and promoting digitalisation. The Climate Fund finances major environmental and digital projects in which the company's investment is crucial for the project's success or will enable it to be realised sooner or on a larger scale.

Instead of seeking to maximise its own revenue, the company aims at fulfilling its mission as efficiently as possible and creating societal impact. The operations of the companies invested in or financed by the Climate Fund must be self-sustainable in the long term, when assessed as a whole.

The Climate Fund's role as a state-owned special-assignment company aiming to create impact sets a particularly high standard for transparency and ethics. At the same time, the company's focus on making major investments together with private investors puts emphasis on trust and responsibility in the company's operations.

The Climate Fund's Code of Conduct compiles the company's key ethical guidelines and policies for everyday interaction with clients, partners and stakeholders.

The Code of Conduct applies to all Climate Fund personnel, and our contract partners are also obliged to follow its principles in activities related to our contractual relationship. In particular, our partners are expected to observe the principles related to:

- non-discrimination, equal treatment, and compliance with internationally recognised labour rights and laws and agreements governing working life (2.1);
- tax responsibility (3.5);
- prevention of money laundering and terrorist financing (3.6),
- confidentiality, protection of privacy and appropriate data processing (3.7); and
- prevention of bribery and corruption (4.3).

In addition to the principles enshrined in the Code of Conduct, we comply with all valid laws and regulations in all of our operations and duties, and expect our partners to do so as well. We also follow the Climate Fund's supplementary internal guidelines on various themes, such as data security, procurement or travel.

2. PERSONNEL AND THE WORKPLACE

2.1 THE CLIMATE FUND AS AN EMPLOYER AND WORKPLACE

The Climate Fund is a safe, encouraging and equal workplace. We appreciate everyone, support our colleagues and work actively together to achieve our goals. Every one of us is entitled to respectful and dignified treatment and to the protection of their privacy. The Climate Fund has zero tolerance for bullying – we do not tolerate any form of harassment, discrimination, abuse or bullying.

We value diversity and promote equal treatment and non-discrimination in recruitment, pay and competence and career development. We do not tolerate any kind of discrimination based on age, gender, ethnic origin, nationality, language, religion, philosophical conviction, opinion, political activity, union activity, family relations, health, disability, sexual orientation or other personal reasons.

We comply with internationally confirmed labour rights and the laws and agreements that govern working life. Inappropriate treatment and harassment are addressed immediately and may result in a caution, warning or, ultimately, termination of employment.

We work together to ensure a safe and healthy workplace. We keep our minds open to cooperation, the sharing of information and ideas, and developing our operations.

2.2 WELL-BEING AT WORK AND DEVELOPMENT OF COMPETENCIES

Professional, motivated and healthy personnel are essential to the Climate Fund's success. We promote the well-being of our employees by, e.g. offering flexibility in working hours and forms of working, and by organising communal recreation events.

All Climate Fund employees have an equal opportunity to use and develop their competencies and expertise in their work, and we support each other in this. The Climate Fund offers training and development opportunities that support its personnel in the performance of their current or future duties.

Every Climate Fund employee is familiar with the goals of their own work and that of the Climate Fund at large. Each team member receives support for achieving their targets. Both positive and corrective feedback can be given and received when merited, in a respectful and appreciative manner. Regular

performance and feedback discussions and personnel surveys help us improve both collectively and as individuals.

2.3 RESPONSIBILITY OF PERSONNEL

Every one of us is responsible for their own activities as part of the Climate Fund community. We value the ability to foster and maintain an encouraging, open and appreciative atmosphere at work. We are committed to following the instructions, regulations and principles we have all agreed to, as well as to building and maintaining a fair corporate culture. Each one of us contributes to the Climate Fund's corporate image and reputation with their actions.

We take the interests of the Climate Fund into account in our activities and follow the risk management guidelines. We manage the Climate Fund's assets appropriately and do not jeopardise the Climate Fund's reputation or client and stakeholder relations with our actions.

We also act responsibly with regard to the environment, promoting the mitigation of environmental impact and the sustainable use of resources in everything we do.

We address problems, shortcomings or violations that come to our attention as quickly as possible and in the scope required by the circumstances, such as by informing our manager of them or completing the whistleblower form.

2.4 MANAGEMENT

Management in the Climate Fund is based on openness and trust. Our management is always based on equality, fairness and justice. Our decision-making is clear, timely and consistent. Active internal communications support the work of our teams with up-to-date information.

The Climate Fund's management illustrates the significance of responsible and ethical action through its own actions and decisions. That being said, the management is also responsible for the development and enforcement of these principles.

2.5 REMUNERATION

We follow the remuneration guidelines of the government resolution on ownership policy in the remuneration of our personnel and management. We

offer a base salary and competitive fringe benefits linked to the salary. Our pay and remuneration policy is fair and based on clear principles.

3. OPERATIONS

The Climate Fund operates in the public innovation funding sector, supplementing the financing services offered by private investors and other MEAE Group entities. Through active cooperation with our clients and stakeholders, we are able to offer the most suitable funding solutions to our clients and provide a smooth, positive client experience.

3.1 RESPONSIBLE IMPACT

Responsibility, impact and efficiency are emphasised in all aspects of the Climate Fund's strategy and operations due to the very nature of the company's operations.

We always operate responsibly and use our funds as effectively and sensibly as possible. The Climate Fund issues annual responsibility reports. The CEO is responsible for the management of CSR, and the entire personnel for its implementation in their own work.

We assess the impact of our operations regularly, both at the company level and for individual investment targets. We take the results of impact assessments into account in our operations and their development in order to serve our clients and create impact better and more efficiently.

Our investment operations are based on careful and comprehensive study of the investment targets and thorough risk assessments. We finance operations that are financially at least self-sustainable. The Climate Fund's investment criteria emphasise climate, environmental and social responsibility in addition to financial responsibility.

Responsibility is realised and trust earned through our daily work and choices. Open and transparent reporting on our operations and governance is a part of responsibility. We also encourage our customers and partners to act responsibly and promote sustainable development.

3.2 COMPLIANCE WITH REGULATIONS AND RECOMMENDATIONS

The Climate Fund's operations are guided by the Limited Liability Companies Act (624/2006), Securities Markets Act (746/2012) and State Shareholdings and Ownership Steering Act (1368/2007), as well as by a possible dedicated special-assignment company act passed in the future. The Climate Fund's operations are guided and supervised by the Ministry of Economic Affairs and Employment, which is responsible for the Climate Fund's ownership steering.

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Porkkalankatu 1, 00180 Helsinki, Finland
ilmastorahasto.fi@ilmastorahasto

We also follow a number of national and international statutes and contractual obligations, the goals of government industrial and ownership policy, as well as the recommendations, guidelines and best practices issued by several authorities. These are supplemented by various internal processes and procedural guidelines. We communicate key regulations and recommendations to our personnel through instructions and training.

We follow the Finnish Accounting Standards (FAS) in our financial reporting. Our financial statements meet the requirements of Finnish accounting and corporate legislation. We observe the principles of good governance in our operations, aiming at transparency at all levels of the organisation.

3.3 EQUAL TREATMENT OF CLIENTS, IMPARTIALITY AND AVOIDING CONFLICTS OF INTEREST

The principles of good governance state that, in order to remain viable, a company's operations must be open and managed in a manner that maintains the trust of external parties. These aspects are especially crucial in a state-owned company. We treat our clients impartially, equally and appropriately. We make sure that our financing operations are independent and can be justified objectively, and that no conflicts of interest can influence our decision-making.

Our investment decisions are based on predefined criteria confirmed by the company's Board of Directors, which we apply impartially and in accordance with jointly approved and equally applied principles. We recognise that, in some cases, the best solution could be to direct the client to another public or private investor.

We comply with the disqualification regulations and internal principles applying to our operations at any given time. In accordance with the principles of good governance, those involved in the management of a matter may not have any connections to the matter. The Climate Fund maintains a related entities register for its Board and executive team in order to be aware of and anticipate possible cases of disqualification. The information in the register is fully reviewed and updated on an annual basis, as well as in connection with changes in personnel or in the event of changes reported by the registered persons themselves.

Personnel must disqualify themselves from decision-making in all situations in which making a decision on a matter would create or appear to create a conflict of interest based on the position or interests of the person themselves or someone in their immediate circle. Impartiality can also be called into

question if an employee of the Climate Fund who is participating in the preparation or decision has a private interest in the counterparty to the transaction. However, there must be a special reason for calling the employee's reliability into question in such cases. For example, a normal customer relationship or acquaintance with an interested party does not disqualify an employee from decision-making.

The Climate Fund's personnel are aware of their possible private interests and familiar with the company's policies if they need to disqualify themselves. We do not participate in preparatory work or decision-making if we are disqualified from doing so. We assess our own conflicts of interest and disqualify ourselves on our own initiative.

We take the possibility of disqualification into account also in the Climate Fund's internal decisions. We notify our manager of such personal relationships related to internal decisions that could jeopardise the impartial management of the matter.

We do not let our secondary occupations or private interests affect the Climate Fund's operations or decision-making, nor do we use our working hours for duties related to a secondary occupation. We notify our manager of all private interests and obtain the appropriate permissions for our secondary occupations. We refrain from any activities that could create a conflict with our duties in the Climate Fund.

3.4 INSIDER INFORMATION

Even though the Climate Fund is not a listed company itself, we may be required to process information classified as insider information in our work. Therefore, we ensure through training and instructions that all personnel are aware of their insider status and familiar with the management of insider information and restrictions on insider trading.

We follow a particularly confidential procedure with restricted processors and an investment-project-specific insider register in the processing of insider information disclosed to us by our listed clients. We do not use insider information illegally or in violation of regulations, nor do we trade in securities about which we have received insider information. We do not use any confidential information or insider information for the benefit of ourselves or others. Neither do we disclose inside information to third parties before it has been made public.

3.5 TAX RESPONSIBILITY

We require our client companies to follow applicable tax regulations and best practices in tax matters. In our role as a public funding provider, we seek to identify cases in which various structures have been used to eliminate or reduce tax liabilities.

3.6 CUSTOMER DUE DILIGENCE

We follow anti-money laundering and terrorist financing practices in our investment operations by applying the customer due diligence recommended by FIN-FSA to the due diligence analyses of investment targets where applicable. The purpose of this is to ensure that no funds obtained from illegal sources are transferred into the financing system through us, and that funding provided by us will not be used to finance terrorism or other illegal operations. We do not finance or advise parties engaged in money laundering or other illegal activities. If necessary, we report any suspicious transactions to the Financial Intelligence Unit.

3.7 MANAGEMENT OF CLIENT DATA, CONFIDENTIALITY AND DATA PROTECTION

We process and generate a wealth of data valuable to our operations. It is thus essential that we safeguard the confidentiality, integrity and availability of the data in our possession. Ensuring the appropriate and secure processing of data, including confidential data, is a high priority for us.

We comply with the laws and regulations on privacy protection as well as the provisions of the General Data Protection Regulation (GDPR) when processing any personal data related to our clients, stakeholders and personnel, and we take the measures required by regulations to implement the data protection rights of data subjects. We only collect and process personal data that is necessary for our operations, and only for lawful purposes. The processing of personal data is limited to those Climate Fund personnel who need to process the data and have the right to do so in the course of their duties. We observe the duty of care in all processing of personal data and ensure the secure processing of the data in our possession in accordance with this duty.

We process the information obtained from our clients confidentially. We only access confidential information when necessary for our operations and never

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Porkkalankatu 1, 00180 Helsinki, Finland
ilmastorahasto.fi@ilmastorahasto

disclose such information to third parties without the client's express consent. However, we may disclose client data in certain situations when required to by law or permitted by the client's express consent, especially to MEAE Group entities involved in the provision of corporate services (Business Finland, Tesi and Finnvera). In this manner, we do our part to ensure the best service to our clients.

All Climate Fund personnel have a responsibility to follow the appropriate guidelines when processing data or using information systems or information networks. Ensuring appropriate and secure processing and data protection, both technically and by instructing and training our personnel, is one of our key corporate security objectives.

3.8 RESPONSIBLE PROCUREMENT

We treat all participants and the other suppliers equally and without discrimination in all procurement processes. We operate openly and take the requirements of proportionality into account. We invite tenders for significant investments and services impartially and appropriately in accordance with statutory requirements and our procurement guidelines. Our objective is to use company funds in the most efficient and sensible manner possible. We follow the company's travel guidelines in travel-related procurement.

4. ETHICS RULES

4.1 OPENNESS AND TRANSPARENCY

The Climate Fund's communications are planned, proactive, open and active. The Climate Fund communicates actively, intelligibly and with consideration for the needs of different stakeholders.

The Climate Fund wants to provide accurate and sufficient information on its operations to stakeholders, the media and citizens, while ensuring the privacy of its clients and protection of its business secrets. The company regularly publishes information about its operations and financing and reports to its owner. All Climate Fund personnel, as well as its Board and Investment Council, participate in communications and stakeholder cooperation.

4.2 OPEN AND ACTIVE STAKEHOLDER COOPERATION

Open and active cooperation with stakeholders is essential to the development of the Climate Fund's impact and profitability, as well as to the acquisition of high-quality investment proposals. Insight into the needs and opinions of our stakeholders is vital for the development of our operations, and we interact with our stakeholders in diverse ways. We also use studies and reports to support our development.

The Climate Fund's cooperation network includes potential financing clients, other MEAE Group entities, private investors, ministries and agencies, environmental and digital organisations, and various operators in business and research.

4.3 PREVENTION OF BRIBERY AND CORRUPTION

The Climate Fund does not tolerate bribery or corruption in any form. We oppose bribery and corruption in all of our activities and duties.

It is strictly forbidden to receive, ask for, accept or offer financial or other benefits in our operations if doing so would be conducive to erode trust in the party or the impartiality of the Climate Fund's operations, or to causing damage to the Climate Fund's reputation or general reliability.

Every one of us exercises discretion and moderation with regard to gifts and entertaining. We may participate in an external event arranged by a client, contract partner, stakeholder corporation or authority, provided that the participation is acceptable to the Climate Fund and there is a genuine reason

related to the Climate Fund's operations for it. We exercise moderation when participating in and organising events and hold "customary hospitality" as our yardstick.

Accepting a freely offered gift can be acceptable if the gift is minor or customary in value. Accepting a gift worth more than one hundred euro requires the permission of your manager. As a rule, only minor promotional or other gifts can be accepted from private individuals, companies or organisations. We never accept monetary gifts.¹

We act prudently in uncertain situations and turn to our manager if necessary. We keep in mind that bribery and corruption can lead to criminal sanctions.

4.4 COMPLIANCE WITH PRINCIPLES AND INSTRUCTIONS

We, the Climate Fund's employees and management, are responsible for following these principles in our own activities and for fostering a positive corporate culture. Anyone can come across a situation that presents an ethical dilemma. Every member of the Climate Fund's personnel or management is obliged to be familiar with the Climate Fund's Code of Conduct and the guidelines related to it and to follow them. Managers additionally have a duty to monitor compliance with these principles in their own teams.

Violations of the Code of Conduct can cause significant damage to the Climate Fund. Therefore, violating the principles set forth in the Code of Conduct can lead to disciplinary action against the perpetrator. Possible sanctions include a caution or warning, as well as termination or summary termination of employment or the assignment.

4.5 DUTY TO REPORT VIOLATIONS AND ABUSES

If we are unsure about the right course of action or interpretation of the Code of Conduct's guidelines, or suspect a violation, we always discuss the matter with our manager.

If necessary, we can also file an anonymous report through the Climate Fund's whistleblower channel (<https://report.whistleb.com/fi/ilmastorahasto>). All reports are processed confidentially and appropriately in accordance with the Code of Conduct. Reporting a suspected violation will not damage the whistleblower's position in the Climate Fund in any way.

REFERENCES

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https://vm.fi/documents/10623/1115054/Vieraanvaraisuudesta_eduista.pdf/65456694-9a17-46b3-8b74-5b7fd060a4f3/Vieraanvaraisuudesta_eduista.pdf