

Making an Impact as a Law Firm

Hannes Snellman's Sustainability Report 2021

HANNES SNELLMAN

Greetings from the Managing Partner

Building a sustainable business is critical for all industries – the legal profession is no exception. Sustainability is playing an increasingly important role in the success of all companies.

At Hannes Snellman, we believe that we can make the largest impact on ESG-related matters by helping our clients succeed in their business and by influencing the society through various other means. Our vision and values are the guiding principles in this work.

To support our goals, we have an active 20-strong corporate citizenship team coordinating different initiatives within the firm. Three focus areas are of our particular interest: reducing inequality, climate action, and the rule of law. These areas are based on the UN's Sustainable Development Goals. Focusing on certain SDGs will help us choose and identify the initiatives and projects that allow us to maximise our impact in alignment with our values and business.

At the end of 2020, Hannes Snellman joined the UN Global Compact Network, which is the world's largest corporate sustainability initiative that supports companies in doing business responsibly by aligning their strategies and operations with the Ten Principles of the UN Global Compact in the areas of human rights, labour, environment, and anti-corruption and by taking strategic actions to advance broader societal goals with an emphasis on collaboration and innovation. More and more, these endeavours need to be carried out together with our clients - how ESG aspects can be taken into account more efficiently in handling matters and how we can align our aspirations with those of our clients.

We first started our sustainability and corporate citizenship journey over a hundred years ago; pro bono work has been part of our activities since the very early days. To this day, the principle of giving back to society thrives in the firm, as we at Hannes Snellman want to make a positive impact in whatever we do. In addition to the client and pro bono work, we monitor and develop the sustainability of our own operations and work internally on a number of related initiatives and everyday routines.

Hannes Snellman is committed to the Ten Principles of the United Nations Global Compact and in this 2021 sustainability report we describe our actions to integrate the Global Compact and its principles into our business strategy, culture, and daily operations.

Riikka Rannikko
Managing Partner, Helsinki

Implementation of the UNGC Principles

Hannes Snellman has a heritage of serving the community. For us, corporate citizenship and sustainability means the practical realisation of our firm's and any attorney's fundamental professional values. Today, we are involved in a wide range of initiatives related to corporate citizenship by contributing with our expertise and resources to promote values and causes that benefit our community. Our firm also contributes to the society by participating in the development of legislation, outside lecturing to inspire young people and by developing our own working environment.

Global Compact Membership in 2020 and SDG Ambition Accelerator Programme

In the spring 2021, Hannes Snellman participated in the first UN Global Compact SDG Ambition Accelerator Programme to consider and crystallize the focus of the firm's sustainability work and to find tools to structure our ideas further and to gain support from a network of companies who were on the same journey.

During the programme, it became quite clear that if we want to make a true impact with our sustainability efforts, we needed to make choices. Using the three sustainable development goals we had identified earlier as our focus (Reduced Inequalities, Climate Action, and Peace, Justice and Strong Institutions), we created a basis for identifying concrete actions.

We got a confirmation to our view that as a professional services firm, the biggest impact we can make is actually by way of indirect action: on the one hand, advising and supporting our clients, and on the other hand, engaging in discussions and initiatives in the society.

“If you could do anything to change the world, what would you do?”

Our Focus SDG – Reduce Inequalities

It is only through active initiatives to cultivate a diverse and inclusive work environment that we live by our values and reach our vision. Across the firm, we work together to create a workplace where everyone can achieve their potential. Focusing on diversity and inclusion helps us attract and retain the top talent and meet our clients' needs.

Our inclusion and diversity efforts are embedded into everyday activities. In order to increase the diversity of the perspectives and to nurture an increasingly inclusive culture, where diversity is valued and leveraged for the benefit of our people and our clients, we work on a range of initiatives across the firm.

Global Compact Principle: Labour

- › *Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;*
- › *Principle 4: the elimination of all forms of forced and compulsory labour;*
- › *Principle 5: the effective abolition of child labour; and*
- › *Principle 6: the elimination of discrimination in respect of employment and occupation.*



Hannes Snellman's Diversity and Inclusion Principles



We focus on **recruiting** individuals who bring their own backgrounds and experiences to work. This contributes to a **work environment** that is rich with collaborative thoughts, insight, and talent.



Our **clients expect** to collaborate with resilient, innovative, empathetic and advanced teams. We bring them people who think differently together and have the joint insights that we are proud to impart to our clients.



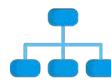
Our journey towards increased diversity and inclusion takes time, consistency, and tenacity, and it concerns all of us. Focus on **awareness** and **education** enables us to move forward.



Our talents have individual expectations, preferences and life situations, which evolve over time. We work to cater for tailored **career paths** and solutions that enable **worklife integration**.

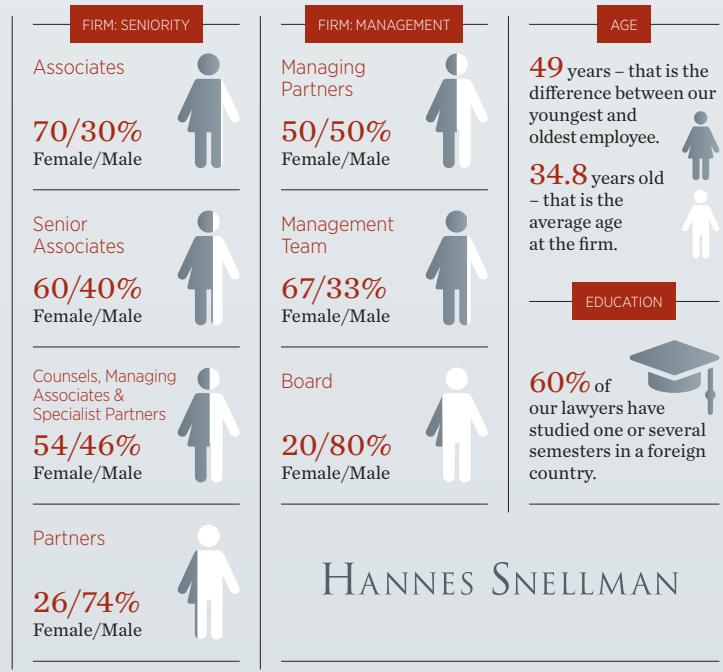
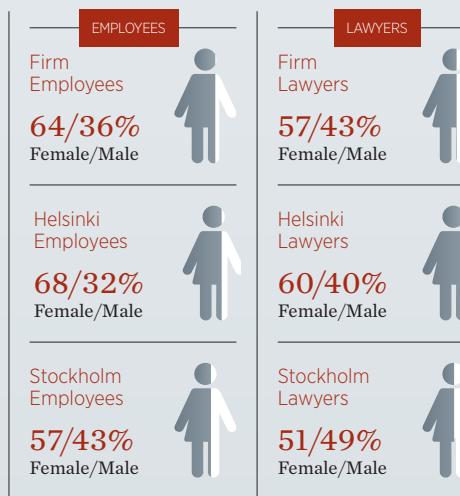


Leadership capabilities play a decisive role in creating a diverse culture in which everyone can achieve their potential. Our leadership model emphasises team building, speaking up, understanding, feedback, approachability and talent development.



It is a prerequisite of success that our own organisational **bodies** are diverse and committed to catalysing inclusivity.

Some key figures on the different manifestations of diversity.



49 years – that is the difference between our youngest and oldest employee.

34.8 years old – that is the average age at the firm.

EDUCATION
60% of our lawyers have studied one or several semesters in a foreign country.

HANNES SNELLMAN

Diversity & Inclusion Initiatives

By promoting and working to improve gender balance, work-life balance, and socio-economic balance, we are building a stronger organisation for our employees, offering a more sustainable service to our clients, and contributing to a more equal society.

Cooperation with Inklusiiv

Hannes Snellman began cooperation with Inklusiiv as a supporting member at the beginning of 2020 and the cooperation has continued through 2021. Inklusiiv is a non-profit organisation with a mission to advance diversity and inclusion in working life.

Inclusivity and diversity are important for us and joining Inklusiiv provides a great platform to share best practices and learn from others. Co-operation with Inklusiiv also supports the ongoing initiatives we are already working on. We strongly believe that inclusivity and diversity foster employee well-being and make any culture and organisation stronger. They are, however, also topics that require constant attention and actions not only on organisational but also on societal level. The co-operation with Inklusiiv helps us to implement our strategic aspirations.

Law Mentoring Programme

Hannes Snellman cooperates with Project Access and Oikismentorinti in a law mentoring programme that helps students from less privileged backgrounds to apply to law schools in Finland.

In the spring 2021, 17 Hannes Snellman lawyers acted as mentors in 1-1 mentorships, giving concrete advice and help to the students regarding their goal of attending law school in Finland. Participation in the programme is free of charge for the students. The mentor-mentee pairs met virtually several times during the course of spring and discussed various topics such as applying to law school, studying law, working as a lawyer, and the different career opportunities that the legal field offers.

Project Access is a non-profit organisation believing in fair access to top universities. Currently, disadvantaged students are vastly under-represented at top universities. The unequal access hampers pathways to social mobility and deepens societal inequalities, evident from unequal lifetime earnings post-university.

The programme continues in 2022 and Hannes Snellman is again one of the companies providing mentors for the programme.

Our Focus SDG – Climate Action

We recognise our corporate responsibility in environmental matters and the importance of environmental management for achieving a more sustainable business within the legal sector.

Environmental Policy

Hannes Snellman's environmental policy covers the immediate impacts of the buildings, products, and services used by Hannes Snellman, as well as the services that we provide and that we have the possibility to control. In addition to complying with statutory regulations, we are committed to operate in accordance with principles described in our policy.

Environmental Policy is included as Appendix 1.

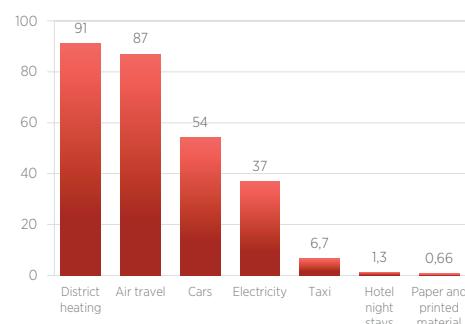
Carbon Footprint

We calculate our carbon footprint on a yearly basis and compensate our flight emissions. Our cooperation partner in mapping the carbon footprint is Zeromission and we compensate our emissions through Gold Standard projects. Our flight emissions for 2020 were compensated through a biodiverse forests planting project in Panama.

Global Compact Principle: Environment

- › *Principle 7: Businesses should support a precautionary approach to environmental challenges;*
- › *Principle 8: undertake initiatives to promote greater environmental responsibility; and*
- › *Principle 9: encourage the development and diffusion of environmentally friendly technologies.*

Emissions



Sustainable Projects

We regularly advise our clients in the projects that support their efforts in sustainable business. Some of our reference projects in 2021:

Counsel to LähiTapiola in the establishment of a jointly owned forest, 2021

LähiTapiola Kiinteistövarainhoito Oy's establishment of the jointly owned forest Tapiola Yhteismetsä and the related service concept, which provides forest owners an opportunity to attach forest areas to the jointly owned forest, thereby receiving the benefits of professional, sustainable, and long-term forestry services as stakeholders of Tapiola Yhteismetsä.

Counsel to OX2 in negotiating balance of plant construction contract package for a wind farm portfolio with a capacity totalling 154 MW, 2021

Counsel to OX2 in respect of the balance of plant construction contracts for a portfolio of onshore wind projects in Finland with a capacity totalling 154 MW. The portfolio encompasses wind farms Merkkikallio, Puutikankangas and Rustari in the Ostrobothnia, North Ostrobothnia and South Ostrobothnia regions of Finland.

Counsel to Remeo in a materials recovery facility project, 2021

Remeo Oy's construction project of a materials recovery facility.

Counsel to Green Horizon Renewables a.s. and other minority investors in the sale of the Mikana wind power portfolio, 2021

BlackRock Real Assets' acquisition of the Mikana portfolio, which consists of an existing operational project of 20 MW and four wind development projects with a capacity of 200 MW, from Green Horizon Renewables a.s. and other minority investors.

Counsel to YIT in Finland's largest wind power project disposal, 2021

YIT Oyj's disposal of Finland's largest wind power development project to OX2. The project consists of 72 wind turbine construction locations with the required permits, enabling a total capacity of approximately 400 MW, and the construction of a new 400-kV transmission line.

Counsel to Metsähallitus in the Korsnäs offshore wind power development project

Hannes Snellman has been engaged by the Finnish state enterprise Metsähallitus in the Korsnäs offshore wind power development project. The envisaged minimum nominal capacity of the project is 1300 MW, entailing 70–100 turbines with a capacity of 12–20 MW each.

Our Focus SDG – Rule of Law

Compliance & Ethical Business Service Area

In 2021, we renewed our compliance service area, to be able to better meet the needs of our clients in compliance-related assignments. Our compliance and ethical business portfolio is available on our website here: www.hannessnellman.com/services/all/compliance-ethical-business/

Pro Bono Work

Pro bono work is a crucial way of implementing Hannes Snellman's corporate citizenship associated with the practice of law. Hannes Snellman has a particularly strong tradition of handling pro bono assignments. Pro bono refers to an attorney's work promoting a matter that is considered good for society, performed free of charge or at a clearly reduced fee. We focus on areas where our skills are best used and where we are most able to make an impact.

Staff suggestions form the basis of our pro bono work. The fundamental starting point is the provision of legal advice in accordance with the firm's strategy and our areas of expertise. Also, in pro bono work we represent the firm and observe the same criteria associated with quality and the organisation of work applicable to other assignments and duties. We are proud of what our people achieve and the difference they make. Most of our staff is engaged in pro bono work. The initiatives range from individual questions to broader long-term cooperation involving larger teams.

Our pro bono assignments include, among many others, the following long-term partnerships: The International Federation of Red Cross, UNICEF, Suomen Partiolaiset ry – Finlands Scouter rf, and Centrum för Rättvisa. Most of our pro bono assignments are anonymous.

During 2021, we have recorded all in all 1,440 pro bono hours.

ISO/IEC 27001:2013 Standard

As a result of the successful information security ISO 27001 audit process during 2021, we have received an ISO/IEC 27001 certificate. The certificate is valid for the next three years. The scope of the registration is the protection of customer data including digital information, assets and personnel. Locations in scope are Helsinki and Stockholm.

ISO/IEC 27001 is an international standard on how to manage information security. It details requirements for establishing, implementing, maintaining and continually improving an information security management system. Organisations that meet the standard's requirements can choose to be certified by an accredited certification body following successful completion of an audit.

The certificate is included as Appendix 2.

WhistleB Service

Hannes Snellman strives to maintain a transparent business climate and high business ethics. We value the safety and respect

Global Compact Principle: Anti-Corruption

- › *Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.*

of everyone affected by our business. Our people have a vital role in our success. Whistleblowing provides an opportunity to report suspicions of misconduct; anything that is not in line with our values and policies. Our whistleblowing service is an early warning system to reduce risks. It is an important tool to foster high ethical standards and maintaining customer and public confidence in us.

Whistleblowing can be used to inform about a concern about something that is not in line with our values and ethical code, and that may seriously affect our organisation or a person's life or health.

Hannes Snellman's whistleblowing service is provided by an external partner WhistleB, Whistleblowing Centre, to ensure anonymity and uncompromised confidentiality.

Annual Donations

One of our traditions is to make annual donations to charities that share our values and are proposed by our people.

In 2020, we supported our long-term cooperation partner UNICEF in their two-year project "Justice for Children" in Rwanda in Central Africa, where UNICEF is working closely with the Government of Rwanda in implementing the government's significant investments in the strengthening of the national child protection system, with critical policies, laws, and services. In addition, we supported John Nurminen Foundation, Helsinki Mission, and Stockholms Stadsmission. All chosen causes reflect the UN Sustainable Development Goals we have identified as top priorities at Hannes Snellman: Reduce Inequalities; Climate Action; and Peace, Justice, and Strong Institutions.

The annual donations for 2021 had not yet been decided at the time of publishing this report, but the amount of donations remained at the same level as in previous years. The information about the donation targets is available on our website after they are launched.

In addition, during 2021 we have participated in Ketjureaktio cycling charity event, collected material donations for HOPE ry, supported Pink Ribbon campaign through our events, cooperated with Venner to support disadvantaged families with food boxes, and at the end of the year we will arrange the Finnish "Joulupuu" charity campaign in cooperation with our staff.

Our Goals and Steps Forward

Our goals for 2021 were to clarify our aspirations related to the sustainable development goals through the Global Compact's SDG Ambition Accelerator programme and to start implementing the measures. During the SDG Ambition Accelerator programme, we succeeded to identify the actions through which we can make the most impact in our business.

Outside the programme, we reached milestones, such as receiving an ISO/IEC 27001 certificate, updating our whistleblowing process by starting the cooperation with WhistleB service, and publishing our revised environmental policy. We continued many of our existing projects, such as focusing to improve and develop our employees' work-life balance, keeping our corporate culture on the agenda throughout the year, continuing our traditional pro bono and charity work and mapping and compensating our carbon

footprint. We also participated in the social debate by organising a discussion event on sustainable business and its increasingly important role in the success of all companies at SuomiAreena, the largest social discussion event in Finland during the summer season.

During 2022 we will integrate our sustainability and corporate citizenship work even more into our strategy and continue to bring our SDG Ambition goals into practice.

Appendices

HANNES SNI

ENVIRONMENTAL POLICY

Hannes Snellman recognises its corporate responsibility in environmental matters and the importance of environmental management for achieving a more sustainable business within the legal sector.

This policy covers the immediate impacts of the buildings, products, and services used by Hannes Snellman, as well as the services that we provide and that we have the possibility to control. In addition to complying with statutory regulations, we are committed to operate in accordance with the following principles.

1 Premises and Purchases

- (a) In our offices, we use renewable energy. We commit to save energy, water, paper, and other such resources.
- (b) We recycle and commit to reduce the amount of waste and plastic, for instance by avoiding single-use items.
- (c) Through our own actions and by negotiating with the landlord, we ensure that our premises are designed, constructed, furnished, and operated to optimise their environmental performance and to promote the obtaining and maintaining of an environmental certification for our office premises.
- (d) We consider environmental issues when making decisions regarding our purchases and choose environmentally friendly goods and services for our internal and external events, for instance by favouring sustainable options.
- (e) We use sustainably produced office supplies and promote the thrifty use of these supplies.
- (f) We give non-material and/or sustainably produced gifts.

2 Travelling

- (a) Whenever possible and relevant, we encourage our employees to attend meetings virtually instead of flying to a meeting.
- (b) We travel by train instead of flying whenever travelling shorter distances.
- (c) We choose hotels that have obtained environmental performance certificates.
- (d) We support walking, cycling, and the use of public transport instead of taxis or private cars. In Helsinki, Hannes offers employees the commuter ticket benefit.

3 Communication

We encourage our employees to implement our environmental policy and provide related training to our employees. This policy and the obligations and responsibilities required by any environmental management system implemented by us will be communicated to all employees.

4 Monitoring and Management

- (a) We are a member of the UN Global Compact initiative, and our sustainability work is based on the UN Sustainable Development Goals (SDGs). We follow UN Global Compact's reporting guidelines.
- (b) We set annual environmental improvement targets and regularly monitor our progress and our consumption and carbon footprint by using the ZeroMission platform "Our Impacts".

Appendix 1

- (c) This policy will be reviewed regularly and, if needed, updated by our Board, assisted by our Corporate Citizenship Team.

5 Compensating Our Emissions

We compensate our carbon footprint on an annual basis by investing in projects that reduce or sequester carbon.

6 Other

We collaborate with and provide pro bono services to selected environmental organisations.

Appendix 2



Certificate of Registration

KPMG IT Certification Ltd certifies that the following organization

Hannes Snellman Attorneys Ltd.

complies with the requirements of standard

ISO/IEC 27001:2013

for the following scope of registration

Nordic Law Firm Hannes Snellman Attorneys Ltd. protection of customer data including digital information, assets and personnel. Locations in scope: Helsinki and Stockholm office

Statement of Applicability version 1.0 (1.9.2021)

Certification number

A handwritten signature in blue ink, appearing to read "Mika Laaksonen".

Mika Laaksonen, CEO
KPMG IT Certification Ltd.

Issue Date
October 21, 2021

Original Issuing Date
October 21, 2021

Expiration Date
October 21, 2024



To verify that this certificate is current, please refer to the KPMG IT Certification Ltd:

www.kpmg.com/fi/it-sertifointi

HANNES SNELLMAN