



Professional impact investing in developing countries

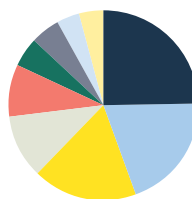
Finnfund is a development financier. We build a sustainable world by investing in responsible and profitable businesses in developing countries.

Climate change, youth unemployment and other global challenges call for urgent private investments. We make those investments happen in a sustainable and profitable manner.

Our investment criteria are profitability, sustainability and positive development impact.

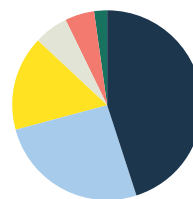
- Over 35 years of experience
- EUR 150–200 million invested in 20–30 projects per year
- 80 employees in Helsinki
- Total assets EUR 500 million
- Funding from the Finnish government, retained earnings from investments and loans from the private capital markets
- Owned by the State of Finland 94.1%, Finnvera 5.8%, Confederation of Finnish Industries 0.1%

Our portfolio



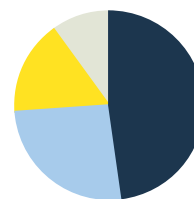
By industry

- Energy 25% (incl. funds 1%)
- Forestry 20% (incl. funds 3%)
- Financial sector 18% (incl. funds 1%)
- Industrial production 11%
- SME and other funds 9%
- Other infrastructure 5%
- Telecommunications 5%
- Agriculture 4% (incl. funds 2%)
- Hotels 4%



By geography

- Africa 45%
- Asia 26%
- Latin America 16%
- International 6%
- Europe, Middle East & North Africa 5%
- Eastern Europe & Central Asia 2%



By instrument

- Loan 48%
- Equity 26%
- Mezzanine 10%
- Fund 16%

Total EUR 495 million
(30 June 2018)

We finance both greenfield and expansion projects focusing on:



Renewable energy



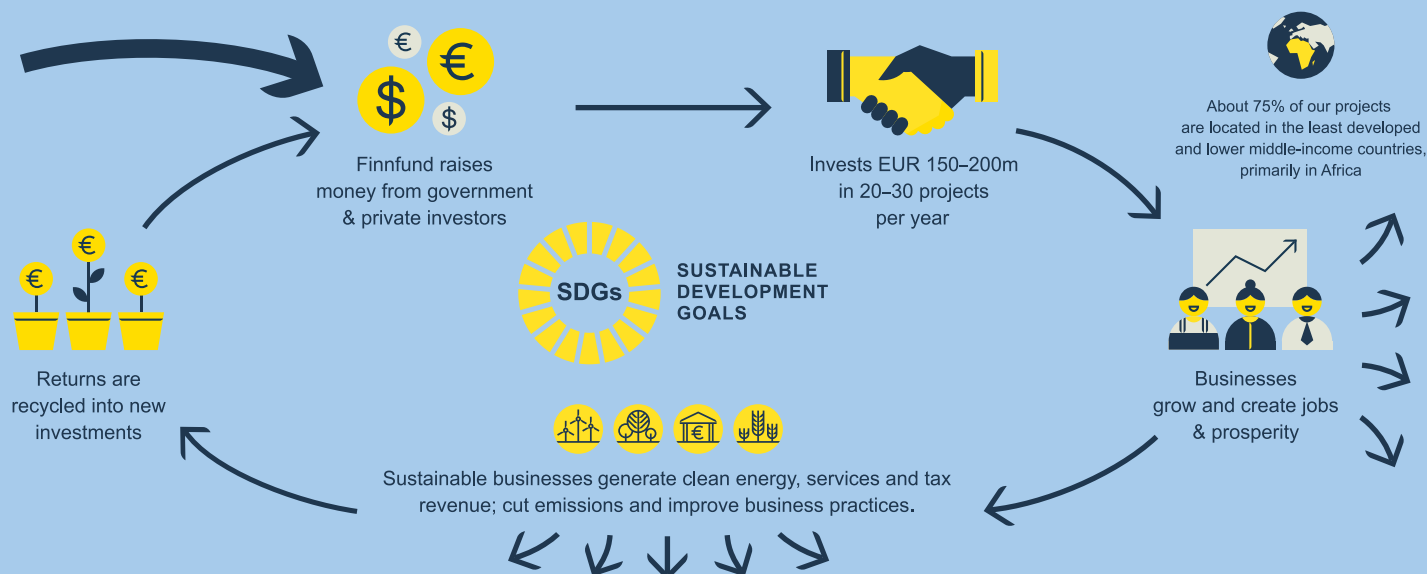
Sustainable forestry



Sustainable agriculture



Financial institutions



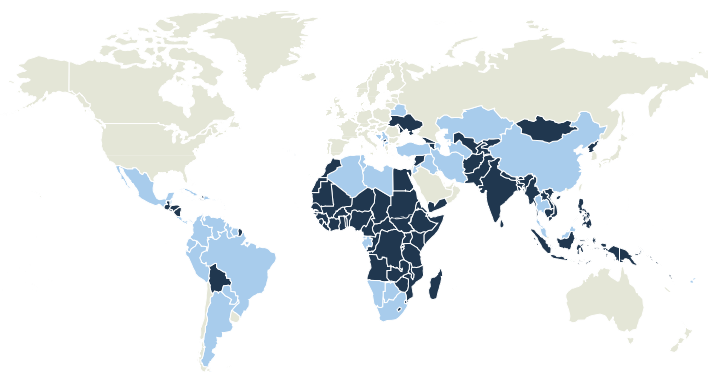
How and where we invest

We only finance projects with responsible implementation, lasting development impact and financial returns that reflect the risk. Our investments vary from one million to 25 million euros, with Finnfund always carrying a smaller share than the project sponsor. We invest directly or through funds which enable us to finance also smaller companies.

Tailored financing instruments:

- equity as a minority shareholder
- mezzanine financing to improve capital structure
- loans with maturities of up to 15 years.

Returns are recycled into new investments. We also seek to catalyse institutional investors to invest more in developing countries. We adhere to international responsibility practices, such as IFC Performance Standards and UNGP, and we expect the same high standards of our investees and partners. We also have our own guidelines regarding, for example, responsible tax.



■ Focus countries – more than 75% of investments in three poorest OECD DAC country categories

■ Other countries of operation

Our development impact

Focusing on key sectors and the world's poorest regions, our investments create good jobs, generate clean energy and yield other essential development impacts to advance the Sustainable Development Goals. Our investment process includes a rigorous assessment, monitoring and reporting of the development impact. By providing long-term financing, we often play a catalytic role.

For more information, please visit www.finnfund.fi

In 2017, the companies Finnfund financed ...

... generated
6,065 GWh
of clean energy & sold

120,000
household solar systems

... managed
867,000 ha
of sustainable forest – of which
814,900 ha
FSC® certified

... reached
2 million
farmers of which

79%
were women

... granted
5,930,000
micro and SME loans –
40%
of clients were women