

The background of the cover features a low-angle shot of a modern glass skyscraper on the left, reflecting the sky and clouds. On the right, there are lush green trees with sunlight filtering through the leaves, creating a bright, warm glow. The overall composition suggests a balance between urban development and nature.

**REALIA**

**RESPONSIBILITY REPORT  
2021**



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# 1 2021 AT REALIA



## CEO's review

Responsibility is an integral part of our values. We take responsibility for the future, both as a company and on a personal level. Our choices are guided by a sense of responsibility for each other, our customers, the environment, society, and financial success. Everything we do is based on openness and honesty.

The coronavirus pandemic has changed our way of working permanently, and remote work has become a regular part of our activities. We have estimated that we can continue to carry out 40–50% of our work remotely, which is why we have launched a project to find a new facility solution and will test new ways of working in multi-space offices with some of our employees. Appropriate facility solutions help us reduce the costs arising from the underutilisation of facilities and promote environmental responsibility.

As buildings and construction account for around 40% of global carbon dioxide emissions, we have an excellent opportunity to also advance responsibility through services provided for our customers. We want to encourage the entire sector to bear responsibility for

the environment. As part of this encouragement, we were a partner member of the Green Building Council in 2021. The goal of the partnership was to engage not only everyone here at Realia, but also the entire real estate sector to adopt more environmentally responsible and ecologically sustainable practices and solutions.

**We have estimated that we can continue to carry out**

**40–50%**

**of our work remotely, which is why we have launched a project to find a new facility solution.**

**We are the  
largest  
expert service group in  
property management  
and real estate brokerage  
in the Nordic countries.  
We comply with the same  
principles and share our  
common responsibility  
goals across the Nordic.**

To us, responsibility means responsibility for the environment, as well as for daily activities and operations. We have defined Realia's Code of Conduct, and we expect every Realia employee and partner to comply with it.

Our responsible operating methods were questioned when the Finnish Competition and Consumer Authority (FCCA) said in the spring of 2021 that the Finnish Real Estate Management Federation and real estate management sector companies were guilty of restricting competition and reaching an understanding over prices in 2014–2017. We have never agreed prices with other companies, and we find the FCCA's interpretation incorrect.

We expect the Market Court's processing of the case, started based on the FCCA's proposal, to be completed during 2022.

While we are waiting for the Market Court's decision on past events, we have set our sights on the future and are actively developing the Realia of today and tomorrow. Openness and transparency are guiding principles in our activities, based on which we are also continuously developing our services.

OmaRealia, an electronic service channel, is a concrete example of our development of building management services. OmaRealia provides housing company boards and shareholders with a transparent view of their housing company's financial and other situation, as well as all residents with an easy way to take care of living-related matters, independent of the time and place. We are also a partner for housing companies in the deployment of ecologically sustainable solutions, and we provide services and advice for housing companies to ensure that environmental aspects are addressed comprehensively every day.

Realia Management's customers have also noted our investments in development, as a result of which our customer satisfaction increased significantly in 2021. We did not lose any customers during the entire year

for quality-related reasons, and LocalTapiola Real Estate Asset Management, one of our long-standing customers, decided to continue its partnership with us. It decided to extend its cooperation with us after a lengthy bidding process, with our readiness and ability to develop our activities being among the criteria for selecting Realia.

A particular cause of pride is the excellent result of Huoneistokeskus in providing positive customer experiences. At the end of the year, the net promoter score (NPS), an indicator of customer experiences, was 74 – an incredible achievement in service activities.

We are the largest expert service group in property management and real estate brokerage in the Nordic countries. We comply with the same principles and share our common responsibility goals across the Nordic. To achieve these goals, we recently appointed a vice president of responsibility in the group's management team. Through this appointment, we want to bring responsibility to the fore not only in our activities, but also in services provided for our customers.

Because we share the same responsibility goals throughout our operating area, the achievement of these goals should be discussed in a single report. This is the first year when our responsibility report also includes the key figures of Hestia, a company based in Sweden.

Responsibility is an integral part of Realia's way of working. Everything is significant. I believe that when you consciously decide to do small acts, it slowly becomes automatic. As a result, it is easier to make responsible choices, and their impacts multiply. Responsibility is a journey: it means being constantly smart and alert when making choices and advancing a sustainable future.

**Kari Virta**  
Helsinki, 20 May

# Realia Group in brief

**R**ealia Group is the largest expert service group specialising in the brokerage and management of apartments, properties and commercial facilities in the Nordic countries. We provide our customers with comprehensive solutions and services in the field of property management services for living and the business sector.

In Finland, Realia Group consists of Realia Isännöinti, Realia Management, Realia Vakuutuspalvelut and Huoneistokeskus. Hestia is responsible for operations in Sweden. The company's head office is located in Pitäjänmäki in Helsinki.

Properties account for 80% of Finland's national assets. For many people living in Finland, an apartment or property is the largest single investment during their lifetime. We want to help our customers – both private consumers and companies – to find the best possible solutions in all questions related to housing and property management and, in this way, take care of our national assets.

Our customers include housing and real estate companies, private and public owners and users of properties, apartments and commercial facilities, fund companies, banks and many other parties and consumers operating in the real estate sector.

All our companies share the significance of customer experiences in the development of products and services. We are building a better customer experience by investing in customer-driven service production, an active service culture, and strong and competent operations.

We want to be a customer service pioneer in our field. Our mission is to help our customers maintain and develop the value of the properties they own. We also want to play our part in reducing

emissions from real estate by providing property owners with environmental and sustainability services that aim to reduce the carbon footprint of properties.

## MISSION

**We help out customers find the best possible solutions in all housing and property management questions**



**Properties account for 80% of Finland's national assets**



**Buying a home or a property is the biggest investment many people ever make**



**How well are we looking after the value of our homes and property?**

The largest expert service group specialising in the brokerage and management of apartments, properties and commercial facilities in the Nordic countries.

Owned by  
**Altor Equity  
Partners**

**1,716**  
employees

**1,578**  
of whom in Finland

## REALIA GROUP

Turnover in 2021

**EUR 129.1 million**

Property management

**EUR 98.8 million**

Realia Isännöinti  
Realia Management  
Hestia

Real estate brokerage

**EUR 30.3 million**

Huoneistokeskus  
Huom!

(Huoneistokeskus and Huom! joined forces on 1 September 2021)

Distribution of turnover

**FINLAND**

**EUR 113.2 million**

**SWEDEN**

**EUR 12.2 million**

**THE BALTIC COUNTRIES**

(the Baltic countries included in the group's figures until the divestment on 30 June 2021)

**EUR 3.6 million**

Balance sheet total EUR 87.1 million  
The most significant expense items were personnel expenses of EUR 89.3 million and IT expenses of EUR 7.8 million.

**REALIA**  
ISÄNNÖINTI

**REALIA**  
MANAGEMENT

Huoneistokeskus

HESTIA

## BUSINESS AREAS

# REALIA

## ISÄNNÖINTI

Finland's largest provider of building management services for housing companies

**More than 50 years of**

experience in the management of properties and new buildings

Local presence close to customers, with

**680**

professionals in 53 locations

Customers include more than

**6,200**

housing companies and real estate companies, with 150,000 homes

Turnover in 2021

**EUR 57.2 million**

Senior Vice President

**Anders Gylling**

# REALIA

## MANAGEMENT

**A nationwide service company** specialising in property management services

Customers include **owners and users of apartments and commercial properties, private equity firms, banks** and many other operators in the sector

Nearly 500 facilities and

**42,800**

rental apartments under management, and more than 11,000 lease agreements concluded every year

Customer service through some

**370**

professionals

Turnover in 2021

**EUR 28.5 million**

Senior Vice President

**Minna Toiviainen**



## BUSINESS AREAS

## Huoneistokeskus

A pioneer in real estate brokerage

Established in  
**1953**

**224**

professionals in real estate brokerage

**34**

locations

Turnover in 2021

**EUR 22.2 million**

Senior Vice President

**Marina Salenius**

## HESTIA

Hestia, operating in Sweden, provides real estate investors, owner occupants and tenants with expert services related to the administration and management of real estate assets

**129**  
**professionals**

**6**  
locations

Turnover

**EUR 12.2 million**

CEO

**Cecilia Nilsson**

## BUSINESS AREAS

## REALIA VAKUUTUSPALVELUT

Realia Vakuutuspalvelut, an insurance brokerage company, takes care of insurance and losses related to properties

**11**  
professionals

Turnover

**EUR 809,000**

(financial period closed on 31 October 2021)

Director of Insurance Services

**Jussi Merikoski**

SUBSIDIARIES AND GROUP COMPANIES ON 31 DECEMBER 2021	The group's ownership %	The parent company's ownership %
Hestia Fastighetsförmedling Ab	100	0
Huom! Kiinteistönvälitys Oy, Helsinki	100	0
Huoneistokeskus Oy, Helsinki	100	0
Huoneistomarkkinointi Oy, Helsinki	100	0
Investmentaktiebolaget Kybele	100	0
Realia Group Oy, Helsinki	100	100
Realia Services Oy, Helsinki	100	0
Realia Vakuutuspalvelut Oy, Helsinki	100	0

# The most significant events related to the corporate structure in 2021

## Huom! and Huoneistokeskus joined forces

Huom! Kiinteistönvälitys Oy and Huoneistokeskus Oy, Realia Group companies, joined forces on 1 September 2021 under the Huoneistokeskus brand. As a result of the merger, Huoneistokeskus will be an even stronger player in the real estate market and will provide comprehensive brokerage services throughout Finland. At the same time, our real estate agents have been able to use our shared best practices and tools – the merger has also offered an excellent opportunity to learn from one another.

## Ober-Haus divested

Ober-Haus, a provider of real estate brokerage services in Estonia, Latvia and Lithuania, was divested in June 2021. The transaction was part of Realia's Nordic strategy, which aims to focus on expansion in the Nordic countries using Finland's strong market position.

## Ownership structure

Realia Group is owned by Altor Fund IV, a Nordic private equity fund. Realia Group consists of its parent company (Realia Holding Oy) and its wholly-owned subsidiaries. Realia operates so as to achieve the goals set by Altor for Realia's ownership steering. In accordance with the Limited Liability Companies Act, Realia Group's Board of Directors is responsible for Realia's operations. As a rule, the Annual General Meeting is held once a year.

The Board of Directors represents the company and leads its operations. Members of the Board of Directors are elected at the AGM. The term of Board members continues indefinitely. The Board of Directors elects the chairperson from among its members. The Board of Directors may confirm rules of procedure for its activities, in which the principles applied to the Board of Directors' decision making are defined in more detail.

One of the goals of the Board of Directors is to guide Realia Group's operations so as to secure the company's financial success in the long term and to contribute to the positive development of Realia Group's shareholder value. The Board of Directors assesses its performance once a year.

## Realia Group's Board of Directors

**Bengt Maunsbach**, chairperson (Altor) until 26 April 2021. Member 26 April 2021 –

**Andreas Tallberg**, member until 26 April 2021. Chairperson 26 April 2021 –

**Axel Ahlström**, member (Altor)

**Nicolas Chandou**, member

**Anna Salmi**, member

**Niko Morkkila**, member (Altor) until 14 April 2021



A person with a backpack and a bicycle in a city setting, overlaid with a blue tint. The person is standing next to a bicycle, looking towards the right. The background shows modern buildings and a clear sky. The overall image has a blue color scheme.

## **2 FOCUS AREAS OF RESPONSIBILITY AT REALIA**





According to Realia Group’s responsibility strategy, responsibility reporting was started in 2020. The development of Realia Group’s operations emphasises responsible business practices.

The responsibility report presents the responsibility actions taken by the group’s companies operating in Finland, and in places those taken by Hestia, a company operating in Sweden, and it has been compiled by a designated Realia Group employee. Information pursuant to reporting standards is collected at an office, business unit and company level, where applicable, regarding the following themes:

- **Participation in the wellbeing** and development of the community
- **Wellbeing**, diversity and engagement of the personnel
- Reducing **the environmental and climate impact**, considering different business sectors
- **Good corporate governance**, transparency and responsible tax citizenship

In 2020, Realia Group’s management team defined the company’s priorities in terms of responsibility:

- the environmental impact of services provided for customers
- responsible procurement
- responsible products and services
- high professional ethics
- the prevention of corruption and bribery
- information security, data protection and cybersecurity
- producing value for the surrounding community
- responsible work practices
- supporting the wellbeing of the personnel, ensuring the psychological and physical safety of the personnel
- equal and respectful management
- supporting the development of the personnel’s professional skills, and
- engaging the personnel in joint decision making.

During 2020 and 2021, Realia had significant change projects in progress to develop its operations. In addition, several business transactions have been completed in recent years. Major changes require the company to invest in supporting the personnel’s wellbeing and coping at work. Based on a personnel survey, we have identified key development areas and taken action to support them.



# **3 RESPONSIBLE BUSINESS**





**R**ealia's operations are based on compliance with the valid legislation, official regulations, standards issued under them, the company's Articles of Association and internal guidelines, as well as ethically sound operating practices. We produce added value for our customers and shareholders, as well as society at large, by continuously developing the quality of our operations. Realia is a significant employer, taxpayer and provider of expert services in Finland.

Realia Group's management system describes the key features of the company's governance and control system, and how Realia Group operates in line with good corporate governance. Guidelines are based on the Corporate Governance Code for listed companies and the Central Chamber of Commerce's Corporate Governance recommendation for unlisted companies where applicable.

Realia Group's management system has been grouped into three levels in addition to the Annual General Meeting. Realia Group's Board of Directors is the highest level responsible for operations. Daily management is the responsibility of Realia Group's President and CEO, assisted by the management team. The organisation has been divided into units, each of which is responsible for their own line organisation and the management of their operations, processes and development projects. In addition, the group's subsidiaries have appropriate practices in place for annual general meetings and boards of directors. Realia Group's President and CEO is also the legal CEO of the group's subsidiaries.

The core of Realia Group's organisational model consists of four business units responsible for their financial performance and their supporting units called shared functions. All directors of these units report to the President and CEO.

The service production processes of all business units start with customer needs and end when these needs have been fulfilled. In addition, Realia Group has company-level support processes.

Regular internal audits ensure that the organisation's risk management and governance are at the targeted level. In 2021, internal audits were directed at processes and practices related to business transactions and the integration of acquired companies. No significant findings were discovered during the audits. Realia Group has addressed those process-related improvement proposals that are ideal for its operating environment.

In addition, a risk analysis was conducted in 2021 to identify and assess any factors threatening the company and opportunities for developing the company's activities, and to present proposals for actions. The risk analysis contributes to the achievement of business goals and the management of continuity. Threats were divided into strategic, financial, operations and loss risks.

### **Compliance at Realia**

Realia's goal is that compliance is at its best part of the corporate culture. A prerequisite for a strong compli-

ance culture is that all managers and employees of the company are firmly committed to the company's values and compliance programme, i.e. the company's internal operating practices. This ensures appropriate operations both in terms of the legislation and ethical business.

The Code of Conduct is at the core of Realia's compliance programme. It defines our company's general guidelines, which everyone working at and for Realia must follow. In addition, compliance consists of guidelines issued regarding data protection, environmental regulations, competition law, labour law, and the prevention of corruption, bribery, money laundering and terrorist financing.

Our goal is to have satisfied employees and customers, as well as profitable growth. Our values are an important lifeline in our everyday activities, on which all operations must be based.

Realia is committed to engaging in honest and ethical business. Bribery, any involvement in it, or proposing or tolerating it in any way cannot be accepted from any Realia employee, manager or partner.

The purpose of anti-corruption practices is to clarify the rules followed at Realia and emphasise Realia's zero tolerance regarding bribery and any type of corruption. All Realia's employees and managers, all consultants and advisors of the company, and other parties acting in Realia's name or representing it ("business partners") must comply with these practices. Anti-corruption measures help reduce legal and commercial risks, as well as risks associated with reputation management.

Realia does not accept any actions related to criminal activities that aim to cover the illegal origin of funds, i.e. money laundering.

Furthermore, Realia does not condone fraudulent acts in any form. This includes intentionally misleading or otherwise unfair actions to gain unfounded or illegal financial benefits, the intentional presentation of false information to affect financial statements, the misuse

or embezzlement of funds or assets, theft, tampering with financial statements, the destruction, deletion or inappropriate use of information or equipment, and the non-reporting of breaches of the law, regulations or the company's operating practices.

## Reporting any suspected misuse

We want to maintain an open atmosphere and ethical practices in Realia's operations. To identify any situations that are not in compliance with our Code of Conduct, we opened a whistleblowing channel in 2020, through which every employee can report any suspicions of misuse confidentially and anonymously. It is an advance warning system that aims to reduce risks and is an important tool to maintain high business ethics and the trust of our customers and the greater public. In 2021, we also gave Realia's external parties access to the whistleblowing channel by adding information about the channel and a link to it on the Realia website.

Our employees are our most important source of information about any misuse requiring corrective actions. The purpose of the whistleblowing channel is to encourage everyone to report any incidents without the risk of being victimised, harassed or placed in an unfavourable position, and to ensure that incidents are investigated appropriately. A similar service is used by many major international corporations. WhistleB, an external partner, runs the whistleblowing channel to ensure anonymity. The channel meets the requirements of the whistleblower directive.

## Compliance training at Realia

We require every member of Realia to commit to complying with our Code of Conduct, anti-corruption practices and the requirements laid down in the EU General

Data Protection Regulation (GDPR), as well as our other internal rules. For this reason, every employee must complete online training, consisting of four themes: 1) data protection, 2) Code of Conduct, 3) competition law, and 4) anti-corruption practices.

We use Reaktori, an online learning platform, which enables not only the updating of online training material when necessary, but also up-to-date monitoring and reminders regarding training performance. The Legal & Compliance units are responsible for the planning and implementation of legal training, and they prepare and maintain various internal guidelines, document templates and process descriptions.

Our unambiguous goal is that 100% of our personnel have completed the compliance training required. Every month, we therefore remind everyone who has not yet completed the training. In addition, the HR unit and supervisors ensure that every new employee is provided with information about the training required and completes the training as soon as possible after signing their employment contract. Legal and compliance training is also included in the group's induction programme to be completed by new employees.

Realia's compliance team plans and implements the company's compliance programme. Realia complies with the principle of openness and transparency, as an indication of which the compliance team publishes an annual summary of received notifications and resulting measures.

## Information security, cybersecurity and the GDPR

The EU General Data Protection Regulation (GDPR) is directly binding on the member states and corporate entities like us. In our business activities, we create, collect, save, view, update, transfer, disclose, retain and process various customer data, including personal data,



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Protection Regulation.**

### Training completion rate for the entire personnel

	Anti-corruption	Competition law	Code of Conduct	Data Protection
Huoneistokeskus	68%	74%	71%	80%
Realia Group (administration)	89%	87%	86%	89%
Realia Isännöinti	77%	78%	79%	83%
Realia Management	88%	87%	89%	93%
Realia-konserni (Finland)	77%	80%	80%	85%
Hestia*	69%	71%	84%	76%

\* blue collar employees excluded

as laid down in the GDPR. The protection of data covers the entire lifecycle until the destruction of data. Realia has appointed a data privacy organisation and a data protection coordinator.

Our employees and customers, as well as all other parties whose personal data we process, trust us, require us to understand our responsibility for protecting data, and expect us to process data professionally. Our good and reliable operating practices and skills in the field of data protection as well give us a reputation of which we can be proud.


Information security management is part of the management of the organisation's operational risks. The purpose of information security functions is to control risks associated with the organisation and its customers, data and the processing of data. We protect ourselves against risks through long-term cooperation with technology

suppliers, appropriate information security systems, the development of internal processes, and personnel training.

Realia's information systems operate either as a total service acquired from a service provider (SaaS) or produced through its own data centre services. Currently, Realia's data centre services are provided by Telia Cygate Oy. Information security, the availability of systems, incident management and any recovery from disruptions have been considered in agreements between Realia and its service providers, thus securing the appropriate processing of data and the continuity of services. Data protection is vital for our business operations. It means the requirements and principles governing the protection and use of data that can be connected to a specific individual, i.e. personal data. This is also often referred to as privacy protection.



# **4 ENVIRONMENTAL RESPONSIBILITY**



**B**uildings and construction account for around 40% of global carbon dioxide emissions. Approximately 28% of these come from the lifecycle phase of buildings when they are in use (heating, cooling and energy). We have great potential to reduce environmental impact, which further motivates the real estate industry to make changes.

We were a partner member of the Green Building Council Finland for 2020 and 2021. This partnership supports Realia's goal to make sustainable development and environmental responsibility a visible part of Realia's business and to promote environmental responsibility and energy-efficient properties in the entire real estate sector.

We want to play our part in advancing the energy efficiency of properties in Finland. Realia has trained its personnel, organised webinars for its customers, and increased awareness of this important cause.

As the largest company in the sector, we want to assume our responsibility and lead by example. Finland's national goal is to be carbon neutral by 2035. GBC Finland promotes the "Net zero carbon buildings" commitment, whose goal is that the use of energy in properties will already be carbon neutral by 2030.

### **The organisation's energy consumption**

The environmental impact of our operations mainly consists of the electricity consumed in our facilities, the use of space and vehicles. During 2021, we prepared

a programme to develop our facilities into multi-space environments that better serve different ways of working. We are now sharing workstations, furniture and equipment, allowing us to improve the effectiveness of our spaces and reduce the consumption of resources.

The culture of remote and hybrid work is here to stay, and it has changed our personnel's expectations and our facility needs. By developing our work environment and the sharing of resources, and by using technologies in increasing flexibility, we can reduce the underutilisation of facilities, furniture and equipment, as well as resulting costs and environmental impact.

During 2021, we also reduced the number of facilities in accordance with our responsibility goals and our "One Realia" strategy. We have merged our offices in different locations and brought professionals from Realia's different business units under the same roof. In addition, we have paid attention to the volume of paper printouts and regular mail and shifted increasingly from advertising and business gift products to services to reduce our emissions.

For Realia Finland's locations, total electricity consumption in 2021, 937 MWh, has been reported using an estimate based on invoicing data regarding all locations. At the end of 2021, Realia had 85 offices in Finland, nearly half of which used invoicing based on location-specific electricity measurements.

The figures reported regarding Sweden only include Hestia's head office, where electricity consumption was 21.9 MWh in 2021.

### Energy consumption, calculated expenses and emissions of Realia's vehicles in Finland in 2021

	Number of cars	Fuel volume, 1/a	Energy MWh	Emissions tCO <sub>2</sub> eq t	Costs €/a (VAT 0%)	Percentage of energy consumption
Diesel	1	2,098	21	3	2,613	1.10%
Petrol	167	215,949	1,935	488	292,116	98.90%
<b>Total</b>	<b>168</b>	<b>218,047</b>	<b>1,956</b>	<b>491</b>	<b>294,729</b>	<b>100%</b>

### Total emissions in Finland

	Energy, MWh	Emissions, t CO <sub>2</sub>
Vehicles	1,956	490.9
Facilities	937	132.1
<b>Total</b>	<b>2,893</b>	<b>623</b>

### Energy consumption, calculated expenses and emissions of Hestia's vehicles in Sweden in 2021

	Number of cars	Fuel volume, 1/a	Energy MWh	Emissions tCO <sub>2</sub> eq t	Costs €/a (VAT 0%)	Percentage of energy consumption
Diesel	48	134,031	1,347	313,0	191,566	96.0%
Petrol	5	6,257	56	13,7	8,241	4.0%
<b>Total*</b>	<b>53</b>	<b>140,288</b>	<b>1,403</b>	<b>326,7</b>	<b>199,807</b>	<b>100%</b>

### Total emissions in Sweden

	Energy, MWh	Emissions, t CO <sub>2</sub>
Vehicles	1,403	326.7
Facilities**	21,9	2.0
<b>Total</b>	<b>1,425.0</b>	<b>328.6</b>

\*Hestia also has 4 gas fueled cars which are excluded

\*\*Only including Hestia's head office

## Energy consumption of vehicles

During 2021, Realia had an average of 233 company cars in Finland. Of these, 168 were used based on the unlimited car benefit with the company covering their fuel expenses. In 2021, only one of our cars was diesel-fuelled. Most of our cars were petrol-fuelled, while a growing number of new cars are ordered as mild and plug-in hybrids. At the end of 2021, fully electric cars were added to our range, with the first ones to be delivered and deployed during 2022.

In Sweden, Hestia had 48 diesel and five petrol cars. In addition, Hestia has four natural gas vehicles, whose energy consumption is not included in this report.

The energy content of fuels was calculated using the values presented in Motiva's "Thermal values, efficiency ratios and rated carbon dioxide emission factors of fuels, and prices of energy" publication (petrol 8.96 kWh/l and diesel 10.05 kWh/l).

As a rule, we only order a new company car if the group has no available cars in stock at the time. Our

cars are based on leasing agreements. As a rule, cars are replaced when their leasing agreement ends, in which case a car is replaced by a new one or a used car available in the group. We order leasing cars at discretion, and when a car is not needed in the long term, we rent a car for the period required.

We update our car policies flexibly, and in 2021, we added new low emission models to our range and made them available to a larger group of employees. In 2021, we extended and expanded the system of providing



financial support for low emission models deployed in 2020 and encouraged our personnel to select low emission models powered by electricity.

We aim to avoid work-related travel by promoting remote meetings whenever possible. Our head office is easily accessible by public transport, and we consider the proximity of public transport connections a key criterion when selecting a location for our facilities. We have broadly continued to work remotely, as a result of which we have significantly reduced indirect emissions from commuting. We will continue to follow the model of remote and hybrid work and will equip our offices with appropriate video and audio solutions.

During 2021, we tested a jointly used electric car at our head office for any travel required during the day. The car attracted considerable interest and increased our skills in using an electric car, and it was fairly frequently in use given that the pandemic reduced our visits to the office.

## Distribution of the company's total energy consumption

As Realia does not own or manage the properties in which it operates, our direct greenhouse gas emissions mainly consist of the emissions of the group's vehicles and the facilities we use.

In 2021, the total emissions of facilities were lower than in 2020. Energy and emissions figures in Finland in 2021 were: energy 937 MWh, and emissions 132.1 t CO<sub>2</sub>. In Sweden, energy and emissions figures in 2021 regarding Hestia's head office were: energy 21.9 MWh, and emissions 2.0 t CO<sub>2</sub>. Hestia's other locations are not included in this year's report.

The tables below present the emissions of our facilities and vehicles, and our company's total emissions in Finland and Sweden. Motiva's average CO<sub>2</sub> emission factor for electricity generation in Finland (141 kg CO<sub>2</sub>/MWh) was used as the electricity emission factor in

Finland. The factor of 11.1 kg CO<sub>2</sub>/MWh indicated on the Swedish utslappsraatt.se website was used as the electricity emission factor in Sweden.

The Climate Calculator's emission factors was used in the calculations for both Finland and Sweden (petrol 2,184 CO<sub>2</sub>/l, and diesel 2,339 g CO<sub>2</sub>/l). The energy content of fuels was calculated using the values presented in Motiva's "Thermal values, efficiency ratios and rated carbon dioxide emission factors of fuels, and prices of energy" publication (petrol 8.96 kWh/l and diesel 10.05 kWh/l).

## Reduction of energy consumption

Realia's electricity consumption includes lighting, multi-function devices, computers, kitchen appliances and other office equipment. Lighting accounts for a significant part of the total electricity consumption of facilities, which is why the largest savings can be achieved by making lighting systems more energy efficient. Compiling energy consumption information is challenging, because we operate in several different locations and in different properties. However, we

can make accurate consumption estimates based on invoicing data. Development proposals are listed at the bottom of the page.

We address every opportunity to save energy in our operations and require lessors to provide reports on electricity consumption (if consumption measurements are based on facility-specific measurements). We have defined responsibility criteria for lessors and facilities when making decisions on new office leasing, and we use them in new facility projects, considering the availability of suitable facilities.

## Waste by type and disposal method

Reducing the generation of waste and promoting the circular economy are the most significant ways to reduce the environmental load caused by waste. We aim to enable the sorting of waste (mixed waste, biowaste, paper, cardboard, and if possible, electronics and plastic) in our facilities, and we also instruct our personnel and cleaning service providers on how to sort waste in our locations. We recycle office furniture and equipment between our offices.

### Electricity agreements for offices

- Competitive bidding for electricity agreements (sales of electric energy) as necessary
- Opportunities for green electricity to be considered
- Office-specific electricity consumption reports

### Lighting

- Energy-efficient lights, e.g. fluorescent tubes replaced by LEDs
- Lighting control (e.g. proximity sensors)
- Instructions for users of facilities

### Office equipment

- Energy efficiency of equipment to be considered at the procurement stage
- Reducing the electricity consumption of equipment by turning it off when it is not used
- The goal is to have paperless offices

A low-angle photograph of a modern, multi-story building with a light-colored facade and several balconies. The image is overlaid with a semi-transparent blue gradient. The text is centered in the lower half of the image.

**5 RESPONSIBILITY IN SERVICES  
PROVIDED FOR CUSTOMERS**





## PROPERTY MANAGEMENT

### Realia Management

Realia Management provides a full range of expert services in the field of property management. Our customers include Finnish and foreign property investors, institutional investors, private and public sector owners and users of apartments and commercial properties, as well as fund management and asset management companies, banks and many other real estate sector operators.

To us, quality and responsibility mean providing the right services at the right time for our customers' changing needs. Understanding and meeting our customers' needs, as well as the continuous development of our operating methods and our service range, are central to our operations. Both rental apartment and facility services were certified in accordance with the ISO 9001 quality system in the autumn of 2020 and audited in November 2021.

Our development activities are based on the continuous monitoring and improvement of our operations in accordance with changes, goals, the requirements set by our industry and our customers, as well as legislation. We are committed to meeting these recognised needs in all our activities. Our operations are guided by our Code of Conduct, which binds both our personnel and our service providers. Each Realia Management employee is responsible for the quality of their work, whether that work is done independently or together with others. The achievement of our quality goals is constantly monitored by designated responsible persons, regularly at management team meetings, and in annual management reviews. In addition, the achievement of

our goals is measured by regularly conducted customer and employee surveys.

### Quality goals

- Achieving the goals of our assignment agreements and fulfilling our customers' needs
- The appropriateness and correct timing of our services
- The continuous development of our customer relationships, operating methods, documentation and services on the basis of identified changes and needs
- Achieving our financial and strategic goals

### We look after properties as if they were our own

Our goal is to help our customers maximise the value of the facilities they own and profit from them, and to ensure comfortable conditions for users of facilities. We look after the functions and services of properties, and create and maintain appropriate and optimal operating conditions, taking into account the targeted lifecycle of the property. Representing the owner actively and looking after the lifecycle, use and living comfort of properties are important to us. We keep the technical, financial and legal management of properties and housing companies up to date throughout their lifecycle.

We address the most ideal energy-efficient solutions in our operations and their development. We seek mea-



**In rental apartments, our management portfolio consists of some**  
**40,000**  
**apartments.**

asures aimed at improving energy efficiency and indicate them to our customers, and we produce the profitability and investment calculations required to support decision-making. Our savings measures also reduce the carbon footprint of properties.

Realia Management is the largest provider of property management services for rental and right-of-occupancy apartments in Finland, and a significant provider of facility management services. We are responsible for the management and development of the maintenance of some 700 facilities (offices, logistics facilities, shopping centres, etc.) by optimising profit and looking after the property's value development and user satisfaction.

In rental apartments, our management portfolio consists of some 40,000 apartments. According to the strategy of our customers, our operations support either short- or long-term property ownership by optimising costs and profits and by ensuring tenant satisfaction. Realia Asuntovuokraus is Finland's largest rental apartment broker, and we conclude approximately 12,000 tenancy agreements every year. Our national applicant register contains up-to-date information on thousands of rental apartment applicants. Realia Asuntovuokraus complies with good rental agency practices. We provide the most comprehensive rental services in the sector for major property owners and for private housing investors in selected locations.

Municipal waste regulations are followed in properties managed by Realia Isännöinti and Realia Management, and waste stations have been equipped with appropriate waste containers. In their customer communication, Realia Isännöinti and Realia Management focus on preventing the generation of waste and promoting waste sorting. General sorting and recycling instructions, as well as sorting instructions available in waste rooms, help residents in their daily activities. The recycling of plastic has

started in several properties, and it will expand to new properties as permitted by waste facilities and decided by customers. We also promote the use of electronic channels in monitoring the number of containers and emptying intervals.

### Realia Isännöinti

Realia Isännöinti manages and leads housing companies with their boards of directors in line with their goals, ensuring that the financial value of each housing company is maintained and increased, and that every day is smooth for residents. Realia Isännöinti's vision is to be the most customer-driven provider and developer of building management services in Finland. Realia Isännöinti is an ISA-authorised company.

Exceeding the expectations of customers and developing the value of properties guide Realia Isännöinti's operations. Realia Isännöinti has more than 50 years of experience in building management and demanding repair and renovation projects. We are the largest building management company in Finland, with our 700 professionals providing services for some 6,200 housing companies in 40 locations. We provide our customers with good and high-quality local services close to our customers, and housing companies with our extensive expertise and resources.

### More purchasing power through effective service procurement

Realia Hankinta is a competence centre which provides pre-defined solutions for housing companies, boards of directors and building managers. We are collecting positive experiences in the group and making them available for all our building managers. Services that supplement

our comprehensive basic services help our customers ensure the safety and security of their housing company and the correctness of real estate tax and acquire more income for their housing company through 5G base stations, for example.

We want to provide housing companies with ready-made service packages directly from our service partners and continuously introduce new service packages for our customers. By making the purchasing power of all the more than 6,200 housing companies under our management available for every one of our customers, we can contribute to the improved overall cost-effectiveness of our customers. We aim to produce significant annual savings for our customer companies through effective procurement.

### We want to offer the best customer experience in the sector

We are a pioneer in the digitalisation of services, as exemplified by our online OmaRealia service. It gives round-the-clock access to building management services, and it can be used to monitor the progress of assignments or track the development of a company's finances down to the level of individual transactions, openly and in real time.

We continuously measure the service experiences of our customers and take regular action to offer the best customer experience in the field. We are also measuring the general satisfaction of our customers with our building management services.

### Hestia

Hestia develops and provides customised high-quality property management services, including the management of real estate assets, the technical and financial management of properties, and building management services.

Hestia provides its customers with customised high-quality services in the property management sector. Our customers include Swedish and international asset management companies, equity funds, organisations, and public and private real estate companies. Hestia's 130 employees provide management services for 400 properties. The total area of these properties is roughly three million square metres, and they include offices, commercial facilities, shopping centres, storage and logistics facilities, and public and residential buildings (more than 1,400 apartments). In addition, we provide financial management services for some 150 companies.

We always aim to ensure the excellent quality of our services and the appropriate management of properties in our assignments, which is an important goal for all Hestia employees. Our vision is that "everything's always perfect at Hestia" for our customers. To make this vision come true, the high-quality provision of services is very important to us in all our business areas and in every assignment given to us. We provide services in the areas presented below.

#### Hestia's goals:

- Increased turnover
- Satisfied customers
- Being a good employer

Hestia Fastigshetsförvaltning is responsible for the management of its customers' properties in a highly committed and responsible manner. We have built a management system that supports our work in such areas as quality, the environment, the work community and information

security. The management system was built in accordance with the ISO 9001 and ISO 14001 standards, and it will be certified as planned during the first half of 2022.

Our ambitious goal is to be engaged in close cooperation with our customers, always in an open and close interaction. Our keywords are expertise, openness and flexibility, and they guide our operations with respect to our customers.

One of our goals is to identify changes and new needs in our customers' building stock as early as possible. In property management and the services we provide for our customers, our aim is to develop the building stock while always addressing the impact of properties on our shared external environment.

Our skilled employees have extensive experience in all areas of property management. On this basis, we have been able to develop a practical quality and environmental management system, focusing on the development of quality and environmental plans, and on compliance with them in our daily activities.

Hestia is committed to ensuring the continuous development of the services it provides and, to this end, we have adopted a process-based management system. The management system meets the requirements set by the company, its stakeholders and the ISO 9001, ISO 14001 and ISO 45001 standards, as well as the occupational safety and health legislation. We are constantly working to develop its effectiveness.

Values that guide Hestia's operations are expertise, openness and flexibility. Our entire organisation is evaluated based on how well we succeed in meeting these criteria. Our goal has always been to have satisfied customers who feel that they receive more than they expected. We openly describe how we operate, what services we provide, and how much our services cost.

We aim to attract the best property management specialists, building managers, technicians and economists. Through our excellent expertise, we can provide customers

with better services. This applies not only to signed agreements, but also to our way of working throughout the management of our customers' properties. Our services are always at as high a level as our employees' motivation and skills. We train our employees continuously and develop their skills through internal and external training.

Our transparent dialogue with our customers is like no other. Our straightforward business model, transparent agreements and close interaction with our customers help build trust. It is important to us to always maintain close contact with our customers.

When we listen to our customers, there can be no misunderstandings and surprises, and customers will know more about our work and the requirements set by properties.

Having satisfied customers is our key goal. This is why we closely monitor any changes in our customers' activities and respond proactively. Our ways of working are flexible, and adapting them to our customers' needs is no problem for us.

Transparency and openness help us and our customers to know our way of working down to every little detail. This is why we can easily and openly discuss any changes when necessary. In addition, we are constantly engaged in internal development based on our process-driven management system.

All our employees bear responsibility for quality. Everyone is responsible for the quality of their work and taking action if they identify any problems in any area, as well as reporting the problems they have identified.

Here at Hestia, we consider the environment and sustainability to be an integral part of our daily activities. Together with our customers, we constantly seek opportunities to make improvements and reduce our environmental impact. We help our customers optimise their use of energy and support them in the recycling and reuse of material. We monitor environ-

mental issues and encourage the entire sector to be environmentally responsible.

To truly minimise our environmental impact, we have prepared an environmental policy and operate constantly under our environmental programme to help us achieve our environmental goals. We set environmental goals every year so as to reduce the environmental impact of our operations and always achieve improvements.

### Quality goals

- Meeting or exceeding our customers' expectations
- Continuously improving service reliability and customer satisfaction
- Ensuring an excellent level of satisfaction among our personnel and shareholders

## REAL ESTATE BROKERAGE

We are committed to complying with the real estate brokerage sector's good brokerage practices. They promote professionalism in the real estate brokerage sector. Furthermore, they summarise the rules governing the sector, and protect both the buyer and seller. A responsible broker knows good brokerage practices and commits to complying with them. For consumers, dealing with a broker who complies with good brokerage practices brings safety and reliability. The guidelines of good brokerage practices are complementary, and all companies entered

as real estate agencies in the register of the Regional State Administrative Agencies must comply with them in accordance with section 4 of the Act on Real Estate Brokerage and Letting Agencies and section 7 of the real estate brokerage act. The guidelines are updated continuously and published annually on the day of good brokerage practices.

## Huoneistokeskus

Huoneistokeskus provides expert services through hundreds of real estate business professionals across Finland with more than 68 years of experience. The provision of active and expert services comes first for us. We guarantee successful and safe transactions by identifying the individual needs of customers and offering just the right solution. Most of our real estate agents are licensed.

We want to make sure that every new agent is provided with a thorough induction in different parts of real estate brokerage at the very beginning of their career. We can thus ensure that our agents can work with customers and carry out apartment and real estate transactions responsibly and in accordance with good brokerage practices, as required by law. In 2021, nearly all our new agents participated in think tanks, i.e. our induction programme for new employees. Think tanks consist of five different themes related to the work of a real estate agent.

Huoneistokeskus also sees to the development of its employees' skills during their careers. In 2021, we provided our personnel with a training event at least twice a month, with current legislation-related reviews, system training and other issues strongly associated with work of a real estate agent as alternating themes.

We also see to the career advancement and professional skills of our agents by providing training for becoming licensed agents flexibly with one of our partners.



A woman in a dark shirt stands in the center of a meeting room, smiling and gesturing with her hands. She is surrounded by several people seated around a table. The room has large windows in the background, and the scene is overlaid with a blue tint. The text '6 RESPONSIBLE CORPORATE CULTURE' is prominently displayed in white, bold, uppercase letters across the middle of the image.

## **6 RESPONSIBLE CORPORATE CULTURE**

# Realia's values

**Professional and engaged employees are the foundation of our operations. Our goal is to be the most attractive employer in the sector.**

## VALUES

We revised our values in the autumn of 2020, because we wanted to ensure that all members of Realia had a shared approach to work. We started by asking our personnel what kinds of values they would be ready to follow, and to which they would be proud to be committed. The themes raised were related to an individual-driven approach, operational development and responsibility, based on which we selected the following as our values:



### Succeeding together

Partnership and success with our customers guarantee shared progress. We trust each other, and our activities are based on mutual respect.



### Bold renewal

It is important to us that all our personnel can experience professional pride in their work. We boldly renew our expertise, operations, and sector to meet and exceed the needs of both our employees and customers. We have the ability, the desire and the freedom to do things better and better all the time.



### Acting responsibly

We take responsibility for the future, both as a company and on a personal level. Our choices are guided by a sense of responsibility for each other, our customers, the environment, society, and economic success. Everything we do is based on openness and honesty.

# Realia’s way of working

In addition to our values, we have defined our way of working, to which we want every member of Realia to commit in their daily activities with their colleagues and our customers. The prerequisites of Realia’s success are based on our professionals and our way of working together. Realia’s way of working concerns every Realia employee and guides our operations. These shared principles help us succeed both as individuals and as a community.



**I FOLLOW THE REALIA WAY: I SAY THANK YOU, OFFER ENCOURAGEMENT AND GIVE PRAISE.**

I give and want to receive feedback.



**HOW CAN I HELP?**

I treat my customers and colleagues as I would like to be treated. I am open and present and listen to others.



**I AM BRAVE AND TRUSTING.**

I give and take responsibility.



**I KEEP MY PROMISES.**

I set clear goals and monitor their achievement.



# Realia's personnel

Realia Group employs some 1,600 people in Finland. All our employees are within the scope of statutory pension cover and parental leave-related benefits. Our permanent and fixed-term employees are covered by statutory occupational accident insurance. In addition, we provide our employees with comprehensive occupational healthcare services, and we support leisure activities with various recreational benefits.

Realia respects the dignity and privacy, as well as the freedom of conscience and religion, of every individual. Realia treats everyone even-handedly in its organisation. Wages and career advancement are based on everyone's own achievements, competence and skills. Realia does not accept discrimination, harassment or threatening, insulting or violent behaviour in any form.

Starting from 1 January 2021, Realia complies with the collective agreement for senior salaried employees in the real estate sector between Real Estate Employers and Trade Union Pro. This collective agreement applies in all collective agreements for Realia's senior salaried employees in Realia Group Oy and Realia Services Oy.

As a rule, Realia provides all employees with access to the same employee benefits, regardless of the type of employment relationship: broader occupational healthcare than statutory services, accident insurance, parental leave and other benefits, apart from recreational benefits, to which employees on long parental leave or fixed-term employees with an employment relationship of less than six months are not entitled. In addition, we provide our employees with various benefits from our partners.

## Total number of permanent and fixed-term, as well as full-time and part-time, employment relationships in Realia Group in Finland

Professional group	Permanent	Fixed-term	Full-time	Part-time
Top management	100%		100%	
Supervisors	100%		99%	1%
Specialists	97%	3%	93%	7%
Building managers	98%	2%	97%	3%
Sales representatives and sales managers	97%	3%	98%	2%
Senior salaried employees and others	92%	8%	94%	6%

## Total number of full-time and part-time employment relationships in Hestia

Professional Group	Full-time	Part-time
Top management	100%	
Supervisors	96%	4%
Specialists	80%	20%
Building managers	86%	14%
Sales representatives and sales managers	63%	37%
Senior salaried employees and others	96%	4%

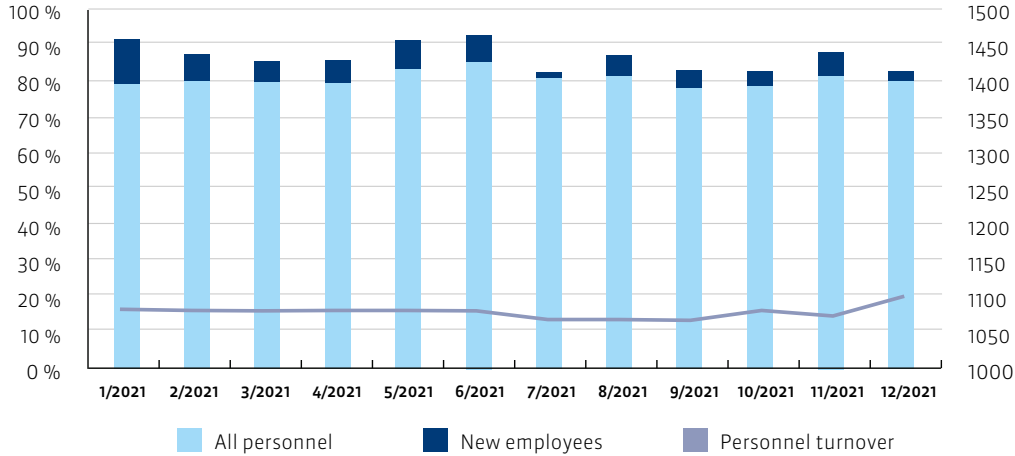
**Family and other leave in the group in Finland**

	women	men
<b>Reason for absence</b>	<b>%</b>	<b>%</b>
Parental leave	50%	50%
Care leave	100%	
Taking care of an ill child	88%	12%
Other family leave (maternal and paternal leave)	90%	10%
Study leave	60%	40%
<b>Total</b>	<b>84%</b>	<b>16%</b>

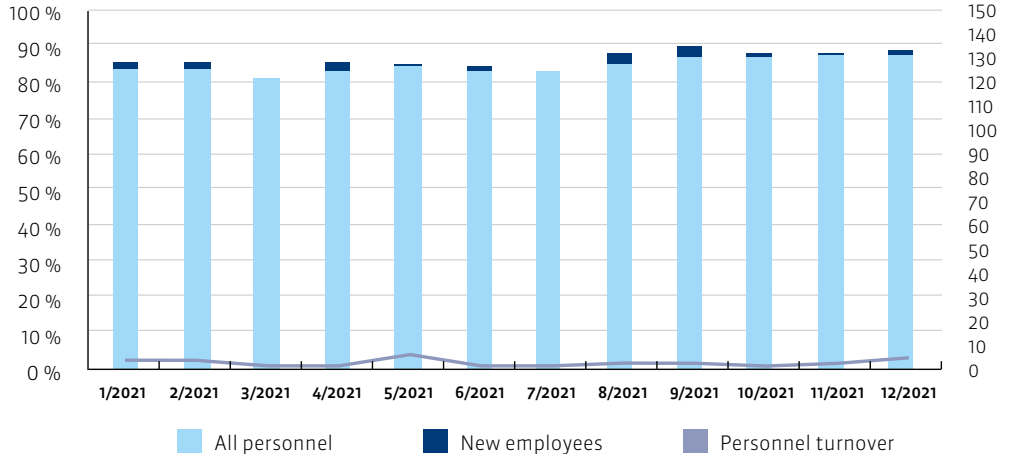
**Family and other leave in Hestia in Sweden**

	women	men
<b>Reason for absence</b>	<b>%</b>	<b>%</b>
Parental leave	68%	32%
Care leave	27%	73%
Taking care of an ill child	18%	82%
Other family leave (maternal and paternal leave)		100%
Study leave	44%	56%
<b>Total</b>	<b>40%</b>	<b>60%</b>

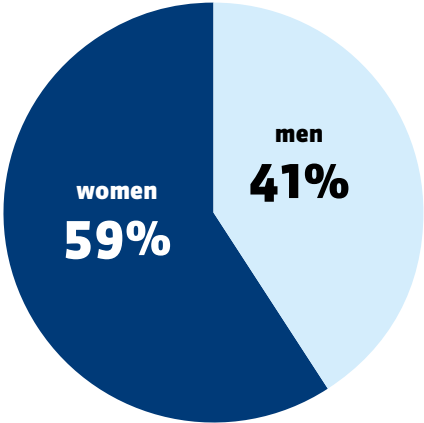
**New employee hires and employee turnover in Finland:**



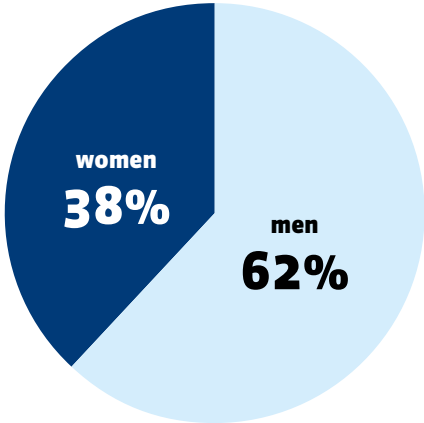
**Total number and share of new salaried employees, and personnel turnover**



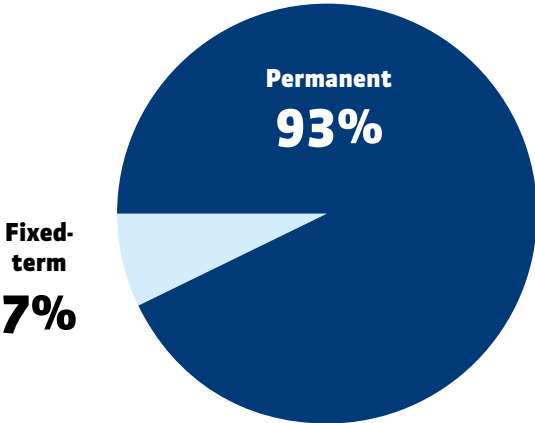
Gender ratio in Realia Group in Finland (%)



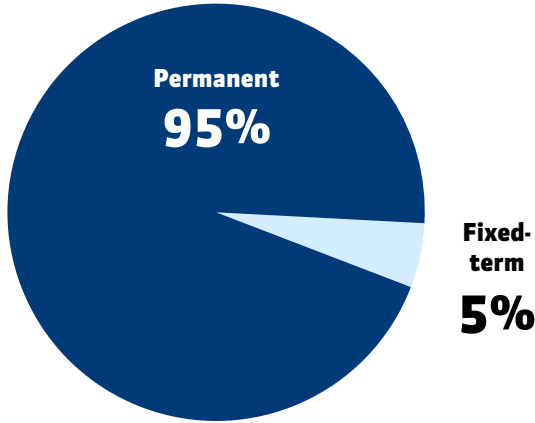
Gender ratio in Hestia in Sweden (%)



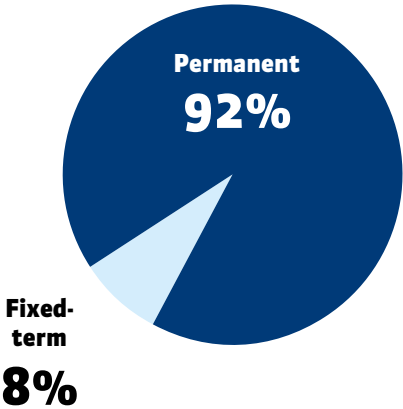
Share of fixed-term employment relationships in Finland (%)



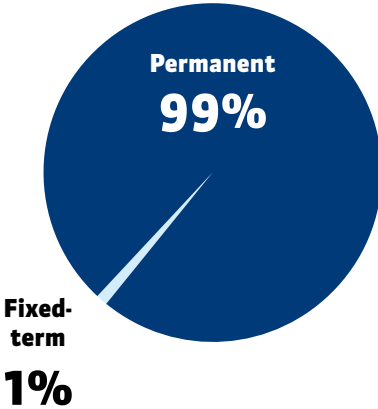
Share of fixed-term employment relationships in



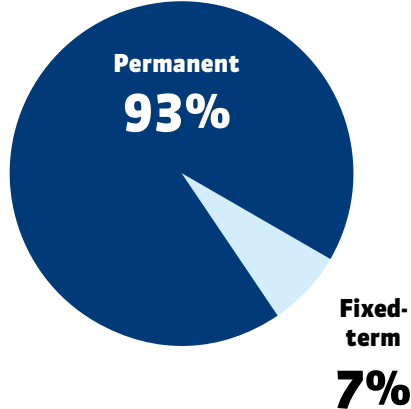
Share of fixed-term employment relationships in Realia Services (%)



Share of fixed-term employment relationships in Huoneistokeskus (%)



Share of fixed-term employment relationships in Hestia (%)





## Realia's induction process

Realia invests in induction and follows a shared induction process. We provide induction for:

- New employees (permanent, fixed-term and trainees)
- Employees returning from long absences (sick, alternation, maternity and family leave, etc.)
- Employees whose position or department changes
- All employees when operating methods or systems change

Supervisors are primarily responsible for providing induction and ensuring its progress by using the induction material prepared by HR management. In addition, a trainer or mentor can be appointed.

Supervisors must prepare an individual induction plan, and its fulfilment must be monitored. Roughly two months after the start of employment, the supervisor will hold an induction meeting with the employee receiving induction to verify how the induction plan has proceeded, and it will be modified if necessary. A trial period discussion will be held roughly a month before the end of the trial period, and a feedback survey will be sent to the new employee from the HR system to ask about the progress of induction.

## Occupational health and safety management system

Realia has signed a company-specific agreement on occupational healthcare services with Mehiläinen Oy. Occupational healthcare services are provided by Mehiläinen or by its network partners in locations in which Mehiläinen does not operate directly.

We have prepared an action plan for occupational healthcare in 2020–2022, describing the working environment and activities of Realia Group's companies. Activities include customer service and expert tasks, office work,

Association	Focus areas in 2022
Realia Group Oy Realia Services Oy Huoneistokeskus Oy	<ul style="list-style-type: none"> <li>▪ Development of occupational safety and health activities</li> <li>▪ Hybrid work model and new facility culture</li> <li>▪ Reducing disability pension risks and sick leave</li> <li>▪ Controllability of workload</li> <li>▪ Developing tools and operating models to support working</li> </ul>
Focus area	Measures
Development of occupational safety and health activities	<ul style="list-style-type: none"> <li>▪ Strengthening the roles and tasks of industrial safety delegates</li> <li>▪ Providing training for new industrial safety delegates</li> <li>▪ Increasing awareness of occupational safety and health</li> <li>▪ Preparing indicators for measures</li> <li>▪ Deploying the Riskipulssi reporting system (near-miss incidents, threatening situations, hazard assessment, etc.)</li> </ul>
Implementing a new work culture	<ul style="list-style-type: none"> <li>▪ Hybrid work model</li> <li>▪ New facility model</li> </ul>
Reducing disability pension risks and sick leave	<ul style="list-style-type: none"> <li>▪ Stabilising the model of modified work (the model does not apply to Huoneistokeskus)</li> <li>▪ Close cooperation with occupational healthcare and earnings-related pension insurance companies, and shared operating methods</li> <li>▪ Training regarding early support (e.g. early intervention training for supervisors)</li> </ul>
Controllability of workload	<ul style="list-style-type: none"> <li>▪ Implementing and stabilising new operating models and roles, and abandoning previous operating methods</li> <li>▪ Management of everyone's own work</li> <li>▪ Supporting resource planning</li> <li>▪ Organising the work of leaving employees, and providing induction proactively (e.g. regarding retiring employees)</li> </ul>
Developing tools and operating models to support working	<ul style="list-style-type: none"> <li>▪ Development and maintenance of competence</li> <li>▪ Providing support during induction</li> <li>▪ Implementing new guidelines (e.g. a playbook for succeeding together)</li> </ul>

working with a computer, and apartment showings, depending on the business area. Risk and load factors include physical loads, including loads borne by the arms and the back, the risk of a traffic accident or an accident at a construction site, and psychological loads such as interruptions, rush and peak hours at work, and uncertainty over earnings due to commission-based remuneration.

The action plan for occupational healthcare includes principles for conducting workplace surveys. They must be planned with the occupational healthcare service provider, considering the type of work and workspaces. The goal of workplace surveys is to assess and monitor the safety and health impact of working conditions and methods with occupational safety representatives.

In 2021, no occupational accidents resulting in death or a serious injury took place in Realia Group. We organised occupational safety card training twice during 2021. All our employees who visit construction sites for new or renovated buildings were able to complete occupational safety card training.

**Prevention of accidents and risk management**

Realia has prepared an action plan for occupational safety and health, the basic goal of which is to maintain and improve employees' safety and health, as well as their ability to work, and to prevent occupational accidents and diseases. The action plan for occupational safety and health covers Realia Group as a whole, while specifications can be made to it regarding individual business areas or offices.

In addition to the employer's occupational safety and health obligations, employees are responsible for their occupational safety and health, and for compliance with safety instructions and guidelines issued in the workplace. Employees must notify their supervisor if they

observe anything that could be improved in terms of occupational safety and health, witness an accident, are in a near-miss incident, or experience or observe excess workloads, harassment or any negative changes in the work atmosphere or working environment.

The employer and employees together are responsible for achieving the goals of occupational safety and health activities. Industrial safety delegates elected by different personnel groups act as employee representatives in each company. Industrial safety delegates must independently assess factors that affect employees' safety and health in the working environment or the working community, and draw the attention of the employees they represent to these factors. The occupational safety and health training required is provided for industrial safety delegates.

**Early caring model**

The goal of Realia's early caring model is to support the personnel to feel as well as possible at work, while ensuring the smooth flow of work and the functioning of the work community. Its purpose is to describe our way of working and take action when a supervisor, employee, colleague or occupational healthcare representative is concerned about an employee's wellbeing at

work. Healthy employees who are able to work benefit everyone. At Realia, supervisors must discuss absences with employees in the following situations:

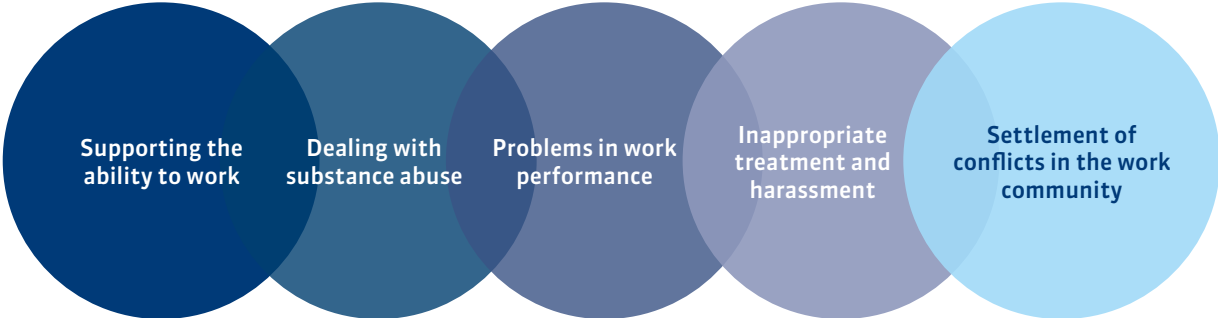
- Five or more repeated short absences during the previous six months
- Sick leave of more than 30 days
- When a supervisor is concerned about an employee's health, potentially affecting their ability to work

If the limit set for sick leave is reached, the supervisor in question will receive an alert and a task to be completed in the occupational healthcare service provider's Esimies-kompassi system.

The fulfilment of early caring discussions is monitored in the occupational healthcare system. The system produces monitoring reports on early caring discussions held on schedule due to exceeded alert limits, for example.

**Development of the personnel's competence and change projects at Realia**

The systematic and business-driven development of the personnel's competence is very important for future success. Smoothly flowing work with good and responsible supervisory work ensures the



wellbeing of the personnel, which is reflected in successful customer experiences. Realia has invested in coaching provided for supervisors and on-the-job studies.

We want to encourage Realia's employees to learn continuously and develop their professional skills. Employees have access to the online Eduhouse training service, in which they can complete individual courses or larger training packages and develop the skills required in their work. In addition, employees can complete individual courses or larger training packages free of charge and at their own pace to develop their skills or stay updated on themes related to their profession. In addition, the online Reaktori learning platform supports and diversifies other available training. In Reaktori, employees can complete individual courses or larger training packages as part of other training provided.

As an employer, Realia trains its personnel continuously to meet the requirements of the real estate sector. The most significant qualifications are the building manager's licence (IAT) and the real estate agent's licence (LKV), for which we provide training regularly with our training partners. We also ensure that we have a sufficient number of employees who have completed occupational safety and health card training and a first aid course.

The competence of our personnel is measured as part of annual performance appraisals, and we encourage every member of Realia to develop and maintain their professional skills, so that we can offer the best possible know-how to our customers.

## Performance assessments and appraisals at Realia

Annual performance appraisals are an important part of supervisory work and a helpful tool for developing the working community's activities. They serve to monitor the progress of goals set for each employee

role, and how up-to-dated the goals are. At Realia, development appraisals have been divided into two parts: performance assessments will be held with employees at the beginning of the year to set goals for the rest of the year. Performance appraisals will be held with employees after the half-year mark to assess the past year, verify that the goals set at the beginning of the year are still current, and identify each employee's career goals and training needs. During the previous year, performance appraisals were held with 74% of those who responded to our personnel survey conducted in Finland in the autumn of 2021 (57% women, and 43% men).

## Change projects

A multi-year change programme was launched at Realia Isännöinti during 2019. Its goal is to change how buildings are managed. This will be reflected in improved employee and customer satisfaction. The change programme will continue until the end of 2022, during which Realia Isännöinti's entire system environment will be modernised for customers and the personnel.

OmaRealia, a new digital service platform, has also been deployed for customers, and the personnel's system environment has undergone major changes. The systems will be integrated seamlessly with each other, which will significantly increase transparency. We have introduced a task management system with which we can monitor the progress of tasks and manage activities with our customers. In addition, a major change will take place in Realia Isännöinti's organisation, with national service organisations for residents and owners, and new employee roles at its core. The most important goal of the change programme for the personnel is to allocate more time for customer service activities.

Key development measures taken in 2021 were summarised in Suunta, Realia Management's development project. Its aim was to support Realia Management's

growth and profitability, the transparency and reliability of service processes, and the skills and wellbeing of the personnel, and to offer modern tools and solutions to our customers and employees. Improving reporting to customers was one of the project's key focus areas.

## Equality and non-discrimination

Equality and non-discrimination are important values to us, and we are committed to protecting them in our daily activities. We have added related guidelines to the company's equality and non-discrimination plan.

In our operations, we comply with the valid labour law and collective agreement, as supplemented by the group's personnel guidelines. Accordingly, we want to provide our employees with a safe working environment and invest in our personnel's wellbeing at work in various ways. We expect all our employees to behave appropriately at work to strengthen a positive atmosphere, while addressing equality and non-discrimination.

It is the obligation of every employee to act constructively in the working community to achieve our common goals and make the working community a better place to be. Every member of the working community is responsible for their own behaviour, and no type of inappropriate behaviour can be accepted at work or in the working community. Inappropriate behaviour is not accepted, and it is prevented by developing the atmosphere and general conduct in the working community so that there is no room for inappropriate behaviour or harassment. Every employee is required to have good working community skills and comply with common rules. If any inappropriate behaviour is identified, it will be dealt with actively. Our group has prepared a Fair Play guide, including instructions for employees who experience harassment and for supervisors on how to deal with harassment.

A blue-tinted photograph of a woman with short hair, smiling and looking towards a group of people. The background is slightly blurred, showing other individuals in a social setting. The overall mood is positive and community-oriented.

## **7 RESPONSIBILITY IN COMMUNITIES**



## Taxation

**R**ealia Group has no separate tax strategy. The group does not include any companies in tax havens. All companies comply with their home country's tax law. Realia Group Oy, and its subsidiaries Realia Services Oy, Huoneistokeskus Oy and Realia Vakuutuspalvelut Oy, are domiciled in Finland, and they pay all their taxes in Finland. Investmentaktiebolaget Kybele AB and its Swedish subsidiaries pay their taxes in Sweden.

In Realia Group, the financial organisation is responsible for tax-related matters. The financial organisation prepares internal tax guidelines, and is also responsible for tax processes and compliance with them. As a rule, tax-related matters are part of auditing. However, Realia has an internal audit function which also focuses on tax-related matters, insofar as each audit involves taxation.

If an employee observes any breaches or misuse, including in tax-related matters, they can discuss the situation with their supervisor or their supervisor's supervisor. Where this is impossible, employees can use Realia's whistleblowing channel to report their observations anonymously.

Financial key figures Realia Group	2021	2020
Turnover, EUR million	129.1	130.0
Operating profit, EUR million	-7.4	-3.7
Operating profit, %	-6%	-3%
Taxes paid, EUR million	0.5	0.2
Personnel expenses, EUR million	89.3	85.6
Percentage of salaries and wages from personnel	83%	84%
Salaries and wages paid, EUR million	73.8	72.0
Tax withheld from salaries and wages, EUR million	16.5	18.3
Pension contributions, EUR million	12.6	15.0
Other personnel expenses, EUR million	2.9	13.6
Purchased goods, materials and services, EUR million	0	31.8
Investments, EUR million	4	4.5
Net financing costs, EUR million	2.5	2.7
Value added tax, EUR million	21.5	23.0

# Stakeholders

Our key stakeholders include our customers, personnel, shareholders and financiers, as well as goods and service suppliers, and partners. Other stakeholders include supervisory associations, decision makers and the authorities, media services, and society at large.

In 2020, Realia decided to join Real Estate Employers. Through this decision, we want to play our part in steering the real estate sector in a more responsible direction. Real Estate Employers is an advocate and strong influencer for employers

in the real estate sector. In addition, we are a partner member of GBC Finland and a member of the management team of the Finnish Association of Property Owners and Construction Clients (RAKLI).

## Donations and other humanitarian activities

In recent years, we have donated funds to charities instead of our tradition of giving Christmas gifts to

our employees. In 2021, we donated EUR 2,500 to Save the Children and EUR 2,000 to the University of Helsinki for climate research in place of Christmas gifts. In addition, we donated EUR 1,900 to the Tukikummit Foundation.

The group's business units also made donations to the Association of Friends of the University Children's Hospitals (Huom!), the Finnish Athletics Federation (Realia Services), Kouluinfo Oy (Realia Services), Sveriges stadsmissioner (Hestia), and the Liikenne association (Huoneistokeskus).

## CUSTOMERS

### HOUSING AND REAL ESTATE COMPANIES

More than **6,200** housing and real estate companies

Some **240,000** residents

### REAL ESTATE SECTOR COMPANIES

Private and public owners and users of apartments and properties, fund companies, banks and many other parties operating in the real estate sector

A range of nearly **43,000** rental apartments

**2,000** facilities and rental apartments within the scope of property management services

### CONSUMERS

**TENS OF THOUSANDS**

of Finns sell, buy or rent their homes every year through us


We have a nationwide presence in nearly all towns with more than 25,000 residents

**25,000+**

The background is a dark blue gradient with faint, semi-transparent financial data. It includes various charts: a bar chart at the bottom, a line graph with circular markers in the middle, and a circular gauge chart on the left. Scattered throughout are currency symbols like \$, £, and ¥, along with numerical values such as 40.35%, \$10.22, \$10.47, \$17.17, \$16.53, \$14.47, \$12.03, \$16.15, \$12.03, 40.78%, 41.49%, and 40.45%.

## **8 DONATIONS AND OTHER HUMANITARIAN ACTIVITIES**





This is Realia Group's second corporate responsibility report, published on 20 May 2022. This report covers our activities in 2021, and we will continue to report our operations every year.

This report does not include our business activities in Sweden or the Baltic region, or any non-integrated business transactions unless otherwise stated. Operations have been reported in accordance with Realia's key responsibility themes, considering the standards of the Global Reporting Initiative (GRI).

The financial information presented in this report covers Realia Group as a whole, and it is based on the company's official financial statements and internal systems. Information on the personnel covers Realia Group's personnel in Finland. The group's personnel survey conducted in 2021, other personnel surveys and interviews, as well as partners, were used in preparing this report. This report has not been confirmed externally.

**Contact person in questions related to the content of this report:**

**Linda Marthon**

Chief Expansion and Sustainability Officer





## **9 GRI CONTENT**

**G**RI-reporting is based on the Global Reporting Initiative (GRI) standards. GRI reporting is an effective way to compare a company's responsibility with other companies using GRI reporting. GRI reporting fulfils the company's responsibility reporting obligation. This report follows the Core level of the GRI standards.

GRI standard	GRI code	Reporting content	Location in the report
<b>Organisational profile</b>	102-1	Name of the organisation	2021 at Realia, p. 3
	102-2	Activities, brands, products, and services / Responsible products and services	2021 at Realia, p. 3. Responsibility in services provided for customers, p. 22
	102-3	Location of headquarters	2021 at Realia, p. 3
	102-4	Location of operations	2021 at Realia, p. 3
	102-5	Ownership and legal form	2021 at Realia, p. 3
	102-6	Markets served	2021 at Realia, p. 3
	102-7	Scale of the organisation	2021 at Realia, p. 3
	102-8	Information on employees and other workers	Responsible corporate culture, p. 29
	102-10	Significant changes to the organisation and its supply chain	2021 at Realia, p. 3
	102-11	Precautionary principle or approach	Responsible business, p. 18
	102-12	External initiatives	Responsible business, p. 14 Responsible corporate culture, p. 26
	102-13	Membership of associations	Responsibility in communities, p. 35
<b>Strategy</b>	102-14	Statement from senior decision-maker	2021 at Realia, p. 4
<b>Ethics and integrity</b>	102-16	Values, principles, standards, and norms of behaviour	Responsible corporate culture, p. 28
	102-17	Mechanisms for advice and concerns about ethics, whistleblowing	Responsible business, p. 16
<b>Governance</b>	102-18	Governance structure	Responsible business, p. 14

GRI standard	GRI code	Reporting content	Location in the report
<b>Stakeholder engagement</b>	102-40	List of stakeholder groups	Responsibility in communities, p. 37
	102-41	Collective bargaining agreements	Responsible corporate culture, p. 30
	102-42	Identifying and selecting stakeholders	Responsibility in communities, p. 38
	102-43	Approach to stakeholder engagement	Responsibility in communities, p. 38
	102-44	Key topics and concerns raised	Responsibility in communities, p. 38
<b>Reporting practice</b>	102-45	Entities included in the consolidated financial statements	Reporting principles, p. 39
	102-46	Defining report content and topic boundaries	Focus areas of responsibility at Realia, p. 12
	102-47	List of material topics	Focus areas of responsibility at Realia, p. 12
	102-50	Reporting period	Reporting principles, p. 40
	102-51	Date of most recent report	Reporting principles, p. 40
	102-52	Reporting cycle	Reporting principles, p. 40
	102-53	Contact point for questions regarding the report	Reporting principles, p. 40
	102-54	Claims of reporting in accordance with the GRI standards	GRI content, p. 42
	102-55	GRI content index	GRI content, p. 42
	102-56	External assurance	Reporting principles, p. 40
<b>Management approach</b>	103-1	Explanation of the material topic and its boundary	Focus areas of responsibility at Realia, p. 12
<b>Economic performance</b>	201-1	Direct economic value generated and distributed	Responsibility in communities, p. 37
<b>Anti-corruption</b>	205-2	Communication and training about anti-corruption policies and procedures	Responsibility in communities, p. 17
<b>Taxation</b>	207-1	Approach to tax	Responsibility in communities, p. 37
	207-2	Tax governance, control and risk management	Responsibility in communities, p. 37

GRI standard	GRI code	Reporting content	Location in the report
<b>Environmental impact / Energy</b>	302-1	Energy consumption within the organisation	Environmental responsibility, p. 18
	302-4	Reduction of energy consumption	Environmental responsibility, p. 21
<b>Environmental impact / Emissions</b>	305-1	Direct (Scope 1) GHG emissions	Environmental responsibility, p. 19
	306-2	Waste by type and disposal method	Environmental responsibility, p. 21
<b>Social impact / Employment</b>	401-1	New employee hires and employee turnover	Responsible corporate culture, p. 31
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Responsible corporate culture, p. 30
	401-3	Parental leave	Responsible corporate culture, p. 30
<b>Social impact / Occupational health and safety</b>	403-1	Occupational health and safety management system	Responsible corporate culture, p. 33
	403-2	Hazard identification, risk assessment, and incident investigation	Responsible corporate culture, p. 34
<b>Social impact / Training and education</b>	404-2	Programs for upgrading employee skills and transition assistance programs	Responsible corporate culture, p. 34
	404-3	Percentage of employees receiving regular performance and career development reviews	Responsible corporate culture, p. 35
<b>Social impact / Diversity and equal opportunity</b>	405-1	Diversity of governance bodies and employees	Responsible corporate culture, p. 32
<b>Social impact / Non-discrimination</b>	406-1	Incidents of discrimination and corrective actions taken	Responsible corporate culture, p. 35
<b>Human rights</b>	412	Human rights assessment	Responsible corporate culture, p. 14
<b>Customer privacy</b>	418	Information security and cybersecurity	Responsible business, p. 16





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