



Armada's Responsible Investment Policy

Armada's approach towards responsible investing

Armada is an independent financing provider that invests across the Nordic countries, typically in private equity sponsored transactions, involving lower midmarket companies. The sector focus is broad. Armada also seeks investment opportunities involving non-sponsored companies requiring financing for e.g. acquisitions, generation shifts, re-financings and general expansion. The cornerstones of the investment process include flexibility in structuring and pricing, streamlined decision-making process and a proactive origination approach.

Armada fund investors include typically institutional investors such as pension insurance companies, pension funds, investment funds, investment companies and life assurance companies from Finland and other European countries.

Armada is committed to responsible investing. As a financing provider, Armada believes that responsible investing is an important aspect when evaluating the debt service capacity of the portfolio companies' and when managing investment risks and returns in the short- and long-term. In addition, Armada takes into account stakeholders' ESG (Environmental, Social and Governance) expectations and aims to be a good corporate citizen.

Armada's responsible investment principles

Armada follows the United Nations Principles for Responsible Investment.

At Armada, the responsible investment principles are integrated into the investment analysis and decision-making process, portfolio management practices as well as communication and reporting. Armada has created responsible investment tools to support the evaluation of investment targets as well as identification and monitoring of material ESG matters in investee companies. As a responsible financing provider, Armada works in co-operation with the owners and management team of the company to support the development of responsible investing practices in the investee company. Armada also actively aims to promote acceptance and implementation of ESG practices within private equity industry.

In addition, Armada is a member of the Finnish Venture Capital Association and follows their Code of Conduct norms and other guidelines as well as other related standards set by Invest Europe.

Exclusion criteria

Armada does not invest in the following industries: distilled alcohol, tobacco, weapons and gambling.



ESG matters

Armada has identified several material ESG matters and has incorporated them into the investment analysis, decision-making processes and portfolio management practices. These defined ESG matters include inter alia:

Environmental matters

- Climate change impacts
- Resource efficiency
- Waste management
- Environmental permits
- Pollution and contamination

Social matters

- Employee health and safety
- Job satisfaction and employee wellbeing
- Customer satisfaction
- Diversity
- Human rights

Governance matters

- Anti-competitive behavior
- Code of Conduct throughout the value chain
- Governance and management of ESG matters
- Anti-bribery and anti-corruption
- Proper incentive system

At Armada, ESG related matters are reviewed and discussed regularly in the investment team and investment committee meetings.

Armada's Responsible Investment policy will be reviewed and amended as appropriate from time to time.