



Sustainability Report 2022

retta

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FROM THE CEO

2022 was an eventful year for us at Retta. We started the year with anticipation after a long period of operating with Covid-restrictions. In February the circumstances changed again with Russia's invasion of Ukraine, with a massive suffering as a result. Finland and Sweden got affected with a shift towards a recession involving high inflation and interest rates. For Retta this had an impact to mainly our brokerage services, where the industry took a dive with roughly 40%. The entire year was then inflicted with uncertainty, with a suffering real estate market as a result. Our property management services on the other hand saw an increasing demand and we managed to grow these services in both Finland and Sweden during 2022.

A lot of focus during the year has been on developing our services and products. We put substantial effort to increase our ways of reporting to our customers and developed two new services, Retta+ and our service for tendering loans for our housing company-customers. We were awarded with an increased market share and in addition won an award from one of our customers for being their best service provider in Europe.

During 2022 we did the change from Realia, and our different brands, to consolidate into our new brand Retta in May. The process to a renewed brand started a few years back where an employee survey led to the development of our three values; Succeeding together, Bold renewal and Acting responsibly. Our

values were one of the foundations when we restructured to Retta. The change to Retta meant that we left behind our independent brands Realia and Hestia, with a strong reputation in Sweden. When we instead formed Retta, the anticipation was to increase the cooperation across the business units and to highlight that we are one company. I am very proud of our journey so far and where we are today, more united than before. It is always difficult to enforce big changes that affect so many people, but we have received positive feedback from both employees and customers. We are still facing challenges in combining our business units and different cultures, where our efforts and work continue.

In Finland we moved to a new head office towards the end of 2022. We wanted to bring more of our colleagues together to increase the cooperation inside our business. Even though the main reason was to increase our quality, employee and customer value, the transition meant that we reduced the number of square meters. This will also have a direct effect on our energy and resource consumption. Our new office also has better opportunities for recycling, which of course is important for reducing emissions and waste, and showing our employees that climate action is important for us.

During the year we have also made some changes to Retta Group's management team where we reduced the number of directors. A big step for our sustainability work is the new role Chief Expansion and

Sustainability Officer. We now have an appointed person in the management Team who is taking lead on driving our sustainability agenda, in order to get a better overall grip in this area. Our team was also strengthened with a new Head of HR in the beginning of 2023, and we are very excited for the benefits this will provide.

Forward we will develop a new sustainability strategy that will take our sustainability work as a company even further. I am looking forward to what the upcoming year will bring.

Kari Virta, CEO of Retta Group



ABOUT RETTA

Who are we?

Retta Group Oy, with headquarter in Helsinki, is the largest provider of expert services specialising in the brokerage and management services of apartments, properties and commercial facilities in the Nordic countries, mainly in Sweden and Finland. We provide our customers with comprehensive solutions in the field of property services for housing and the business sector. Retta Group consists of the business areas Retta Isännöinti, Retta Management and Huoneistokeskus in Finland and Retta AB in Sweden. Retta Group is owned by Altor Equity Fund IV.

Our customers include apartment house- and real estate companies, private and public owners and end users of apartments and properties, fund companies, banks and many other parties operating in the real estate sector and also consumers. All of 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-oriented service production, an active service culture and strong and competent operations. We want to be a customer service pioneer in our field.

What we believe in

Our mission:

Our mission is to make the selling, buying, letting and managing of homes and properties easier, more sustainable, more profitable and more responsible.

Our vision:

Our vision is to be the leading trendsetter in the Nordic property industry, known for our strong in-house culture and values. We create innovative solutions and develop new services in order to be able to provide the best living and working experiences for now and for future generations.



2022 SUMMARY

1,451 Employees	2,407.7 Tonnes CO ₂	113 MEUR Group turnover	79.5 MEUR Personnel expenses
7.61 ENPS-Score	45% Women in management team	7.6 MEUR EBITDA	0 Incidents

OUR BUSINESS UNITS

Retta AB

In 2022 we replaced the well-known Hestia brand and name with Retta brand. The brand renewal was part of the group-wide change and growth strategy. The brand renewal meant also renewing our values and closer collaboration between Finland and Sweden within the Retta Group.

There were also some changes in the leadership when we appointed a new Country Manager for Retta AB. At the same time the former CEO was appointed as the Chief Expansion and Sustainability Officer of Retta Group. The aim of these appointments was to expand Retta's operations in the Nordic countries and develop its service offering with a clear emphasis on sustainability.

2022 proved to be a successful one for Retta AB. For example, we secured a significant new assignment from Mileway, including the management responsibility for Mileway's 94 logistics properties located near Malmö and Gothenburg. This opportunity not only reinforces Retta's presence in southern and western Sweden but also facilitates the expansion of our team through the addition of new hires. Many other new assignments were also implemented during the year. This gave us the opportunity to introduce the Retta way of work to many new employees.

Moving forward, our focus will be on offering new ESG services to assist clients in enhancing sustainability in their properties. Our primary areas of emphasis will be on improving energy efficiency, achieving better EPC ratings, obtaining sustainability certificates, and ultimately increasing property values. Additionally, we will concentrate on assignments related to leasing vacant premises and introduce new services, including procurement and Retta+ services.

Retta Isännöinti

In 2022, the business unit saw changes in its leadership team, with a new Business Director, Customer Service Director, and Regional Director for Eastern Finland. Throughout the year, we placed emphasis on refining our business concept and establishing the Retta way of operating. In the autumn, the management team of our business unit embarked on visits to each local unit in Finland to engage in discussions regarding our vision and future goals.

We aim to offer the best housing management services to our customers and our goal is to improve customer retention. To achieve this, we initiated a customer service reform in 2022 and engaged an external partner to enhance our customer support. We are expanding this collaboration during the year 2023. Furthermore, we have revamped our technical housing management organisation to enhance customer satisfaction. We have made significant strides in digitizing our services and automating internal processes. In 2023, we will introduce even more self-service options to our customers. Additionally, we launched several new Retta+ services in 2022, enabling our customers to unlock valuable savings.

We also initiated a comprehensive training program for our new employees and developed new reporting tools for the entire organisation, empowering employees to monitor their work, learn, and make improvements. Additionally, we provided housing managers with training on various environmentally and economically viable energy solutions.

Our emphasis on sustainability included educating and advising housing managers on the benefits of implementing new energy solutions for housing companies, enabling them to effectively communicate these advantages to board members.

Retta Management

In 2022, we focused on developing our facility management services by hiring a new director and several experts for the business area. We aim to develop our business and services with a clear focus on first-class customer experience.

Sustainability aspects played an increasingly important role in property management in 2022, and we strengthened our expertise in the field by hiring a new director for sustainability and energy services. Our goal is to further invest in the development and expansion of these services.

During the year, we achieved several successes on the customer front, as we renewed our contract with LocalTapiola Real Estate Asset Management, and initiated collaborations with Helsingin Asumisoikeus Oy and Orange Capital Partners. These successes demonstrate that our solid and diverse expertise, combined with strong local presence throughout Finland, are factors that our customers value.

In 2022, we invested in development and digitalisation of our services. A significant focus was placed on building a new online service for apartment rentals. With the introduction of our online store, we became the first property manager to offer the option of direct apartment rentals through an online platform.

Huoneistokeskus

Huoneistokeskus continued its operations under its familiar name and recognisable brand identity. Huoneistokeskus is a strong, historical, and well-known consumer brand that is recognised by almost every Finn. Therefore, during the rebranding of Retta, there was no intention to change the name or brand of Huoneistokeskus. As in previous years, Huoneistokeskus had a strong media presence also in 2022. We received more media visibility than our competitors, thanks to our expert opinions and market insights.

2022 started with anticipation but the war in Ukraine, raising interest rates and energy prices resulted in a rapid fall in the market and intentions to buy a home in Finland was on a record low level. This resulted in a challenging year for our brokerage business, and we didn't see a shift in the market until the beginning of 2023.

During the year we made substantial investments in developing our operations. We revamped our corporate architecture, providing a roadmap for our development in the coming years and setting guidelines for all our processes. Additionally, we offered an extensive training program for our sales managers, spanning the entire year.



GOVERNANCE STRUCTURE

Retta Group Oy is led by Retta's management team who reports to the Board of Directors. The Board of Directors is consequently the highest governing organ at Retta. Their responsibility include how Retta works with sustainability. Regarding sustainability their work extend primarily to appoint a CEO as well as to ensure competence and commitment towards sustainability and reducing our impact. Our chair of the board is externally appointed, and two of the board members are representing our owner Altor. Altor has high requirements regarding sustainability on all their portfolio companies which means that they as our owner, and through the board member representatives, monitor our sustainability performance. Both the board's collective knowledge and commitment for sustainability is consequently on a high level because of Altor's requirements and their representatives.

The selection of board members and their remuneration follows general practice for the market, industry and in addition Altor's requirements. It is through this process that the board mitigates any conflict of interest. Further, our CEO is delegated to have the responsibility of Retta's sustainability performance, including this report. Our management team is responsible for Retta's strategy, vision and mission statement, where sustainability is an integral part.

We are governing our sustainability work through a policy package consisting of our Code of Conduct, Sustainability policy, Environmental policy, Occupational health and safety policy, Travel policy and Instruction for combating corruption. Every incident of misconduct or critical concern is reported through our Whistleblowing-system which is escalated to the management team and the Board of Directors.







Sustainability Awareness

Climate Impact

Healthy Workplace

Diversity & Inclusion

Ethical Governance

Data Security & Privacy

Customer & Financial Success

Innovative & Digital Solutions

MATERIAL TOPICS

We have performed a materiality analysis to get a better understanding of Retta's impact on sustainability. The analysis follows the procedure stated in GRI 3 and is based on an analysis of impact. Through bench studies, trend and external environment analysis we produced a list of aspects related to environment, social and economy. We also analysed how climate change is impacting Retta. The total aspects list was then valued based on scope, scale, restorability and likelihood. The aspects that received the highest value after the analysis became Retta's preliminary material topics. The analysis was performed by Retta's management team together with external sustainability consultants from VEGA Systems AB.

The result from the analysis was then discussed with our different important stakeholder groups, such as customers, employees, owners and suppliers. We received very good feedback from the different dialogues about topics we might have missed, the number and details about the aspects, and also what they thought was important when we work with the topics. The aspects were revalued and restructured in order to incorporate the input from the stakeholders that we deemed relevant for Retta. The management team confirmed and finalised the material topics and the materiality assessment which resulted in the topics in the left column.

RETTA VALUES AND COMMITMENTS

The foundation of our sustainability work is our material topics that show where we should prioritise and use our resources. By working with our material topics Retta aim to contribute towards United Nations Sustainable Development Goals (SDGs). Each material topic has been mapped to SDGs in order for us to get a systematic approach to which SDGs we impact. We have selected our focus areas based on the SDGs we can impact through our active work. Areas we have identified as prioritised for Retta are related to climate impact, employee well-being, diversity and inclusion, the way we conduct our business and how we can affect our clients and customers attitudes towards sustainability.

Our core values are an integral part of how we implement sustainability through our operations and employees



Succeeding Together

Partnerships 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 feel professional pride for 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.



Act 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.



We believe that all individuals should have equal opportunity regardless of individual differences.



We value our employees' safety, well-being as well as our profitability, where we are systematically improving our work environment.



Promoting gender equality and reducing pay gaps and decision making are fundamental parts of our sustainability work and crucial in Retta's values.



Our ambition is to contribute to sustainable communities through energy management and how we help our customers reduce their climate impact.



It is important for us to work with and contribute to high integrity as well as compliance to national and international legislations.



Reducing the impact Retta has on the climate is one of our strategic objectives.



We are working on ensuring responsible consumption and production through our value chain.





SUSTAINABILITY AWARENESS

The building and construction sector stand for around 40% of the global carbon dioxide emissions. Approximately 28% of these come from the lifecycle phase of buildings when they are in use (heating, cooling and energy). Retta is the largest provider of expert services specialising in the brokerage and management services of apartments, properties and commercial facilities in the Nordic countries. Because of our leading position we have the opportunity to influence our customers and promote environmental responsibility and energy efficient solutions to the entire real-estate sector. A group-wide environmental policy is being developed that will align the environmental work that take place in the different units within the group. To further motivate the real estate industry to make changes, We have trained our personnel and organised webinars for its customers to increase awareness of this important topic.

Also, our sustainability services have been further developed during the year to offer increased support to our customers in lowering their emissions. With our expert knowledge we help our customers to create goals, plans and actions for how to make their buildings more energy efficient, which will lead to lowered environmental impact during the usage phase. The strategy can be implemented to reach Net Zero or to reach a specific energy class for the buildings. We are currently investigating if it is possible for us to measure this material aspect and gather all customer data to measure the emissions. In addition, we also need to accurately separate the changes that are derived from our actions.



CLIMATE IMPACT

Climate impact is high on Retta's agenda and as part of our future sustainability strategy, we will investigate setting a target according to the Science Based Target initiative, SBTi. Targets according to the initiative means to reach Net Zero before the year 2050 aligned with the Paris agreement to limit global warming to 1.5 degrees Celsius. Our ambition is to start the process during 2023. Our owner, Altor Fund IV, has ambitious targets and strategies for sustainability, where SBT is one of their focus areas for their portfolio companies and we are striving to both fulfil and go beyond their obligations.

The first step in the process is to measure and analyse the current impact. For 2022 we have adjusted the collection of data and the calculation of the CO₂ emissions with even more accurate numbers.

Retta's climate impact has been mapped out in Scope 1, 2, 3 accordingly with the GHG protocol.

Scope 1

The emissions in Scope 1 come mainly from our company cars. Most of our cars are still petrol-fuelled, but the number of electric and hybrid cars are increasing. We are investigating the possibility to electrify our fleet, which would have a great impact on Retta's climate impact in Scope 1.

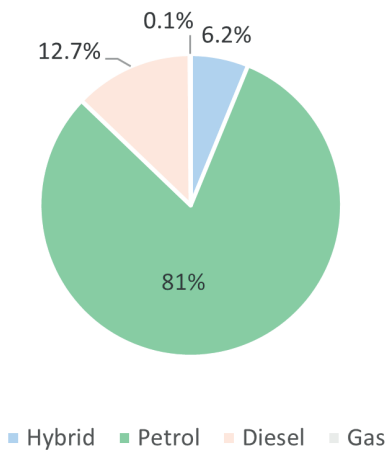
In 2022, Retta had a total of 348 cars, comprising 216 petrol cars, 48 diesel cars, 80 hybrid cars, and 4 gas cars. The amount of company cars increased compared to 2021 where the total number of cars was 233. Almost all new cars are hybrid cars which is in line with Retta's car policy.

Business travel with cars will be essential for us also in the future since we work with management and maintenance of buildings which we need to visit regularly. We aim to reduce car travel and shift towards a more environmentally friendly fleet. During the year the Swedish organisation focused on planning the property routes for the technicians. The aim was to reduce ad-hoc work and kilometres driven by car. This work will continue also for 2023.

EMISSIONS	TONNES CO ₂
Scope 1	958.2
Scope 2	103.1
Scope 3	1,346.4
Total	2,407.7

Retta's car policy states that a new company car is only ordered if there are no available cars in stock within the group at that time. Our cars are leased, and upon the expiration of the leasing agreement, they are replaced with either a new or a pre-owned

Emissions Scope 1



car from within the group. We encourage our personnel to select low emission models powered by electricity and in 2020 we deployed a system for providing financial support for car models with low emissions. Due to the incomplete development of charging infrastructure, we are not currently prepared to fully transition our fleet to electric vehicles. This, coupled with extended delivery times, necessitates our ongoing use of hybrid solutions, which still lower the emissions significantly compared to petrol and diesel.

To calculate the climate impact for Scope 1, data was collected from Retta's HR system. After collecting the information on kilometres travelled and car types, the figures were multiplied by emissions factors corresponding to the respective fuel types. For the Finnish leased cars, the leasing company provided calculations of CO₂ emissions that was confirmed with the emission factors used for the Swedish cars since Sweden and Finland have similar car fleets.

1 The emissions factors that were used came from Energimyndigheten and Trafikverket.

Scope 2

The emissions in Scope 2 come from the energy consumption of Retta's offices. In 2022, a review of our offices was conducted to assess the feasibility of combining smaller offices, aiming to achieve greater cost and energy efficiency without compromising our local presence in the areas where Retta serves its customers. In total we decreased the total number of offices by 10 and worked with optimising the other offices which has led to 2,840 less square meters of office space. Our office structure plays a significant role in reducing emissions. With our new office setup, we have adopted a flexible working approach, eliminating the need for fixed workstations. As a result, we require fewer square meters, thanks to the implementation of a more hybrid work model. Also, the head office in Helsinki moved to a new facility in 2022 which has more energy efficient equipment compared to the old office. This has led to a decrease of the emissions in Scope 2 from 132.1 to 103.1 tonnes CO₂ eq.

We proactively pursue energy-saving opportunities in our operations and require that landlords provide reports on electricity consumption (if measured at the facility level). We have established criteria of responsibility for landlords and facilities in our decision-making process for new office leases. These criteria are employed in new facility projects, taking into account the availability of suitable spaces.

To calculate the climate impact in Scope 2, office managers across all locations provided information on the energy consumption (in kWh) and its respective sources. The calculations were made with a location-based method accordingly to the GHG Protocol. For some offices in Finland, we only had the cost and the source of the energy. To get the amount of kWh we divided the number with the mean price of a kWh in Finland for the year 2022. For the offices where we did not have any information, we extrapolated the consumption based on the other offices². In total we estimate that Retta has consumed 1,557,800 kWh during 2022.

² The emission factors for the energy mixes for Sweden and Finland g CO₂ kwh came from EEA. Emission factors for district heating comes from Energiföretagen



Scope 3

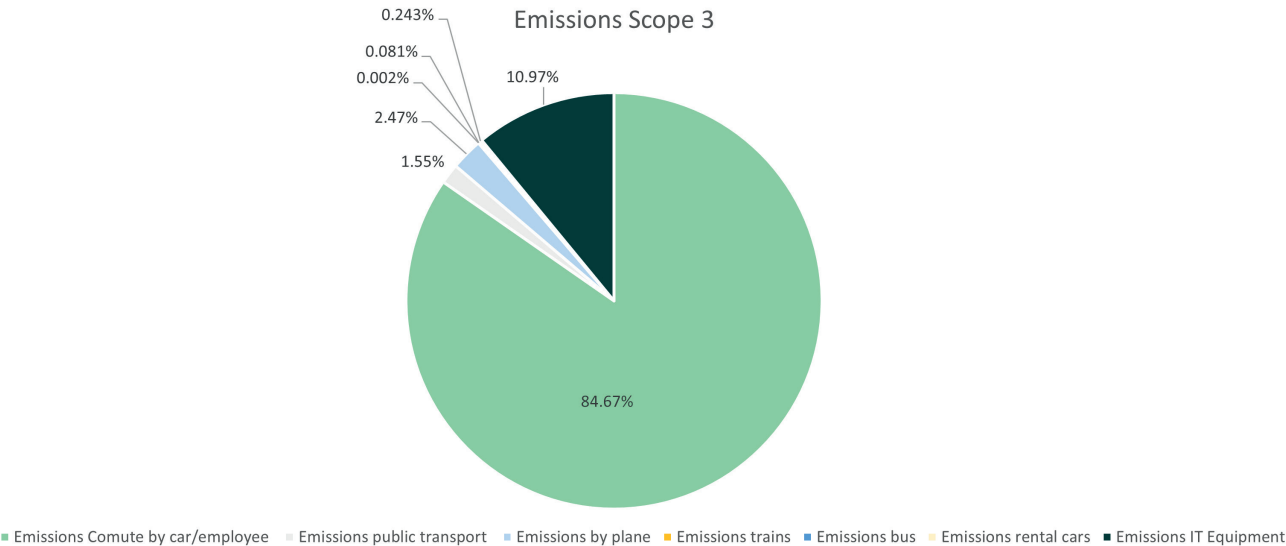
For 2022, we have expanded our climate impact measures to include Scope 3 emissions. This includes considering the commuting emissions associated with our employees' travel to and from work. The majority of Retta's total emissions, 1,346.46 tonnes CO₂ (54%), is derived from Scope 3. 85% of that comes from commuting to and from the offices by car. The second largest source is purchases of IT equipment (11%) and the third largest source is traveling by plane (2.5%). We aim to avoid work-related travel by promoting remote meetings whenever possible. Our head offices in Finland and Sweden are easily accessible by public transport, and we consider the proximity of public transport connections a key criterion selecting a location for our facilities. We have partly continued to work remotely after the pandemic. We will continue to follow the model of remote and hybrid work and we have also started to upgra-

de our offices with new IT-equipment that are much more energy efficient, this will increase our Scope 3 emissions short term but in the long run it will help us lower the total emissions. Another emissions-reducing initiative implemented in 2022 is the opportunity for Swedish employees to enrol in an electric bike leasing program, enabling them to commute to and from the office using environmentally friendly transportation.

To calculate the emissions in Scope 3, a comprehensive survey was distributed to all employees, seeking their input on travel methods to and during work. A mean value was calculated based on the survey responses and multiplied by the total number of employees to determine the aggregate emissions. Emissions factors for specific types of cars (electric, petrol, diesel and hybrid) from Energimyndigheten was used. If no information regarding the type of car was available, a default mean value of 146 g CO₂/km

for a typical car, as provided by Trafikverket, was utilised. Additionally, the survey included questions regarding air travel, train travel, and bus travel, for which emissions were calculated using emission factors from the European Environment Agency (EEA). The emissions from IT equipment was calculated with the help of a WWF calculation tool. In our owner Altor's sustainability report Retta's emissions in Scope 3 differ from the figures presented in this report. This can be explained by the different calculations methods used, where we have collected data from our operations while Altor have used sector generic emissions factors based on an EEIO database.

The next step for Retta is to implement the new sustainability strategy that includes actions plans for lowering emissions in all three Scopes.



² The emission factors for the energy mixes for Sweden and Finland g CO₂ kwh came from EEA. Emission factors for district heating comes from Energiföretagen



HEALTHY WORKPLACE

Retta is a big organisation with different operations which employed in total 1,451 people in 2022. This means that we have an impact on a large number of individuals where our responsibility as an employer is something we take very seriously. We offer our employees benefits such as parental pay, salary change, occupational health care and health care benefit allowance. 36% of our employees are covered under collective bargaining agreements. We also believe that the opportunity for hybrid work is important to increase the work/life balance, which is possible for all our white collar employees.

We have reduced our sick leave with 15% compared to 2021. We are also very happy that sick leave based on mental illness have decreased with 30% from last year. Stress and mental health is very important in our strive towards a healthy workplace and the fact that we can see such a big improvement is a big step.

One of our challenges concerning HR and social sustainability is our employee retention. During 2022 Retta had a turnover rate of 23% in the total group, the previous year the turnover rate was 24% which shows a marginal decrease. The turnover rate is generally high for the industry (20% for 2022). As a service provider our biggest asset is the competence of our employees. Hence, reducing the turnover rate is important for us, in order to keep our competitiveness. We are using the turnover rate as a KPI to measure how happy employees are at Retta.

2022 has been a complex and difficult year for Retta concerning how we are working with well-being for our employees. One of the major issues has been how our brokerage services was affected, with a diminishing market and low activity. The brokerage industry is heavily based on commission which has led to a decrease in in the total compensation for the employees of this division and with that followed lower satisfaction and happiness of the employees. Even though our salaries during 2022 was based on fixed level instead of commission on a higher share than the industry average, our employees have still been affected. A decrease in motivation in addition to the overall well-being has led to a big challenge for us to overcome.

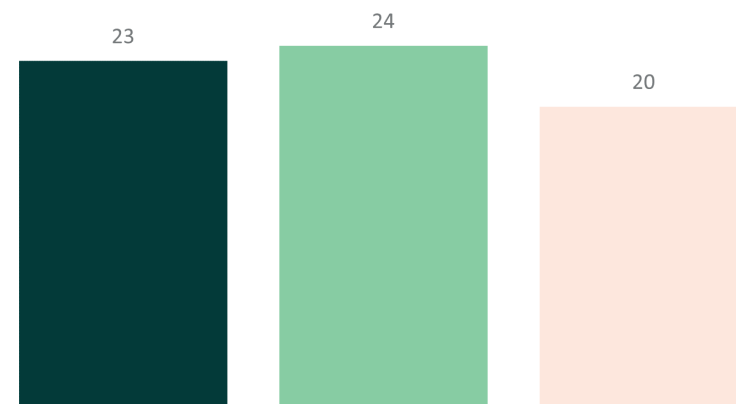
15% lower sick leave

30% decrease in mental illness



Turnover rate (%)

■ 2022 ■ 2021 ■ Industry average



We are performing group-wide annual engagement surveys for our employees. The response rate for 2022 was 73.7%, which is an improvement compared to last year's result of 66.2%. We can see a positive result concerning the level of stress that our employees experience and that the workload is lower. Together with the reduced sick leave presented above, we can be proud of this aspect for 2022. On the other hand, the results of our overall employee satisfaction has decreased with 3.15%, which correlates with both the turnover rate as well as the decrease in the brokerage service. The survey also shows that employees don't feel that they are included in decisions and have the opportunity to influence the development of the operations. As described earlier we have unified our business units through One Retta, into the Retta brand. This restructure involves that we

are working towards common processes also for HR. Today the Swedish and Finnish HR processes are in many ways separate, where activities and training modules are adapted for the separate countries. We are investigating to what extent it is possible to merge them in the future. Another challenge for us is that we operate in many different locations that are spread geographically. We address the challenge through our managers, whom are the management teams link to the operations. In order for us to keep a positive work environment with happier employees, we conduct training for our managers. They have a very important role in the well-being and happiness of our employees.

During 2023 we will focus on integrating our cultures throughout the different business areas as well as the

two countries, to create a common way of working. We want to be certain that our managers receive the same training and have the same competencies regardless of where they work. We will also continue to work with our employee well-being and work ability to ensure that Retta continues to attract competencies and that our employees are thriving at work. We have an ambition to continuously improve our work environment, and one step we will investigate is the possibility to achieve ISO 45001 certification for the whole group. Through our Supplier Code of Conduct we are informing our suppliers that they are obliged to work systematically with occupational health and safety to prevent ill-health and accidents.



Employee survey engagement

73.7%

DIVERSITY AND INCLUSION

A core pillar for us at Retta is equal opportunity regardless of gender, race, age, sexual orientation or disabilities which is clearly stated in our Code of Conduct. Everyone should be able to go to work without facing risk of discrimination or harassment due to demographic aspects. We are conducting trainings with regards to the Code of Conduct to counteract this behaviour, and to inform our employees how they should act if situations would arise.

We have in place a Whistleblowing system for our entire group, both in Finland and in Sweden and it is valid for stakeholders within and beyond our organisation, including our employees, but also if suppliers and customers want to report any misbehaviour. It is a crucial part of our work towards zero discrimination and high ethical governance. The reporting is anonymous, and the incidents are sent to a third party, before they reach HR and the management team. We have received zero (0) reported incidents related to discrimination and harassment in our Whistleblowing system for the past year. In the annual survey for our employees we have included questions about sexual harassment and bullying in the workplace. 0% of the respondents have been exposed to sexual harassment during the year, which is aligned with the Whistleblowing system. However 2% replied that they have been bullied and that it still is ongoing, and additionally 2% have been bullied, but the harassment has stopped and been handled. We have zero tolerance towards bullying, harassment and discrimination and all reported incidents are viewed serious. We study each case to find the appropriate actions and interventions.



We still face some challenges to increase our diversity and equality in Retta. Out of our total number of 1,451 employees, 800 (55%) are females. Our top management team consists of 45% women, which is very positive. For our executive managers the share of women has dropped from 36% year 2021 to 31% in 2022. On the Board of Directors the share of women is 20%, which shows that we need to keep working with our gender equality. There are in addition differences regarding the ratio of salary and remuneration (pay) of women and men, which can be seen in the table to the right. Unadjusted/adjusted pay gap refers to whether the data consider educational background, seniority and different responsibilities. Weighted pay gap considers the number of employees in each country.



Pay Gaps in %

WOMENS PAY GAP IN % COMPARED TO MENS PAY	UNADJUSTED PAY GAP	ADJUSTED PAY GAP
Unweighted pay gap	12.8	11.0
Weighted pay gap	13.8	12.6

Share of male/female



Initiatives 2022

Active schools

We have sponsored the Swedish organisation Active School, which work towards improving schools regarding usage of drugs, grooming, bullying, environment, and health. The foundation is helping schools increase their knowledge and awareness through materials and different activities such as lectures in schools they are working for better well-being among children.

Red Cross blood donations

In 2022 one of our initiatives was the Red Cross blood donations, where we encouraged as many of our employees as possible to donate blood to the Red Cross blood service. Donating blood is a vital part of maintaining a reliable health care system.

Donations to City Missions

Instead of giving our clients christmas gifts we chose this year to make a donation to City Missions. We want to contribute in their important work to help them reduce the number of homeless people and to get people back into society. The City Missions provide shelters and housing, but also trainings and education to help vulnerable groups of people reintegrate into work.

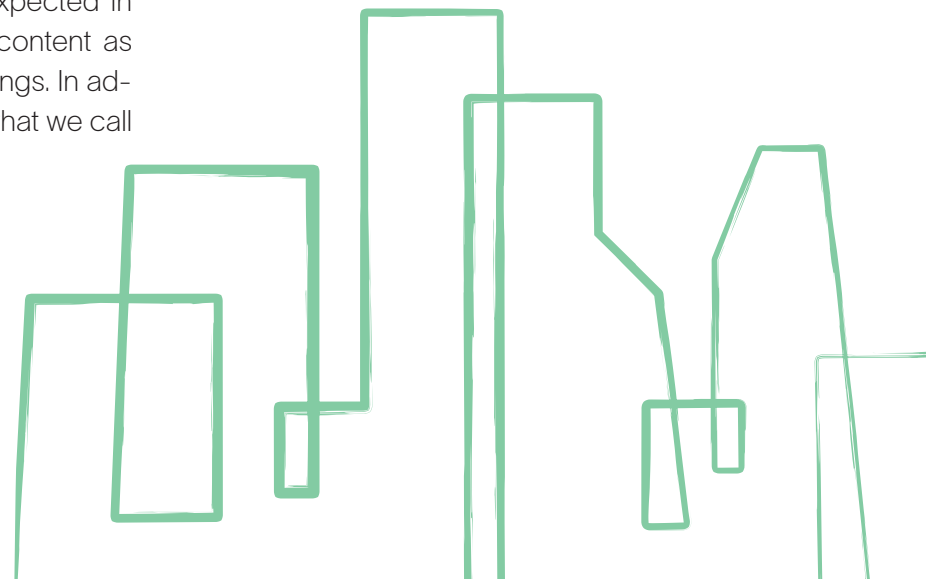
Workshop for work ability

One of our focus areas the past year has been to perform workshops for work ability where we have focused on different topics such as stress factors at work, ergonomics and burnout signs. The purpose is to increase awareness of different risk factors and how to prevent and mitigate them. It is important that our managers have knowledge about how to act if employees are expressing or showing signs of stress and burnout or mental illness. The consequences of not acting on early symptoms can be severe for the individuals concerned with long term sick leave and trouble getting back into the work force.

We are also conducting different types of trainings for our managers. One training from 2022 focused on the "difficult talk", which involves how to deliver negative news as good as possible. The uncertainty of the market increases the importance of managers that are capable of reassuring the employees and to be able to deliver news that are more negative than expected in a way that leaves the employee as content as possible, minimising the negative feelings. In addition, our managers are involved in what we call

Manager Mornings, which is a monthly manager training that covers topics such as competence development, employee experience and employee well-being.

It is common for people that work in offices to spend a majority of the day sitting down and to be very inactive. More and more studies show that this create a lot of issues, both short- and long-term with the risk of inflicting ill-health and pain. To maintain a healthy work force we are promoting physical activity in different ways. We are for example using Cuckoo, which is an app that uses gamification for users to do daily exercises and workouts as a break during the workday.





ETHICAL GOVERNANCE

As per last of December 2022 we have not had any serious incidents or reported violations of corruption or misconduct, which we are both proud and happy about. We have implemented several mitigating actions to reduce the likelihood of incidents and to increase the chance of us finding the misconducts. We are conducting two to four internal audits each year, with the help from KPMG to ensure that our processes follow all our obligations. The findings from the audit are compiled within an audit committee and presented to the board to highlight and prioritise any weaknesses that require actions. This is not a legal requirement, but we believe that implementing the audits will help us maintain a high level of governance. For the same reasons we are conducting trainings on our Code of Conduct for our employees. The training consists of four modules: Data Protection, Code of Conduct, Competition Law and Anti-Corruption Practices. With a higher awareness about the different risk areas, the chances of noticing and reporting misconduct increases. All our trainings are available for our employees on our intranet.

Compliance has always been an important topic at Retta, but its importance has significantly increased during the last years. We are still waiting for the supreme court to give its decision on the pending case with Finnish Competition and Consumer Authority (FCCA). According to the decision of the Market Court in December 2022, the Real Estate Management Federation and companies represented in its board were in some of their actions guilty of procedures restricting competition during the years 2014–2017. We strongly disagree with these accusations since Retta's pricing is always done independently and in a customer-specific manner. Since the case was brought up, compliance and responsibility are on top of our agenda, and part of our company values.



Retta's value chain

A significant part of our impact on sustainability is related to our value chain. The products we use, and the suppliers we cooperate with are directly linked to our sustainability performance. To ensure that we cooperate with responsible organisations we are conducting assessments for all our new and existing suppliers. We assess if they are working systematically with sustainability, such as reducing their environmental footprint, upholding a good working environment and that they are following our Code of Conduct, as well as maintaining high business ethics.

In addition, our purchase department are actively screening if there are more environmentally friendly and ethical products and chemicals to use.

As part of our work with the United Nations Sustainable Development Goals and our supplier assessment, it is our responsibility to make sure human rights are fulfilled throughout our value chain. We have not been aware of any incidents where human rights have been violated in our own, or our suppliers' operations through our whistleblowing system. We

have an ambition to develop further requirements for how we control our suppliers and customers' work with ESG and human rights in a systematic way. Even though we operate in the Nordic countries, where the risk is relatively low, we want to be certain that our value chain is using a preventative approach to ensure that the risk is minimised throughout our life-cycle.



DATA SECURITY & PRIVACY

We are working actively to reduce the risks of cyber-attacks and leaked sensitive information. It is a risk that has increased exponentially over the years.

Cyber security is a major concern for the society in general as it is for Retta specifically. Every company is under a constant threat, and we are no exception. We handle information about our employees, clients and have other sensitive information such as banking information. Every Retta employee will perform cyber security training, which is a part of the general training package mentioned above, that is mandatory for all staff. We also demand that our suppliers comply with current data protection legislation and ensure an adequate level of data security. Further, we are following the EU legislation GDPR regarding how we use and store sensitive information.

We have had zero (0) serious breaches that have been reported. We are mainly operating digitally with cloud servers which are located within Europe and thus follow European legislation.

In a current project, which reaches to the end of 2023, we aim to assess the general security level at Retta. Based on the results of the assessment we will have a better understanding of which areas we need to strengthen and actions to implement in the future.



0 serious breaches reported during 2022

CUSTOMER AND FINANCIAL SUCCESS

During 2022 we have made a series of changes that will lead to a more agile and streamlined organisation. We want to keep our legal structure as simple as possible so that we instead can focus on our core businesses and to strive towards bringing more value to our customers. This of course gives us more freedom in the long term to invest in sustainable solutions.

We have identified inefficient processes in our business to reduce time and resource related waste. Our restructure with fewer legal entities will reduce the amount of resources and energy we will have to use for administration and also cut our overhead costs. We will for example have fewer bank accounts and number of financial audits that we are required to perform each year. Also, our move to the new head office will hopefully lead to a lower resource and energy consumption.

In the past year, the market situation had a significant impact on our brokerage services as the housing market dropped. On the other hand, our residential and commercial services relating to property management have increased significantly and compensated for the loss in brokerage services. It shows how important it is for us as a company and for our long-term growth and longevity to have diverse operations to reduce our risk in one specific market. Our spreading of risk has enabled us to keep our employees and to develop the work we do towards sustainability.

During 2022 we developed new services to increase our customer satisfaction. Retta+ offers services that bring added value to our customers. These services include for example handpicked selection of 5G management station, energy certificates, fire safety service and real estate tax service.



Our new Ador service helps housing companies in Finland to efficiently compare the interest margins of their loans and to sign the loan that is most beneficial. The service also speeds up the banks' ability to make loan offers as Ador conducts an analysis on behalf of the banks, utilising a digital process and the benefits of mass bidding. We cooperate with all major banks in Finland to ensure we can provide a complete comparison. The potential savings on interest margins for our customers are great, with a range of 30% to 70%.



INNOVATIVE AND DIGITAL SOLUTIONS

One of our prioritised areas is to develop and use innovative and digital solutions. We believe that these solutions are a key component in our sustainability work. Better solutions for energy management and heating could reduce the emissions drastically for our clients, more efficient digital tools have the potential to reduce stress and increase the well-being of our employees and new services can make our customers' interaction smoother and increase both their happiness and our financial results.

We have implemented a digital service for online apartment rentals and a comparing service for loan interest margins. It is a part of Retta's values, Bold Renewal, to continuously searching and investing in new services for us to offer as well as to use internally. Our ambition is to never stand still and always progress. A part of the development of our sustainability strategy is how we will measure our progress in this area. It is important for us to contribute to a society that promotes startups and companies to develop the market. For us to keep evolving as a company, but also to solve the climate crisis, we need more technological and innovative solutions.



ABOUT THIS REPORT

This is the third year that Retta publishes a sustainability report. The report covers the year of 2022 and is published in July 2023. The report is written according to GRI Standards. Both the texts as well as the figures, data and numbers, if not stated otherwise, considers Retta Group, including subsidiaries. New data 2022 is the commute of our employees in Scope 3.

An external consultant company, VEGA Systems AB has provided help in writing the report, and calculating our emissions.





"With the impact we can make on the properties we manage for our customers, it's also our responsibility to work proactively in all aspects of ESG. Our stakeholders expect us to be a forerunner and we appreciate these expectations. We strive to make a difference both in our internal set targets and for our customers."

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retta

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2. Activities and workers	2-6 Activities, value chain and other business relationships	3-7	
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	403-4 Worker participation, consultation, and communication on occupational health and safety	18-20	
	403-5 Worker training on occupational health and safety	22	
	403-6 Promotion of worker health	18-22	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	19 & 25	
	403-8 Workers covered by an occupational health and safety management system	20-21	
	403-9 Work-related injuries	-	0 reported
	403-10 Work-related ill health	18-19	0 reported
GRI 404: Training and education	404-1 Average hours of training per year per employee	-	11.32 hours
	404-3 Percentage of employees receiving regular performance and career development reviews	-	64.8%
	414-1 New suppliers that were screened using social criteria	25	
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Retta Group OY has reported in accordance with the GRI Standards for the period 2022-01-01 - 2022-12-31.			