



United Bankers

SUSTAINABILITY REPORT 2023





United Bankers

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Sustainability at United Bankers

At United Bankers, sustainability is broadly defined as economic, social, and environmental responsibility. As a company, we want to take responsibility and support the sustainable development of

the environment and society. This is reflected in our strategy, our values and our operations. Sustainability is also a key part of the company's value creation as well as United Bankers' growth strategy.

UNITED BANKERS' SUSTAINABILITY HIGHLIGHTS 2023

Responsibility at the centre of operations

- United Bankers published its sustainability focus areas and described the related targets and indicators
- United Bankers' reputation clearly improved in the Reputation&Trust survey. The company succeeded in improving its reputation while the reputations of other listed companies were declining, on average
- Customer satisfaction improved to a very high level. The results improved among both retail and institutional clients

Pursuing climate-resilient growth

- The company published its climate roadmap and committed to setting climate targets under the SBTi
- The carbon footprint of United Bankers' investment products decreased by 7 per cent and the company's total net emissions halved year-on-year

Towards a sustainable society

- UB Forest Industry Green Growth Fund I LP, which invests in sustainable and resource-efficient forest and bio-based industries, was launched
- United Bankers launched UB Renewable Energy Fund, a new fund focusing on investment in wind and solar power plants
- United Bankers expanded its selection of forest funds and launched Nordic Forest Fund IV, a new fund investing in forests in the Baltic Sea rim countries
- According to the results of the UN PRI's assessment, very good progress was made in sustainability work
- Responsibility of investments promoted through active ownership (ISS Proxy Voting)

Meaningful work and inspiring opportunities

- United Bankers receives Finland's Most Inspiring Workplaces 2023 award. The PeoplePower index, which measures personnel commitment, continued to develop in a positive direction
- Skills development targets were updated
- The incapacity for work percentage continued to fall and was at a very low level at 0.39 per cent (0.48% in 2022)
- Employer image was also at a good level, and according to the Reputation&Trust survey, it had improved on the previous year

Transparency and reliability as cornerstones of administration and communication

- New ESG reports for funds and the UB 360 asset management model were introduced
- United Bankers' UNGP-compliant whistleblowing channel was opened
- United Bankers continued to report in line with the GRI Standards
- United Bankers strengthened responsible value chain management by implementing a Supplier Code of Conduct

The sustainability targets are visible in United Bankers' operations to an increasing extent, and the opportunities created by the green transition are now a significant factor in the development of the business operations. The company seeks to implement its growth strategy by operating in line with international climate targets. In 2023, as part of its own climate targets, United Bankers drew up a climate roadmap for the Group to define both its long- and short-term climate objectives to achieve the targets of the Paris Agreement. Progress in sustainability work is also measured in terms of responsible products and services, the company's reputation, customer satisfaction, achievement of equality, and the well-being and competence of employees, among other things.

The continuous development of responsible business operations in cooperation with stakeholders is a priority for United Bankers. The company's target is to promote client satisfaction, in particular, and the well-being and job satisfaction of its employees. United Bankers believes that responsibility is also a way to improve the profitability and competitiveness of its business and that by doing

the right thing and acting sustainably, the company can increase its positive impact on the environment and society. United Bankers wants to be worthy of the trust of all its stakeholders.

Sustainability focus areas

In 2023, together with the Group's long-term financial objectives, United Bankers announced its sustainability focus areas, including the key targets and indicators related to them. The sustainability focus areas are based on the company's materiality analysis that was conducted in 2022 and they have been grouped as follows:

- Sustainable products and good stakeholder and client relations: United Bankers drives the transition to a sustainable economy and increases its clients' wealth sustainably
- Meaningful and inspiring work: United Bankers offers meaningful work and inspiring opportunities
- Reliable and transparent governance: United Bankers is transparent and accountable for its actions

FIGURE 1: SUSTAINABILITY FOCUS AREAS



United Bankers wants to take responsibility for society and the environment and contribute to the achievement of the Sustainable Development Goals. In practice, sustainability is reflected in client and stakeholder relations, responsible investment and the product range, employee well-being, and sound corporate governance. In addition, climate change, human rights, and biodiversity are relevant cross-cutting sustainability themes.

Reporting principles

The Sustainability Report covers all United Bankers Group companies. The Sustainability Report is published once a year with the Annual Report. This report was published in February 2024 and it covers the period 1 January – 31 December 2023. The sustainability information has not been verified. The report uses the Global Reporting Initiative (GRI) Sustainability Reporting Standards as a reporting framework (with reference to -level). There is no need for adjustments to be made to the 2022 Sustainability Report, which covers the period 1 January – 31 December 2022.

UNITED BANKERS' VALUES



Responsibility at the centre of operations

Targets and achievements 2023:

- United Bankers published its sustainability focus areas and described the related targets and indicators
- United Bankers' reputation clearly improved in the Reputation&Trust survey. The company succeeded in improving its reputation in an environment where the reputations of listed companies were, on average, in decline
- Customer satisfaction improved to a very high level. The results improved among both retail and institutional clients

Sustainability principles and policies

Our clients and their goals and needs are at the core of our work at United Bankers. United Bankers operates in a economically, environmentally, and socially responsible manner, and promotes the implementation of corporate responsibility in its operations and investments. The company is guided by not only its values, but also by international commitments, best practices, and financial regulation. The key principles and commitments that guide United Bankers' sustainability are set out in the [Code of Conduct](#) and [Principles for Responsible Investment](#). We also require that the operations of our business partners, such as service providers and suppliers, comply with United Bankers' sustainability standards. The principles and requirements are set out in the [Supplier Code of Conduct](#) that was introduced in 2023.

The commitments contained in these principles are integrated into the company's governance system, policies and strategies and their implementation is regularly monitored. The way in which monitoring is carried out varies depending on the subject matter and the context in question. The key players in the monitoring process include the Sustainability Steering Group, the risk management and compliance functions, the company's executive management and ultimately, the company's Board of Directors (see Managing

and leading sustainability). As the Principles for Responsible Investment are central to United Bankers' investments and products, their implementation is described in more detail in the chapter Responsible investing.

United Bankers' Code of Conduct

United Bankers' Code of Conduct guides all employees to act in accordance with shared values, guidelines and principles of operation. The aim of these is to strengthen mutual trust and open communication within the organisation. The Code of Conduct also supports the promotion of equality and non-discrimination, helps build the company's reputation and creates a secure and confidential framework for managing client and other stakeholder relationships.

At the same time, it aims to advance the external stakeholders' positive image of the company. The Code of Conduct sets out the company's values, business principles, guidelines and practices that help ensure responsible conduct and open interaction with stakeholders. It also guides sustainability management in the United Bankers value chain. More information on the value chain and related Code of Conduct can be found in the chapter Managing the responsibility of supply chains.

As a listed company, United Bankers complies with the Finnish Corporate Governance Code for listed companies, the rules of Nasdaq Helsinki and the applicable securities market legislation and the official regulations issued under it, which serve as a basis for open and transparent governance and communication.

International commitments

Since 2012, United Bankers has been committed to the [UN Principles for Responsible Investment \(UN PRI\)](#). United Bankers continuously develops its activities in line with these principles and reports annually to the PRI organisation. United Bankers achieved excellent scores in the 2023 PRI assessment for its own operations and selected asset classes. United Bankers' official PRI [Transparency](#) and [Assessment report](#) was published in January 2024.

In 2023, United Bankers committed to setting climate targets for its operations in line with the international [Science Based Targets](#) initiative (SBTi). With these targets, United Bankers aims to achieve climate-resilient growth and net zero emissions in accordance with the [Paris Climate Change Agreement](#) by the end of 2050 at the latest. Climate targets based on SBTi will be set over the period from 2023 to 2025 and the actions needed to achieve them will be integrated into the company's operations and responsible investment processes. More information on climate targets can be found in the chapter Pursuing climate-resilient growth.

In 2022, United Bankers committed to respecting human rights in its operations in accordance with the [UN Guiding Principles on Business and Human Rights \(UNGPR\)](#). United Bankers exercises due diligence and avoids violating human rights in its operations and business relationships. This commitment covers the principles of fundamental rights as defined in the [UN Declaration of Human Rights](#) and the [International Labour Organisation \(ILO\) declaration](#). The integration of human rights considerations into responsible investing and the Group's activities as a whole were continued during 2023.

United Bankers' human rights commitments are integrated into the company's responsible investment processes, including due diligence and monitoring processes. More information on respon-

sible investment processes can be found in the chapter Responsible investing.

As of 2021, United Bankers has been committed to assessing the climate risks of its operations according to the international [Task Force on Climate-Related Financial Disclosures \(TCFD\)](#) guidelines. The climate risk assessment is part of the company's responsible investment processes, such as investment due diligence and monitoring, as well as its risk management guidelines and processes. More information on responsible investment processes can be found in the chapter Responsible investing and on risk management in the chapter Managing sustainability risks.

Integrating sustainability principles into practice

The [Principles for Responsible Investment](#) bring together the key principles, commitments and practices that guide investment activities. Central to this is a commitment to due diligence in the selection and monitoring of investments and the selection of partners. The principles also include an assessment of sustainability risks and principal adverse impacts, as well as commitments on human rights and climate change, which are supplemented by United Bankers' climate roadmap that was published in 2023.

United Bankers is seeking to make the company's values, Code of Conduct and Principles for Responsible Investment a part of every employee's daily life by expanding on individual themes in the personnel magazine and by discussing their practical aspects at biannual personnel events. The Code of Conduct is part of the orientation of all new employees and regular training sessions are organised for all employees on its content and any potential updates. In late 2023, United Bankers introduced mandatory training on the Code of Conduct for all personnel that will be repeated every year. By the end of the year, 67 per cent of employees had completed it. In addition, a brief description of the Code of Conduct was provided to all personnel in the annual training related to sustainability at United Bankers. In 2023, 81 per cent of personnel completed this training. The Code of Conduct is communicated to other stakeholders as described in Table 2. In addition, the Code of Conduct is publicly available on the United Bankers [website](#).

Promoting sustainability together with interest groups

In addition to its own activities, United Bankers' policy is to promote the sustainability of the financial sector as well as responsible investment through a range of advocacy organisations and initiatives. United Bankers has been a member of the Finnish Association for Responsible Investment (Finsif ry) since 2018. Finsif's mission is to promote sustainable investing in Finland. The company is a member of Finance Finland and is on its Sustainability Committee, which, among other things, comments on national and international EU regulation in the preparatory phase and promotes key sustainability issues in the financial sector. United Bankers is also a member of the Finnish Venture Capital Association and, among other things, is active in the association's legal working group.

UN Sustainable Development Goals

United Bankers aims to contribute to the achievement of the UN Sustainable Development Goals. Among the SDGs, the most important for United Bankers are:

- **Goal 5: Gender equality**
- **Goal 7: Affordable and clean energy**
- **Goal 8: Decent work and economic growth**
- **Goal 9: Sustainable industry, innovation and infrastructure**
- **Goal 12: Responsible consumption and production**
- **Goal 13: Climate action**
- **Goal 15: Life on land**



Why are companies important? When the UN Sustainable Development Goals and Agenda 2030 were being prepared, it became abundantly clear that the objectives could not be achieved through official development cooperation alone. According to some estimates, the cost of achieving the SDGs is USD 4,000 billion. A major percentage of this money should come from the private sector - i.e., from companies and business operations. Yet it is obvious that companies are unable to solve all the problems related to sustainable development. Attaining the Sustainable Development Goals calls for cooperation between numerous sectors, and responsible businesses have an important role to play in this.

These goals have been identified as key priorities based on United Bankers' activities and the focus areas of its core funds. Goals 7 and 9 were added to the list of key goals due to the launch of new funds investing in renewable energy and green innovations in the forest industry value chain in 2023. United Bankers seeks to especially contribute to the achievement of these goals both through its own activities and through the investment products it offers. The role of businesses and investors in achieving the SDGs is therefore crucial, and financial sector companies in particular have an outsized impact on bringing about change, as they manage significant amounts of capital and control the allocation of finance. United Bankers therefore seeks to take the SDGs into account also through the design of its product range and new products.

The Sustainable Development Goals (SDGs) aim to put global development on a path that safeguards human well-being and human rights, economic prosperity and social stability in an environmentally sustainable way. The SDGs are universal, although actions to promote them may vary from country to country and sector to sector. All the SDGs are closely interlinked: no one goal can be pursued at the expense of another.

Defining focus areas

At United Bankers, sustainability is broadly defined as economic, social, and environmental responsibility. This includes both the company's own operations and its investment activities through its products and services. United Bankers published its sustainability focus areas in early 2023, together with the company's financial targets. The focus areas were specified through a materiality analysis in 2022.

The aim is to ensure that sustainability work and targets meet stakeholder expectations and focus on topics that are material to the company. Each focus area has different targets and indicators, the progress of which is monitored in the company's sustainability reporting. The attainment of sustainability goals is also increasingly linked to the company's remuneration policy and practices. The materiality analysis is based on workshops held with United Bankers' management team and the Board, financial industry benchmarking, and comments and perspectives received from key stakeholders. United Bankers' ESG team and Sustainability Steering Group reviewed the results thematically to assess the relevance of environmental and social impacts in areas identified as important by stakeholders.

Issues relevant to United Bankers' sustainability have been grouped into clear themes. The materiality analysis and prioritisation of the topics took into account the importance of the issues

for stakeholders and for United Bankers' business, as well as the company's ability to develop the areas and thus the sustainability of its business. United Bankers' stable earnings performance, the sustainability of its investing activities and products and services, together with long-standing client and partner relationships and a thriving team, are issues that United Bankers has identified as particularly important in ensuring its competitiveness and creating long-term value for its stakeholders. The foundations of sustainability include customer privacy and data security, prevention of corruption and money laundering, sustainability risk management and transparent and sound corporate governance, all of which financial regulation has defined a clear framework for.

In the future, the sustainability focus areas and their specifications will be updated and developed in accordance with the new Corporate Sustainability Reporting Directive (CSRD), for example.

**TABLE 1:
GROUPING BASED ON MATERIALITY ANALYSIS (PRIORITIES, KEY ISSUES, FOUNDATION)**

FOCUS AREAS	<ul style="list-style-type: none"> • Stable earnings performance • Responsible investing and sustainable products • Long-term and trusting relationships with clients and partners • Open communication with stakeholders • A thriving team 	The main areas of sustainability work that UB has identified as important to ensure its future competitiveness and to create value for its stakeholders in the long term.
IMPORTANT TOPICS	<ul style="list-style-type: none"> • Top-level expertise • Direct environmental impact • Fairness, equality, equity and diversity • Employer image and brand 	Issues relevant to UB and its stakeholders that enable more sustainable business . These are partly determined by law. However, UB itself determines the extent to which it develops these areas of sustainability in order to be a sustainable business and to meet the expectations of its stakeholders now and in the future.
FOUNDATION	<ul style="list-style-type: none"> • Customer privacy and data security • Taxes and tax footprint • Prevention of corruption, bribery and money laundering • Sustainability risk management- Reliable and transparent governance (corporate governance code) 	The areas that lay the foundations for wealth management and are directly linked to stakeholders' trust in UB and its business. These are always managed in accordance with applicable legislation and regulatory requirements .

**TABLE 2:
SUSTAINABILITY PROGRAMME THEMES, OBJECTIVES, MEASURES AND RELATED PRINCIPLES OF OPERATION**

	Impacts	Main policies and guidelines to manage impacts	Goals 2023	Measures and achievements 2023
We drive the transition to a sustainable economy and increase our clients' wealth sustainably				
Sustainable products and services	Climate, social, human rights and biodiversity impacts of UB products	Principles for responsible investment Guidelines on sustainability risk management UB climate roadmap 2023	UB's climate roadmap and setting climate targets	UB's climate roadmap and its SBTi commitment will further refine the management of the climate impacts of UB's investments and its own operations
			Promoting investment activities in line with the UN Principles for Responsible Investment (UN PRI)	UB performed excellently in the areas of responsible investment management, strategy and verification (4/5 stars) and various asset classes (5/5 stars) in the first comparison under the new UN PRI framework
			Setting sustainability targets for forest funds and real estate funds	Sustainability targets for portfolio management of forest funds and real estate funds
Sustainable financial development of the company	The impact of UB's activities on the realisation of the green transition and the economic impact on investors, clients, employees and other stakeholders	Policies and guidelines for product development and sales	1) SFDR 8 and 9 products account for at least 50% of UB's assets under management 2) Sales of SFDR 8 and 9 products at least 50% of UB's sales (excluding external funds and bonds)	The vast majority of United Bankers' product sales were for SFDR 8 and 9 products
Client and stakeholder relations	Impacts for example on the financial situation of clients and investors, client experience and satisfaction with the quality of service, data protection and security	Client relationship management policies and guidelines Policies and guidelines for managing stakeholder relations Policies and guidelines on client data protection and security Policies and guidelines on client feedback and the whistleblowing channel	We improve client satisfaction among both retail and institutional clients	Based on client satisfaction surveys (SFR and UB client satisfaction survey 2023), both client groups' satisfaction improved on the previous surveys

	Impacts	Main policies and guidelines to manage impacts	Goals 2023	Measures and achievements 2023
We provide meaningful work and inspiring opportunities				
Enthusiastic staff and a close-knit working community	Impact on workers' well-being, rights, skills and equality	Human resources policy and policies and guidelines on staff practices, including the equality plan and the workplace development plan UB Code of Conduct	100% of performance reviews held	Performance reviews recorded for 62% of staff in 2023
			Employee survey: PeoplePower index at least at the 2022 level. With a score of "Good" (AA), UB is one of the most inspiring places to work in Finland	The overall result of the employee survey improved on the previous year and UB again received the Finland's Most Inspiring Workplaces award
			Setting training objectives for personnel	Aiming for an annual average of 15 hours of training in expert positions
Top-level expertise			Achieving equality objectives	UB achieved the equality objectives set for the Group
A diverse work community				
We are transparent and accountable for our actions				
Direct environmental and social impacts of UB's activities	Climate, social, human rights and biodiversity impacts of UB's activities	Policies and guidelines on procurement and supply chains Supplier Code of Conduct in 2023	Setting UB climate targets for UB's own activities as part of the climate roadmap	UB's climate roadmap and its SBTi commitment will further refine the management of the climate impact of UB's investments and operations
Managing sustainability risks	Climate, social and human rights impacts of UB's products and activities	United Nations Principles for Responsible Investment (PRI) Policies and guidelines on risk management and portfolio management, and in particular on sustainability risk management	Implementation of internal guidelines for human rights risk management in line with the UNGP principles, and for climate risk management in line with the TCFD	UNGP and TCFD policies better integrated into the Group's risk management framework
Reliable and transparent governance	Setting UB climate targets for UB's own activities as part of the climate roadmap	Policies and guidelines for the management of investments and client assets Policies and guidelines on the prevention of money laundering, corruption and conflicts of interest Policies and guidelines on reporting, accounting, taxation and financial management Policies and guidelines on corporate governance Policies and guidelines on data security and data protection	Creation of UB's Supplier Code of Conduct and its implementation in the company's supply chains Cases of corruption, bribery or money laundering: no offences Improving the company's reputation among investors	Supplier Code of Conduct implemented as part of the company's supply chain management UB's reputation improved on the previous year to a good level in the Reputation&Trust survey

Sustainability programme and impact monitoring

The management of United Bankers' responsibility areas and the related target setting is encapsulated in the company's sustainability programme, which is based on the results of the materiality analysis. The sustainability programme defines measures and short- and long-term objectives for developing the company's responsibility impact management. The management of material impacts is integrated into the company's corporate responsibility policies and guidelines. The methods and indicators for monitoring impacts are also defined in these internal process guidelines. The company's risk management and compliance functions contribute to ensuring that impact management processes are working properly.

The measures and targets contained in the sustainability programme aim to further develop the management of potential neg-

ative impacts and to promote positive impacts. The Sustainability Steering Group and the executive management ensure that the responsibility programme is updated annually. The company's Board of Directors approves the responsibility programme and monitors its implementation and progress in accordance with the Board's annual calendar.

Managing and leading sustainability

Sustainability is a central part of United Bankers' operations and is integrated into many of the Group's activities. In addition to the United Bankers Board of Directors, subsidiaries' Boards and executive management, the United Bankers Group has a Sustainability Steering Group and an ESG team to organise and implement sustainability and responsible investment.

The Board of Directors of the parent company is responsible for the management and proper organisation of the United Bankers

Group. The Board of Directors decides on the organisation and methods of sustainability work within the Group and monitors sustainability activities, their results and the associated risks. The Board of Directors of United Bankers establishes the Group's sustainability principles and Principles for Responsible Investment, which ensure that activities comply with laws, regulations, guidelines and good international practices. Principles for Responsible Investment and the related internal guidelines also include due diligence processes for investment activities. As part of the organisation of sustainability, the Board of Directors also approves the sustainability objectives contained in the company's sustainability programme and monitors their implementation.

The Board of Directors of United Bankers also monitors and supervises the effectiveness, efficiency and procedures of internal control and audit and risk management and approves the policies on internal control and audit and risk management. This also includes overseeing due diligence processes related to other aspects of United Bankers' operations. Monitoring is carried out in accordance with the Board's annual calendar. The role and responsibilities of the Board of Directors are described in more detail in the chapter Corporate Governance Statement.

The executive management of the parent company (management team) and the CEOs of each Group company manage the day-to-day administration of the Group companies in accordance with the principles and guidelines set by the Board of Directors of the parent company. A person responsible for sustainability has been appointed to the management team, and the Head of ESG reports to this individual. In practice, the executive management ensures that the principles and regulations governing sustainability are integrated into the company's policies and processes. The executive management reports to the Board of Directors on sustainability issues in accordance with the Board's annual calendar.

To steer sustainability and responsible investment, United Bankers Group has a Sustainability Steering Group, chaired by the Head of ESG. The Steering Group reports to executive management. The Steering Group is responsible for developing and monitoring the sustainability of the business. Among other things, the Steering Group plans the company's sustainability programme and the setting of its targets. It is also responsible for providing guidance on the application of the Principles for Responsible Investment and

for preparing an update of the Principles for approval by the Board of Directors.

The ESG team acts as an expert team on sustainability issues, supporting portfolio management, business operations, and risk management on sustainability issues as well as develops the sustainability of operations. The ESG team reports to the Head of ESG.

Managing sustainability risks

The sustainability risks of United Bankers' activities include both the sustainability risks related to investments and the sustainability risks of the Group's other activities. A significant part of United Bankers' sustainability risks relates to investments and their impacts and performance. During 2022, United Bankers updated the sustainability risk management principles for its investment products, updated the risk management policies for its investment products and clarified the sustainability risk management principles. In addition, the identification of human rights risks related to business relationships was integrated into the company's operations.

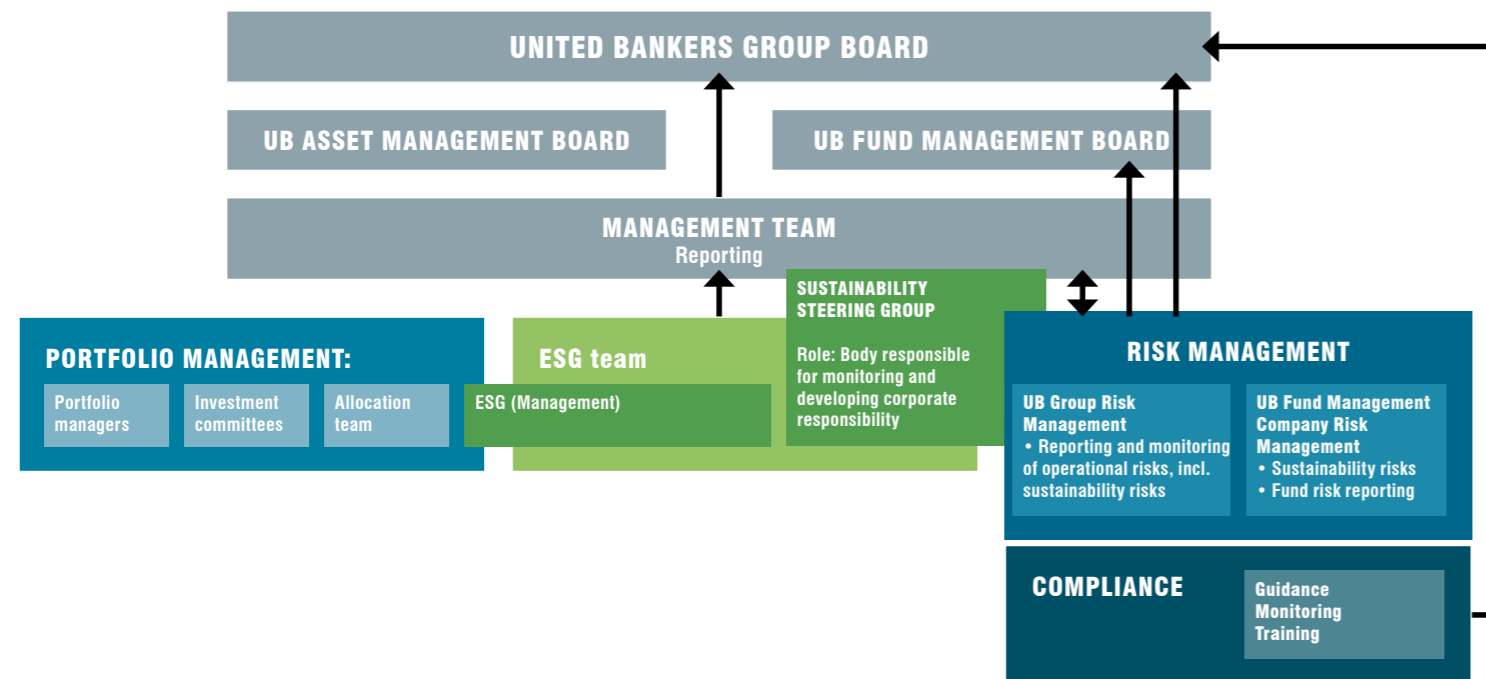
The Sustainability Steering Group monitors the sustainability risks of United Bankers' operations, identifies ways to manage them, provides guidance on managing sustainability risks in investments and improves the sustainability performance of its operations. The risk management function integrates sustainability risks into the Group's risk management.

In particular, United Bankers focuses its investments on identifying and managing the following liability risks:

- **Environmental, social and governance risks (so-called traditional ESG risks)**
- **Human rights risks**
- **Climate risks**

Especially human rights risks and climate risks are considered not only from an investment perspective but also from the perspective of the United Bankers Group, and are therefore separated into their own entities. This is because United Bankers is committed to operating in accordance with the principles of the UN Global Compact (UNGC) and reporting its climate risks in accordance with the TCFD.

FIGURE 2:
MANAGING AND LEADING SUSTAINABILITY



RISKS AND OPPORTUNITIES RELATED TO CLIMATE CHANGE

CLIMATE RISK ASSESSMENT ACCORDING TO THE TCFD FRAMEWORK

In recent years, the [Task Force on Climate-Related Financial Disclosures \(TCFD\)](#) has established itself as the world's leading standard for climate-related financial reporting. According to the TCFD, the direct and indirect business impacts of climate change are considered through four main elements: governance, strategy, risk management and metrics. Consistent and transparent climate reporting leads to better risk management, more informed investment decisions and more integration of climate issues into strategic management. In 2021, United Bankers committed to reporting on climate change risks and opportunities in line with the TCFD recommendations. United Bankers' first TCFD report will be published as part of the 2023 sustainability reporting.

GOVERNANCE

The risks and opportunities presented by climate change have a significant impact on United Bankers' investment activities and sustainability work. The Board of Directors and the management team of United Bankers have included the work to accelerate the mitigation of climate change and the green transition in the entire Group's focus areas for both strategic and humane reasons. At the Board level, climate issues are regularly addressed as part of the Group's broader sustainability work. The Board of Directors also approves the United Bankers Principles for Responsible Investment, which guide investment activities by defining responsible investment policies and practices. The Head of ESG of United Bankers is part of the extended management team that meets several times a year.

In addition to the Board of Directors and the management team, climate topics are discussed monthly in the Sustainability Steering Group, coordinated by the Head of ESG. The Steering Group includes people from the Management Team as well as from the legal, risk management, communication, and portfolio management functions. The Steering Group oversees the implementation of United Bankers' Principles for Responsible Investment in the Group's investment activities and determines how climate risks and opportunities are considered in investment decisions. Practical climate work is developed within the United Bankers ESG team to meet the needs of the Group as a whole. Climate-related development projects are drafted by the ESG team and taken through the Steering Group to the management team and the Board of Directors for discussion, thus deepening the dialogue between management, shareholders, and climate experts. Efforts are also being made to integrate climate targets into United Bankers' business through, among other things, United Bankers' products, climate targets and remuneration.

STRATEGY

Working to mitigate climate change is one of the focus areas of United Bankers' business. At United Bankers, the most significant climate risks and opportunities relate to investment activities, as the direct environmental impact of the Group's own operations is limited. In 2022, the majority (99.6%) of the Group's total carbon footprint was made up of the carbon footprint of the investments in the products offered by the group (Scope 3, Category 15). This highlights the importance of climate work in asset management.

United Bankers' process to identify climate-related risks and opportunities in the short, medium, and long term was launched in late 2022, with the aim of identifying the most significant climate factors in each asset class to ensure regular monitoring.

Climate risks and opportunities affect United Bankers' business, strategy, and budgeting in many ways. A [climate roadmap](#) to guide United Bankers' overall climate work was published in 2023. The climate roadmap aims to ensure that United Bankers' activities are in line with the Paris Agreement. In its climate roadmap, United Bankers commits to setting medium and long-term science-based climate targets for its operations, in line with the international Science Based Targets initiative (SBTi) and the objectives of the Paris Agreement. In addition, United Bankers commits to reducing greenhouse gas emissions from its investment portfolios and increasing their carbon sequestration so that it exceeds emissions by 2030 at the latest. The climate roadmap will be refined during 2024–2025 to define detailed climate targets for different asset types and business areas and the measures to achieve them, in line with the SBTi initiative.

Climate work at United Bankers focuses on the continuous development of investment products and their strategies to consider climate-related risks and opportunities. Climate metrics are reviewed throughout the investment period, from the investment decision to the sale of the investment. These metrics include the carbon intensity of the investment and the carbon risk of the investment as defined by the TCFD, which describes the investment's transition risk. In addition, United Bankers' Principles for Responsible Investment define climate-based exclusion criteria for activities such as thermal coal production, its use in energy generation, and oil

sands extraction. The climate-based exclusion was supplemented in 2023 with a policy for the oil and gas sector. Active engagement and voting on climate-related issues at shareholder meetings are also an important part of daily portfolio management. Climate opportunities are an important part of United Bankers' product development and investment strategy formulation.

A climate scenario analysis for United Bankers' investment products will be carried out in the timeframe and scope defined in the Group's climate roadmap. Climate scenario analysis and calculation methods are constantly evolving, and monitoring these developments is an integral part of the work of the United Bankers Sustainability Steering Group and the ESG team.

RISK MANAGEMENT

According to the TCFD, climate risks are divided into two main categories according to their nature. Physical risks describe natural disasters and extreme weather events resulting from the progression of climate change, and are typically classified into acute (e.g. forest fires and floods) and chronic (e.g. sea level rise due to melting glaciers) risks based on time horizons. Transition risks describe the new market-based risks created by actions people and societies take towards a low-carbon lifestyle in terms of legislation, technology, markets, and reputational damage. Climate risks are often regional, i.e. different regions are exposed to different risks. Climate risk management is an integral part of United Bankers' sustainability risk management. In addition to United Bankers portfolio managers, the Sustainability Steering Group provides guidance and decides on certain sustainability risk management measures, including the interpretation of the United Bankers exclusion list,

as appropriate. Information and analysis concerning risks as well as the recommendations and decisions of the Steering Group are also shared with the Group Risk Management function. In addition, United Bankers seeks to contribute to the advancement of sustainable investing and the minimisation of sustainability risks through initiatives such as co-ownership initiatives, participation in general meetings, and direct corporate influence. The range of tools varies depending on the investment and the role of United Bankers.

Climate risks are identified and assessed as part of United Bankers' daily portfolio and risk management. Responsibilities are divided so that the risk analysis of individual investments is primarily the responsibility of portfolio management, while the management of the aggregate climate risk of United Bankers' products is the responsibility of the ESG team and the Sustainability Steering Group. The Risk management function integrates climate risks into the risk management of the Group as a whole. The Board of Directors is responsible for the direction of the company's climate strategy. The risk analysis utilises company-level data from several independent ESG data sources, including [Morningstar](#), [Sustainalytics](#) and [Bloomberg](#). In addition, United Bankers actively monitors the setting and achievement of climate targets through CDP and other similar databases.

For fixed income and equity funds, climate risk analysis centres around carbon intensity and carbon risk indicators, which allow portfolio managers and the ESG team to quickly understand the relative greenhouse gas emissions of a company and its exposure to transition risk. If the indicators indicate a high level of climate risk, the next step in the analysis is to examine the current status of and progress towards the company's science-based climate targets. The analysis will also include, where appropriate, a comparison of the climate risk of the investee within a relevant reference

group, as climate risks depend on the company's industry and geographical location. The physical climate risks of fixed income and equity funds are assessed and monitored on an annual basis using physical risk metrics developed by Impact Cubed, an analytics company. The physical climate risks of fixed income and equity funds are described in the table 4.

Carbon risk is a measure of transition risk developed by Sustainalytics. The carbon risk indicator shows the level of risk to the value of an investment caused by the transition to a low-carbon economy. The indicator also shows how vulnerable an asset is to changes originating from the fossil fuel phase-out and the green transition. Low carbon risk indicates good readiness, and high carbon risk indicates poor readiness concerning the reduction of fossil fuel use in business operations.

The climate risk analysis of real estate funds focuses on physical climate risks, unlike that of fixed income and equity funds. As United Bankers' real estate funds invest in all Nordic countries except Iceland, the average climate risks are significantly lower than in Central Europe and the Americas, for example. In terms of regional risks, some properties in coastal areas are at risk of flooding. In terms of climate risk, properties are categorised as low, medium, or high risk. United Bankers works to keep the climate risk of its property portfolios low. In the near future, the overall climate risks of the properties will be assessed by an external expert consultant. The GRESB international real estate sustainability assessment, which includes several climate risk indicators, will also be used to assess real estate investments.

In forest funds, the management of physical climate risks is strongly linked to the management of the fund's financial risks. The forest properties that forest funds invest in are directly exposed to both acute and chronic physical risks, while the timber and fibre mar-

kets can be affected by new regulatory risks such as biodiversity and renewable energy regulation. United Bankers aims to develop climate risk indicators suitable for forest funds.

METRICS AND TARGETS

United Bankers' objective is to keep the climate risks of the entire Group at a level that does not result in significant negative impacts. Methodologies and metrics for assessing climate risk vary by asset class and some further development is required. United Bankers aims to proactively identify the climate risks that are relevant to its operations and to identify opportunities related to the green transition.

United Bankers aims to reduce the negative impacts of its investments, increase the positive impacts of its investments on society, the environment and good governance, and actively promote sustainable practices. The carbon footprint of the Group and its products was calculated for the second time in 2023. The calculation includes United Bankers' funds as well as discretionary asset management investment portfolios where United Bankers makes investment decisions on behalf of the client. More information on the company's carbon footprint can be found in the chapter Pursuing climate-resilient growth.

Comprehensive information on greenhouse gas emissions is essential for planning and targeting climate action. The carbon footprint calculation will be used annually to monitor the targets defined in United Bankers' climate roadmap and to manage the Group's comprehensive climate actions.

CLIMATE CHANGE-RELATED OPPORTUNITIES

United Bankers wants to take responsibility for mitigating climate change and offer its clients climate-friendly solutions. United Bankers aims to make the most of the opportunities related to climate change in the development of the Group's business. The design of new products particularly takes climate considerations into account. Today, United Bankers' alternative investment funds and real asset funds in particular offer the opportunity to invest in building a sustainable society and advancing sustainable growth and innovation. Investing in United Bankers' fund makes it possible to invest in areas such as real estate, forests that mitigate climate change, or green innovations in the forest sector. The aim is that United Bankers' products will continue to offer clients even more opportunities to grow their wealth with the help of the green transition.

As an example of the evolution of its product range, United Bankers launched the new UB Renewable Energy Fund, which focuses on renewable energy and the green transition in the energy sector, in 2023. This fund offers investors the opportunity to benefit from the transition of the energy sector and the associated value creation. In summer 2023 United Bankers expanded its forest fund family with the new UB Nordic Forest Fund IV, which contributes to climate change mitigation through sustainable forestry by investing extensively in forests in the Baltic Sea region. In addition, the UB Forest Industry Green Growth Fund I, which was launched in 2022 and started investing activities in 2023, strengthens United Bankers' product range by focusing on green innovation in the forest and the bio-based industries. More information on United Bankers' products can be found in the chapter Towards the green transition with investments.

TABLE 3:
CLIMATE RISK INDICATORS OF DAILY VALUED EQUITY AND FIXED INCOME FUNDS

Fund	Carbon Intensity ¹ (tCO ₂ e/USDm)	Morningstar Fund Category Average ²	Carbon Risk ³	Morningstar Fund Category Average ²	Fossil Fuel Involvement ⁴	Morningstar Fund Category Average ²	Percent of AUM Covered ⁵
UB Asia REIT Plus	131.1	96.7	10.7	8.2	0.0%	0.0%	80.9%
UB American Equity	128.9	80.5	8.4	7.4	0.1	5.8%	67.5%
UB Emerging Markets Infra	380.2	658.4	7.3	10.1	28.4%	47.1%	99.5%
UB Europe AI	111.8	104.7	7.5	7.1	8.9%	9.3%	98.9%
UB European REIT	60.2	74.1	7.1	6.3	0.0%	1.2%	93.2%
UB Global REIT	90.0	90.1	8.4	8.8	0.0%	0.6%	97.2%
UB High Yield	162.2	161.1	7.6	8.9	4.0%	11.2%	58.8%
UB Infra	329.1	658.4	5.7	10.1	48.1%	47.1%	95.6%
UB Fixed Income Plus	81.8	156.3	6.0	8.7	6.0%	10.9%	74.9%
UB Short-Term Bond	87.6	91.0	5.4	7.6	4.9%	6.7%	92.5%
UB Global	207.4	139.7	7.7	8.4	18.7%	8.2%	85.5%
UB Timberland Global	283.6	414.9	10.4	20.3	4.6%	38.4%	83.4%
UB North America REIT	86.7	76.3	9.8	9.1	0.0%	0.7%	99.3%
UB Smart	121.5	124.7	7.1	7.6	7.3%	8.8%	73.0%
UB Finland	117.7	99.7	8.3	8.1	12.1%	11.0%	67.4%
Asilo Argo (non-UCITS)	8.1	62.5	4.3	5.2	0.0%	3.9%	100.0%

¹ Carbon intensity describes the ratio of a company's greenhouse gas emissions (Scope 1 and Scope 2) to its revenues. Carbon intensity can be divided into the following categories: very low (0–15), low (15–70), medium (70–250), high (250–525), and very high (≥525). As there is no upper limit to the metric, very large greenhouse gas emissions can lead to a very high carbon intensity. The fund's carbon intensity is calculated as a weighted average of the carbon intensities of the fund's investments.

² Morningstar fund category is a peer group compiled of similar funds based on the instrument distribution, industry, and geographic weighting of the fund's investments. The peer group for each fund is stated in quarterly fund ESG reports available at www.unitedbankers.com.

³ Carbon risk, a metric developed by Sustainalytics, illustrates the transition risk caused by climate change. According to the TCFD (Task Force on Climate-Related Financial Disclosures), transition risk refers to market-based risks related to legislation, technology, markets, and reputational harm driven by societal actions aiming for a low-carbon economy. Sustainalytics classifies carbon risk on a five-point numerical scale: negligible (0), low (0–10), medium (10–30), high (30–50), and severe (≥50).

⁴ Fossil fuel involvement describes the extent to which the fund's investments are exposed to thermal coal mining and electricity production, oil and gas production and energy production, and oil and gas products and services.

⁵ Percent of AUM covered illustrates the extent to which carbon emissions data is available for the fund's investments in the Morningstar Direct database. All carbon data available in the Morningstar Direct database is produced by Sustainalytics, an ESG analytics company. If the aggregated carbon data coverage of the fund is less than 67%, Morningstar Direct does not calculate the fund's total carbon figures.

TABLE 4:
EXPOSURE OF UNITED BANKERS' FIXED INCOME AND EQUITY FUNDS TO PHYSICAL CLIMATE RISKS

Fund	Percentage of Economic Value of Facilities Exposed to					
	Floods	Drought	Wildfires	Cyclones	Heatwaves	Sea Level Rise
UB American Equity	19.0%	20.6%	5.5%	5.7%	9.1%	0.9%
UB Asia REIT Plus	13.0%	41.7%	1.3%	39.3%	12.6%	0.7%
UB Emerging Markets Infra	17.7%	13.7%	2.6%	21.4%	13.9%	0.2%
UB Europe AI	20.7%	16.5%	4.0%	6.2%	7.5%	0.3%
UB European REIT	24.6%	4.7%	1.3%	0.0%	0.2%	0.3%
UB Finland	16.0%	10.9%	1.9%	6.7%	5.3%	0.3%
UB Fixed Income	14.3%	14.1%	4.0%	5.9%	5.4%	0.1%
UB Global	17.8%	15.6%	2.3%	15.4%	9.0%	0.4%
UB Global REIT	26.5%	13.8%	4.5%	5.4%	6.0%	0.2%
UB High Yield	17.3%	13.2%	4.0%	6.3%	6.0%	3.5%
UB Infra	21.8%	20.0%	9.2%	2.0%	11.8%	0.1%
UB North America REIT	23.0%	18.7%	6.7%	4.0%	8.6%	0.1%
UB Short-Term Bond	23.0%	15.2%	3.3%	5.5%	4.8%	0.1%
UB Smart	15.7%	17.9%	4.1%	6.4%	7.4%	0.4%
UB Timberland Global	20.4%	14.7%	2.9%	10.3%	8.1%	0.3%
Asilo Argo (non-UCITS)	15.3%	35.4%	4.1%	11.0%	7.6%	0.1%

Source: *Impact Cubed*

Stakeholder engagement

United Bankers' key stakeholders are clients, employees, shareholders, investors, public authorities, organisations and professional bodies, investees, partners and the media. Key stakeholders are defined as those whose views influence United Bankers' activities or who have a particular interest in the company and those who are particularly affected by United Bankers' activities.

An open and active dialogue with stakeholders provides a basis for understanding their views and needs, and helps United Bankers to identify which areas of its operations should be developed and how. It is also important to communicate with stakeholders concerning the company's goals, principles of operation and values, and changes in the business environment to build mutual understanding and trust.

During 2023, United Bankers sought to gauge its various stakeholders' opinions of the company. Client satisfaction and asset management service experience were studied through a survey by [Scandinavian Financial Research Ltd.](#) for institutional clients and with a customer satisfaction survey for retail and corporate clients. Continuous customer experience feedback is also collected on customer on-boarding and events, for example. In addition, the company surveyed its reputation and investor confidence by participating in the annual [Reputation&Trust survey](#). More information on the results of the survey can be found in the chapter Transparency and reliability as cornerstones of administration and communication. Personnel satisfaction and well-being are regularly surveyed, and a comprehensive annual employee survey is carried out with an external partner. In addition, United Bankers maintains an ongoing meaningful dialogue with its stakeholders (see Table 5).

Feedback from stakeholders is important to United Bankers, both for the development and for the monitoring of its operations. In particular, United Bankers' private bankers, portfolio managers, the ESG team and corporate communications actively interact with stakeholders and actively seek to answer questions on sustainability and provide advice on issues such as responsible investing or the company's operations. Feedback on sustainability from stakeholders is directed to the ESG team or the Sustainability Steering Group in order to improve performance based on the feedback.

Whistleblowing channel

Feedback is important for United Bankers in terms of developing operations and monitoring. In accordance with financial sector regulation and the UN Guiding Principles on Business and Human Rights (UNGP), investment firms within the United Bankers Group have an appropriate whistleblowing channel in place, allowing Group employees and external parties to report suspected breaches of financial market rules and regulations and violations of human rights. The purpose of using the whistleblowing channel is to strengthen compliance with good governance and legislation and respect of human rights in the organisation's activities. In addition, the whistleblowing channel helps reveal misconduct and increases the transparency of the organisation. The whistleblowing channel is primarily intended for reporting suspected breaches of financial market rules and regulations and violations of human rights, but at United Bankers it can also be used more widely to report misconduct and other malpractice or accountability concerns.

All reports made through the channel are treated in strict confidence. At the United Bankers Group, it is also possible to submit a report completely anonymously using an electronic form. If the processing of a report reveals that a breach of provisions or regulations has occurred, corrective action will be taken as soon as possible. The nature of the corrective measures depends on the type of issue at stake. Through the channel, persons submitting reports can also engage in a completely anonymous exchange of messages with United Bankers about their report and provide feedback on the functioning of the whistleblowing channel.

The volume of whistleblowing reports filed through the whistleblowing channel and the subjects of the reports are reported annually to the Board of Directors. To improve the performance of the channel, United Bankers monitors the percentage of successfully processed reports, the time taken to process them and feedback from stakeholders on the performance of the whistleblowing channel. In 2023, one report on a personnel-related matter was received through the whistleblowing channel. The matter has been dealt with in accordance with internal processes.

TABLE 5: UNITED BANKERS STRIVES TO MAINTAIN MEANINGFUL STAKEHOLDER DIALOGUE IN ALL AREAS OF THE COMPANY'S OPERATIONS AS DESCRIBED IN THE TABLE.

Stakeholder group and expectations	Channels	Activities in 2023
Clients <ul style="list-style-type: none"> Competitive and sustainable products and services Taking account of individual objectives and personalised service High level of expertise in services Trustworthiness and data protection Service channels and access to information needed Responsible behaviour 	<ul style="list-style-type: none"> Customer feedback Website and social media channels Customer meetings, events and webinars Emails, newsletters and calls 	<ul style="list-style-type: none"> Information on funds and asset management strategies in accordance with the Sustainable Finance Disclosure Regulation Developing internal processes to improve efficiency and customer service Commissioning SFR surveys of institutional investors Conducting customer satisfaction survey for private clients Organising webinars and customer events Opening the whistleblowing channel to the public
Employees <ul style="list-style-type: none"> Fair treatment and open communication Job stability and competitive salary Opportunities for professional development Health and well-being at work 	<ul style="list-style-type: none"> Intranet and HR system Occupational health care Development discussions and training sessions Personnel survey and other internal surveys Staff meetings Personnel magazine UB:Iainen 	<ul style="list-style-type: none"> Developing employees' skills Increasing training of managers and developing interaction Conducting employee surveys Using employee surveys to develop operations Improving the recruitment process
Shareholders and investors <ul style="list-style-type: none"> Creating long-term value Performance development Favourable share price performance and good dividend yield Solvency Responsible behaviour 	<ul style="list-style-type: none"> Financial statements, biannual reports, annual report Corporate Governance Statement Remuneration policy and report Stock exchange and press releases Annual General Meeting, investor, and portfolio manager meetings Website 	<ul style="list-style-type: none"> Long-term business development to achieve stable profit performance Attending several investor events Taking economic, social and environmental responsibility into account in operations Continuing implementation of the growth strategy Participating in the Reputation&Trust survey
Authorities <ul style="list-style-type: none"> Compliance with regulations Integrating sustainable finance regulation into business Open, transparent, and reliable reporting Continuous dialogue 	<ul style="list-style-type: none"> Communication by telephone and electronically Participation in events and training Meetings with the authorities 	<ul style="list-style-type: none"> Developing business operations to meet changes in the operating environment, taking into account legislation and regulation Open communication and continuous dialogue
NGOs and expert organisations <ul style="list-style-type: none"> Cooperation on sustainability issues Responsible behaviour Continuous dialogue and exchange of information 	<ul style="list-style-type: none"> Website Contact by telephone and electronically Participation in meetings and training 	<ul style="list-style-type: none"> Participating in the activities of industry associations such as FINSIF, the Finnish Venture Capital Association, Finance Finland

United Bankers' stakeholders also include the following organisations and associations, with which the company actively cooperates:

- Finland's Sustainable Investment Forum (FINSIF ry)
- Finance Finland
- Finnish Venture Capital Association
- European Public Real Estate Association (EPRA)
- Global Listed Infrastructure Organisation (GLIO)
- UN Principles for Responsible Investment (UN PRI)
- Carbon Disclosure Project (CDP)
- Task Force for Climate-Related Disclosures (TCFD)
- Montreal Carbon Pledge
- Finnish Forest Association
- Science Based Targets initiative (SBTi)

Pursuing climate-resilient growth

Targets and achievements 2023:

- United Bankers published its climate roadmap and committed to setting climate targets under the Science Based Targets initiative (SBTi).
- The carbon footprint of United Bankers' investment products decreased by 7 per cent and the company's total net emissions halved year-on-year.



In 2023, it was a year of climate action, both globally and at United Bankers. Global climate targets and the work to mitigate climate change took a major step forward in December in Dubai, when the nations at the COP28 UN Climate Change Conference reached an agreement to transition away from fossil fuels. This is essential to ensure that it is still possible to achieve the key goal of global climate action – net zero emissions by 2050.

The objective of United Bankers' investment and wealth management activities is to attain the best possible return in a sustainable manner, both over the long- and short-term at the individual risk category selected by each client. The strong climate action of United Bankers' own business operations and investments support and safeguard long-term value creation. As a wealth manager, United Bankers' investment products are linked to all sectors of the economy and to global value chains.

The vast majority of the environmental and social impacts of United Bankers' operations take place through its investments. The only way to reduce climate risks and mitigate climate change is to bring about changes in the real economy. Therefore, the company wants to promote the achievement of real emissions reductions by offering its clients a selection of products that enable them to invest in carbon sequestration and the green transition. United Bankers believes that offering such investment opportunities is the key to increasing wealth sustainably.

The company is pursuing climate-resilient growth and seeks to implement its growth strategy while operating in line with international long-term climate targets. Over recent years, United Bankers has been focusing strongly on advancing its sustainability work. As part of this work, the company published its [Climate Roadmap](#) in October 2023. In line with this the company committed, as one of the first in the Finnish financial sector, to setting climate targets according to the [Science Based Targets initiative \(SBTi\)](#). The climate roadmap has been drawn up for the period 2023–2050.

United Bankers aims to exert positive influence on reducing the carbon footprint of its investments. The company's target is to invest in low-carbon and carbon sequestration solutions and to increase the carbon sequestration of its investments to exceed the greenhouse gas emissions of its investments by 2030. The company is also working on reducing the carbon footprint of its own operations. Over the longer term, the target is to achieve net zero emissions and net negativity by 2040–2050 at the latest. These actions aim to ensure that United Bankers' operations are in line with the goals of the Paris Agreement and that the company achieves its long-term Net Zero targets by 2040–2050 at the latest.

TARGET 1:

United Bankers is setting science-based climate targets for its activities, in line with the Science Based Targets initiative.

TARGET 2:

The carbon sequestration of United Bankers' investment portfolios will exceed the greenhouse gas emissions of investments by 2030.

United Bankers' climate roadmap 2023–2050 BUILDING WEALTH IN A RESPONSIBLE WAY			
2023	2023–2025	Interim targets 2025–2030	2040–2050
<p>Commitment to setting interim short-term (2030) and a long-term Net Zero climate targets in accordance with the SBTi initiative</p> <p>Commitment to reducing greenhouse gas emissions from investments and increasing carbon sequestration so that the investments' carbon sequestration exceeds emissions by 2030.</p>	<p>Setting climate targets according to the SBTi. The targets apply to both United Bankers' own activities and investments (scope 1, scope 2 and scope 3).</p> <p>Preparation of detailed climate roadmaps for UB's funds and business areas</p>	<p>We grow the company's business in line with United Bankers' growth strategy and achieve the interim goals set for climate action under the SBTi.</p> <p>Carbon sequestration of our investments will exceed greenhouse gas emissions from our investments by 2030</p>	<p>Achieving UB's long-term Net Zero target</p>

In the coming years, United Bankers will focus, in line with its climate roadmap, on setting SBTi targets and developing asset class specific action plans and developing its business in line with the interim targets set for climate action in accordance with the SBTi. In addition to the reduction of greenhouse gas emissions, United Bankers also wants to take the carbon sequestration of its forest funds in particular into account in its climate targets. Other key climate actions included in the climate roadmap include, among other things, integrating climate work into the organisation's remuneration models, developing analysis and management of climate

risks, and increasing the amount of internal training on climate change.

The climate roadmap that was published in autumn 2023 is part of the continuum of United Bankers' climate action. United Bankers' carbon footprint was calculated for the first time in 2022 using 2021 data. The calculation was carried out according to the international GHG Protocol standard and the methodology developed by the Partnership for Carbon Accounting Financials (PCAF) for the financial industry.

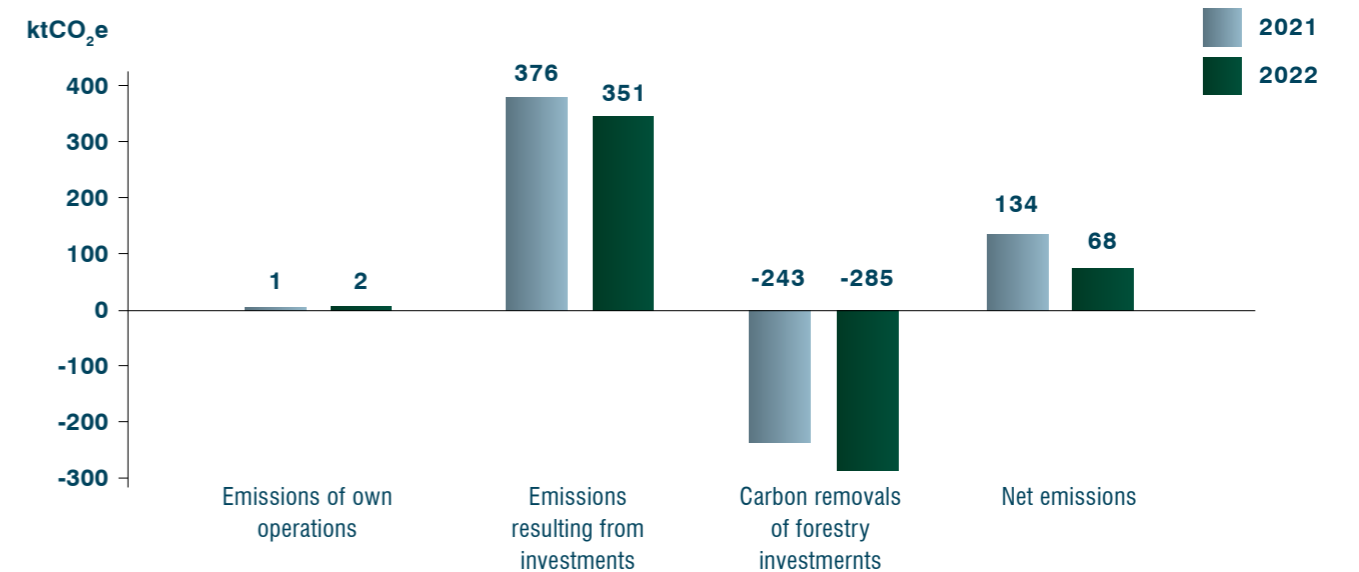
Emissions from United Bankers' investments decreased by 7 per cent

United Bankers wants to take its responsibility in the mitigation of climate change and offer its clients climate-friendly solutions. Information on carbon emissions is key in planning and focusing climate action. Since 2021, the development of United Bankers' carbon footprint has been monitored according to the international GHG Protocol standard and the methodology developed by the

Partnership for Carbon Accounting Financials (PCAF) for the financial industry. **In 2022, emissions from United Bankers' investments decreased by 7 per cent from 2021. In addition, net emissions for United Bankers as a whole halved compared to the previous year.** In 2022, United Bankers' carbon footprint was 353 ktCO₂e (Scope 1–3) and carbon intensity in relation to revenue was 31 tCO₂e/MEUR (Scope 1–2) and 7,268 tCO₂e/MEUR (Scope 1–3). The vast majority of the carbon footprint (99.6%) was made up of the carbon footprint of the investments in United Bankers' products.

FIGURE 3:
UNITED BANKERS' CARBON EMISSIONS AND CARBON REMOVALS IN FORESTRY INVESTMENTS (2021–2022)

In addition to generating greenhouse gas emissions, the forest investments of United Bankers' investment portfolio also sequester carbon.



UNITED BANKERS' KEY CLIMATE ACTIONS OVER THE YEARS FROM 2012

2012	2019	2020	2021	2022	2023
<ul style="list-style-type: none"> Signing of the UN PRI 	<ul style="list-style-type: none"> UB's general climate targets incorporated into the Principles for Responsible Investment 	<ul style="list-style-type: none"> Montreal Carbon Pledge UB support to the CDP initiative starts 	<ul style="list-style-type: none"> Commitment to reporting climate risks in line with TCFD Calculation of forest funds' carbon balances starts 	<ul style="list-style-type: none"> Calculation of United Bankers carbon footprint according to PCAF accounting standard Climate risks included in annual reporting and sustainability reporting Tightening of the criteria for climate-based exclusions in investments Carbon neutrality target set for property funds (2035 carbon neutral for use-phase energy) 	<ul style="list-style-type: none"> Renewed ESG reporting for Article 8 funds and asset management, including metrics for carbon risk and carbon intensity United Bankers' climate roadmap 2023–2050

**TABLE 6:
UNITED BANKERS' CARBON FOOTPRINT**

Emissions source	Emissions 2022 (tCO ₂ e)	Emissions 2023 (tCO ₂ e)
Scope 1	0.0	0.0
Scope 2 (Market-based)	33.7	36.9
Scope 3: Category 15 (Investments within United Bankers products)	351 426.5	Available Q4 2024
Scope 3: Others	1 482.1	1 490.1
Total	352 942.3	Available Q4 2024

The calculation includes United Bankers' funds as well as discretionary asset management investment portfolios, where United Bankers makes the investment decisions on behalf of the client. All (Scope 1–3) emissions are included in the calculation.

In 2022, the total carbon footprint of the investments included in United Bankers' products was 351 ktCO₂e (Scope 3, Category 15) and the weighted carbon intensity (WACI, S1+S2+S3) was approximately 192 tCO₂e per million euros invested. Though the investments made through United Bankers' products and services produce emissions, the product range also includes forest funds that sequester carbon. When both the carbon emissions and carbon sequestration of investments were taken into account, United Bankers' net carbon emissions amounted to 68 ktCO₂e in 2022.

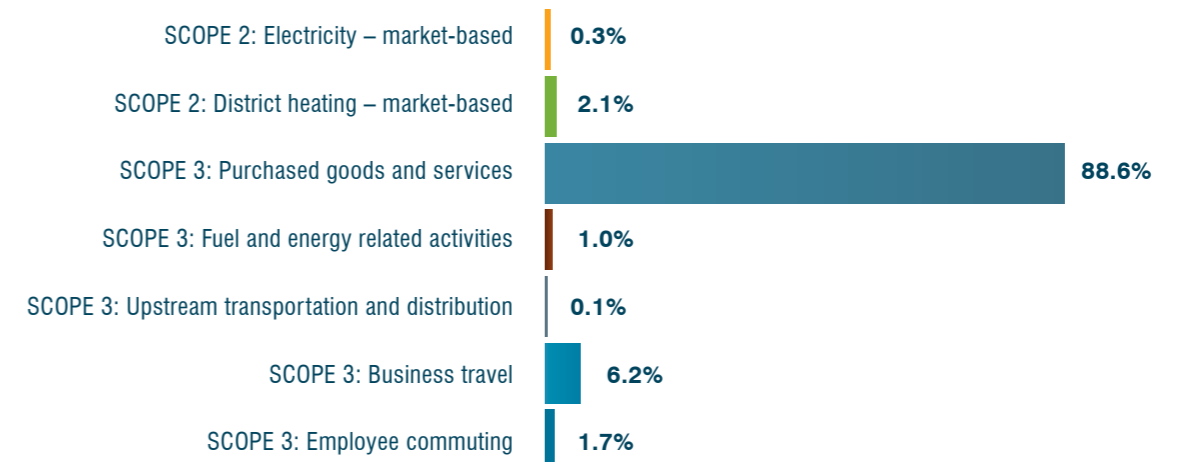
The emissions of United Bankers' investments are concentrated in funds that invest in more emissions-intensive sectors, such as infrastructure, fixed income and equity funds, with a large exposure to basic industries, transportation and aviation sector companies. Significant climate work by investments in these sectors takes time, as new technologies and investments, for example, are needed to reduce emissions. Among the investments, there are also sectors with significantly low emissions, such as forest investments, which account for 3 per cent of total emissions of

investments, even though they represent more than 30 per cent of the assets under management (AUM) included in the carbon calculation. Emissions from the real estate sector are also relatively low, with real estate accounting for 29 per cent of assets under management¹, but only 6 per cent of emissions. In line with SBTi's recommendations, United Bankers aims to promote the green transition through its investments and product range, and to encourage its investees to reduce their emissions and set science-based climate targets for their operations.

Excluding United Bankers' investment products, the carbon footprint of the Group's other activities, such as maintenance of offices and business travel, totalled 1.5 ktCO₂e in 2023 (2022: 1.5 ktCO₂e), which is an increase of only 1 per cent compared to 2022. The Group's travel expenses fell by around a third compared to 2022, but the increase in the amount of business travel and the number of people working at the office after the pandemic increased emissions from business travel, commuting and purchasing activities.

¹Based on current calculation standards, emissions from the real estate sector include the energy consumption of buildings during operation, but not the carbon emissions during construction or the embodied carbon. The operating model of United Bankers' real estate funds focuses mainly on renting real estate rather than new construction.

**FIGURE 4:
UNITED BANKERS' CARBON FOOTPRINT (EXCL. INVESTMENTS), KTCO₂E (2023)**



Energy consumption

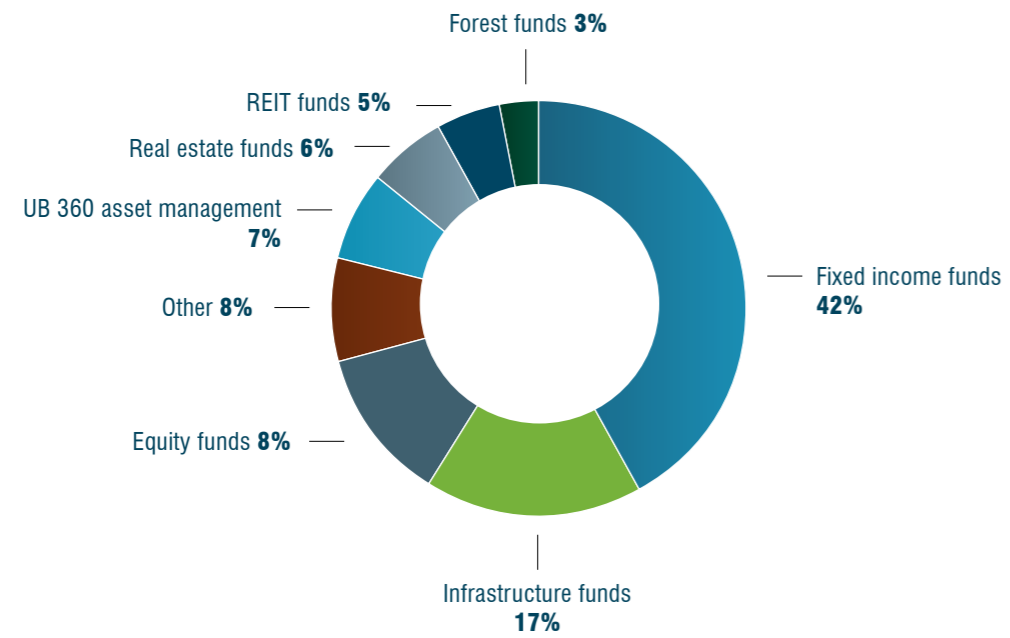
In 2023, the energy consumption of United Bankers' office premises was approximately 268 MWh, of which electricity consumption was approximately 153 MWh (57.1%) and heat and cooling consumption was approximately 115 MWh (42.9%). Total energy consumption decreased by about 5.7 per cent from 2022. The calculation is based on data from energy companies, and data from Statistics Finland, Motiva and Energiföretag on the average heat consumption of offices.

The electricity used in United Bankers' office buildings in Helsinki and Tampere is produced with 100 per cent renewable energy – with hydroelectricity in Helsinki and wind power in Tampere. The district cooling used in the offices is also produced entirely with renewable energy.

**TABLE 7:
ENERGY CONSUMPTION OF UNITED BANKERS' OFFICE BUILDINGS (2021-2023)**

MWh	2021	2022	2023
Electricity consumption	156.8	165.9	153.1
Consumption of district heating and district cooling	118.5	118.5	115.1
Total energy consumption	275.3	284.4	268.2
Change from previous year (%)	N/A	3.3%	-5.7%

**FIGURE 5:
BREAKDOWN OF UNITED BANKERS INVESTMENTS' (UB FUNDS,
UB 360 ASSET MANAGEMENT AND PRIVATE INVESTMENT OFFICE)
EMISSIONS BY INVESTMENT TYPE (2022)**



Towards the green transition with investments

Targets and achievements 2023:

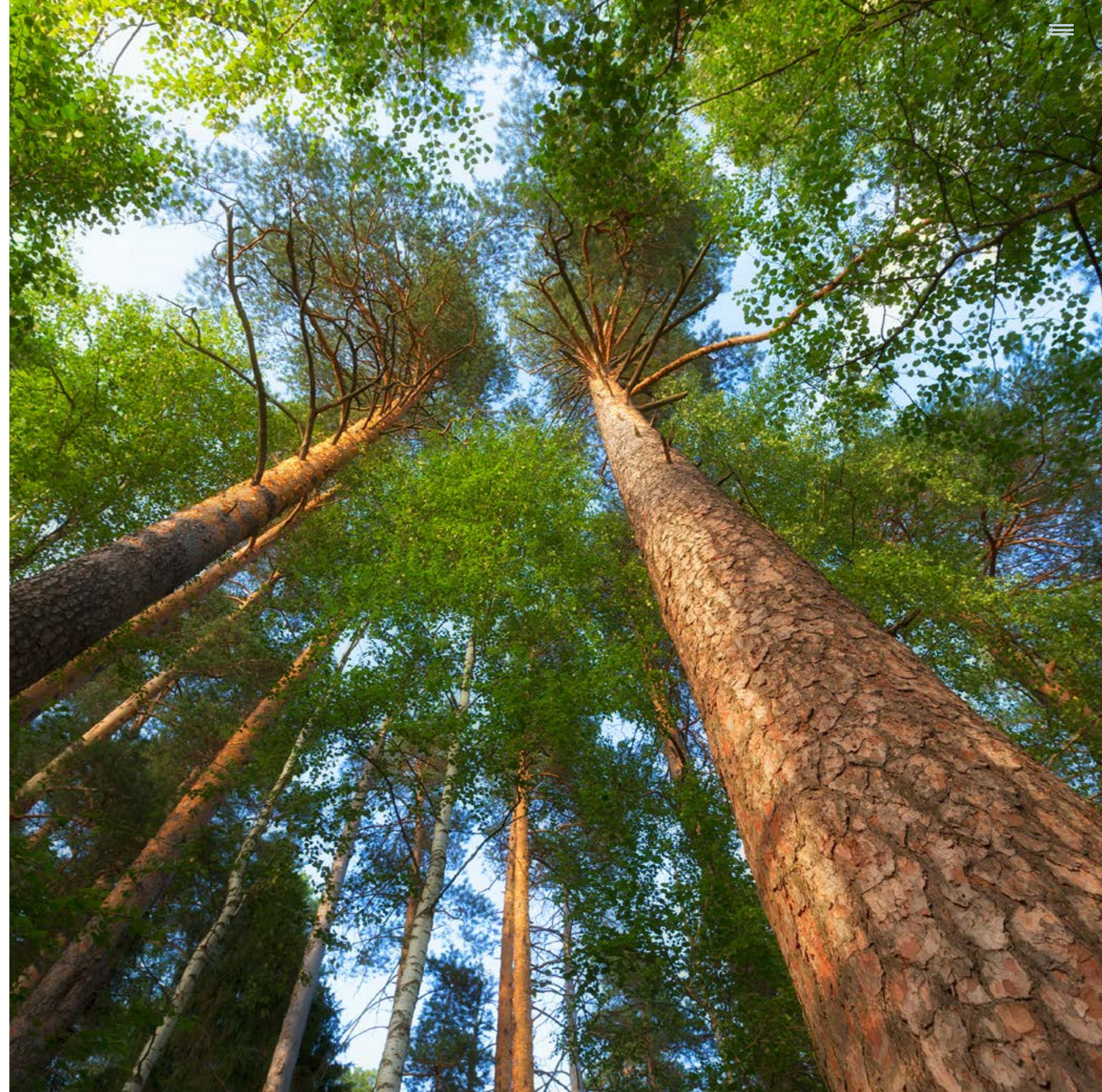
- UB Forest Industry Green Growth Fund I LP, a private equity fund investing in sustainable and resource-efficient forest and bio-based industries, launched investment activities
- UB Renewable Energy Fund, a new fund focusing on investment in wind and solar power plants was launched
- United Bankers expanded its selection of forest funds and launched UB Nordic Forest Fund IV, a new fund investing in forests in the Baltic sea rim countries
- According to the results of the UN PRI's assessment, very good progress was made in sustainability work
- Responsibility of investments promoted through active ownership (ISS Proxy Voting)

Over the long-term in all its operations, United Bankers aims to reduce the negative impacts of its investments, increase the positive impact of its investments on the environment, society, and good governance, and promote sustainable practices. In its operations, United Bankers seeks to promote the achievement of the UN Sustainable Development Goals.

United Bankers aims to promote the goals of sustainable development by offering its clients investment products that contribute to achieving these. A significant part of the company's impact on society and the environment is realised through the investment products and services it offers. The positive impact of investments is generated by what the investees do and by how responsible and sustainable their operations are. United Bankers aims to promote the responsibility of investments by, among other things, taking into account sustainability risks and the impact of operations on the environment and society in its investment decisions. Currently, some of United Bankers' products have the aim of promoting certain sustainable development goals. Some of the products do not have an actual promotion goal in the product's investment strategy, but, where possible, information is available on how the product promotes different aspects of sustainable development.

United Bankers' diverse range of funds focusing on real assets mean that clients have a choice of a variety of solutions that are distinctive from mainstream offerings. The offering also includes investment products from carefully selected partners. In the selection of investees, all United Bankers' funds and UB 360 asset management solutions take into account the key sustainability risks of each industry and the key factors related to climate change mitigation and the changes this will bring. This is to ensure that the investments will continue to thrive in a world of green transition.

Climate change and the green transition are also creating challenges for the wealth management industry. As financial sector companies are able to steer the investments and financing that they manage, it means they have an outsized impact on addressing global environmental challenges. United Bankers aims to offer its clients opportunities to influence future developments and, at the same time, to increase their wealth with the help of the opportunities offered by the green transition. In particular, United Bankers' alternative investment funds and real asset funds offer the opportunity to invest in building a sustainable society, in renewable energy and in sustainable growth and innovation. Offering and developing a sustainable and responsible product range that is resilient to different business cycles is at the heart of United Bankers' business and growth strategy.



In 2023, United Bankers continued to focus its product range on green investment products. United Bankers' selection of 25 funds now only includes light green funds under Article 8 of the SFDR, and dark green funds under Article 9 of the SFDR, according to the classification under the EU Sustainable Finance Disclosure Regulation (SFDR). Twenty of the funds are light green under Article 8 of the SFDR, and promote sustainability factors among other characteristics. Five are dark green funds under Article 9 of the SFDR that make sustainable investments in forests and renewable energy.

An excellent example of the development of the product selection in 2023 is the renewable energy fund launched by the company. The primary investment targets of the UB Renewable Energy Fund, which utilises the growth opportunities created by the energy sector green transition, are wind and solar power plants, but it can also invest in energy infrastructure and storage and the hydrogen industry. The fund offers investors the opportunity to benefit from the energy sector's transition towards fossil-free energy production and the value creation that this will bring. UB Renewable Energy Fund is an Article 9 fund under SFDR and its assets are invested in sustainable investments that have a climate target.

In summer 2023, United Bankers expanded its forest fund offering by establishing the new UB Nordic Forest Fund IV, which aims to advance climate change mitigation through sustainable forestry by investing in forests in the Baltic Sea rim countries. Forests sequester carbon dioxide from the atmosphere and play a key role in achieving the climate targets of the Paris Agreement to reduce greenhouse gas emissions. It is an Article 9 fund under the SFDR, which aims to mitigate climate change.

The UB Forest Industry Green Growth Fund I, which was also launched in 2022 and started investing in 2023, also strengthens United Bankers' product range by focusing on innovation and green transition opportunities in the forest and bio-based industries. The fund invests in companies focusing on replacing materials based on plastics and other fossil-based materials, on increasing the added value and more efficient use of forest industry and agricultural raw material side streams, and on expanding the use of these raw materials in various intermediate and end-use applications. Through its investments, the fund is involved in helping the forest and bio-based industries to create solutions to mitigate climate change. The fund is committed to the international [Operating Principles for Impact Management \(OPIM\)](#) and reports on the environmental and climate impact of its investment activities.

FORESTRY AND FOREST INDUSTRY FUNDS						
UB Forest Industry Green Growth Fund SFDR 8	UB Timberland Global Fund SFDR 8	UB Nordic Forest Fund II SFDR 9	UB Nordic Forest Fund III SFDR 9	UB Nordic Forest Fund IV SFDR 9	UB Timberland Fund SFDR 9	
REAL ESTATE FUNDS		REAL ESTATE EQUITY FUNDS				
UB Nordic Property SFDR 8	UB Finnish Properties SFDR 8	UB Asia REIT Plus SFDR 8	UB European REIT SFDR 8	UB Global REIT SFDR 8	UB North America REIT SFDR 8	
INFRASTRUCTURE FUNDS			REGIONAL EQUITY FUNDS			
UB EM Infra SFDR 8	UB Infra SFDR 8	UB Renewable Energy Fund SFDR 9	UB Finland SFDR 8	UB Europe AI SFDR 8	UB American Equity SFDR 8	
FIXED INCOME FUNDS			OTHER FUNDS			
UB High Yield SFDR 8	UB Fixed Income Plus SFDR 8	UB Short-Term Bond Fund SFDR 8	UB Smart SFDR 8	UB Global SFDR 8	Asilo Argo SFDR 8	UB Corporate Lending Fund SFDR 8

The asset management strategies of the UB 360 asset management model (excl. bonds) are also light green investment products under Article 8 of the SFDR, which promote environmental and social characteristics. The UB 360 asset management model enables clients to increase their sustainability weighting according to their wishes by selecting the funds of their choice around their core portfolio. United Bankers' personalised wealth management solutions also offer the possibility to select environmentally and socially responsible investments as well as sustainable investments according to the client's preferences.

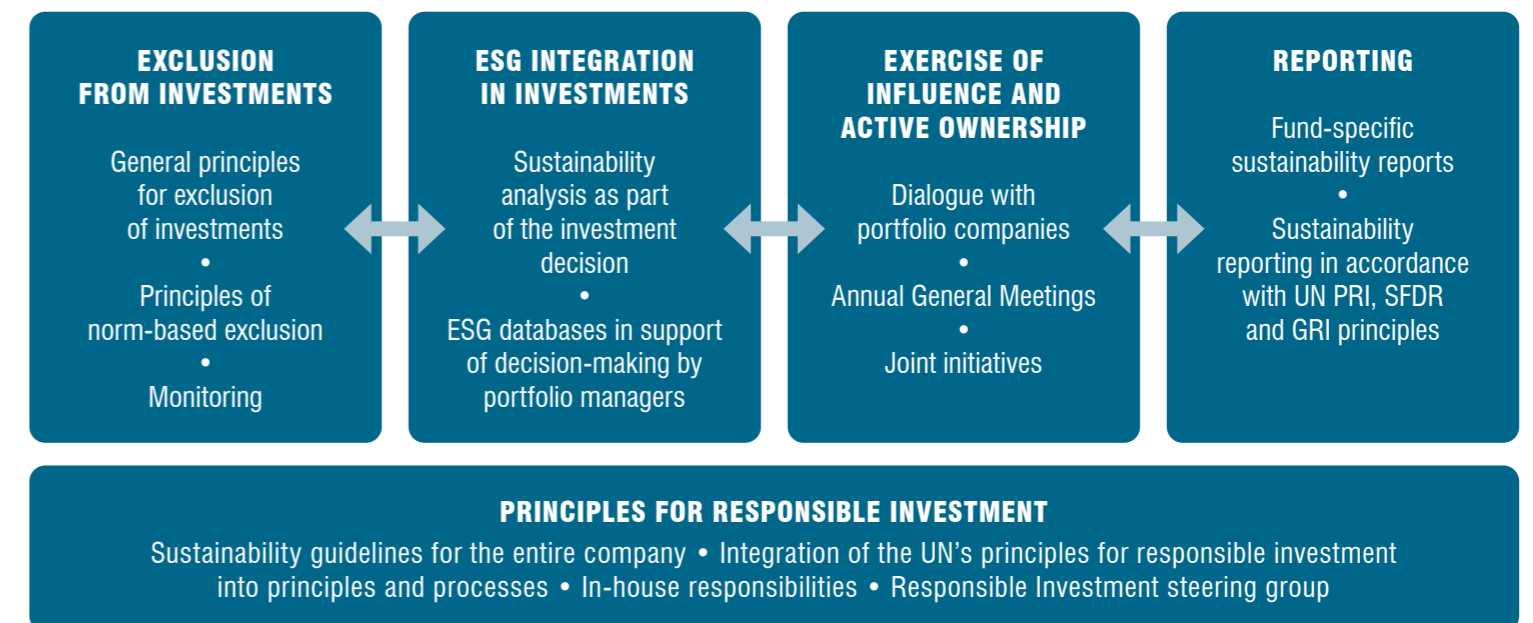
Responsible investing

A responsible investor takes environmental, social and governance issues into account in investment activities. Responsible investment is at the heart of United Bankers' products and services. At United Bankers, we believe that considering sustainability issues alongside financial key figures improves our understanding of the investment and the risks and opportunities associated with

it. Consideration of these issues is also expected to improve the potential for investment returns.

United Bankers wants to offer its clients the opportunity to make sustainable and profitable investments and increase their wealth sustainably. The objective of investing is to achieve the best possible return at the risk level chosen by clients in a sustainable manner, both in the long and short term. As part of achieving this objective, investment decisions take into account how environmental and social responsibility and good governance are implemented in the investments.

At United Bankers, the consideration of sustainability, in other words, environmental, social and governance (ESG) issues, is an essential part of our investment and portfolio management activities as well as the design and development of our products and services. United Bankers' Principles for Responsible Investment guide the investment activities of the entire Group. They define the company's responsible investing policies.





COMPLIANCE WITH THE UN PRINCIPLES FOR RESPONSIBLE INVESTMENT IN INTERNATIONAL COMPARISON

United Bankers signed the [UN Principles for Responsible Investment \(UN PRI\)](#) in 2012. In line with these principles, United Bankers, promotes sustainability objectives as an active owner of its investments, develops appropriate reporting on sustainability issues, and has integrated sustainability analysis into its investment processes. Responsible investment activities are reported annually to the UN PRI.

Each year, the UN PRI scores organisations that have signed up to the Principles on how they practice responsible investment and improve their responsible investment practices. In 2022, the assessment was carried out based on the UN PRI's reference framework that was revised in 2022, so it is not possible to compare the results with previous years.

In 2023, United Bankers achieved excellent results in the areas of responsible investment that are significant for the company. United Bankers received excellent scores in the sections on principles for responsible investment, governance and strategy, and verification procedures, scoring 4/5 stars in each of these sections. In addition, the UN PRI scores responsible investment practices in various asset classes. The scoring and comparison is based only on the volume of the organisations' business (assets under management) for the most significant investment activities, so some asset classes are excluded from the scoring due to the small proportion of assets under management. United Bankers received a full 5/5 stars across all scored asset classes. United Bankers' public UN PRI reports are also available on the organisation's [website](#).

POLICY GOVERNANCE AND STRATEGY	★★★★✦
DIRECT - LISTED EQUITY - ACTIVE QUANTITATIVE	★★★★★
DIRECT - LISTED EQUITY - ACTIVE FUNDAMENTAL	★★★★★
DIRECT - REAL ESTATE	★★★★★
CONFIDENCE BUILDING MEASURES	★★★★✦





ESG INTEGRATION IN INVESTMENTS

The sustainability aspects of investments are analysed as part of investment decisions. Portfolio managers have access to ESG databases provided by Sustainalytics, Morningstar and Bloomberg. ESG databases provide portfolio managers with easy access to corporate responsibility information when making equity and fixed income investments. For example, portfolio managers can search for companies' sustainability scores (ESG score), sustainability risk information, information on the share of revenue generated by controversial activities, potential ESG violations, information on companies' carbon risks and emission reduction targets, and information on the main adverse impacts.

An investment-specific ESG analysis is part of all investments, including alternative funds. In these funds, ESG analysis and value creation are an integral part of the investment process and ESG analysis is integrated into the due diligence and investment processes and portfolio management of each fund. Approaches and data sources vary across asset classes and funds.



ENGAGEMENT AND ACTIVE OWNERSHIP

As an owner and investor, United Bankers seeks to promote the sustainability aspects of its investments by paying attention to environmental, social and governance issues. The aim is to promote the development of the investees' sustainability in line with the principles of sustainable investing, climate principles and international best practices. The general guidelines on engagement are defined in the Ownership Policy of the Funds Managed by UB Asset Management Ltd and UB Fund Management Company Ltd. In particular, United Bankers focuses its engagement activities on the following issues:

- Specific issues such as climate change, human rights, energy efficiency, good governance, biodiversity and water bodies
- Breaches of norms and standards
- Investment-specific issues

The tools used by United Bankers include using voting rights at shareholder meetings through the ISS Proxy Voting service or participation in person, direct corporate engagement, participation in investor co-engagement, stakeholder engagement and public discourse.

United Bankers' fund offering focuses on funds investing in real assets. For example, in funds investing in Finnish and other Nordic real estate and forest funds, United Bankers is an active owner and promotes the sustainability of these investments with its partners through concrete actions in the direct management and administration of the funds' investments.

If United Bankers detects a violation of the principles of the UN Global Compact by a company in which it invests, the situation is analysed with the portfolio manager and discussed by the Sustainability Steering Group, which decides on further action. There are two options for further action: to initiate corrective action or to exclude the investee. The objective of the engagement measures is to change companies' procedures towards more responsible behaviour. For more information on United Bankers' human rights policies and processes, see the section on The UN's Guiding Principles on Business and Human Rights (UNGPR).



EXCLUSION

Exclusion is one of the most concrete ways of implementing responsible investing. United Bankers will not invest or will exit from investments that it does not consider to be responsible. United Bankers has excluded certain industries from its investments on ethical grounds. During 2023, the revenue thresholds for exclusion were refined and a policy supporting the company's climate targets for investments in the oil and gas industry and a general policy for investments in the defence industry were added to the exclusion list.

Investment activities have a general exclusion list for all investments (excl. index-based products):

- Companies involved in the manufacture and sale of controversial weapons (landmines, cluster bombs, depleted uranium, biological and chemical weapons) and companies involved in the development and production of nuclear weapons.
- Tobacco, thermal coal production, weapons (except defence industry), gambling and adult entertainment. The revenue threshold is 5 per cent of revenue.

A company that violates the UN Global Compact principles may be excluded from investment by a decision of the Sustainability Steering Group. The Sustainability Steering Group can either take action to remedy the situation or exclude the investment.

In addition, United Bankers avoids investing in companies that generate 25 per cent or more of their revenue from the use of coal in energy production or from oil sands. United Bankers may waive this exclusion if the company has a clear plan to change its operations.

United Bankers will only make investments in the oil and gas industry if they pass a rigorous ESG analysis for the specific investment target, which takes into account, among other things, the investment target's climate goals and activities to promote the green transition.



REPORTING

United Bankers' responsible investing is based on openness and transparency. Sustainability reporting consists of the Group's Sustainability Reports, as well as product-specific ESG reports that are published regularly.

From the beginning of 2023, United Bankers has published more comprehensive public ESG reports for all its equity and fixed income funds and UB 360 asset management (excl. UB 360 bonds), which allows anyone to monitor the sustainability of these investments. The ESG reports show, for example, the development of the investments' sustainability risks, the development of ESG ratings, Global Compact violations, carbon intensity and carbon risk as well as company-specific ESG data for the fifteen largest holdings.

In 2023, the sustainability reports published annually by alternative investment funds were expanded to cover a larger number of sustainability indicators. They also provide information on each fund's investment methodology and performance in terms of sustainability



PROMOTING SUSTAINABILITY THROUGH ACTIVE OWNERSHIP

Investors play a key role in promoting sustainability, as funding and capital flows drive companies to act more sustainably. United Bankers promotes the sustainability development of its funds' investments internationally, both by voting at their AGMs and by participating in collaborative engagement initiatives with other investors.

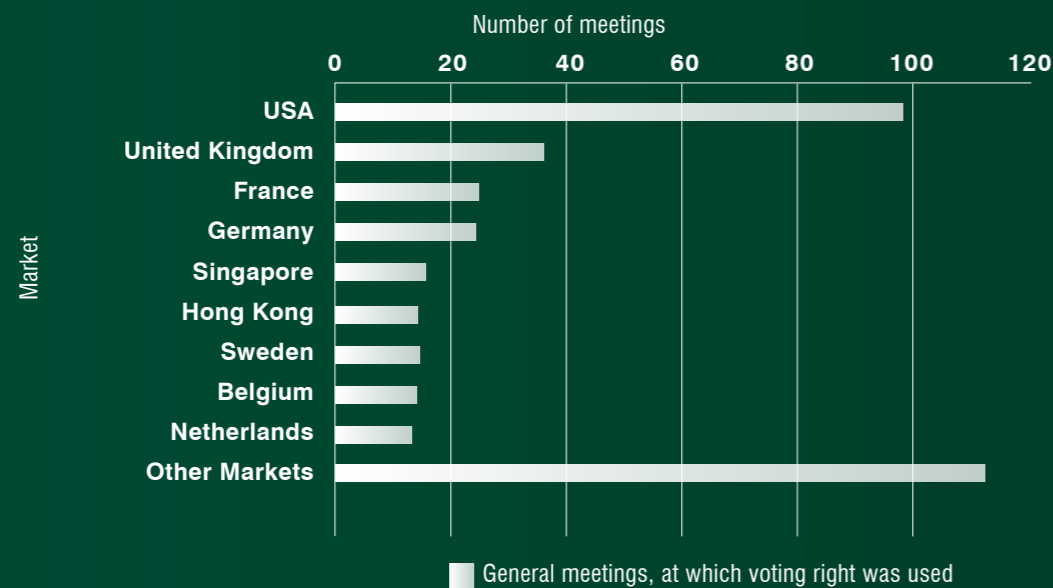
Investor's voice is heard at general meetings

As of 2021, United Bankers' daily valued equity funds have been using the [Proxy Voting](#) service provided by ISS ESG, an Institutional Shareholder Services Inc. company. Through this service, United Bankers votes at the AGMs of its portfolio companies around the

world. United Bankers uses proxy voting to promote sustainability-related issues such as transparency, equality, climate change mitigation and setting climate targets in its portfolio companies.

Proxy voting experts analyse the companies in the United Bankers funds' portfolios and AGM materials and, based on this analysis, prepare voting decisions that promote sustainability and comply with the principles of the International Sustainability Proxy Voting Guidelines. United Bankers' portfolio managers can choose to amend the pre-formulated decisions or allow the voting to proceed according to the draft voting decisions. The service is available for investment objects domiciled outside of Finland. In 2023, United Bankers' funds exercised their voting rights through ISS Proxy Voting at a total of 380 AGMs. The majority of the votes focused on the North American and major European markets.

**FIGURE 6:
GENERAL MEETINGS VOTED BY MARKET**



UNITED BANKERS PROMOTES CLIMATE TARGETS AND BETTER ENVIRONMENTAL REPORTING IN THE CDP'S CAMPAIGNS

In 2023, United Bankers continued to support the CDP's [Science-Based Targets](#) climate initiative. The CDP campaign encourages companies to set emission reduction targets under the Science Based Targets initiative, which cover emissions across the company's entire value chain. These emission targets, aligned with the Paris Agreement, would limit the global average temperature increase to 1.5°C.

On behalf of United Bankers and other participating organisations, the CDP sent letters to more than 1,000 companies around the world. The companies targeted by the campaign are selected from a list compiled by the CDP and they are significant companies in terms of market value and greenhouse gas emissions. The group of companies targeted was heavily weighted towards Asia, the USA and Canada, as there is already a strong practice setting of climate targets in Europe. The companies generating high emissions targeted by the campaign have a combined market capitalisation of around USD 28 trillion and their combined scope 1 and scope 2 carbon emissions are 8.3 gigatonnes. This amount of emissions is equivalent to the combined annual emissions of the USA, Japan and the UK.

Of the companies targeted, 99 new companies joined the SBTi. The companies targeted by the campaign in 2023 in-

cluded JD.com, China's largest online retailer; Qantas, an Australian airline; BASF, the world's largest chemical company; Caterpillar, FedEx, General Electric and many more. Since the launch of the SBT campaign in 2020, CDP has successfully encouraged more than 470 influential companies to join the SBTi, either through approved targets or by committing to SBT targets.

United Bankers also continued its support for the [CDP's Non-disclosure campaign](#), which encourages companies to report their greenhouse gas emissions and the environmental impact of their operations in a transparent manner. The campaign is carried out in cooperation with financial market operators who are CDP signatories and its aim is to contact companies that have not responded to requests to publish information on their impacts and activities related to climate change mitigation, forests and/or water in the CDP surveys. The aim of the campaign is to increase the amount and transparency of environmental data reported by companies. In 2023, a record 23,000+ companies reported their environmental data through the CDP. Of these, over 5,800 companies disclosed important data specifically as a result of requests made by investors. In this way, the amount of data reported through the initiative increased by more than 15 per cent compared to the previous year.



Biodiversity

Protecting biodiversity is of paramount importance for United Bankers' operations. United Bankers aims to continuously increase its understanding of the impact of its activities on biodiversity and to contribute to finding ways to prevent biodiversity loss. Understanding the impacts and risks resulting from biodiversity loss on business is key to United Bankers' efforts to build a sustainable business.

The main impacts of United Bankers' activities on biodiversity arise through the investment products offered by the company. Methodologies for assessing the impact of investments on biodiversity and the related databases are currently undergoing continuous and rapid development worldwide. At United Bankers, we actively monitor the development of initiatives and practices related to biodiversity and seek to continuously improve operations on the basis of these.

The global ESG databases used to assess and monitor United Bankers' listed investments in 2023 contained only limited information on the impacts of the investments on biodiversity. So far, a comprehensive assessment of the direct and indirect impacts of the listed investments, such as habitat change and degradation and species loss, has therefore not been possible. The development of the databases will be actively monitored and the above-mentioned impacts will be assessed in the future where possible.

United Bankers' alternative investment funds include direct real estate funds investing in Finland and other Nordic countries. In 2023, the vast majority of these funds' investments were existing sites located in city or other urban areas with a land use plan. In the Nordic countries in particular, land use planning procedures have taken natural values into account for a long time, so the direct impacts, for example related to land use changes, of United Bankers' real estate fund investments on biodiversity are assessed to be relatively low. The indirect impacts of real estate funds on biodiversity have not yet been assessed.

The impacts on nature of the renewable energy fund established in 2023 will be assessed separately for each investment, for example

in the environmental impact assessment processes for new wind power projects. The fund aims to compensate for the significant impacts on nature caused by its activities within the framework of the voluntary compensation laid down in Finland's new Nature Conservation Act (9/2023).

Investors benefit from diverse forests

The activities of United Bankers' forest funds are important from the perspective of biodiversity. Biodiversity is an essential requirement for the well-being and growth of forests, and therefore an important issue from the perspective of forest investors.

United Bankers' forest funds invest in sustainable forestry by investing directly or indirectly in forest property and/or forest industry companies' securities. The funds aim to contribute to climate change mitigation by sequestering atmospheric carbon dioxide in growing trees and forest soil. In 2023, through its funds, United Bankers became the third largest private forest owner in Finland. The total area of forests owned by the funds was 164,503 hectares, of which 145,589 hectares were in Finland and the rest in the Baltic countries. The UB Nordic Forest Fund IV, established in 2023, aims to promote biodiversity and sustainable forest management practices in the Baltic Sea region by increasing the area of private certified forest in its target countries, in addition to mitigating climate change.

United Bankers' funds' forest investments focus primarily on commercial forests, where forest management directly affects the forest habitat and its biodiversity in many ways. Biodiversity is a prerequisite for a forest's well-being. Together with partners responsible for the operational management of forest properties, United Bankers' forest fund team of forest managers and forestry experts continuously develops the funds' forest management from the perspectives of biodiversity, climate impact and economic viability. The impact and quality of forest management in United Bankers funds is monitored not only by the company itself, but also by external evaluators and authorities. The activities are developed through continuous evaluation, utilizing best practices in the forestry sector and conducting collaborative research projects with partners.

SECURING BIODIVERSITY IN UNITED BANKERS' FOREST FUNDS

Certification of forests with FSC and PEFC – third-party certified sustainable forest management in line with international best practices and stricter biodiversity protection measures than usual



Site-specific selection and planning of forest management methods – the most appropriate methods and commercial forests' nature management measures for each site

Promoting continuous cover growth on lush peatlands – positively influences biodiversity, promotes the water balance of peatlands and reduces leaching, increases the overall carbon balance of forests in Finland



Increasing proportion of deciduous trees – a longer-term goal is to double the proportion of deciduous trees in the Finnish forests owned by funds from the current level to a total of 20 per cent, in order to promote biodiversity and climate resilience of forests

Voluntary protection and restoration of particular natural value – Cooperation with the authorities and other parties to identify sites for the establishment of private protected areas in areas of particular natural value



United Bankers' forest funds work to safeguard biodiversity in practical forest management in a number of ways. The funds' forest management follows the principles of sustainable forest management. Sustainable forest management is ensured through certification, which is also profitable for investors due to, among other things, the demand for and price trends of certified wood. The aim of United Bankers' forest funds is for all forest properties in Finland to be PEFC and FSC certified. Outside Finland, the funds require at least one of the two certificates. The FSC certification is particularly important for biodiversity, as in Finland, for example, it requires that at least 5 per cent of the certified forest area is excluded from economic use in order to safeguard biodiversity.

In 2023, 100 per cent of the forests owned by United Bankers' forest funds in Finland were certified under the PEFC certificate and 78 per cent under the FSC certificate. Outside Finland, 43 per cent of the forest properties were certified with the FSC certificate and 90 per cent with the PEFC certificate. The level of certification of forests in United Bankers' funds is relatively high, as a total of approximately 90 per cent of all forests in Finland are certified with the PEFC certificate and only 10 per cent with the FSC certificate. The high level of certification serves to demonstrate that the forest management is economically, socially and ecologically sustainable. At its best, certification also means that forest biodiversity is taken into account in forest management to a greater extent than is required by national regulations.

Forest management planning is done in United Bankers funds on a site-by-site basis. Forest management takes into account, among other factors, protected and/or endangered species and valuable habitats, and the aim is to reduce the impact of forest management on these factors in accordance with criteria set by

**TABLE 8:
THREATENED SPECIES OBSERVED ON FOREST FUNDS' FOREST PROPERTIES IN FINLAND IN ACCORDANCE WITH THE INTERNATIONAL UNION FOR CONSERVATION OF NATURE (IUCN) CLASSIFICATION**

Critically endangered	11
Endangered	13
Vulnerable	94
Near threatened	111
Least concern	17

The Finnish Biodiversity Information Facility, 12 January 2024

regulations and certificates. Observations of endangered species in forests have a concrete impact on, for example, the choice of forest management methods and the potential protection of the area. Table 8 summarises the status of sightings of endangered species in the Finnish forests of United Bankers' forest funds, based on the Finnish Biodiversity Information Facility's database.

In forest ecology, in addition to individual species, large areas are important. United Bankers' forest funds have also set longer-term goals to double the proportion of deciduous trees in their Finnish forests from the current level to a total of 20 per cent. By increasing the proportion of deciduous trees it is possible to promote biodiversity, while at the same time the wood production capacity of forests increases and their climate resilience improves. Increasing the proportion of deciduous trees in forests requires long-term

**TABLE 9:
DEVELOPMENT OF THE HARDWOOD SHARE OF UNITED BANKERS FUNDS' FORESTS IN FINLAND**

	2020	2021	2022	2023
UB Timberland Fund (AIF)	12.3%	12.4%	12.5%	12.8%
UB Nordic Forest Fund II LP	9.1%	9.0%	12.3%	11.9%
UB Nordic Forest Fund III LP	11.1%	11.4%	14.9%	15.6%

**TABLE 10:
PROTECTED SITES FOR UNITED BANKERS FOREST FUNDS**

	Sites of strict protection, ha (FSC)	Sites subject to special treatment, ha (FSC)
Finland	4282	4282
Estonia	570	0
Latvia	0	0
Lithuania	175	0
Total	5027	4282

work, and UB's forest funds have made good progress towards this goal (table 9). The funds have also had a policy of promoting continuous cover forestry on lush peatlands. Continuous cover forestry can also have a positive impact on biodiversity. In addition, the water balance of peatlands remains in a better condition, reducing leaching into the environment and improving the overall carbon balance of forests.

In 2023, the combined protected area of United Bankers' forest funds was 9,309 hectares. Of this, approximately 5,027 hectares have been excluded from economic use in accordance with the protection requirements of FSC certification. The protected areas include different types of sites protected under various regulations and criteria, such as the Forestry Act, the old forest protection programme, Natura, the grove protection programme, peatland protection programmes, other private forest protection or, for example, due to various species occurrences. Depending on the protection criterion, the relevant body has defined the protection criteria and monitors the implementation of the protection measures and the achievement of any conservation objectives.

United Bankers' forest funds are actively investing in the establishment of private protected areas to safeguard biodiversity. United Bankers' forestry experts work with the authorities to identify sites for the establishment of private protected areas in areas of particular natural value. In the course of their activities, the funds have established a number of private protected areas, including under the METSO conservation programme, the Helmi action programme and Natura 2000. Through voluntary protection, the funds aim to safeguard sites of high biodiversity values.

Where possible, the establishment of protected areas will seek to favour sites that are linked to other existing protected areas, so

that it is possible for the protection to create significant ecological habitats. For example, in 2023, 1.4 km of United Bankers' protected areas bordered the Salamajärvi National Park.

In United Bankers' forest funds, the protected areas include different types of old-growth forests and rare and endangered species. In 2023, United Bankers' forest funds had a total of 760 hectares of private protected areas. The ELY Centres are involved in the establishment and monitoring of private protected areas.

Ecological restoration of forests became a topic of public discussion in recent years. In 2022, voluntary ecological restoration measures were taken to restore a stream (Tasonjoki-Siltajoki) on the land of a United Bankers forest fund in Puolanka and planning is currently being carried out to establish a private protected area in the affected area. Before the restoration, the stream had been degraded due to, among other things, the effects of forest drainage resulting from ditches that had been created decades earlier and the aim of the restoration is to return the area to its natural state. It will only be possible to evaluate the success and final impact of the restoration measures implemented after a longer period of time. A United Bankers' forest fund was involved, among other things, in a bog restoration project in Pudasjärvi in 2023 where the planning work was completed in the autumn. In addition, one of United Bankers' forest funds joined the water protection project for the Hälvänjoki river organised by the Pro Puruvesi association. The project involves the creation of a wetland on a waterlogged field area on the fund's forest property located in Savonlinna.

Biodiversity is an essential requirement for the well-being and growth of forests, and therefore an important issue from the perspective of forest investors.

**TABLE 11:
PRIVATE PROTECTED AREAS OF UNITED BANKERS' FOREST FUNDS, SITUATION 31.12.2023:**

County	Surface area, ha	Year established	Protected natural values
Kainuu	106.0	2021	Old rocky pine forest area, gorge
Tavastia Proper (Kanta-Häme)	11.4	2018	Old ridge forest area, bogs in natural state
Kainuu	71.3	2022	Natural bogs and streams
Northern Savonia (Pohjois-Savo)	0.1	2020	Deciduous coastal forest
Northern Savonia (Pohjois-Savo)	3.6	2020	Deciduous swamp zone, coastal forest
Central Finland (Keski-Suomi)	3.0	2022	Various types of swamp
Kainuu	33.0	2021	Old natural forest area, decaying wood
Kainuu	113.0	2021	Old pine forest and a natural swamp area
Central Ostrobothnia (Keski-Pohjanmaa)	320.7	2021	Natural forest area adjacent to the Salamajärvi National Park
Northern Ostrobothnia (Pohjois-Pohjanmaa)	57.0	2023	Natural swamp area
Northern Savonia (Pohjois-Savo)	4.7	2019	Mixed riverside forest
Kainuu	18.8	2022	Ancient natural spruce forest area, swamp
Northern Savonia (Pohjois-Savo)	15.0	2022	Old natural spruce forest area
Total	757.6		

METSO- AND HELMI-PROGRAMMES

METSO and Helmi are voluntary forest protection and restoration programmes for Finnish forest owners. Voluntary conservation safeguards forest habitats that are representative in terms of tree structure and species diversity. Through these programmes, the natural values of forests are protected and managed to ensure the conservation of biodiversity. The aim of the programme, which combines forest conservation and economic use, is to halt the decline of forest habitats and forest species and to establish a favourable trend in biodiversity.

Employees are our most important asset

Targets and achievements 2023:

- United Bankers receives Finland's Most Inspiring Workplaces 2023 award. The PeoplePower index, which measures personnel commitment, continued to develop in a positive direction
- Skills development targets were updated
- The incapacity for work percentage continued to fall and was at a very low level at 0.39 per cent (0.48% in 2022)
- Employer image was also at a good level, and according to the Reputation&Trust survey, it had improved on the previous year

A thriving and committed workforce is United Bankers' most important asset. Therefore, the company wants to focus on well-being at work, job satisfaction and offering meaningful work. An inspiring and fair workplace is created by a culture of open and solution-oriented discussion, adherence to common rules, a willingness to help, and the flexibility and possibility to influence matters created by a low hierarchy.

Commitment to the company and its values, as well as adherence to the Code of Conduct, is central to building the company's success. Client orientation is a core value at United Bankers. A strong corporate culture and an enthusiastic work community play a significant role in the company's efforts to create first-class client experiences.

In the workplace, team spirit is the most important of United Bankers' values. Good team spirit and a positive working atmosphere are seen as important assets. At United Bankers, everyone is an important part of the team. The skills and work input of everyone is needed to achieve common goals. The company's enthusiastic and committed employees are focused on exceeding expectations and succeeding together.

Working at United Bankers

At the end of 2023, the United Bankers Group employed 160 people (FTEs), which is an increase of 8 per cent compared to the end of the previous year. The increase in personnel was mainly related to the resourcing of the new funds and their support functions.

Of the total number of employees, 154 were permanent and 15 fixed-term employees. The majority of personnel worked in Finland. The offices in Sweden and Luxembourg employed two individuals each.

During the year, 26 new employees joined the Group's Finnish offices. Of these, 21 were men and 5 women. Of the new employees, 15 were aged under 30 and 11 were aged 30 to 50. Of the new employees, 10 were hired on a permanent basis and 16 on a fixed-term basis. A total of 14 people left the company during the year, of which 8 were permanent employees and 6 fixed-term employees.

Employees typically stay at United Bankers for a long time, and there is a relatively low turnover rate. During 2023, employee turnover was 3.9 per cent in Finland. There was no turnover in the other countries. The highest turnover was in the 30–50 age group.

At United Bankers, client relations are managed by tied agents as well as by employees. There were 31 tied agents on 31 December 2023. The company also uses external consultancy services, for example in IT and development projects. The average number of consultants in 2023 was 4. These people are not included in the company's other personnel data (FTE and personnel numbers). There were no changes in the number of persons not in an employment relationship at United Bankers during 2023.

United Bankers seeks to promote the reconciliation of work and family life in many ways. During 2023, five employees (3 women, 2 men) were eligible for parental leave, and all of them took parental leave. During the year, three people (1 woman, 2 men) returned to work from parental leave and continued their employment relationship normally (100% retention rate).

United Bankers complies with labour laws. The company is not an organised employer and does not have collective agreements in place. However, the company complies with the collective agreement for the financial sector, where applicable. All employees are covered by a written employment contract and, in the case of

management positions, by a management contract. Notice periods are in accordance with labour legislation and typically one or in some cases two months' notice is given by both parties. If an employee resigns, the length of the employment affects the notice period, which is 14 days for employees with 0–5 years of service and 1 month for employees with more than 5 years of service. Labour law is also respected, including in relation to any change negotiations.

In United Bankers' corporate culture work is carried out in close cooperation with employees. The HR organisation supports supervisors and management in all HR-related processes and issues. The personnel has also elected an employee representative to represent them in various employment matters and negotiations.

Employee well-being and skills are important investments

United Bankers is committed to taking good care of the well-being of its employees. The company looks after its employees' well-being by providing high-quality and comprehensive occupational healthcare services for all its employees. All United Bankers' employees, including fixed-term employees, are covered by health insurance supplementing the statutory occupational health insurance. The insurance covers, among other things, specialist care,

**TABLE 12:
BREAKDOWN BY TOTAL NUMBER OF PERSONNEL**

	Total	Women	Men
Number of employees	169	61	108
Permanent employees	154	57	97
Fixed-term employees	15	4	11
Zero-hours employees	0	0	0
Full-time employees	154	56	98
Part-time employees	15	5	10
Employee turnover in Finland (%)	3,9	1,7	5,2
Employee turnover in other countries (%)	0	0	0

including visits to medical specialists, occupational health psychologist endoscopy procedures, X-rays, and personal vaccinations. Well-being and coping at work are also supported through the exercise and culture benefit and various events on the themes of wellness and physical activity.

In addition to good health, opportunities to influence one's work-life balance also contribute to staying fit for work. Flexibility in working life is supported through, for example, distance working opportunities, flexible working hours and the possibility to work a shorter working week. United Bankers supports employees with families in their daily lives by, among other things, providing the opportunity for a childcare service for sick children.

During 2023, United Bankers' headquarters in Helsinki underwent an extensive renovation, which included further improvements to lighting and the ergonomics of workstations to support well-being at work. The employees' wishes regarding their work premises expressed in the 2022 employee survey were also extensively considered in the planning of the renovation.

Occupational health and safety, accidents at work and absences

The Finnish Occupational Safety and Health Act governs United Bankers' occupational health and safety management, and efforts to maintain working capacity and occupational health and safety are considered to be very important in the company. All United Bankers employees are covered by occupational health and safety and the related employer obligations are implemented in the company's HR practices. In addition, the organisation of activities has considered the key risks related to office work and a professional organisation, so the focus of occupational health and safety activities is on management of psychosocial stress factors, working atmosphere and leadership. The Group's occupational health and safety activities cover the entire organisation and all its offices.

United Bankers' occupational healthcare services are provided by a major Finnish occupational healthcare partner. The occupational healthcare services of tied agents and consultants are provided by the employer. At United Bankers, the working capacity of employ-

ees is actively monitored together with occupational healthcare and support for working capacity is adjusted as needed. The work of United Bankers' personnel is mainly office-based and in part demanding professional work with a low risk of physical accidents. Employees work in office conditions and mainly at computer terminals.

According to the workplace survey for 2023, the main health risks are related to psychosocial stress factors, which pose a moderate risk to health. The work involves occasional peaks in activity, which require good self-management and organisational skills. The risk of accidents in office work is, however, considered to be low and the health impact is considered to be minor. The risk of accidents related to work travel is moderate, although the risk of road accidents may be slightly higher for those travelling by car. Among the physical factors, static work carried out on a computer terminal is likely to pose health risks. The associated health risks are low and can be further reduced by, for example, by taking breaks and with good ergonomics.

General safety at work is ensured, among other things, by the fact that at United Bankers, a description of safety issues is included in the induction materials provided to new employees. In addition, employees are required to familiarise themselves with the building's emergency plan and its updates for their specific office. Employees' first aid skills are maintained through regular training and United Bankers ensures that there is always enough employees who have completed first aid training.

United Bankers has a health and safety committee, which includes both employer and employee representatives. Employees select their representatives with a ballot. The tasks of the occupational health and safety committee include promoting occupational health and safety and developing working conditions and measures to maintain working capacity. The health and safety committee enables employees to participate in matters relating to safety and health at work and monitors matters relating to the safety and health of employees and, if necessary, proposes measures to improve these matters. The committee also discusses the occupational healthcare action plan and monitors its implementation. The occupational health and safety committee supports the rest of the work community in maintaining a positive working atmos-

phere and works closely with the occupational health provider to promote well-being at work with a focus on preventive action. The health and safety committee meets whenever necessary, but at least four times a year.

United Bankers also has an early support model to prevent, for example, long periods of sickness absence. Employees can propose matters to be discussed by the occupational health and safety committee if they wish by contacting the employee representative or a member of the committee. If the employee so wishes, the committee can discuss the matter entirely confidential. The occupational health and safety committee regularly informs employees about its activities and results. In addition, the company's guidelines and policies on occupational health and safety concerning employees are available to all on the company's intranet.

United Bankers has a very low rate of personnel sickness absence, which continued to fall in 2023 from the previous year. In particular, sickness absences due to respiratory diseases and musculoskeletal disorders decreased significantly. United Bankers employees had no work-related illnesses. Static loads on the neck and shoul-

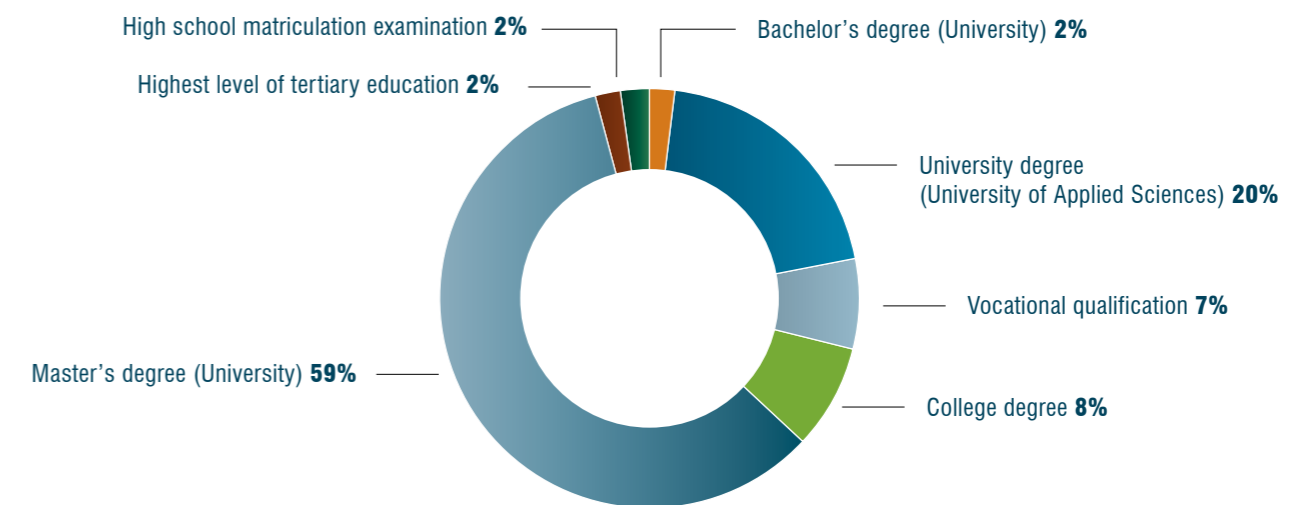
ders, upper limbs and lower back are known to be a particular stress factor. Remote work can pose challenges to good work ergonomics. In the office, most workstations are equipped with electrically adjustable desks and adjustable chairs. The majority of employees have more than one screen at their disposal.

One minor accident at work was reported in the Group in 2023. No accidents occurred during longer business trips. No work-related illnesses or deaths were reported during the year either. All United Bankers employees are included in the monitoring.

Training and development

United Bankers is an organisation where the professional development of its personnel, as well as the sharing of knowledge, contribute to the sustainability of its operations. The employees' professional skills are maintained and developed through continuous training. United Bankers provides opportunities for all its employees to deepen, broaden and update their professional skills. In addition to training required by regulation, the company also

FIGURE 7:
DISTRIBUTION OF PERSONNEL EDUCATION



provides its personnel with other training and opportunities to update and supplement skills in an employee-oriented manner.

In 2023, employees spent an average of 5.6 hours on training per year (10.7 hours for women and 2.8 hours for men) and 6.5 hours for people in management positions. New online training programmes for all employees and specific groups of employees were launched in 2023, including a programme on new financial sector regulation and responsibility. Managers were offered both internal coaching and an external study path based on the selected themes. In addition, employees participated in training courses organised by other bodies according to their individual needs regarding training. The company did not have any broader training programmes in place for its employees. In addition, the company had no training programmes related to change negotiations, as there were no change negotiations during the year.

The performance review process is used to regularly discuss not only the development of each employee's skills, but also motivation and job satisfaction. All United Bankers' full-time and part-time employees are subject to performance reviews. However, this obligation does not apply to persons on long periods of absence such as study leave or parental leave. According to the HR system, 62 per cent (80% women, 51% men, 44% managers) of employees participated in a performance review during 2023. The figure is

based on self-reporting by employees. The figure does not take into account employees who started in 2023.

Equality and non-discrimination

At United Bankers, equality and non-discrimination are an important part of the daily life of a diverse and multilingual organisation. The Group is committed to promoting equality, diversity and equal treatment and preventing discrimination in all its forms. The aim is to achieve equality in compensation and rewarding and to provide equal career and skills development opportunities for all.

Equality is a fundamental right and its realisation is ensured in all aspects of the company's operations, in management and in the human resources policy. United Bankers' equality and non-discrimination plan covers all of United Bankers' operations in Finland and has been implemented as part of the company's occupational health and safety programme. The key objective of the equality and non-discrimination plan is to support the creation of a thriving work community.

In 2022, the Board of Directors of United Bankers set diversity targets for the Group, which are valid until 2024. The aim is to maintain and promote diversity, gender equality and non-discrimination in the work community. At the end of 2023, the targets set by the company had been met.

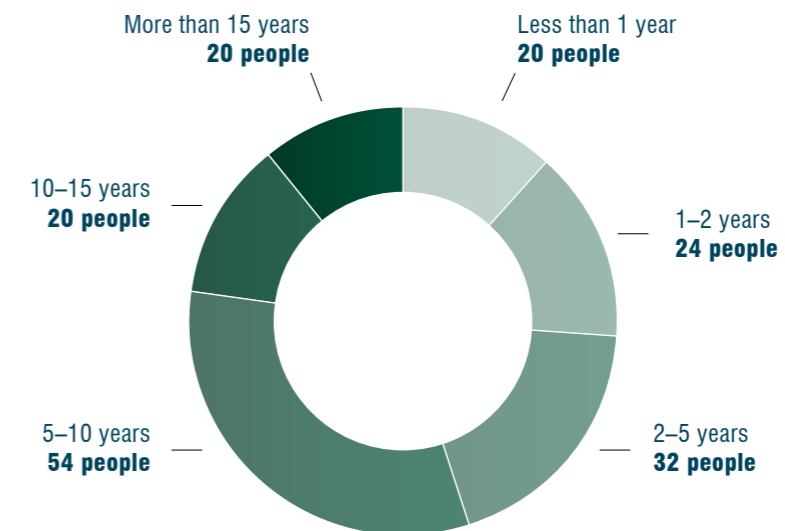
United Bankers aims to ensure that none of its employees experience harassment or other inappropriate treatment. The company has a policy for dealing with inappropriate treatment and harassment, under which every incident that comes to its attention is addressed. Harassment and inappropriate treatment can be reported through the company's whistleblowing channel. No incidents of discrimination were brought to the employer's attention and therefore no action was taken. In the 2023 employee survey, 99 per cent of respondents said they had not experienced discrimination during the year. One respondent reported experiencing discrimination, but according to the respondent, the situation had been resolved.

Recruiting new employees is a key element in achieving diversity objectives. United Bankers welcomes all applicants equally and selects talented people of all ages, with different skills, educational and cultural backgrounds, regardless of gender. Where the applicant pool allows, all genders should be represented in the final stage of the selection process. The most suitable person for the post will always be selected.

**TABLE 13:
GENDER AND AGE GROUP DISTRIBUTION**

	Women	Men	Age distribution
Board of Directors	16.7% (1 person)	83.3% (5 people)	under 30 years 0% 30–50 years 0% over 50 years 100%
Management team	14% (1 person)	86% (6 people)	under 30 years 0% 30–50 years 57% over 50 years 43%
Employees	37% (60 people)	63% (101 people)	under 30 years 14% 30–50 years 48% over 50 years 38%

**FIGURE 8:
EMPLOYMENT IN YEARS**



UNITED BANKERS' DIVERSITY TARGETS:

- Both genders are represented in at least 1/3 of all specialists in the company
- Both genders represented in at least 1/3 of all supervisors
- The composition of the Board of Directors and the management team is always sufficiently representative of both genders.
- The objective is to increase the number of minority gender representatives on the Board by making recommendations to the largest shareholders, who will prepare a proposal for the composition of the Board of Directors to the Annual General Meeting. The composition of the Board of Directors should be in line with United Bankers' business and strategic needs and its members should have appropriate professional skills, education, experience, and knowledge of the industry.

A good workplace is now even better



United Bankers' HR team's Marika Pakkanen, Pia Varila and Elina Montonen and Event and Culture Specialist Rosanna Rouhiainen want to build an enthusiastic work community and nurture UB's strong team spirit.



A thriving work community is an important asset for United Bankers. But good workplaces do not come out of nowhere: in order to build a strong corporate culture and create an enthusiastic work community a company must focus on creating community spirit, well-being, meaningful work and good leadership. In 2023, United Bankers received the Finland's Most Inspiring Workplaces award again.

Over recent years, United Bankers has been more systematically focusing on the employee experience to an increasing extent. The results of the Employee Survey continued to improve in 2023. Below, Pia Varila, the company's HR Director, and Elina Montonen, HR Partner, share their thoughts on what makes a good workplace.



It is important to focus on well-being and job satisfaction

Pia Varila, HR Director at United Bankers, believes that workplaces with thriving and satisfied employees are united by certain characteristics. Good employers look after their employees, they are fair, offer meaningful work and are committed to supervisor work. "At United Bankers, managers and supervisors are approachable and interaction is easy. We have been focusing on providing feedback, and everyone can offer feedback and encouragement to others. A feeling of trust is also important. Employees are given responsibility and the chance to develop themselves. This increases the meaningfulness of the work," says Pia Varila. "Employees feel that they are being listened to. You don't have to be afraid of making mistakes at United Bankers. Creativity is stifled by playing it safe. People will give their best when they are allowed to be themselves. I also feel that a culture of leading by example is very evident at United Bankers," says Elina Montonen.

In addition to psychological safety, employers are also legally obliged to ensure the health and safety of their employees. "We have focused on providing comprehensive occupational health care services, which includes specialist medical care. We also offer a wide range of employee benefits that employees feel are genuinely useful," says Varila.

Other measures have also been taken with the aim of promoting well-being and job satisfaction. "We organise a relatively large number of different types of employee events where people can participate in the development of the company and its operations. We enjoy spending time together, both at work and outside work, doing various activities together, such as travelling and hobbies. A feeling of respect and acceptance is also important: being able to trust your supervisor, management and colleagues, and the knowledge that you can always be yourself at work," says Montonen.

"I think the warm-hearted nature of our workplace came across very well in our campaign to promote the employer image last spring," says Montonen. "Our strong corporate culture and team spirit also come across in the customer experience and the company's reputation. This was apparent in the results of last year's

reputation survey and the fact that we have been successful in our recruitment," he continues.

Shared set of values is a uniting factor

Creating a good work community is not the responsibility of HR or the management alone, as it is important to give everyone in the work community the opportunity to contribute to building the company culture. So, what makes United Bankers a good place to work? The interviewees had the same response: "the people!" Pia Varila and Elina Montonen both feel that United Bankers has a warm atmosphere and a relaxed culture. "Our organisation is a good size and people can easily get to know each other. A strong commitment to shared values is also strongly reflected in our way of working. Team spirit is very evident in the values among the employees in particular," says Varila. "I think that a good atmosphere is also rooted in the basics, such as always greeting one another. We all feel like we belong to the UB family," adds Montonen.

At United Bankers, everyone is valued as an individual. This doesn't mean that we put people on pedestals, it means that we value colleagues and their work as part of one UB team. Everyone has an important role to play regardless of their place on the team. "We don't have ivory towers. Our low hierarchy and culture of open discussion are reflected, for example, in the fact that everyone is easy to approach and development takes place together across team boundaries. We build success and celebrate achievements together," Varila sums up. Employees' strong desire to help their colleagues and a culture similar to that of a family business are also assets at United Bankers.

In the 2023 Employee Survey, United Bankers' greatest strength was the employees' trust in the senior management's ability to make the right decisions. Respondents also felt that changes had been implemented successfully. According to the survey, employees felt that they had been consulted in decisions affecting them. "During 2023, we focused significantly on our premises in particular. There was a lot of praise for the suitability of our tools for work and the attractiveness of our premises. The fact that we listened carefully to the wishes of the employees in the development project was felt to be the most important matter," says Varila.

Juuso Uski, Ville Ruija and Juhani Keinänen appreciate low hierarchy and open discussion culture.



Pia Varila believes that as a company United Bankers is at a very interesting stage: “The company has grown rapidly in recent years and this has helped us to learn a lot. As the organisation has grown, we have been able to create new processes and practices together. Employees also have the opportunity to do a wide variety of tasks at United Bankers. This keeps the work meaningful.”

“In today’s uncertain operating environment, the stability of your employer and job security are very important factors. United Bankers has consistently developed its business and has achieved the success it deserves. The financial stability of the company is sure to provide confidence in the future,” says Elina Montonen. “The company’s product and service portfolio has been developed in a very interesting direction. Through our funds it is possible to genuinely promote good causes. I believe this also increases motivation and the feeling that you are doing meaningful work,” she continues.

United Bankers receives Finland’s Most Inspiring Workplaces award

United Bankers’ annual Employee Survey made pleasant reading again as the overall result continued to rise nicely. The response rate fell slightly, but was still very good at 88 per cent.

Based on the survey, United Bankers received Finland’s Most Inspiring Workplaces award again. The positive trend continued in many areas, but it was particularly pleasing that the responses showed there had been a clear improvement in areas requiring development that had been highlighted in the previous survey. As in 2022, up to 94 per cent agreed that overall United Bankers is a very good place to work.

United Bankers’ PeoplePower Index score of AA, Good (76.3), increased slightly on the previous year (+0.7 points) and was well above the average for Finnish professional organisations (+4 points). The overall result was also 4.6 points higher than the average for the financial and insurance sector.

The results of the Employee Survey are based on assessments of four different areas – engagement, leadership, organisational performance and commitment. Only the score for commitment showed a slight decline. In all other areas, the results increased on the previous year. However, engagement, alongside leadership, was another strong area in the survey. The biggest increase was in the leadership index, where clear progress was seen especially in receiving feedback. In terms of leadership culture, all aspects were felt to be at a very high level.

Of the individual aspects, by far the greatest improvement on the previous year was in the suitability of the workspaces. There were also positive trends in employee consultation, tools for work and systems. There were declines in the scores for meaningfulness of work and motivation, but these changes were small.

The main strengths were company-level issues, such as the recent development of the company, successful implementation of changes and trust in the ability of senior management to make the right decisions. Areas requiring development were salary and remuneration, support for employees’ professional development, work tools and systems, and matters related to flow of information. UB employees provided many positive descriptions about their workplace. The company was described in particular as flexible, fair and evolving. Other frequently mentioned words were agile, supportive, innovative and trustworthy.

**So, what makes United Bankers
a good place to work?
The interviewees had the same response:
“the people!”**

Transparency and reliability as cornerstones of administration and communication

Our goal

Sound corporate governance is one of the cornerstones of United Bankers' operations. United Bankers' activities are always based on good corporate governance, legislation, and regulatory guidelines. Our effective and accountable governance is based on a high level of expertise and continuous improvement.

United Bankers strives to communicate openly, transparently and equitably with all its stakeholders. The aim of communication is to build and maintain a positive corporate image of the Group and to give a true and fair view of the Group, its activities, objectives, strategy, and financial situation.

During 2023, United Bankers sought to increase interaction with its stakeholders and to identify their views, wishes and potential concerns. Examples of these include surveys of client satisfaction and investor confidence. During the year, United Bankers also made significant progress towards its climate targets. More information on the company's climate roadmap can be found in the chapter Pursuing climate-resilient growth.

Targets and achievements 2023:

- New ESG reports for funds and the UB 360 asset management model were introduced
- United Bankers' UNGP-compliant whistleblowing channel was opened
- United Bankers continued to report in line with the GRI Standards
- United Bankers strengthened responsible value chain management by implementing a Supplier Code of Conduct
- Client satisfaction rose to a very high level and the company's reputation among investors improved significantly

Responsible communications and marketing

United Bankers' sustainability approach is guided by the values that are important to the company: client orientation, agility, and team spirit. These values are visible in our everyday work and reflected in the way we communicate with our stakeholders. The company strives to build and maintain good stakeholder relations through open, constructive and positive communication and interaction.

As a listed company, United Bankers' external communication and investor communication focus on providing investors and the market with up-to-date and essential information about the company. Timely and accurate communication increases the confidence and interest of existing and potential investors in the company. One of the key objectives of listed companies' disclosure obligations is to ensure that all investors have equal, equitable, consistent and simultaneous access to information.

In its client relationships, United Bankers strives to build long-term partnerships based on trust. The aim is to create wealth and help

clients succeed and achieve their dreams. A high level of client satisfaction is built on the strong expertise of the company's employees and on high-quality products and services.

Marketing and client relation management are based on a client-oriented, honest, and long-term approach, as well as equal and fair treatment of clients. Clients will only be offered solutions that are justified and appropriate to their situation and objectives. This requires an understanding of each client's starting points, objectives, and needs. To achieve and maintain client confidence, communication about products and services will be provided in an understandable way that describes risks and opportunities in a balanced way. In Finland actual legislation sets clear limits on the form and scope of the information to be provided. In addition, United Bankers strives to be responsible in its communications and marketing by being transparent, professional, and clear.

United Bankers continued to develop its sustainability reporting in 2023. The company's Annual Report for 2022 was prepared for the first time in accordance with the Global Reporting Initiative (GRI) principles of international sustainability reporting standards and the reporting was also developed further for the 2023 report. At the beginning of 2023, the company introduced new product-specific reports for United Bankers' funds and UB 360 asset management. United Bankers also focused on the development of its website. The aim is to present the company's strategy and products more clearly and in a more client-oriented way both in Finland and on the international market. With the revised reports and website content, United Bankers wants to provide information on the company and its investment activities in a more transparent, comprehensive, and clear way.

During 2023, the company did not identify any non-compliance with marketing and communications regulations, nor did stakeholders or external parties report any issues with United Bankers' marketing.

Stakeholder surveys play an important role in developing activities

United Bankers wants to invest in responsible client communication and dialogue. Consistent practices have been established for handling client feedback to ensure that each feedback is responded to in an appropriate manner and within a reasonable timeframe. Maintaining a high level of client satisfaction is important and client satisfaction is monitored through regular client satisfaction surveys conducted by external parties and through collecting continuous feedback on activities.

The client satisfaction survey carried out in 2023 shows that clients of United Bankers are very satisfied with the service they receive. Clients felt that matters were handled as agreed and that the service was professional and reliable. Clients also highlighted the personal nature of the service as a major strength. At the same time, clients felt that the electronic services offered by the company had developed very well. The company's NPS (net promoter score) rose from an already good level in the previous survey to a very high level.

In 2023, United Bankers participated again in the [Reputation&Trust survey](#) developed by research company [T-Media](#). The annual survey of listed companies examines the reputation of organisations and the level of trust they receive from their stakeholders in eight key dimensions in terms of reputation. United Bankers participates annually in this survey, which is widely commissioned for listed companies, in order to find out the investor stakeholder group's perception of the company, to set and advance goals related to reputation building and to pursue a strong reputation as a competitive advantage.

United Bankers' reputation rose to a good level this year from last year's moderate level. The company succeeded in clearly improving its reputation at a time when the general trend in the reputation of listed companies was on the decline. On a scale of 1 to 5, the average reputation score for the 79 listed companies measured in the survey fell to 3.53 from 3.56 the previous year. United Bankers' reputation score increased by 0.25 points to 3.58, outperforming the average score for all companies. The improvement in reputation is clear, as the survey's a margin of error is only 0.05 points.

Building a reputation requires listening to stakeholders



T-Media's Elisa Runtas and United Bankers' Inka Noramaa believe that reputation is a valuable asset for companies.



Reputation is one of the most important strategic assets of organisations and building it requires long-term and consistent work. Building and maintaining a good reputation also requires a broad commitment throughout an organisation, from employees to management and up to board level.



Reputation is simply a reflection of how different stakeholders feel about an organisation. United Bankers has also found it important to examine the reputation of the company among its stakeholders. In 2023, the company participated for the second time in the annual [Reputation&Trust survey](#) of listed companies, commissioned by research company [T-Media](#). The T-Media survey allows companies to measure their reputation and the level of trust they receive from their stakeholders. The survey model helps companies to measure, develop and maintain their reputation and trust. For United Bankers, the survey provides important information on the company's reputation ratings and helps it to develop its reputation as a key element of its strategy.

T-Media's Sales Lead Elisa Runsas and United Bankers' Chief Communications Officer Inka Noramaa discussed the importance of reputation and their thoughts on building good reputation.

Building a reputation is long-term work

Building and managing reputation requires continuous work and a systematic approach. In other words, reputation building requires a strategic approach to all aspects of the company's activities. "In the old days, many companies thought that it was enough to have good finances and sell products. Today, it is understood that reputation building takes place in every aspect of the organisation's activities and in every encounter. Humanity is also important – you need to remember that everything you do is done for people. From a reputation point of view, that means doing the right thing in terms of people's values," says Elisa Runsas.

According to Elisa Runsas, reputable organisations are united by the fact that the importance of reputation is recognised, monitored and managed: "The work involved in building a reputation can be thought of as a marathon. There is no single path to a good reputation. Another characteristic of successful reputation building is that the objective is shared and common within the organisation. It is essential to build a reputation so that the company is as honest and responsible as it says it is, that things are done as agreed, that communication is open and that products meet client expectations." Inka Noramaa also stresses the importance of involving the whole organisation: "For us, commitment to reputation building

means in practice that the company's reputation is built in every role and always with a strong focus on our values. The company's reputation is built in all encounters and interactions with different stakeholders."

United Bankers' reputation strengthened

The Reputation&Trust survey assesses organisations through eight key dimensions that also determine the level of stakeholder trust achieved by companies. In the 2023 survey, United Bankers' reputation with private investors improved significantly from the previous year's result. Investor confidence in the ability of the company's long-term management and financial performance emerged as strengths for United Bankers in the 2023 survey. The company's work to promote accountability and its commitment to a thriving and enthusiastic workplace also reinforced a positive image of the company.

"It was particularly gratifying to see that we managed to strengthen our reputation in all eight dimensions of reputation. For example, we have invested significantly in our sustainability work and in communicating it. We also highlighted the positive spirit in our work community in a campaign focused on building our employer brand," says Inka Noramaa.

How can organisations develop their reputation?

In reputational work, the opportunity to build a reputation starts with recognising the importance of the work. "Building reputation simply starts with understanding how important reputation is. Measuring the current state of reputation is of course essential so that organisations can understand how their internal perception of their reputation may differ from the external stakeholders' perception. It helps to outline what steps are needed to close these gaps. Measurement is therefore a good first step to identify your organisation's strengths and areas for improvement," says Elisa Runsas and continues: "Reputation is definitely something that each company has the opportunity to influence. Measuring reputation and consulting stakeholders more widely are ways to identify the real expectations of stakeholders. It also makes it easier to focus



resources on the right things, for example to assess what to communicate and how to communicate it."

Inka Noramaa, Chief Communications Officer at United Bankers, shares her own experience of strategic reputation work: "The results of the 2022 reputation survey made us realise that building a good reputation and developing a positive image requires long-term work and active and open communication. I have always felt that we have a strong culture of doing things right. The company's management and personnel are strongly committed to business development. Doing things as agreed and having an impeccable reputation as a company are, however, not enough to achieve a good public image. Achieving a strong reputation requires continuous improvement, and the foundations must be in place in all areas. But it also requires a lot of active communication and interaction with stakeholders to ensure that the work we do is commu-

nicated to the outside world," emphasises Inka Noramaa. Elisa Runsas also points out that it is crucial to ensure that the foundations of the areas that contribute to reputation are in place and that the organisation as a whole can withstand critical scrutiny. "Communication can only support what is true," she underlines.

Overall, in building a reputation, Elisa Runsas emphasises the importance of an open and regular dialogue for genuinely identifying the practices that stakeholders consider right. All direct encounters are important. The experiences that emerge from them must reflect what the company wants to communicate about itself. "We all have a desire to be heard, and emotional experience is important. It's good to remain humble in the face of these things. For companies, it means listening to their stakeholders genuinely. You can't just think you know what your stakeholders' expectations are of your company and then do what you think is the best," says

Elisa Runsas. “On the other hand, even the seemingly small things make a difference, such as the way we speak to our stakeholders, i.e. what is our organisation’s tone of voice when communicating. For example, very formal customer communication can be perceived as distant, even cold,” she continues.

Inka Noramaa also highlights the importance of ordinary empathy skills. “Communication and interaction happens between people – even when we are talking about things as a company. At United Bankers, we have always wanted to be approachable and create a sense of humanity in an industry that is typically perceived as quite distant and hard. I hope we have succeeded in this,” ponders Inka Noramaa. “We have also taken active steps to improve job satisfaction and well-being at work. I believe that the positive and relaxed atmosphere in the work community is also strongly reflected in the customer experience,” she continues.

Reputation creates opportunities for operations

In recent years, organisations’ reputational efforts have also been affected by the growing trend towards sustainability. “Today, companies are expected to take into account so-called ESG factors in their operations. This means, for example, that environmental aspects, care for employees, openness and transparency are emphasised in strategic planning and decision-making. They are also increasingly important reputational factors. It’s no longer what you do, but how you do it,” Elisa Runsas sums up.

Reputation determines a company’s chances of succeeding in implementing its own strategy. It reflects the level of support and trust that stakeholders have in the organisation. A positive attitude from stakeholders helps to generate interest in the products the company offers, to raise finance or attract investors, and to find good employees. “The level of reputation creates opportunities for operations but also sets limits,” summarises Elisa Runsas.

The overall reputational environment has been exceptionally challenging in recent years, and the reputation ratings of listed companies have generally been on the decline. Elisa Runsas sees this

phenomenon as being driven by a number of very unexpected events that the world has experienced in recent years: “People’s daily lives have been significantly affected by the COVID-19 pandemic, the war in Ukraine and, most recently, by high inflation and the rapid rise in interest rates. These events have also had an impact on the reputation of many companies through a change in public opinion. For example, as a result of the war in Ukraine, there was a strong perception that the legitimacy of corporate activity in Russia had ended. In such a situation, it was really difficult for companies to react quickly enough.” When business cannot adapt immediately to the changing situation, the importance of successful communication is highlighted. Elisa Runsas shares her tips on communication: “In a crisis, people need clarity and security. While change takes time, it is important to share information about what is going to be done. This requires truthfulness in communication and frankness from organisations.”

Towards a stronger reputation

United Bankers’ own reputation in 2023 rose to a good level from a moderate level in the previous year. The company managed to improve its reputation significantly at a time when the general trend in the reputation of listed companies was on the decline. What makes the reputation rise special is precisely the challenging nature of the overall reputational environment.

“I think the most important thing in improving our image has been that we have genuinely tried to learn from the feedback we have received from our stakeholders and improve our operations based on that. We have also tried to increase transparency in our communication and have more dialogue with our stakeholders to reinforce a positive image of the company. I believe that the most important thing for a positive reputation development in the future is that the whole organisation works for it. Our personnel are strongly committed to our shared values. This puts us in a good position to succeed,” concludes Inka Noramaa.

“At United Bankers, we have always wanted to be approachable and create a sense of humanity in an industry that is typically perceived as quite distant and hard. I hope we have succeeded in this.”

Transparency and reliability as cornerstones of administration and communication

Client privacy and secure processing of personal data

Investing in data protection and security is an absolute prerequisite for reliable and client-oriented business operations, the development of high-quality services and to ensure a positive client experience. The confidential processing of personal data is a key part of the company's business. United Bankers processes a wide range of personal data on a daily basis, which according to the register is used, for example, for client relationship management, marketing, stakeholder communication, risk management and personnel-related matters, among others. Personal data is processed in accordance with the EU General Data Protection Regulation (GDPR), national personal data legislation and specific financial sector regulations.

The company uses both administrative and technical measures to ensure that data and cyber security are in order. Data and cyber security is developed systematically in accordance with the data security strategy approved by the organisation's management, taking into account the ever-changing cyber threat environment. Data and cyber security are based on the data security policy approved by the Board. In addition to the data security policy, data processing is governed by the privacy policy approved by the Board of Directors. These are supplemented by various principles and other guidelines on data security and the processing of personal data.

Personnel skills in data protection and data security are maintained and developed through regular training and by improving their abilities to identify data security threats in their daily work. During 2023, 85 per cent of employees completed online training on data protection and 90 per cent completed online training on data security. The company also ensures that external processors are carefully selected and that they are aware of their responsibilities and obligations when processing personal data in their role as a partner.

During 2023, the company improved its data and cyber security by, among other things, improving the detection and response to potential data security events through the introduction of a Security Operations Centre (SOC) service provided by an international data security service provider. The partner monitors the company's data security-related logs and events on an ongoing basis, taking care of any follow-up action if necessary. In addition to detecting and responding to data security events, the service includes vulnerability detection and management, and ongoing data security training for personnel. Data protection was also promoted by developing personal data processing procedures.

In 2023, the company received six complaints concerning the processing of personal data and the protection of privacy, which the company found to be justified. The company detected in its operations or was made aware of by external processors a total of 16 incidents in 2023 which were classified as personal data breaches under the EU General Data Protection Regulation. This figure mainly included cases caused by human error, which did not pose a risk to the rights and freedoms of natural persons. One personal data breach was reported to the supervisory authority, but the breach was not posed a high risk to the data subject.

Preventing corruption, bribery and money laundering

Financial crime is a global phenomenon, and United Bankers also has an important role to play in combating it. The fight against financial crime includes Know Your Customer (KYC) procedures as part of prevention of money laundering and terrorist financing, compliance with financial sanctions regulation and freezing orders, prevention of bribery and corruption, and prevention of tax avoidance. Unfortunately, there is always a risk of corruption, bribery and money laundering in the financial sector. Therefore United Bankers' stance is very clear and unambiguous: the company will not tolerate bribery, corruption and other unethical influence at any level in its operations. The company works actively to combat corruption and maintain and promote transparency.



United Bankers complies with Finnish legislation, which incorporates all key international anti-corruption instruments (including The United Nations Convention Against Corruption and The OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions). United Bankers bears its share of responsibility for preventing money laundering and terrorist financing both in Finland and internationally. United Bankers is bound by domestic regulations on the prevention of money laundering and terrorist financing as well as EU sanctions. The company also complies with UN sanctions and OFAC sanctions imposed by the United States. The company carries out an annual risk assessment to identify and assess the risks of money laundering and terrorist financing.

Regulation on the prevention and detection of money laundering and terrorist financing applies to all United Bankers' business activities. Know your customer process is a key obligation of this regulation. It means that to detect unusual transactions, the company identifies and verifies the identity of the client and the person acting on behalf of the client and knows the nature and extent of the client and their activities. Before each new client relationship is opened, client information is reviewed in accordance with regulatory requirements and the company's own internal guidelines. In 2023, United Bankers reported no cases of corruption, bribery or money laundering related to its own activities. The company had no anti-competitive activities or violations of antitrust and monopoly laws.

Under no circumstances may United Bankers employees accept or give bribes or seek personal gain by exploiting their position or information, and must always act with integrity and transparency. In accordance with the principles regarding conflict of interests, employees must avoid transactions and situations that may give rise to conflicts of interest, for example with the company or its clients. The regulation also places restrictions on the payment and receipt of various payments and rewards, or incentives. These are intended to improve the quality of the service provided to the client but these must not lead to behaviour that is contrary to the client's interests either.

The United Bankers Code of Conduct guides the lawfulness and ethical conduct of the company's employees. For example, United

Bankers employees do not offer, solicit or accept inappropriate gifts, trips or payments. Guidelines for solicitation and acceptance of business gifts are set forth in the company's Code of Conduct. All United Bankers employees that are part of the client interface participate in annual training related to anti-money laundering and customer due diligence. In addition, in 2023, training on anti-money laundering, with a representative of the National Bureau of Investigation (NBI) as the expert, was organised for the company's Board members, management and certain key personnel. Annual training sessions are also organised on the identification of conflicts of interest and on the acceptance of gifts and hospitality. New annual training on the Code of Conduct for all employees was also launched in the second half of 2023, and 67 per cent of employees completed this before the end of the year.

Managing the responsibility of supply chains

The environmental and social impacts of United Bankers' operations are implemented not only through its investment products, but also through the activities of its subcontractors and partners. In 2023, United Bankers introduced a Supplier Code of Conduct, which sets out responsibility requirements for service providers and suppliers. The Supplier Code of Conduct is based on the [UN Global Compact Principles](#) and sets minimum standards for the sustainability of the supply chain in terms of human rights, labour rights, environment and anti-corruption. The Supplier Code of Conduct will be introduced gradually with new procurements and contractual relationships, so the work on its implementation will continue in the coming years.

United Nations Guiding Principles on Business and Human Rights (UNGPR)

Respect for human rights is an essential part of corporate responsibility. At their best, companies can make a significant contribution to the realisation of human rights through their own actions and by requiring their partners to respect human rights. The [UN Guiding Principles on Business and Human Rights](#) state that companies should actively monitor the human rights impacts of their

operations and the human rights situation in their own operating environment.

The efforts to respect human rights, to identify the risks associated with them and to promote the realisation of human rights is embedded in several United Bankers processes. According to the guidelines on human rights risk management introduced in 2023, the aim is to continuously identify and manage human rights risks as part of investment in due diligence processes and monitoring, customer due diligence, anti-money laundering and anti-corruption processes, as well as part of the company's procurement and partner selection processes. The operations of the company's whistleblowing channel is also an integral part of these processes. For more information on how the channel works, see the chapter on whistleblowing.

For example, in the case of investments, the human rights perspective is monitored by tracking the UN Global Compact norm violations of investments through international ESG databases. In 2023, norm violations were found in less than one per cent of the investment portfolio, and these were found to relate to companies invested in by external funds, and the best way for United Bankers to engage with these companies is, for example, through collaborative engagement initiatives with other investors.

The effectiveness of the processes related to the identification of human rights risks and the risks identified are reported regularly to the company's management. In addition, the company's operating environment is regularly analysed from the perspective of human rights risks, and the company aims to continuously improve its processes and operations based on the findings.

As a responsible investor, United Bankers also promotes the realisation of human rights in its investments, for example by selecting investments that comply with human rights principles and by exercising its right as an investor to vote at general meetings (see also Promoting sustainability through active ownership). In addition, the company supports social projects that contribute to the realisation of human rights beyond United Bankers' immediate sphere of influence (see Corporate social responsibility projects).



Tax and tax footprint

United Bankers is headquartered in Finland and in 2023 the company also had operations in Sweden and Luxembourg through its subsidiaries' branches. United Bankers pays its taxes in accordance with local legislation in each of the countries where it operates. Most of the Group's business is concentrated in Finland. Only less than 5 per cent of the Group's taxes are paid to Sweden, so the breakdown of taxes by countries is not detailed in the report. United Bankers is committed to operating in compliance with all its legal obligations, to providing all necessary information to the relevant tax authorities and to engaging in an open and transparent dialogue with them. United Bankers' Principles for Responsible Investment also separately describes the taxation of investments.

In 2023, United Bankers paid a total of EUR 13.4 million in taxes and tax-related payments.

Earnings performance

United Bankers aims to grow the business, the bottom line, and the value of the company over the long term. Financial responsibility is the cornerstone of United Bankers' business. By ensuring the capital adequacy and profitability of its business, the company will continue to be able to operate in the future. Through financial stability, the company also aims to be a secure employer. Through carefully considered and long-term growth investments, the company aims to create added value for its owners and clients alike. United Bankers reports on its business and financial performance transparently and accurately so that stakeholders have a true and fair view of the Group's financial position and operating results. United Bankers' activities are always based on good corporate governance, legislation, and regulatory guidelines. Honesty and ethics are fundamental principles underpinning our operations.

United Bankers is implementing a growth strategy based on the following elements:

- **building long-term customer relationships and exceeding our customers' expectations**
- **being innovative in creating unique top-quality services and products**
- **strengthening our dedicated team of experts**
- **ensuring success by focusing on sustainability**
- **utilizing modern technology to further improve client experience and operational efficiency**
- **growing our business organically and through acquisitions**
- **concentrating on scalable and recurring revenue businesses**

A financially strong company can meet the needs of its clients, take responsibility for the environment, look after its personnel, and provide well-being for society.

In 2023, United Bankers Group's revenue (income from operations) increased by 7.4 per cent to EUR 52.1 million. United Bankers' dividend policy is to pay an annual dividend of at least 70 per cent of earnings per share or cash flow per share¹. The company has been able to steadily increase its dividend in recent years. In accordance with a decision of the 2023 Annual General Meeting, the distribution of United Bankers' funds for 2022 was EUR 0.90 in total. Of this, EUR 0.75 was dividend and EUR 0.15 was equity repayment. The distribution of funds was 12.5 per cent higher than in the previous year. For more details on the development of the Group's financial results, see the Board of Directors' Report and Consolidated Financial Statements.

¹ On 17 February 2023, United Bankers published an updated dividend policy, according to which the company aims to distribute an annual dividend of at least 70 per cent of the earnings per share or cash flow per share, considering the company's financial situation and strategy.

**TABLE 14:
TAXES AND TAX-RELATED PAYMENTS**

Tax table EUR 1,000		
Personnel	2023	2022
Withholding and tax-at-source	5 648	4 490
Pension contributions	2 600	2 274
Social security contributions	637	593
Income taxes and Taxes on dividends	2023	2022
Income taxes	3 129	3 635
Withholding and tax-at-source on dividends	894	607
Indirect taxes	2023	2022
Value added tax on sales	502	460

**FIGURE 9:
TAX AND TAX FOOTPRINT**

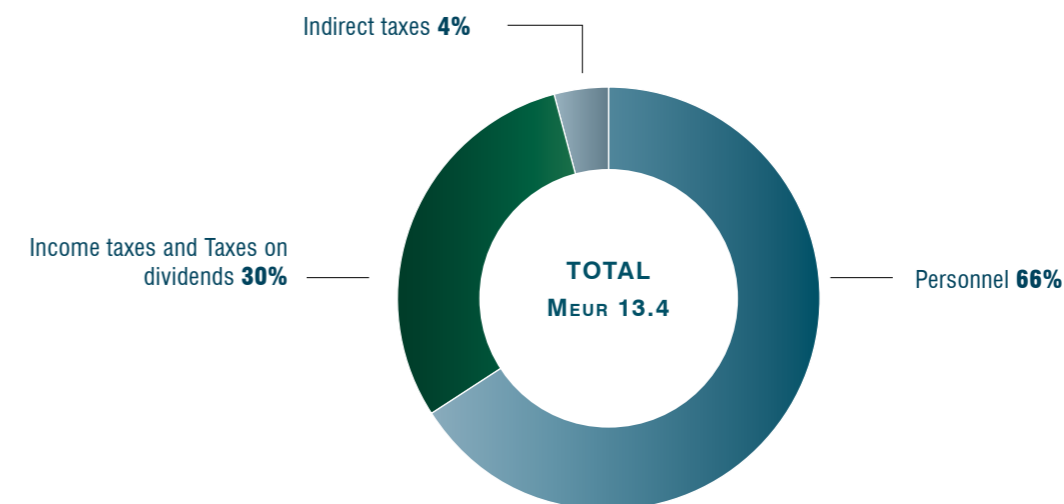


TABLE 15:
UNITED BANKERS' GENERATED ADDED FINANCIAL VALUE

Generated added financial value for different stakeholders (EUR 1,000)	2023	2022	2021	2020
Revenue (customers)	52 145	48 562	43 828	34 358
Purchasing (suppliers of goods and services)	4 825	5 140	5 289	4 614
Gross profit	47 320	43 422	38 539	29 744
Wages and benefits (personnel)	19 007	17 514	16 254	13 966
Taxes (public sector)	3 129	3 635	3 109	1 826
Financial expenses (creditors)	1 314	170	136	137
Other expenses (operations and business development)	10 033	9 233	7 831	7 291
Retained earnings	13 837	12 871	11 210	6 523

ECONOMIC VALUE GENERATED AND DISTRIBUTED	2023	2022	2021	2020
Society income distribution, EUR 1,000				
Fee and commission income and expense, net	44 277	43 194	38 017	29 355
Net profit or loss on trading on securities and foreign currencies	712	-158	400	138
	74	77	20	17
Net interest income	916	120	-45	-69
Other operating income	28	20	10	166
Total income	46 006	43 252	38 403	29 607
Personnel expenses	15 771	14 647	13 780	12 213
Other administrative expenses	6 988	6 637	5 402	4 630
Depreciation, amortization and impairment	2 209	1 922	1 938	1 694
Other operating expenses	842	676	519	963
Impairment losses on liabilities and other receivables	-6	-1	-28	5
Society				
Income taxes	3 129	3 635	3 109	1 826
Social security costs	637	593	486	354
Pension expenses	2 600	2 274	1 988	1 400
Equity holders of the parent company	13 289	12 539	10 347	6 234
Non-controlling interest	548	332	864	289
Distribution of income	46 006	43 252	38 403	29 607

CORPORATE SOCIAL RESPONSIBILITY PROJECTS

To take responsibility for the sustainable development of society and the environment, United Bankers has integrated sustainability into its strategy, operations and values. In addition, it recognises that corporate social responsibility extends beyond the Group's own sphere of activity to the wider society. Each year, United Bankers supports projects and initiatives related to sustainable development of society and the environment.

UNITED BANKERS CONTINUED TO SUPPORT UKRAINE THROUGH THE RED CROSS AND DIRECTLY

United Bankers sought to alleviate the plight of Ukrainians as Russia's war of aggression continued for a second year. The donations made by the company were directed to the relief work of the Finnish Red Cross. Many employees of United Bankers also contributed personally to helping Ukraine, not only through financial donations but also by participating in projects through which medical supplies and an ambulance were delivered to Ukraine.

HELPING TO RELIEVE LONELINESS AMONG OLDER PERSONS BY SUPPORTING THE GUBBE ELDERLY CARE SERVICE

In 2023, United Bankers continued to support the activities of the Gubbe elderly care service. Gubbe Sydänystävä Oy is a new type of non-medical service established in 2018 with the aim of helping older people to live happier and more active lives. Through Gub-

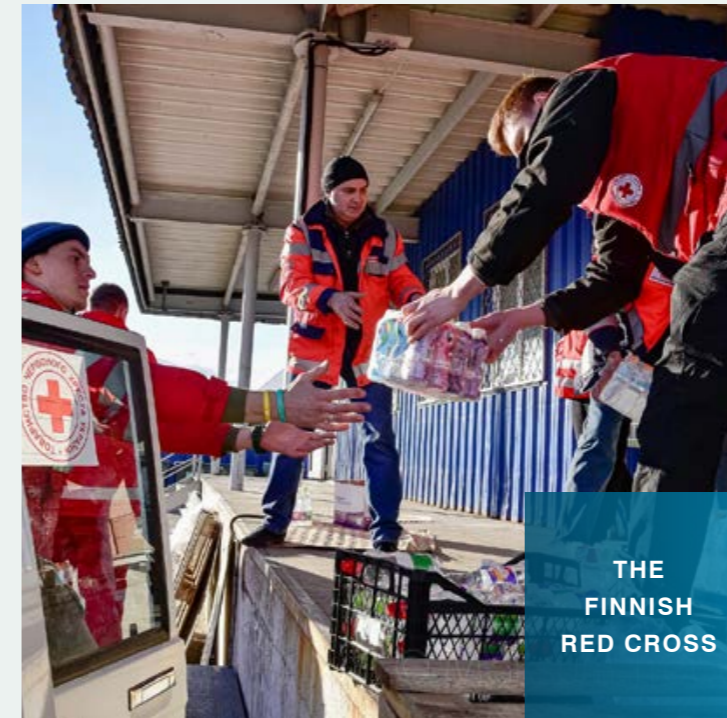
be older people receive help with household chores and regular companionship in their daily lives. In addition to older people, the service supports the employment of young people in meaningful part-time work.

OTHER ENVIRONMENTAL AND SOCIAL SUPPORT

For the third year in a row, United Bankers supported children's journeys to school and back by supporting the Pieni kulkija ('Little walker') service. United Bankers employees distributed reflective vests with LED lights to first graders at the European School of Helsinki to improve safety on their way to and from school. At the same time, they explained to the young walkers why it is very important to use reflectors in the dark.

United Bankers supported Team Rynkeby's work to fight serious diseases in children in Finland. Team Rynkeby has been helping seriously ill children for more than 20 years – with the majority of donations going to children's cancer research.

The company has also supported the Baltic Sea Action Group's (BSAG) work to protect the Baltic Sea for many years. The 2023 Christmas gift funds were also directed to BSAG.



THE
FINNISH
RED CROSS



GUBBE
ELDERLY
CARE SERVICE



LITTLE
WALKER



BALTIC SEA
ACTION
GROUP

CARBON FOOTPRINT CALCULATION – METHODOLOGY, ASSUMPTIONS AND SOURCES

United Bankers' carbon footprint was calculated by Gaia Consulting in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (revised edition, 2004) and the GHG Protocol Corporate Value Chain standard (Scope 3) (2011). In addition, the PCAF Global GHG Accounting and Reporting Standard for the Financial Industry (first edition, 2020) was used to calculate United Bankers' investment emissions (Scope 3, Category 15), as it provides more detailed guidance for calculating financed emissions. The carbon footprint of United Bankers' forest investment products was calculated by AFRY.

United Bankers has no Scope 1 emissions. Scope 2 emissions, i.e. purchased energy consumption data, were obtained for electricity and district cooling for the Helsinki office and electricity and district heating for the Tampere office. The consumption of the other offices was estimated on the basis of the known consumption of the previously mentioned offices (electricity) or on the basis of average consumption per square meter (district heating).

Where possible, primary data directly from service providers was used for the Scope 3 calculation. Where primary data were not available, emissions were estimated using, for example, national averages, public databases and consumption data.

The following categories were taken into account in the Scope 3 calculation:

1. Purchased goods and services
3. Upstream emissions from the energy used chain
4. Upstream transport and distribution
6. Work travel
7. Commuting to work
15. Investments

For category #5 (waste), no information was received from the waste management partner or lessor. However, waste emissions are estimated to be negligible.

Scope 3, category 15, Investments

According to PCAF's calculation guidelines for financial institutions, portfolio issues are allocated to United Bankers based on the ratio of the amount remaining to the total value of the real estate at inception (commercial real estate), EVIC (listed companies or bonds), or equity to debt (private equity and bonds). The equations used to calculate financed emissions are available in the PCAF documents.

The carbon footprint of forest holdings was calculated using SIMO software. The software is based on domestic studies and follows IPCC guidelines. In addition to tree growth and harvesting, the calculation considers the soil carbon cycle, logging residues and the life cycle of wood products.

GRI-index

Code	Indicator	Location in the report	Information
2-1	Organizational details	Notes to the consolidated financial statements - Note 1, Annual Report p. 145	
2-2	Entities included in the organization's sustainability reporting	Reporting principles p. 7	
2-3	Reporting period, frequency and contact point	Reporting principles p. 7	
2-4	Restatements of information		No restatements of information from previous reporting period.
2-5	External assurance	Reporting principles p. 7	
2-6	Activities, value chain and other business relationships	United Bankers in brief, Annual Report p. 4 Board of Directors' report - Business segments, Annual Report p.49	
2-7	Employees	Working at United Bankers p. 49-50 Table 12: Breakdown by total number of personnel p. 50	Finland has a total of 165 employees, with 60 women and 105 men. Sweden has a total of 2 employees, both of whom are men. Luxembourg has a total of 2 employees, with 1 woman and 1 man. The Swedish and Luxembourg employees are permanent and full-time.
2-8	Workers who are not employees	Working at United Bankers p. 50	
2-9	Governance structure and composition	Managing and leading sustainability p. 15 Corporate governance statement 2023 – Governance structure, Annual Report p. 197-198 Corporate governance statement 2023 – Composition of the Board of Directors, Annual Report p. 199 Corporate governance statement 2023 – Committees of the Board of Directors, Annual Report p. 204	The Board and committees of United Bankers do not currently include any representatives from minority groups or stakeholders.
2-10	Nomination and selection of the highest governance body	Corporate governance statement 2023 – Composition of the Board of Directors, Annual Report p. 199 Corporate governance statement 2023 – Competence and independence requirements for the Board of Directors, Annual Report p. 201 Corporate governance statement 2023 – Principles concerning the diversity of the Board of Directors, Annual Report p. 201	The nomination and election process of the board does not include considerations from stakeholders other than shareholders.
2-11	Chair of the highest governance body	Corporate governance statement 2023 – CEO, Annual Report p. 205	
2-12	Role of the highest governance body in overseeing the management of impacts	Managing and leading sustainability p. 15-16	
2-13	Delegation of responsibility for managing impacts	Managing and leading sustainability p. 15-16	
2-14	Role of the highest governance body in sustainability reporting	Corporate governance statement 2023 – Duties of the board of directors, Annual Report p. 202	

Code	Indicator	Location in the report	Information
2-15	Conflicts of interest	Corporate governance statement 2023 – Principles concerning related-party transactions, Annual Report p. 209	
2-16	Communication of critical concerns	Whistleblowing channel p. 23	
2-18	Evaluation of the performance of the highest governance body	Corporate governance statement 2023 – Board's self-assessment, Annual Report p. 203	
2-19	Remuneration policies	Remuneration report 2023 – CEO's remuneration in 2023, Annual Report p. 218-220	In accordance with the Securities Markets Act, the remuneration report covers only the compensation of the CEO and the board. The CEO does not receive a sign-on bonus.
2-20	Process to determine remuneration	Corporate governance statement 2023 – Remuneration committee, Annual Report p. 204 Remuneration policy for governing bodies - Grounds for determining variable remuneration, Annual Report p. 212-213 Remuneration report 2023 - Decision making related to the remuneration policy, Annual Report p. 211	An external (independent) consultant did not attend the meetings of the Remuneration Committee in 2023.
2-21	Annual compensation ratio		Ratio of the annual total compensation for the CEO to remuneration of an average United Bankers employee: 5,38:1 Ratio of the percentage increase in annual total compensation 2022-2023: 20.30:1
2-22	Statement on sustainable development strategy	CEO Patrick Anderson, Annual Report p. 6-9	
2-23	Policy commitments	Sustainability principles and policies p. 9-11	United Bankers does not pay attention to any particular stakeholder category.
2-24	Embedding policy commitments	Sustainability principles and policies p. 9-11	
2-25	Processes to remediate negative impacts	Whistleblowing channel p. 23	
2-26	Mechanisms for seeking advice and raising concerns	Whistleblowing channel p. 23	
2-27	Compliance with laws and regulations		In 2023, there were no significant cases of breaches of laws or regulations.
2-28	Membership associations	Stakeholder engagement p. 23	
2-29	Approach to stakeholder engagement	Stakeholder engagement p. 23	
2-30	Collective bargaining agreements	Working at United Bankers p. 50	
3-1	Process to determine material topics	Defining focus areas p. 11-14	
3-2	List of material topics	Defining focus areas p. 11-14	
3-3	Management of material topics	Defining focus areas p. 11-14	
201-1	Direct economic value generated and distributed	United Bankers' generated added financial value p. 75	
201-2	Financial implications and other risks and opportunities due to climate change	Climate risk assessment according to the TCFD framework p. 17-20	
201-4	Financial assistance received from government		No financial assistance received from government in 2023. No government ownership.
205-1	Operations assessed for risks related to corruption	Preventing corruption, bribery and money laundering p. 69-71	

Code	Indicator	Location in the report	Information
205-2	Communication and training about anti-corruption policies and procedures	Preventing corruption, bribery and money laundering p. 69-71	Information is not available by employee category and region.
205-3	Confirmed incidents of corruption and actions taken	Preventing corruption, bribery and money laundering p. 69-71	
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Preventing corruption, bribery and money laundering p. 69-71	
207-1	Approach to tax	Tax and tax footprint p. 73	
302-1	Energy consumption within the organisation	Energy consumption p. 30	
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity p. 43-48	
304-2	Significant impacts of activities, products and services on biodiversity	Biodiversity p. 43-48	Apart from the measurement of forest holdings in hectares, United Bankers has not assessed its direct and indirect effects on biodiversity with the level of accuracy mandated by the standard.
304-3	Habitats protected or restored	Biodiversity p. 43-48	United Bankers does not engage in cooperation with external entities for the purpose of conservation or restoration efforts that extend beyond the forest reserves of funds.
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Biodiversity p. 43-48	
305-1	Direct (Scope 1) GHG emissions	Emissions from United Bankers' investments decreased by 7 per cent p. 28-31 Carbon footprint calculation – methodology, assumptions and resources p. 80	The method employed for calculating emissions was based on the Global GHG Accounting & Reporting Standard for the Financial Industry developed by PCAF. The approach to accounting was based on operational control.
305-2	Energy indirect (Scope 2) GHG emissions	Emissions from United Bankers' investments decreased by 7 per cent p. 28-31 Carbon footprint calculation – methodology, assumptions and resources p. 80	The method employed for calculating emissions was based on the Global GHG Accounting & Reporting Standard for the Financial Industry developed by PCAF. The approach to accounting was based on operational control.
305-3	Other indirect (Scope 3) GHG emissions	Emissions from United Bankers' investments decreased by 7 per cent p. 28-31 Carbon footprint calculation – methodology, assumptions and resources p. 80	The method employed for calculating emissions was based on the Global GHG Accounting & Reporting Standard for the Financial Industry developed by PCAF. The approach to accounting was based on operational control.
305-4	GHG emissions intensity	Emissions from United Bankers' investments decreased by 7 per cent p. 28-31 Carbon footprint calculation – methodology, assumptions and resources p. 80	

Code	Indicator	Location in the report	Information
305-5	Reduction of GHG emissions	Emissions from United Bankers' investments decreased by 7 per cent p. 28-31 Carbon footprint calculation – methodology, assumptions and resources p. 80	
401-1	New employee hires and employee turnover	Working at United Bankers p. 49-50	The turnover rate was 1.7% for women and 5.2% for men in 2023.
401-3	Parental leave	Working at United Bankers p. 50	
402-1	Minimum notice periods regarding operational changes	Working at United Bankers p.50	
403-1	Occupational health and safety management system	Occupational health and safety, accidents at work and absences p. 51	
403-4	Worker participation, consultation, and communication on occupational health and safety	Occupational health and safety, accidents at work and absences p. 51	
403-5	Worker training on occupational health and safety	Employee well-being and skills are important investments p. 50-51	
403-6	Promotion of worker health	Employee well-being and skills are important investments p. 50-51	
403-8	Workers covered by an occupational health and safety management system	Employee well-being and skills are important investments p. 50-51	All employees are covered by the occupational health and safety management system.
403-9	Work-related injuries	Employee well-being and skills are important investments p. 50-51	
403-10	Work-related ill health	Employee well-being and skills are important investments p. 50-51	
404-1	Average hours of training per year per employee	Training and development p. 52-53	
404-2	Programs for upgrading employee skills and transition assistance programs	Training and development p. 52-53	
404-3	Percentage of employees receiving regular performance and career development reviews	Training and development p. 52-53	The data is not available by employee category.
405-1	Diversity of governance bodies and employees	Table 13: Gender and age group distribution p. 54	
406-1	Incidents of discrimination and corrective actions taken	Equality and non-discrimination p. 53-54	
415-1	Political contributions		No political contributions made in 2023.
417-3	Incidents of non-compliance concerning marketing communications	Responsible communications and marketing p. 61-62	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Client privacy and secure processing of personal data p. 69	



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