



ESG Review

2023

Introduction

Fostering aspiring ESG work in our portfolio companies through active ownership

As we reflect on the past year of dedicated efforts, it is with great enthusiasm that I share the achievements we have made in MB Funds' commitment to responsible investment and ESG activities in the portfolio companies. MB seeks transformative growth in our portfolio companies, and we believe sustainable business is essential for achieving long-term success and value creation. As a result of our ESG integration and MB's responsible investment and ownership approach, sustainability is built-in the investee companies' growth path and value creation.

In MB, we are witnessing and dedicated to support the ever-growing ambition of our portfolio companies to develop their ESG initiatives and efforts. Recently we have seen the portfolio companies committing to various sustainability pledges, setting concrete targets for reducing environmental impacts, enhancing their ESG data collection processes, and strengthening their resource allocation for ESG work. Some companies aspire to be leaders or change catalysts in sustainability within their respective industries. Concurrently, the portfolio companies have identified sustainability-related business opportunities and have actively started to contribute on and seize these opportunities. This is also essential for their success in business, given the rising expectations and demands from stakeholders. At MB, we also set clear expectations for the development of sustainability matters, and last year this was reflected in increased demands for improving the availability and quality of ESG data in our portfolio companies.

In line with our commitment to fostering a culture of sustainability, we hosted MB's first ESG seminar for the portfolio companies last year. The seminar highlighted the strong mindset towards ESG development within our portfolio. We covered current ESG themes such as climate topics and the development of Scope 3 emissions tracking and calculation, diversity, inclusion, and equity (DE&I) themes, and an overview of the evolving CSRD regulation. The event provided a valuable platform for the company representatives to share both successes and challenges in their ESG efforts.

MB continues its ongoing efforts as an active owner to ensure that portfolio companies achieve their ESG goals, improve ESG data reporting, and capitalize on business opportunities related to sustainability. As we move forward, our focus remains enhancing the ESG capabilities of our portfolio companies.

In this annual ESG Review, we describe the focus areas and development efforts of our portfolio companies' sustainability work and highlight key achievements in their ESG performance. In conclusion, I extend my gratitude to our portfolio companies for their dedication to sustainability and to our team for their unwavering commitment to responsible investment practices.

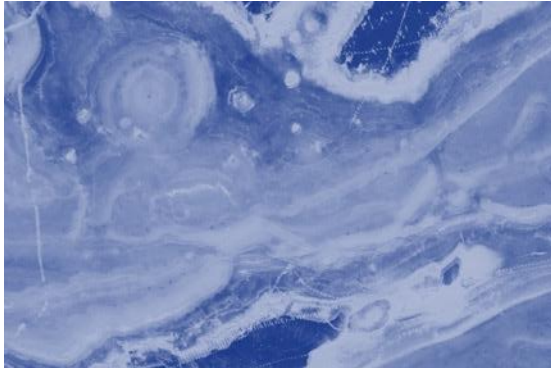


Minna Heimonen
Sustainability & communications manager

“In line with our commitment to fostering a culture of sustainability, we hosted MB's first ESG seminar for the portfolio companies last year. The seminar highlighted the strong mindset towards ESG development within our portfolio”

Contents

- 1 > MB Funds' approach to sustainability 4
- 2 > Recent highlights of MB's ESG activities 10
- 3 > Portfolio companies' sustainability & impact 15





1. MB Funds' approach to sustainability

1. MB Funds' approach to sustainability

According to our investment strategy, MB invests in strong businesses that have promising growth potential and the capacity to further develop their position in the market. MB believes that sustainable companies, which have evaluated ESG-related risks and identified ESG matters creating value are more resilient and successful in a rapidly evolving business environment. MB's responsible owner mindset allows us to cooperate with high-performing companies with long term value creation potential and to make future-proof investments.

MB's solid approach to sustainability sets the frames for MB's sustainability work and communication. Our approach captures key stakeholders' expectations on sustainability and thus directs MB's resources and activities on material ESG matters. MB's sustainability is divided into three elements – Responsible investment, Impact, and Transparency and disclosure. MB is committed to responsible investment, fosters positive impact through the portfolio companies and is transparent in our communication.

Responsible investment

MB is committed to integrating Environmental, Social and Governance (ESG) aspects into our investment strategy and processes. Responsible investment practices are integrated into our operating model covering all phases from the deal sourcing and the investment process through the ownership period and till the exit. The work on responsible investment at MB is continuous and we have dedicated plenty of resources to further develop our practices.



Read more about MB's responsible investment on pages 6 – 15.

Impact

At MB we see that the environmental and social impacts are achieved through the operations of our portfolio companies. MB's aim is to genuinely engage the companies to consider the ESG perspective in their operations to make a lasting impact on the selected focus areas. In addition to financial outcomes each portfolio company generates unique environmental and social impacts, which we as a majority owner strive to foster and communicate to our stakeholders. Even though the impact is not an investment goal in itself, MB considers that the environmental and social value also contribute to the financial outcome and value.



Read more about MB's portfolio companies sustainability work and impact on pages 15 – 33.

Transparency & disclosure

At MB we want to provide our stakeholders with relevant and timely information about our own operations as well as our portfolio companies. We notify our investors annually on ESG matters and development, and report immediately in case of any material ESG incidents or breaches. Regarding the transparency and the disclosure of MB's own operations the Finnish Venture Capital Association (FVCA) has issued a set of guidelines to promote transparency in the venture capital and private equity industry. MB Funds meet the FVCA requirements.

Responsible investment process at MB

1. Commitment to responsible investment

MB's responsible investment process is based on United Nations Principles for Responsible Investment (UN PRI), and it covers the decision-making and ownership practices that are applied through our investment process. We commit to the following six PRI principles:

- **Principle 1:** We will incorporate ESG issues into our investment analysis and decision-making processes.
- **Principle 2:** We will be active owners and incorporate ESG issues into our ownership policies and practices.
- **Principle 3:** We will seek appropriate disclosure on ESG issues by the entities in which we invest.
- **Principle 4:** We will promote acceptance and implementation of the Principles within the investment industry.
- **Principle 5:** We will work together to enhance our effectiveness in implementing the Principles.
- **Principle 6:** We will each report on our activities and progress towards implementing the Principles.

MB Funds Responsible Investment and Ownership Policy is applicable to all MB equity funds (subject to their legal documentation) and is integrated in the decision-making and ownership practices through the whole investment process – from the deal sourcing and the investment phase through the ownership period and till the exit. The Policy describes MB's approach to sustainability in general as well as the processes and practices implemented regarding responsible investment and ownership. In addition, the Policy describes the integration of sustainability risks in investment decision-making process in accordance with EU regulation

2019/2088 on sustainability-related disclosures in the financial services sector.

MB Funds' Responsible Investment and Ownership Policy is reviewed regularly and updated when necessary. The Policy is approved by the Board of Directors or the Investment Committee of the Alternative Investment Fund Manager (whichever applicable) of each MB equity fund. The MB investment team members with the support of the sustainability and communications manager are responsible for the implementation of the sustainability considerations during the entire investment cycle.

MB has also integrated responsible investment practices into internal governance codes according to which ESG topics are regularly considered during the whole investment process including deal sourcing, due diligence, entry phase, ownership period and exit. MB is a member of Finland's Sustainable Investment Forum (Finsif), the member-based organization promoting responsible investment.



2. ESG Due Diligence

Sustainability risks and opportunities are considered in the deal sourcing and the investment analysis to identify potential investee companies' exposure on various sustainability risks as well as to seek companies with positive environmental and social impacts, and sustainability opportunities creating value. We carry out ESG due diligence as an individual DD stream on every investment opportunity reaching a DD phase to assess potential ESG risks and opportunities for the investee company and the related industry in further detail. In the ESG due

Responsible investment process at MB

diligence, the focus is on understanding the material ESG matters for specific company and its industry i.e., sustainability risks and opportunities that are integrated in a company's operating environment, business model and value creation, and that have a financial impact. In addition, the likely impacts of identified sustainability risks and opportunities on the investee company's business are assessed and documented, including possible risk mitigation recommendations. Through the ESG due diligence process we are able to deepen our understanding and evaluate a company's performance on selected material ESG matters as well as the quality and efficiency of ESG management.

The due diligence on ESG matters is conducted through a desk review of key documentation, studying the investee company's industry specific ESG issues and best practices, and discussions with the company's management. Our ESG due diligence questionnaires and reporting are based on available ESG standards and reports, e.g., Invest Europe's ESG DD questionnaire and Sustainability Accounting Standards Board (SASB) industry standards and supplemented with industry and target specific adjustments as well as MB's own experience from the previous DD processes. ESG due diligence is primarily carried out internally with consultancy from external specialists, where necessary.

The observations and the conclusions from the profound ESG due diligence are introduced in the company's business plan and strategy from the very beginning of MB's ownership. In case a material ESG issue is identified in the due diligence, an action plan to bring the issue to a satisfactory level under MB's ownership is prepared. Further, if any severe ESG failure or negative aspect is emerged in the ESG DD and this cannot be corrected during MB's future ownership the continuation of the investment process will be carefully assessed and terminated if

necessary. As well as in other areas of the business, MB acts in close cooperation with the company management to develop the ESG management systems and thereby increase the value of the business.

MB's project team members appointed for each investee case, with the support by the sustainability and communications manager, are primarily responsible for integrating material ESG matters into the analysis and decision-making process of the investment. Responsible partner of the investment case is also responsible for including the results of the impact assessment of identified sustainability risks in the investment decision process. At the beginning of the ownership period, MB introduces its Responsible Investment and Ownership Policy as well as the approach and expectations on sustainability to the management teams of the portfolio companies.

3. Active ownership

MB's key principles as an active owner are trust-based partnership and productive cooperation with the management of the portfolio companies. MB's aim is to enhance portfolio companies' sustainable business and growth by fostering companies' engagement to develop their ESG management systems. The level of ESG resources and the stage of development varies among the investee companies and consequently the level of involvement required from our side.

ESG matters that are important for the portfolio company's value creation are integrated in the strategy work already during the entry period when MB together with the management prepares a jointly agreed business strategy. During the whole ownership period with our active ownership process and practices we support and engage portfolio companies in sustainability activities and initiatives such as ensuring

Responsible investment process at MB

company's management commitment to sustainable business, defining the company specific material ESG matters as well as related KPIs and targets, integrating sustainability in company's communication activities, and addressing sufficient resources for the sustainability development work.

MB's investment team members work together with the portfolio companies on sustainability issues through the MB's ownership period. As in the other areas of business development there is a clear division of responsibilities between MB and the company management. MB initiates and facilitates sustainability activities through the board work as the company's management is responsible for the implementation of the agreed activities.

In the core of MB's active ownership is to identify the most material ESG topics for each company's business and improve the company's performance and management of those topics. To highlight the most material ESG topics we apply commonly known ESG standards, frameworks and guidelines as well as applicable regulation.

As mentioned, MB works in active cooperation with portfolio companies' management to facilitate the ESG initiatives and projects in the companies. We for example provide companies with coaching and knowledge of sustainability in business, organize workshops to define sustainability agendas for the companies as well as contribute networking and sharing best practices among the companies.

4. Monitoring

Progress of the portfolio companies' sustainability activities and ESG performance are monitored regularly at the board level. ESG is included in the board of directors' annual clock. The frequency depends on e.g., the metric's seasonality and on-going ESG-related projects as well as the company size, sector and business model.

Portfolio companies report annually their sustainability performance to MB. We have established an annual survey for portfolio companies to monitor the sustainability management and ESG performance development in the companies with a uniform method. The aim of the sustainability survey is to gain understanding of the portfolio companies sustainability work and management, support the companies in their sustainability work, and monitor the development of ESG aspects in the funds' portfolio. The survey is conducted in the winter and the results from the survey are reported in MB's annual ESG Review for Limited Partners.

Some of our investee companies do not have a systematic ESG reporting system in place yet. Therefore, portfolio companies' ESG KPIs and target implementation are included in the ESG management systems' development as a part of our active ownership process. As the ESG reporting systems in the portfolio companies develop, we are able to better monitor and report each company's performance progress in the selected ESG topics. However, all portfolio companies are following certain minimum standard ESG KPIs at the moment, especially KPIs linked to the social responsibility and employees, environmental performance as well as governance. In addition, many of the portfolio companies have action plans to further develop their ESG-related performance indicators.

Responsible investment process at MB

Portfolio companies' material ESG updates and ESG performance progress is monitored regularly in MB's internal forums such as MB investment team's portfolio company reviews. In addition, MB has conducted internal surveys to support MB's active ownership practices development. In monitoring activities MB's emphasis is on the efficiency and the quality of the portfolio companies' ESG management systems and the performance progress in selected ESG KPIs.

5. Reporting

In the ESG reporting of the portfolio companies, MB has chosen to focus on selected ESG areas based on materiality and pursue tangible progress in these. MB's ESG reporting to Limited Partners includes an annual ESG Review, ESG updates included in the portfolio reporting and immediate reporting of any serious ESG incidents. We continuously seek to improve our ESG reporting and have an active dialogue with our LPs to provide useful information about our ESG activities. Our ESG data collection from portfolio companies has been improved consistently during the recent years for example with MB's Sustainability Survey for the portfolio companies. Regarding the future ESG reporting, for instance, we continue the development work to provide ESG indicators of our portfolio companies' ESG performance as well as the fund level ESG KPIs. We are also following the development of impact measurement methodologies.

MB Funds ("MB") considers principal adverse impacts of its investment decisions on sustainability factors and publishes the Adverse Sustainability Impacts Statement on our website according to the requirements set out in Regulation (EU) 2019/2088 of the European Parliament and of the Council on sustainability-related disclosures in the financial services sector (SFDR) Article 4 (1) (a).

6. ESG in exit

At exit, the emphasis is on demonstrating the development made in the selected ESG matters and the improved level of ESG management in the company to maximise the exit value.

Responsible investment policies and documents are available on MB's webpage.

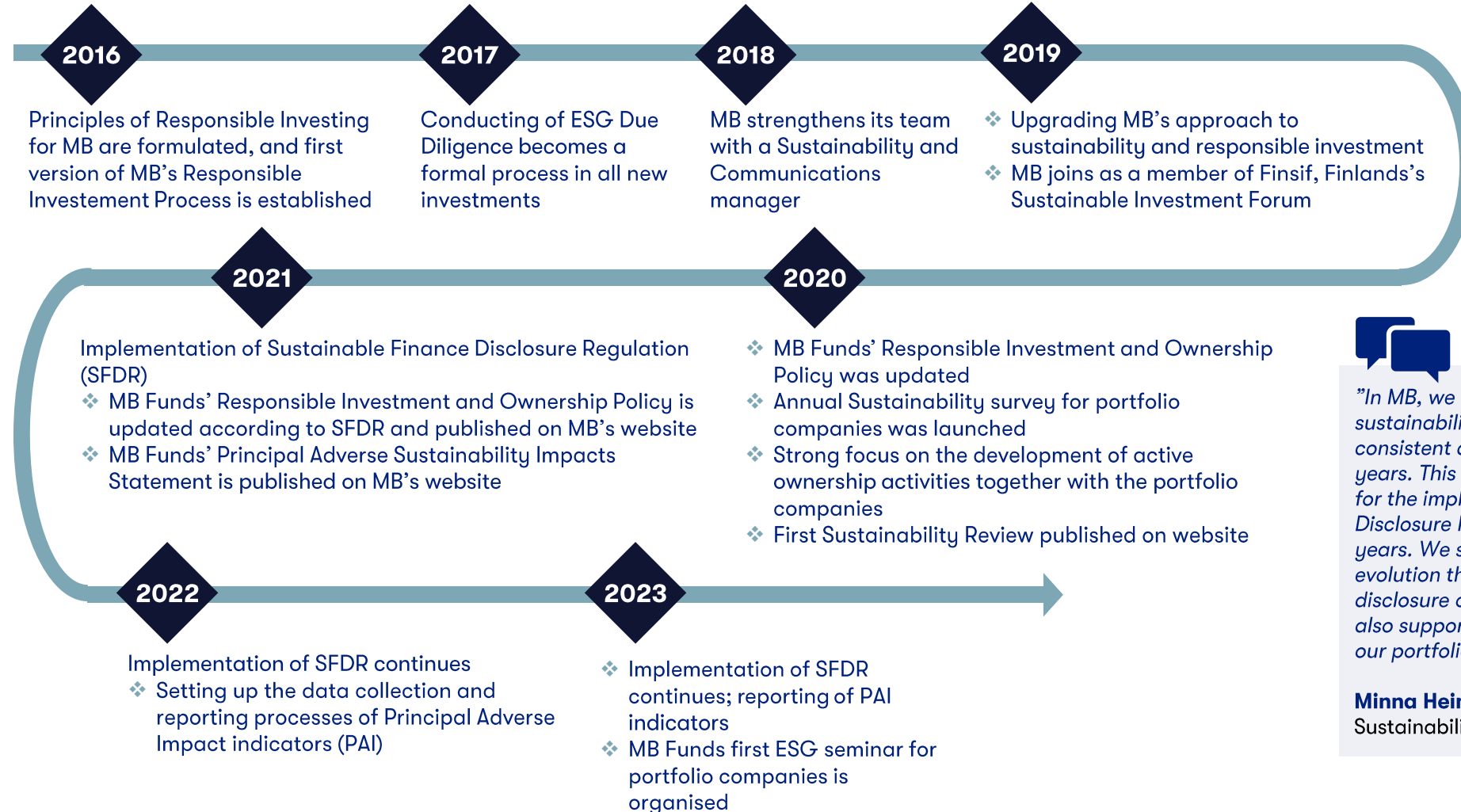
[MB Funds' Responsible Investment and Ownership Policy](#)





2. Recent highlights of MB's ESG activities

MB Funds' ESG integration over time



MB comment

"In MB, we have developed our approach to sustainability and responsible investment in a consistent and ambitious manner over many years. This work has built a strong foundation for the implementation of Sustainable Finance Disclosure Regulation, SFDR, during the recent years. We see the regulation as positive evolution that will bring standardization on disclosure of ESG topics and reporting that also supports us in consistent ESG work with our portfolio companies."

Minna Heimonen

Sustainability and communications manager

Sustainability highlights in 2023

MB Funds' ESG Seminar

MB organised an ESG seminar for the portfolio companies in Autumn 2023.



ESG Reporting

MB has been supporting portfolio companies in their ESG reporting development and data collection; in 2023 the focus was in GHG emissions and scope 3 emissions.

CSRD

MB has been preparing and familiarizing itself for CSRD (Corporate Sustainability Reporting Directive) in close cooperation with the portfolio companies.

Level 20 Finland

MB participated actively in Level 20 Finland working group activities. Level 20 is a not-for-profit network promoting diversity in private equity.



PAI

MB's first principal adverse impact indicators (PAI indicators) were published in MB's webpage in June 2023.

MB Funds in Level 20 Finland

Level 20 Finland

Level 20 is not-for-profit organisation founded in UK with the aim of improving diversity in the private equity industry. Level 20 Finland is a vibrant community of around 30 active members based in the Helsinki area, representing 25 PE companies.

Three steering groups

- Industry Diversity Commitment
- Young Investment Professionals
 - Student Outreach

MB Funds has actively participated in the steering groups during the past year

Private Equity Masterclass for young female investment professionals – *Building the skills for future leaders*

”An event serie for junior to mid-level female investment professionals in PE and VC, offering exclusive opportunities to gain insights from top industry professionals, enhance skills relevant to the field, and network.”



Commitment to Principles for Responsible Investment in practice

MB Funds is not a signatory in United Nations Principles for Responsible Investment (UN PRI), but our responsible investment process is based on, and we commit to the PRI. MB Funds' approach covers the decision-making and ownership practices that are applied through our investment process. On the below table we further demonstrate our commitment to the six PRI principles in practice.

	The PRI Principles	MB Funds' approach and activities
1	We will incorporate ESG issues into our investment analysis and decision-making processes.	An individual ESG Due Diligence is conducted in every investment opportunity reaching DD phase. ESG Due Diligence includes an analysis of ESG risk and opportunities related to the company's business, industry and operating environment. MB's project team members appointed for each investee case, with the support by the sustainability and communications manager, are primarily responsible for integrating material ESG matters into the analysis and decision-making process of the investment.
2	We will be active owners and incorporate ESG issues into our ownership policies and practices.	We have a Responsible Investment and Ownership Policy that is published on our webpage. MB's investment team members work together with the portfolio companies on sustainability issues through MB's ownership period. MB initiates and facilitates sustainability activities through the board work as the company's management is responsible for the implementation of the agreed activities. Progress of the portfolio companies' sustainability activities and ESG performance are monitored regularly at the board level. In addition, the portfolio companies report annually on their sustainability performance to MB.
3	We will seek appropriate disclosure on ESG issues by the entities in which we invest.	We have established an annual sustainability survey for the portfolio companies that include reporting of sustainability management activities and a set of ESG indicators by the companies. Reporting also includes the PAI indicators in accordance to SFDR. MB also provides support for the portfolio companies on ESG indicators reporting for example on reporting in alignment with the selected internationally recognised reporting frameworks.
4	We will promote acceptance and implementation of the Principles within the investment industry.	We have made formal commitment to invest responsibly and communicated that to our stakeholders openly. We are a member in FVCA's ESG committee and through the committee work we participate actively in developing responsible investment practices in the private equity industry. We are also a member of Finsif, Finland's Sustainable Investment Forum. At the beginning of the ownership period, we introduce our Responsible Investment and Ownership Policy as well as the approach and expectations on sustainability to the management teams of the portfolio companies.
5	We will work together to enhance our effectiveness in implementing the Principles.	We have continuous and active dialogue with our stakeholders such as Limited Partners and portfolio companies as well as other private equity industry actors. Through the engagement with stakeholders we are able to improve and develop further our responsible investment process and practices. We follow ESG initiatives and development of our sector to support continuous learning and enhance our approach and practices.
6	We will each report on our activities and progress towards implementing the Principles.	Our ESG reporting to Limited Partners includes an annual ESG Review, ESG updates included in the portfolio reporting and immediate reporting of any serious ESG incidents. MB also publishes an annual sustainability report on our website. In addition, we have published our Responsible Investment and Ownership Policy and formal documents according to SFDR requirements on our website.



3. Portfolio companies' sustainability & impact

Principal Adverse Impact (PAI) indicators

MB Equity Fund VI

	Principal Adverse Impact Indicator (PAI indicators)	2023
Greenhouse gas emissions	1. GHG emissions (total)	2 871.7 tCO2
	Scope 1 GHG emissions	1 926.1 tCO2
	Scope 2 GHG emissions	160.2 tCO2
	Scope 3 GHG emissions	785.4 tCO2
	2. Carbon footprint	71.8 tCO2/m€
	3. GHG intensity of investee companies	24.9 tCO2/m€
	4. Exposure to companies active in the fossil fuel sector	0%
	5. Share of non-renewable energy consumption and production	46.8%
	6. Energy consumption intensity per high impact climate sector	0.01 GWh/M€ (Section F)
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	0%
Water	8. Emissions to water	0 tonnes/m€
Waste	9. Hazardous waste and radioactive waste ratio	0 tonnes/m€
Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0%
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	0%
	12. Unadjusted gender pay gap	22%
	13. Board gender diversity	20%
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0%

MB Funds considers principal adverse impacts (PAI) of investment decisions on sustainability factors according EU Sustainable Finance Disclosure Regulation (SFDR) 2019/2088 article 4 concerning the reporting of sustainability factors. This table summarises the mandatory PAI indicators of MB Equity Fund VI in the reference period 2023.

The official PAI statement is available in MB Funds' webpage: [MB Partners Qy Statement on principal adverse impact of investment decisions on sustainability factors](#)

Principal Adverse Impact (PAI) indicators










MB Equity Fund V

	Principal Adverse Impact Indicator (PAI indicators)	2023
Greenhouse gas emissions	1. GHG emissions (total)	11 417.4 tCO2
	Scope 1 GHG emissions	329.7 tCO2
	Scope 2 GHG emissions	3 131.8 tCO2
	Scope 3 GHG emissions	7 955.9 tCO2
	2. Carbon footprint	68.9 tCO2/m€
	3. GHG intensity of investee companies	44.0 tCO2/m€
	4. Exposure to companies active in the fossil fuel sector	0%
	5. Share of non-renewable energy consumption and production	37.1%
	6. Energy consumption intensity per high impact climate sector	0.05 GWh/M€ (Section C) 0.02 GWh/M€ (Section G)
Biodiversity	7. Activities negatively affecting biodiversity-sensitive areas	0%
Water	8. Emissions to water	0 tonnes/m€
Waste	9. Hazardous waste and radioactive waste ratio	0.37 tonnes/m€
Social and employee matters	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0%
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	0%
	12. Unadjusted gender pay gap	14.4%
	13. Board gender diversity	11%
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0%

MB Funds considers principal adverse impacts (PAI) of investment decisions on sustainability factors according EU Sustainable Finance Disclosure Regulation (SFDR) 2019/2088 article 4 concerning the reporting of sustainability factors. This table summarises the mandatory PAI indicators of MB Equity Fund V in the reference period 2023.

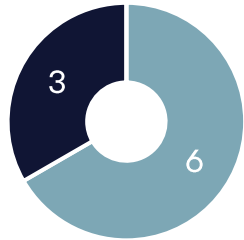
The official PAI statement is available in MB Funds' webpage: [MB Partners V Oy Statement on principal adverse impact of investment decisions on sustainability factors](#)

MB Funds' portfolio companies

Portfolio company	Fund	Industry	Investment year	Revenue (2023)	Employees (2023)	The company has a formal sustainability agenda / strategy	Sustainability agenda approved by the Board of Directors	Number of ESG incidents (2023)
	Fund V	Solar energy systems	2018	24 M€	47	Part of strategy	Yes	0
	Fund V	Event marketing and production	2019	87 M€	310	Yes	Yes	0
	Fund V	Vehicle damage inspection and collision repair services	2019	84 M€	481	Yes	Yes	0
	Fund V	Factoring services for SME companies	2021	12 M€	38	Yes	Yes	0
	Fund V	Accounting services	2021	22 M€	277	No	-	0
	Fund V	Packaging	2021	67 M€	282	Yes	Yes	0
	Fund VI	Infrastructure and property maintenance	2021	50 M€	608	Yes	Yes	0
	Fund VI	IT network and security	2022	34 M€	51	Yes	Yes	0
	Fund VI	Technical consulting	2023	42 M€	314	Yes	Yes	0

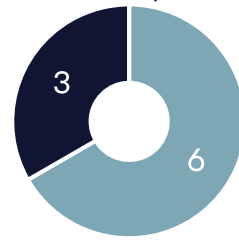
Summary of the results from MB's Sustainability survey for the portfolio companies 2023

The company has identified **sustainability-related business opportunities** and have actively started to contribute on and seize these opportunities.



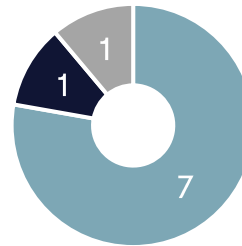
■ Yes ■ To some extent

The company have built **capabilities** and allocated sufficient working hours and human **resources** into developing sustainability in its business operations.



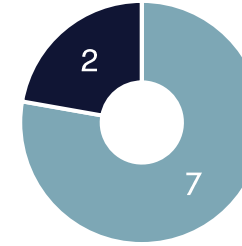
■ Yes ■ To some extent

Does the company have a formal **sustainability agenda** or strategy that demonstrates the sustainability topics that are **material** for the company's business?



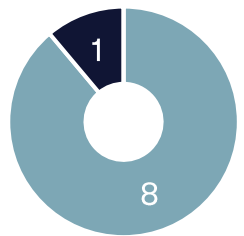
■ Yes
■ Work in progress / part of strategy
■ No

The company has prepared an **action plan** to support the implementation of sustainability agenda (or similar) or sustainability work in general.



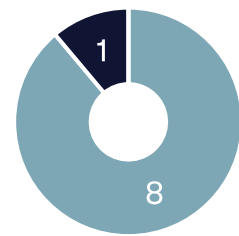
■ Yes
■ Work in progress / part of strategy

The investments or efforts (financial and/or personnel) in the company's sustainability work are anticipated to increase during the next 12 months.



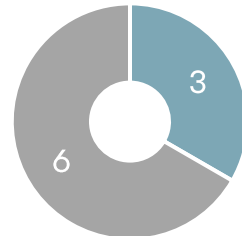
■ Yes ■ To some extent

The progress of the company's sustainability agenda (or similar) or sustainability work in general is **monitored in the management group and the board of directors' meetings** regularly.



■ Yes ■ To some extent

The company has **committed** to a certain global, national or industry-specific **corporate responsibility commitment** or initiative or declaration.



■ Yes ■ No

The company prepares and publishes a **sustainability report**.

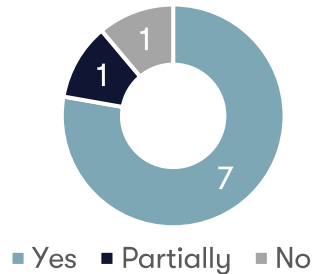


■ Yes ■ Work in progress ■ No

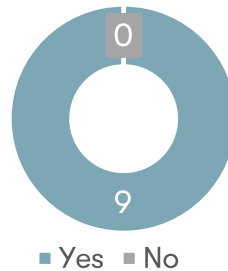
Summary of the results from MB's Sustainability survey for the portfolio companies 2023

ESG-related policies

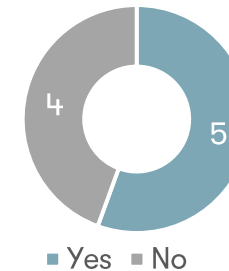
Does your company have a **Code of Conduct** (or similar principles)?
#number of companies



Does your company have a **whistleblowing channel**? #number of companies

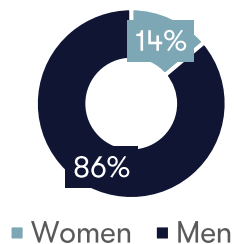


Does your company have an **Environmental Management System**?
#number of companies

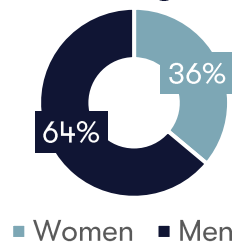


Gender diversity

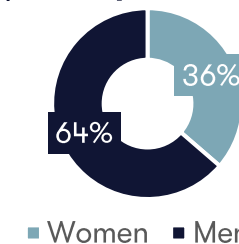
Gender diversity of portfolio companies' **Board of Directors** (%)



Gender diversity of portfolio companies' **executive management** (%)



Gender diversity of portfolio companies' **personnel** (%)



MB Funds' Sustainability survey 2023 included answers from nine portfolio companies.

Sustainable purchasing

Really sustainable solar panels care about both the environment and people! Both the customers' wallets, our climate and the people who manufacture the solar panels are in focus for Freebo.

Looking back at 2023, it is nice to see that more and more people have understood the value of getting solar cells. Of course, the rollercoaster of electricity prices has played a role in the homeowners' decisions - and it is more and more understood that those panels on the roof can ensure that you don't have to sweat over the shock headlines in the evening papers about increasing electricity bills. But surely the question of climate change - that has begun to give the mankind real insights - has also played a role. We've seen heat waves that shouldn't have been here. We have seen more storms, more landslides. We have seen the Earth's temperature breaking records, once again, and by a greater margin than anyone thought of. Both things are - and have always been since Freebo started - completely central.

Then there is one more question - an issue that all of us in Freebo are far too alone to see it as highly important. Namely, the people who make the solar panels. We at Freebo have chosen to go a long way. We have chosen to manufacture our panels in Europe. We have done this because we know that the people who work with the panels - in our case in Austria and Italy - are doing well. They have reasonable salaries. They have sensible, clean working conditions. They have reasonable terms. People who get all these things cost more money. That's how it is and it's exactly as it should be. We are very grateful to our customers, who agree with us on this, and who have chosen Freebo with this in mind. Even if we have chosen to refuse buying the cheapest- the cheap products that come at the expense of people's well-being on the other side of the world - Freebo is doing very well.

We are once again making a decent profit. It is good for our customers, good for us, good for European democracy and good for the solar market. Because it indicates that genuine sustainability - with the environment and humanity - is something many of the Swedes value. They prefer our offer instead of "cheap" solutions with unclear origins. We at Freebo will work for true sustainability as much as we can. That will also make us stronger.

Freebo visiting one of its European suppliers Sonnenkraft in Austria in March 2023



Freebo

LIWFLIG®

Within Liwlig Group we have a goal to reduce our footprint and to leave a positive impact in all touchpoints. We do this by reducing emissions and working more circular with a reduced use of resources and waste. Our largest impact is in our client events. Therefore we actively take action to innovate solutions that will help us and our clients towards our environmental goals.

GYRO
/LIWFLIG®

A CASE EXAMPLE OF GYRO LIWFLIG

GO_{Zero}

GoZero is a tool to calculate and earn any participant's CO2 footprint in advance of events. It is a tool, and a game.

GoZero gives employees a motivation to focus on their own climate footprint and compete with colleagues in making smart choices in everyday life.

The goal is to inspire change.
Lasting change.

Winner of several awards and mentioned as best-case practice in HSMAI sustainability guide:

<https://hsmi.eu/hsmi-europe-resources-hsmi-sustainability-guide-2023/>

WWWWWWWW

RESULTS

Data was gathered from three distinct clients over periods ranging from **three weeks to three months**, involving between **60 to 600** participants. Each contest was customized to align with the specific timeframes and requirements of the clients.

51 510

KG CO2

Was reduced by being aware of one's own actions during the competition period

36 648

UNIQUE MEASURES

Was recorded during the competition period

49.5

KG CO2

Average reduction per participant

Clients

 **mesta**

 **IBDO**

GOLFTINGET 2023

Next up



We develop, educate and recycle

The sustainability strategy of Suvia Group focuses on improving the efficiency of services, increasing staff competence, and monitoring and enhancing recycling.

By addressing all these areas, we engage in broader sustainability efforts, develop the group as a whole, and ensure that Suvia Group remains competitive, a strong contender, and a leader in domestic markets.

Our successes in environmental work

- The reduction in our GHG emissions is an evidence of successful leadership, training, ESG documentation, and the adoption of more sustainable repair methods.
- We offer recycling training to all our employees through our internal training platform and have updated guidelines related to energy usage. Additionally, we invest in parts recycling and reuse, as well as responsible resale.
- Over the past year, we have reduced our carbon footprint by 11.3 tons.
- This reduction is equivalent to the emissions produced by an individual flying from Helsinki to Munich and back 19 times.

Development work of 2023 in practice

Sustainable repair methods

By utilizing more sustainable repair methods such as straightening, plastic repair, and PDR (Paintless Dent Repair) technique, we have reduced the consumption of virgin materials and decreased the amount of waste generated from repairs.

Ecological materials

We have re-evaluated our paint suppliers, and one of our requirements is the use of more environmentally friendly paints.

GHG emissions calculation

In the preparing of our environmental report, an external expert has been involved, who has calculated Suvia Group's annual emissions according to the GHG Protocol.

Documentation

We have updated our Code of Conduct (CoC) to align with the principles of the UN Global Compact and commit to adhering the principles. An external expert has been involved in the drafting process.

Training

We train future professionals in collaboration with educational institutions in the field. This way, we can provide our expertise to students and emphasize the importance of sustainability in the industry's development.

Noja Rahoitus is committed to supporting the well-being and professional growth of its employees

We have chosen the well-being of our work community as this year's main sustainability theme because we understand that the success of the company relies on the committed and thriving employees.

We offer our employees wide range of benefits and opportunities that promote a healthy and balanced lifestyle both at work and outside workplace. Lunch and fitness benefits are part of a comprehensive package supporting our employees' well-being. Additionally, we provide the opportunity to exercise for two hours per week during working hours. Flexible working hours and remote working options facilitate maintaining a balance between work and personal life.

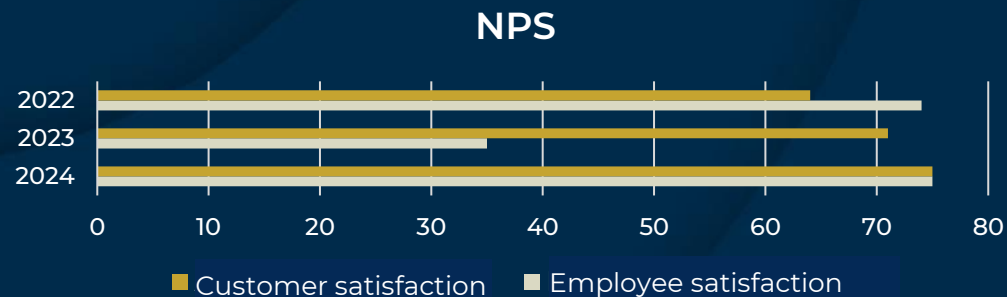
Ensuring the health of our employees is of paramount importance for us. Therefore, we provide comprehensive occupational health care, enabling prompt and optimal treatment for our employees.

In addition, we have expanded our employees' statutory occupational accident insurance to cover damages that occur during leisure time.

We encourage our staff to engage in continuous learning through a diverse range of training opportunities. At Noja, employees regularly have the opportunity to use working hours for self-improvement.

Measuring customer and employee satisfaction is an integral part of our operations. Annual surveys provide us with valuable insights, and we are proud of our excellent results.

Our operations are strongly based on company values of presence, eye contact, knowledge, and trust. Noja Finance is committed to providing its employees with the best possible conditions for success and well-being.



NOJA

RESPONSIBLE BUSINESS

Sustainable development

- Sustainability is ingrained in our everyday life, and responsible actions happen every day.
- We promote location-independent service provision. Approximately half of our staff work remotely full-time, and almost all new employees opt for 100% remote work.
- We have reduced our carbon footprint by downsizing office space, completely abandoning one, and minimizing unnecessary travel within work frameworks. Actively enabling remote work, in turn, reduces commuting between home and workplace.
- As pioneers in online accounting and digital processes, we enable sustainable development. We aim at automating and utilizing the most reliable modern technology, integrating information systems for our customers in the most appropriate way. The printing volume and number of printers have been continually reduced.
- We have joined our partner's technology lifecycle management model. When we don't need the ICT-devices any longer, we return those to the supplier, who is committed to data secure and sustainable handling of the devices and continuing their lifecycle by refurbishing them into new use. Components of truly obsolete devices are used as spare parts and the rest is recycled responsibly, which prevent carbon emissions and reduce electronic waste.

Responsibility towards our customers and services

- Our strategy is to be the best place for our customers and experts.
- We provide our customers with accurate and understandable information that helps them to manage their businesses profitably. We operate in constant interaction with our customers and actively develop our operations in collaboration with our customers and partners.
- As an authorized accounting firm by the Finance and Accounting Association, we are committed to adhering to the industry standard set by the association.
- TietoAkseli has had a certified quality management system in accordance with the ISO 9001 standard since 1999. We are a pioneer in the accounting industry in developing quality systems and unified operating procedures for our processes. We have a quality manager and a separate quality group who actively maintain and develop the quality management system, as well as train and orient our employees. The quality system covers all services for our customers.
- We ensure the high information security and confidentiality of our customers' data according to a comprehensive internal information security program. Protecting personal data is central to our operations. We have guided customers to submit the necessary materials for accounting and payroll services to us through secure channels. Our entire staff is trained to adhere to our information security and data protection practices. Every new employee undergoes extensive orientation, including security training and familiarization with the company's practices. TietoAkseli actively participates in developing industry security standards in collaboration with the Finance and Accounting Association and also educates other industry players on security matters.

Responsibility of our employees

- The well-being and commitment of our staff are at the core of our operations. Employees are constantly encouraged to maintain and enhance their professional skills and competences. We provide everyone with opportunities to participate in comprehensive and up-to-date training and support them in their studies.
- We take care of our staff with extensive healthcare agreement and leisure insurance. Our employees also undergo thorough orientation programs. We communicate with our staff through a monthly HR newsletter, which not only covers current issues but also shares well-being tips and encourages physical activity. We foster a sense of community through various competitions and challenges.
- We treat our staff fairly and equally. We have developed equality and diversity plans. We do not tolerate discrimination, harassment, or inappropriate behavior. We strive for fairness in leadership.

Economic and social responsibility

- We aim to be a reliable partner for our customers and other stakeholders, which is why our operations must be profitable and financially sound.
- We generate societal impact through our services, which enable efficient and proper management of business operations. We identify and know our customers through the KYC (Know Your Customer) process, and we have a whistleblowing channel that allows everyone to anonymously report any misconduct they observe.
- We actively work under the supervision of the Regional State Administrative Agency to combat money laundering and the financing of terrorism. Thanks to our development efforts, our procedures in accordance with anti-money laundering legislation are at the forefront nationwide.
- We proudly pay our taxes, but above all, we enable tax collection for society from thousands of our customers and their employees. Our tax footprint is therefore significant.



Pyroll Group has been responsible for the technical implementation and printing of fiber-based yogurt cup lids in collaboration with our customer Arla. We, Pyroll Packaging Group, combined our manufacturing set-up, digital back-end, and e-commerce knowledge as well as fulfillment services in printing by Pyroll Joensuu to offer Arla a service for consumers to create their own colorful birds for Arla's popular product range.

One of the most trusted brands, Arla, partnered with Pyroll Packaging Group to create an engaging, surprising, and family-friendly campaign that involved both children and adults getting with Arla's popular Arla Luonto+ branded product in the Finnish market. This is a new interactive way to use Arla's yogurt jars' paper-based lids.

This campaign "Every bird is special- as they are!" was built from good things from the idea to production. Children and adults could draw their own birds and those were published on the gallery site and a big part of those birds was also published on yogurt jars' paper-based lids. Part of the Arla's sales margin went to the NGO Mannerheimin Lastensuojeluliitto (MLL.fi) to support the development of children's friendship skills.

There was also a strong sustainability approach by using paper-based lids and adding a new task to those. Now Arla's yogurt cups and lids became a part of the live omnichannel Digital-Physical-Digital experience of an active consumer's everyday life. The campaign was a true value co-creation campaign and also a new way of using the paper-based lids in part of the interactive digital world!

Campaign page: www.arla.fi/luontopluskampanja/

WorldStar 2023 Scanstar 2022 Winner

**Every bird is special – as they are!
Yogurt cups' paper-based lids
designed by consumers/end-users**

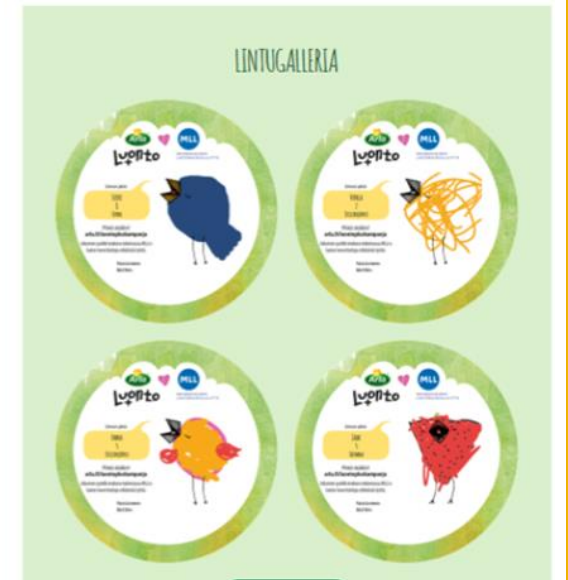
Jury motivations: Participatory method and encouraging people to act. Endless designs with this method during the campaign. Unique packaging graphics. The core message of equality is beautiful. Positive and enlightening new idea. The core message is to have fun.



PIIRRÄ OMA ARLA LUONTO+ LENTUSI

Uudet lintuekavat muuttavat Arla Luonto+ jogurttikippojen kansin ja jokainen kippo on mukana hyväntekeväisyyskeräyksessä tulemassa MLL:n tekemässä lasten kaveritaitotyössä.

Tästä piirtämään



ISO-certified environmental responsibility, quality and safety

Alltime developed and validated its processes related to environmental, social and governance responsibility as well as their management, through ISO certification process. Obtaining of three certificates sends a strong message about the level of our operations and our commitment to continuous improvement in these areas.

Our sustainability journey reached a significant milestone in 2023 when we were awarded three ISO certificates: 9001 (quality), 14001 (environmental responsibility), and 45001 (occupational health and safety). The certificates were the result of long-term, organization-wide efforts, aimed at both improving and validating our processes and management.

"The certification process was an excellent opportunity for us to ensure the implementation of existing best practices in our daily operations through systematic definition, documentation, and management. From the beginning, our approach was not just to produce process descriptions for certification purposes, but to ensure they are rooted in our everyday practices and harmonize procedures across the entire organization," says **Henna Uutela**, Director of Business at Alltime Cleaning Services and Quality at Alltime Group, responsible for the certification process.

Kimmo Haarala from DNV Finland Oy, who conducted the audits, was also impressed: "Alltime's assessments clearly demonstrated customer orientation and a commitment to it. This is further supported by the company's excellent Net Promoter Score (NPS) results, which are outstanding. Similarly, the assessments highlighted a can-do attitude – things get done. If something came up, changes were made immediately."

We thank DNV for the excellent cooperation and all the Alltime employees who made this process possible. We did it!



DNV Finland Oy's Osmo Flink presenting the certificates to CEO Juha Murtopuro



Sustainability driving customer satisfaction at Mintly

In our sustainability efforts, we emphasize the well-being and occupational health of our employees. These are the aspects of sustainability where we can have the biggest impact, where we invest in most actively, and which directly influence our customer satisfaction. We support employees' active life-style and leisure activities and provide comprehensive occupational health care and leisure insurance. In all our operations, it is important that we recognize our responsibility for sustainable development as a company.

For our customers, we deliver high-quality and safe services, as well as products sourced from manufacturers and wholesalers. We strive to offer solutions that best serve our customers' needs while considering sustainability. Additionally, we understand our customers' corporate social responsibility obligations and recognize our role in the value chain. We must also demand the same from our own stakeholders, ensuring that the entire supply chain is committed to addressing the economic, social, and environmental impacts of operations.

We have an environmental management system in accordance with the ISO 14001 standard, and we are committed to continuously improving the level of environmental protection. We know our suppliers and work closely with them, including on sustainability issues.

Our goal is to continually develop our operations, expertise, and service offerings so that we can also meet our customers' important environmental requirements and help them achieve their sustainability goals.

Employee and customer satisfaction are of paramount importance to us. We regularly measure satisfaction with our operations.

eNPS = 54
NPS = 72

MINTLY – Three sustainability focus areas

Skilled and healthy team

“The Best Workplace for us –mindset”

- All Mintly employees have the opportunity for systematic competence development and support.
- Success of recruitments and developing our employer brand are important to us.
- Occupational safety and well-being at work – we aim at maintaining a level where we have zero work accidents.

Sustainable customer solutions

Developing customer relationships and customer satisfaction

- Our solutions help customers achieve their own sustainability and environmental goals. We operate according to good governance, ethical guidelines, as well as data protection and security guidelines.
- We support the development of societal cyber security and resilience.
- We provide customers with a reliable partner; we choose our partners responsibly.

Minimizing environmental footprint

Impact within our value chain

- Optimization of logistics
- Sensible mobility – We encourage customer-centric work and provide flexible opportunities for remote work.
- Promoting recycling and circular economy in all operations.
- We excel in guiding towards ecological and energy-efficient solutions and optimizing hardware lifecycle management.

Cultural change catalysts for the construction industry



The construction industry is known for being old fashioned. We lack trust, innovation, diversity and co-operation. We have strict contracts, and rooted ways of conduct, which are hard to break.

The news are full of headings of the schedule and quality issues we face in projects constantly. We also have not made the digitalisation leap that other industries have.

This is what we are here to change with trust, co-operation, open communication, co-innovation, a fair sense of humanity, and inclusion.

WELADO

HOW

?

We believe in people and soft values.

We cultivate trust.

Only together we can achieve more.

We address things bravely.



Events & visits

- Talk about it - Podcast visits (Lahden tiedekylä)
- Events, webinars (Nokia - modern leadership, Guidin - leadership as a service)

Sincere transparency

- Share the good and the bad
- Open experiences, wins and losses

Take it to the customer projects

- Setting common goals
- Stakeholder involvement culture concepting and facilitation
- New expert services such as accessibility

Make use of everyone's strengths

- Shared leadership
- Diversity campaigning
- Masters concept for meaningful expertise in retirement



Create networks, develop together

- Workshops
- Common onboarding of the industry to create connections and more value
- Events: cultural change and humanity

Contacts for more information



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