



United Bankers Plc

Corporate Governance Statement 2022



1. Introduction

United Bankers Plc (hereinafter "United Bankers" or "Company") is a Finnish public limited liability company, whose shares are publicly traded on the official list of Nasdaq Helsinki Ltd ("Helsinki Stock Exchange") under the ticker symbol UNITED.

This Corporate Governance Statement has been devised separately from the Board of Directors' annual report. This statement does not constitute a part of the official financial statements. The Board of Directors of United Bankers has adopted this Corporate Governance Statement on 16 February 2023. This statement, along with the Company's Financial Statements, Board of Directors' Report, and Audit Report, as well as all other documents required by the Corporate Governance Code, are available on United Bankers' website at www.unitedbankers.fi.

United Bankers complies with all of the recommendations in the Corporate Governance Code for Finnish Listed Companies issued by the Finnish Securities Market Association on 1 January 2020 (the "CG Code"). The CG Code is available from the website of the Finnish Securities Market Association at www.cgfinland.fi.

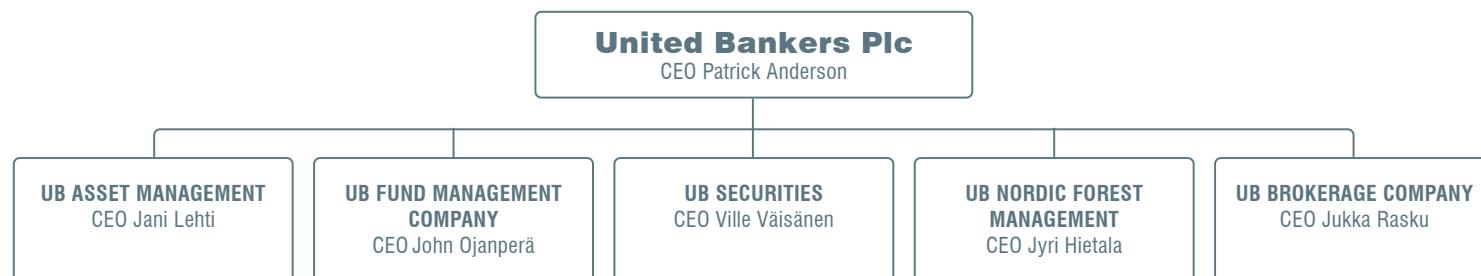
United Bankers' corporate governance is based on its Articles of Association, the Companies Act, the Securities Market Act, the Market Abuse Regulation (MAR), regulations and guidelines issued by the Finnish Financial Supervisory Authority, as well as the rules

and insider guidelines of Helsinki Stock Exchange. In its capacity as an entity owning investment services companies and a fund management company, the Company is obligated to abide by the national and European-level financial industry regulation. Consequently, corporate governance of the Company entails complying with the Act on Investment Services, Act on Credit Institutions to the extent applicable, the provisions of the Act on Mutual Funds and Act on Alternative Investment Fund Managers, as well as the guidelines issued by the European Banking Authority (EBA) and the European Securities Market Authority (ESMA).

2. Descriptions Concerning Corporate Governance

2.1 Governance Structure

In addition to the parent company United Bankers, acting as the holding company, the United Bankers Group encompasses five subsidiaries fully owned by the Company: UB Asset Management Ltd, UB Brokerage Company Ltd, UB Fund Management Company Ltd, UB Securities Ltd, and UB Nordic Forest Management Ltd, the four first-mentioned of which constitute licensed companies subject to the supervision of the Finnish Financial Supervisory Authority. In addition, the United Bankers Group includes the subsidiaries of the aforementioned subsidiaries (hereinafter, all of the aforementioned companies, along with their subsidiaries, jointly referred to as "United Bankers Group").



¹ ISIN Code FI4000081427.

The administration, management, and oversight of United Bankers is divided between the General Meeting of Shareholders, the Board of Directors and the CEO as described below. In the operative management of the Company, the CEO is assisted by the other members of the Company's Management Team, consisting of the directors of the various business segments of the United Bankers Group, as well as of the directors of different Group functions. The Management Team manages matters relating to the entire Group. The Management Team assists the CEO in the adoption and implementation of Group-level operating principles and procedures. The CEO acts as the Chairman of the Management Team.

The planning, strategic management, steering, and risk management of the operations of the United Bankers Group have been centralised within the parent company United Bankers. The Board of Directors of the parent company also addresses certain more far-reaching and substantial matters of the subsidiaries in its meetings, as well as exercises ownership control in all its subsidiaries. The Board of Directors of the parent company addresses matters from the group's perspective and at a more general level than the Boards of the subsidiaries.

In each subsidiary, executive power is vested not only with the parent company, but also with the subsidiary's own Board of Directors and CEO. The Boards of the licenced companies belonging to the United Bankers Group have adopted the intra-group guidelines, governance and steering systems, processes and mechanisms affirmed by the Board of Directors of the parent company as binding upon the companies to ensure the organisation of effective and reliable corporate governance. Regardless of group-level decision-making, licensed companies within the Group are responsible for carrying out the duties assigned to them under the legislation and authority regulations.

2.2 General Meeting of Shareholders

The General Meeting constitutes United Bankers' highest decision-making body, where shareholders of the Company participate in the steering and supervision of the Company. At the General Meeting, each United Bankers share confers one (1) vote. By attending the General Meeting either in person or via a proxy, share-

holders may exercise their right to speak and vote and to participate in the decision-making in matters related to the Company.

The matters to be addressed at the General Meeting have been determined in the Companies Act and in United Bankers' Articles of Association. In addition to the matters determined by legislation and the Articles of Association, the General Meeting discusses any matter presented to the meeting by the Board of Directors. Pursuant to the Companies Act, also the shareholders have the right to have a matter falling under the competence of the General Meeting discussed at the meeting. The Company announces annually on its website, on 31 December at latest, the date by which shareholders must submit to the Company's Board of Directors any matter they wish the subsequent Annual General Meeting of Shareholders to discuss.

Notice of the General Meeting is published at earliest of two (2) months and at latest of three (3) weeks prior to the General Meeting, however, no less than nine (9) days prior to the date of record of the General Meeting. The notice is published by means of a stock exchange release and on the Company's website. Furthermore, at its discretion, the Board of Directors may announce the General Meeting in one or more newspapers. Documents to be presented at the General Meeting and proposals of the Board of Directors to the General Meeting are made available for review on the United Bankers' website latest of three (3) weeks prior to the General Meeting.

To ensure the interaction between the shareholders and the Company's governing bodies, as well as the shareholders' right to pose questions, the Chairman of the Board of Directors, members of the Board of Directors, and the CEO are present at the General Meeting. In addition, a nominee for the Board of Directors must be present at the General Meeting resolving upon their election. Furthermore, the auditor of the Company must be present at the Annual General Meeting of Shareholders.

In 2022, the Annual General Meeting of Shareholders was held in Helsinki on 23 March 2022. Pursuant to the Act on Temporary Deviations from the Finnish Limited Liability Companies Act (375/2021), the Company's Board of Directors resolved that the Company's

shareholders and shareholders' proxies could participate in the General Meeting and exercise shareholder rights only by voting in advance, as well as by submitting counterproposals and posing questions in advance. A total of 19 shareholders attended the General Meeting either in person or by a proxy. Approximately 38 per cent of the votes conferred by all the shares were represented at the meeting. The shareholders did not submit any counterproposals or pose any questions.

In order to ensure the safe organisation of the General Meeting due to the COVID-19 pandemic that prevailed at the time, exceptionally only the Chairman of the General Meeting, the supervisor of vote tallying and the examiner of the minutes, the Company's CEO, members of the Board of Directors and the Company's General Counsel were physically present at the meeting. Additionally, a representative of Euroclear Finland Ltd, the provider of the registration and voting service for the General Meeting, attended the General Meeting via a remote connection.

An Extraordinary General Meeting of Shareholders is convened when deemed expedient by the Board of Directors. In addition, the auditor and shareholders representing more than ten (10) per cent of the Company's shares, have the right to require the convening of an Extraordinary General Meeting to process a matter they have brought forth. No Extraordinary General Meetings were convened in 2022.

2.3 Board of Directors

2.3.1 Composition of the Board of Directors

The General Meeting elects the members of the Board of Directors. The names of the candidates are stated in the notice of the General Meeting.

Pursuant to the Articles of Association, the Board of Directors must consist of no less than four (4) and no more than eight (8) ordi-

nary members. The Board of Directors elects their Chairman and Vice Chairman from among its members. Members of the Board of Directors are elected for a term of one year, ending at the adjournment of the first Annual General Meeting of Shareholders following the election. The General Meeting resolves upon the remuneration payable to the members of the Board of Directors.

The Company's Articles of Association do not contain any provisions regarding the order in which the members of the Board of Directors are to be appointed. The proposal to the Annual General Meeting of Shareholders as to the composition and remuneration of the Board of Directors is submitted by the major shareholders of the Company.

The Company discloses the following personal and ownership information concerning the members of the Board of Directors: name, year of birth, year of commencement of Board membership, education, nationality, principal occupation, as well as the number of Company shares owned by them and/or their controlled corporations. Additionally, any dependency on the Company or the major shareholders of the Company, as well as grounds on which the member of the Board of Directors is not considered independent, are stated. The criteria are available on the Company's website at www.unitedbankers.fi/en/oj/sijoittajat/hallinnointi/hallitus.

The Company's major shareholders are responsible for all proposals concerning Board composition and remuneration. Evaluation of the knowledge, skills, and experience of the members of the Board of Directors is conducted in accordance with the financial industry regulation, concerning both new members and on a regular basis, all members of the Board of Directors. In addition, the board nominations seek to foster diversity within the Board of Directors.

On 23 March 2022, the Annual General Meeting of Shareholders confirmed the number of the members of the Board of Directors at seven (7) and elected the following members to United Bankers' Board of Directors:

Board Member	Born	Member since	Education	Nationality	Main occupation	Shares held in United Bankers 31 Dec 2022*)
Johan Linder, Chairman since 2010	1959	2010	LL.M	Finnish	United Bankers Plc, Chairman of the Board, Oy Karl Fazer Ab, Board member	35 000
Lennart Robertsson, Vice Chairman since 2018	1959	2017	BSc (Econ and Bus Admin)	Swedish	United Bankers Plc, Vice Chairman of the Board; InterFagervik AB, founder, Chairman of the Board	2 410
Rainer Häggblom	1956	2014	MSc (Agriculture and Forestry), MSc (Econ and Bus Admin)	Finnish	Häggblom & Partners Ltd. Oy, Chairman of the Board	61 480
Antti Asunmaa**)	1981	2018	MSc (Econ and Bus Admin)	Finnish	UB Asset Management Ltd and UB Brokerage Company Ltd, Chairman of the Board until 4 November 2022; Amos Partners Oy, Board member; Taito Capital Oy, Board member and CEO; Future Group Oy, Board member	1 089 144
Tarja Pääkkönen	1962	2018	MSc (Tech), DSc (Tech)	Finnish	Boardman Oy, Partner	8 817
Eero Suomela	1953	2020	MSc (Econ and Bus Admin)	Finnish	Board professional	3 500
Rasmus Finnilä	1960	2022 (a member also during 2013-2020)	MSc (Econ and Bus Admin)	Finnish	Asset Manager, UB Asset Management Ltd	1 078 541
*) Number of Company shares held by the Board members and their controlled corporations at the end of the financial period on 31 December 2022. **) Resigned from his position as a member of the Board of Directors as of 4 November 2022						Total 2 278 892

Elected in the preceding Annual General Meeting of Shareholders, Carl-Gustaf von Troil acted as a member of the Board of Directors until the Annual General Meeting of Shareholders held on 23 March 2022. Antti Asunmaa resigned from his position as a member of the Board of Directors as of 4 November 2022.

The Board of Directors elected Johan Linder as its Chairman and Lennart Robertsson as its Vice Chairman. Nina Rosenlew, General Counsel, acted as the secretary to the Board of Directors.

The members of the Board of Directors are not a part of the operative management of the company.

2.3.2 Competence and Independence Requirements for the Board of Directors

A person to be elected as a member of the Board of Directors must possess both the competence and the sufficient time to carry out the task. In addition to the CG Code, independence and competence requirements for Board members have been stipulated in the Act on Investment Services, in the regulations and guidelines issued by the Financial Supervisory Authority as well as in other regulation and guidelines applicable to the financial industry.

The Company facilitates the working of the Board through providing members of the Board of Directors with sufficient information concerning the operations of the Company and of the United Bankers Group. A member of United Bankers' Board of Directors must submit to the Board of Directors and to the Company adequate information in order to have the assessment of their competence and independence carried out, as well as communicate any changes in such details. The Board of Directors conducts an assessment of the independence of its members and announces its outcome on the Company's website. The assessment of independence also considers the comparable circumstances of private persons or legal entities belonging to the member's circle of related parties. Companies belonging to the same corporate group as the company are equated with the company.

United Bankers' current Board of Directors consists both of experts in the field and of representatives of the Company's major shareholders. Based on the member-specific overall assessment conducted by the Board of Directors in accordance with the CG Code, four (4) of the members of the Board of Directors are independent of the Company: Johan Linder, Tarja Pääkkönen, Lennart Robertsson and Eero Suomela. According to the assessment of the Board of Directors, five (5) of the members of the Board of Directors are independent of the Company's major shareholders: Johan Linder, Rainer Häggblom, Tarja Pääkkönen, Lennart Robertsson and Eero Suomela. Four (4) of the members of the Board of Directors are independent both of the Company and of the Company's major shareholders: Johan Linder, Tarja Pääkkönen, Lennart Robertsson and Eero Suomela.

2.3.3 Principles Concerning the Diversity of the Board of Directors

United Bankers' Board of Directors seeks to promote the diversity of the composition of the Board of Directors. The principles concerning diversity of the Board of Directors are included in the Company's Fit & Proper as well as suitability principles, which are considered in the working of the Board of Directors, and in the planning of the composition of the Board. The diversity of the Board of Directors is examined from a variety of aspects. Pertinent factors include, for instance, that the experience and educational backgrounds of the members are mutually complimentary, ensuring that a variety of skillsets are represented on the Board, the varying age and gender allocation of members, different backgrounds of the members in terms of board work or other leadership experience, as well as the personal attributes of the members. Diversity encourages open discourse between the members and facilitates the decision-making of the members of the Board of Directors. The materialisation of diversity and progress towards the attainment of the diversity objectives are assessed in the annual self-assessment of the Board of Directors.

The Company has been implementing the diversity requirements in the composition of the Board of Directors. At the close of the 2022 financial period, members of the Board of Directors represented experience from a variety of executive and board positions, expertise on the capital markets and business life and possessed mutually complimentary educational backgrounds, skillsets, and experience. All of the members of United Bankers' Board of Directors possess university degrees, representing economic sciences, law, agriculture and forestry as well as engineering sciences. The longest term of office of the Board members had lasted for twelve (12) years, and the shortest under one year, with the median being six (6) years. The median figure of the years of birth of the members of the Board of Directors was 1967, and the age difference between the youngest and oldest member was 28 years².

In selecting the Board of Directors, the objective is to ensure a composition that is as diverse as possible. Both genders must be represented at the Board of Directors. The representation of both

² The median figure of the years of birth of the members of the Board of Directors as well as the age difference between the youngest and oldest member are presented based on the members of the Board of Directors elected by the 2022 Annual General Meeting.

genders on the Board of Directors is considered a factor complementing diversity. The General Meeting elected six (6) male members and one (1) female members to the Board of Directors.

2.3.4 Duties of the Board of Directors

United Bankers' Board of Directors is entrusted with the overall responsibility for the steering and oversight of the Company and the

Group and for ensuring that the Company's corporate governance, operations as well as the supervision of its accounting and asset management activities are duly organised. The Board of Directors discusses and adopts the Company strategy, as well as the principles and procedures regarding the organisation, accounting, and oversight of asset management. The Board of Directors has devised written Rules of Procedure for its operations, setting forth its fundamental duties and meeting practices.

The duties of the Board of Directors include, inter alia:

- Adopting the strategy and vision for the different business areas of the Company and of the United Bankers Group, as well as overseeing the execution of the strategy
- Adopting the Company's commercial and financial objectives, as well as the strategic plans of the Group and its business segments and monitoring the development of the operative business functions of the group companies, changes in the operating environment and the attainment of the set targets
- Adopting the organisational structure and values of the Company and of the United Bankers Group
- Ensuring that the supervision of accounting and asset management is duly arranged as well as seeing to the proper arrangement of corporate governance and operations
- Adopting internal governance and steering principles as well as monitoring the appropriateness thereof
- Based on the proposal of the Audit Committee, adopting all internal guidelines, principles and policies required under the regulation and subject to Board approval
- Based on the proposal of the Audit Committee, adopting the Company's Corporate Governance Statement
- Adopting the ESG principles and ESG report of the United Bankers group of companies
- Resolving upon the establishment and composition of Board committees
- Adopting the Rules of Procedure of the Board of Directors and its committees and the Management Team and assessing that their content is appropriate and up-to-date
- Resolving upon matters of substantial financial significance or in terms of principle, reorganisations, establishment, modification or discontinuation of business functions, investments, mergers and acquisitions, as well as divestments
- Resolving upon matters pertaining to the Company's shares and other financial instruments, as well as on other related measures
- Approving material agreements, transactions, and other arrangements between the related parties of the United Bankers Group and the group companies

- Regularly processing reporting concerning the Company's financial standing, including capital adequacy and liquidity management, the operating results of the Company and of the United Bankers Group as well as the development of sales and personnel
- Monitoring the financial statements and other financial reporting and reliability of such reporting
- Approving the Company's financial statements and half-year reports as well as financial results releases
- Assessing the independence and competence of the members of the Board of Directors annually and overseeing that the members of the Board of Directors satisfy the independence requirements
- Assessing its own performance as a self-assessment once a year at the end of the period of office, also including an assessment of committee work
- Assessing and providing feedback to the CEO on their performance on an annual basis
- Appointing and dismissing the CEO, resolving upon the terms and conditions of the CEO's service agreement as well as, based on the proposal of the CEO, appointing members of the Company's Management Team
- Monitoring the expediency of the CEO's actions as well as supervising and steering the operative management of the Company
- Approving and proposing the remuneration policy to the General Meeting
- Processing and approving the principles of the United Bankers' remuneration systems based on a proposal by the Remuneration Committee
- Approving and presenting the remuneration report to the General Meeting, approving other information concerning remuneration
- Monitoring and supervising the efficiency, functioning, and procedures of internal control as well as risk and capital adequacy management, as well as approving the operating principles of internal control and internal audit, and risk and capital adequacy management
- Overseeing that the applicable laws and authority regulations are adhered to within the United Bankers Group and that the appropriate authorities are duly reported to
- Approving and overseeing the Company's and the United Bankers Group's overall risk strategy, processing the report on risk management, the compliance function as well as on the risks actualised
- Convening the Annual General Meeting of Shareholders and submitting proposals thereto, determining the Company's dividend policy, and drafting a proposal to the Annual General Meeting of Shareholders on dividend distribution
- Confirming the objectives in the United Bankers Group's personnel plan
- Processing pending and threatened legal and administrative processes that may have a material effect on the financial standing of the Company

United Bankers' Board of Directors addresses matters of its wholly-owned subsidiaries at a general level in its meetings, to the extent such matters have material financial relevance or have far-reaching impacts or are significant in terms of principle. The actual resolutions are, however, passed at the Board meetings of each subsidiary.

It is the obligation of the Board of Directors to promote the interests of the Company and of all its shareholders. The Board of Directors assesses its operations and working methods annually and refines its operation based on the outcome of the assessment.

2.3.5 Attendance at Meetings of the Board of Directors

United Bankers' Board of Directors convenes in accordance with a pre-confirmed meeting schedule, as a rule once per month and no less than ten (10) times per year. Where necessary, or owing to the urgency of matters, the Board of Directors may also convene more often or pass resolutions without convening a meeting. During the financial period of 2021, the Board of Directors convened a total of fourteen (14) times.

Attendance of members of the Board of Directors at meetings in 2022:

Board member	Meetings
Johan Linder	14/14
Lennart Robertsson	14/14
Antti Asunmaa, until 4 November 2022	10/10
Rasmus Finnilä, as of 23 March 2022	11/11
Rainer Häggblom	14/14
Tarja Pääkkönen	14/14
Eero Suomela	13/14
Carl-Gustaf von Troil, until 23 March 2022	3/3

2.3.6 Board's Self-Assessment

The Board of Directors assesses its performance and operating methods on an annual basis. The assessment is usually conducted in the form of a self-assessment and the results are addressed and discussed at the December meeting of the Board of Directors.

Board members evaluate the performance of the Board of Directors in their duties and responsibilities set forth above, the composition and structure of the Board of Directors, working culture, efficiency of Board meetings, as well as the performance of individual members of the Board of Directors. Furthermore, members of the Board of Directors evaluate the performance and working methods of the Chairman of the Board of Directors and of the committees. Any identified areas for improvement are considered when planning the work of the Board of Directors.

2.4 Committees of the Board of Directors

2.4.1 General

United Bankers' Board of Directors has established an Audit Committee and a Remuneration Committee for the purposes of preparing matters under its responsibility, reporting on their work to the Board of Directors on a regular basis. The committees are not vested with any independent decision-making power, but, rather, the Board of Directors passes resolutions based on their preparatory work.

2.4.2 Audit Committee

The Audit Committee is tasked with assisting United Bankers' Board of Directors in ensuring that the United Bankers Group has in place an adequate internal monitoring system encompassing its entire operations, seeing to it that the Company's risk management has been appropriately arranged and monitoring the reporting process pertaining to the financial statements.

Further duties of the Audit Committee include, inter alia:

- monitoring and assessing the correctness of the Company's financial reporting, as well as the reliability of such reporting, and monitoring the content and scope of the statutory audit of the financial statements and of the consolidated financial statements;
- overseeing the annual accounts reporting process and issuing recommendations with the intention of ensuring the reliability of the reporting process;

- overseeing the formulation of the Company's accounting practices;
- monitoring that the Company's operations and internal control has been organised in a manner required by the applicable laws, regulations, as well as by good management and governance practices; and
- preparing the proposal to be submitted to the Annual General Meeting of Shareholders concerning the selection and remuneration of the auditors.

United Bankers' Board of Directors appoints the Chairman and the members of the Audit Committee. The Audit Committee consists of no less than three (3) Board members, of which a minimum of two (2) must be independent of United Bankers and a minimum of one (1) member must be independent of United Bankers' major shareholders. No less than one (1) member of the Audit Committee must be an independent person with expertise in accounting or auditing.

Members of the Audit Committee are elected for a period of office of one (1) year at the inaugural meeting of the Company's Board of Directors held after the Annual General Meeting of Shareholders. The term of office of the committee members ends at the Annual General Meeting of Shareholders following the election.

The members of United Bankers' Audit Committee are Eero Suomela (Chairman), Rainer Häggblom and Johan Linder. In 2022, the Audit Committee convened ten (10) times. Attendance at meetings per each member is indicated in the following table.

Audit Committee Member	Meetings
Eero Suomela	10/10
Rainer Häggblom	8/10
Johan Linder	10/10

2.4.3 Remuneration Committee

The Remuneration Committee assists the Board of Directors in preparing matters pertaining to the remuneration of the Company's personnel. Furthermore, tasks of the committee include assisting the Board of Directors with preparing matters pertaining to the remuneration and incentive plans of the management and personnel, as well as in the regular assessment of the functioning of the remuneration system and supervision of its compliance.

United Bankers' Board of Directors appoints the Chairman and the members of the Remuneration Committee. The Remuneration Committee consists of no less than three (3) members of the Board of Directors. The majority of the members of the Remuneration Committee must be independent of United Bankers.

Members of the Remuneration Committee are elected for a period of office of one (1) year at the inaugural meeting of the Board of Directors, after the Annual General Meeting of Shareholders. The term of office of the committee members ends at the Annual General Meeting of Shareholders following the election.

Johan Linder (Chairman), Antti Asunmaa, Lennart Robertsson, and Tarja Pääkkönen were elected to United Bankers' Remuneration Committee for the year 2022. Antti Asunmaa resigned from his position as a member of the Board of Directors and the Remuneration Committee as of 4 November 2022. In 2022, the Remuneration Committee convened six (6) times. Attendance at meetings per each member is indicated in the following table.

Remuneration Committee Member	Meetings
Johan Linder	6/6
Antti Asunmaa, until 4 November 2022	5/5
Tarja Pääkkönen	5/6
Lennart Robertsson	6/6

2.5 CEO

The CEO carries out United Bankers' day-to-day management in accordance with the provisions of the Companies Act, resolutions of the Board of Directors, and guidelines issued by the Board of Directors. The CEO is entrusted with ensuring that the Group's accounts are kept in accordance with the legislation and that financial management and asset management has been arranged reliably. The CEO further ensures that the risk management, internal audit, and compliance functions of the United Bankers Group have been organised in an expedient manner and in accordance with the principles and guidelines adopted by the Board of Directors.

The CEO is only permitted to undertake actions that are unusual and far-reaching considering the scope and nature of the Compa-

ny's activities when authorised to do so by the Board of Directors. The CEO shall not be elected to act as the Chairman of the Board of Directors or, as a rule, as a member of the Board of Directors.

The CEO is appointed by United Bankers' Board of Directors. Patrick Anderson (born 1979), MSc (Economics and Business Administration), has acted as the CEO of United Bankers since 2010.

Shares in the Company held by the CEO and his controlled corporations as at the close of the financial period, on 31 December 2022:

CEO	Shares	Type of book-entry securities
Patrick Anderson	609 525	Share

In addition to the CEO of the parent company, United Bankers, each of the subsidiaries in the United Bankers Group have a CEO of their own. The CEO of each of the subsidiaries in the United Bankers Group primarily reports to the Board of Directors of the subsidiary in question, as well as to the CEO and Management Team of the parent company. Furthermore, upon request, the CEO of a subsidiary must also report to United Bankers' Board of Directors.

2.6 Management Team

The Management Team is not an actual governing body under company law, but it has a de facto significant position within the organisation of the Company's management. The task of the United Bankers' Management Team is to lead and develop the business of the Company and of the United Bankers Group as a whole, in accordance with the objectives set by the Board of Directors. The Management Team, inter alia, prepares matters related to the strategy and the operating principles of the United Bankers Group. The Management Team convenes regularly on a monthly basis, usually once a week.

The members of the United Bankers' Management Team, as well as their years of birth, education, area of responsibility, year of commencement of Management Team membership, as well as the

number of shares in the Company held by them and/or their controlled corporations have been set forth below.

- Patrick Anderson (b. 1979), MSc (Economics and Business Administration), CEO of United Bankers, Chairman of the Management Team 2010-
- Jani Lehti (b. 1966), MSc (Economics and Business Administration), CEO of UB Asset Management Ltd 2005-, member of the Management Team 2012-
- Inka Noramaa (b. 1975), MSc (Economics and Business Administration), Director of Investor Relations and Communications, member of the Management Team 2018-
- John Ojanperä (b. 1981), MSc (Economics and Business Administration), CEO of UB Fund Management Company Ltd, member of the Management Team 2016-
- Timo Ronkainen (b. 1965), MSc (Economics and Business Administration), Director of Institutional Asset Management at UB Asset Management Ltd, member of the Management Team 2012-
- Jarkko Saukkola (b. 1968), MSc (Economics and Business Administration), COO of United Bankers, member of the Management Team 2018-
- Jukka Rasku (b.1979), MSc (Economics and Business Administration), CEO of UB Brokerage Company Ltd, member of the Management Team 2020-

John Ojanperä acts as the secretary for the Management Team. As a main rule, in 2022, the Management Team convened on a weekly basis.

The Company shares held by members of the Management Team and their controlled corporations at the end of the financial period on 31 December 2022:

Management Team Member	Pcs	Book-entry securities category
Patrick Anderson	609 525	Share
Jani Lehti	498 849	Share
Inka Noramaa	83 331	Share
John Ojanperä	34 725	Share
Jukka Rasku	4 713	Share
Timo Ronkainen	239 795	Share
Jarkko Saukkola	9 936	Share

The Company's Board of Directors resolves upon the terms and conditions of the service and employment relationships of the CEO and members of the Group's Management Team as well as other compensation. Further details concerning remuneration are available from United Bankers' website at www.unitedbankers.fi

3. Descriptions of Internal Control Procedures and Main Features of Risk Management Systems

3.1 General Description of Internal Control

United Bankers' Board of Directors is responsible for arranging for adequate and functioning internal control. Internal control and risk management encompasses all the functions of the United Bankers Group. The objective of the risk management of the United Bankers Group is to seek to systematically identify, assess, process, and prevent risks resulting from the business operations of the Group that may either in the short or in the long term have a negative impact on the business of the United Bankers Group or its revenue formation, or compromise its operations as mandated by regulation.

United Bankers' Board of Directors bears principal responsibility for arranging for the risk management and internal control of the United Bankers Group. The Board of Directors confirms the principles of risk management, internal control, internal audit and the compliance function, liabilities, Group risk limits and other general guidelines in accordance with which the risk management, internal control, internal audit, and compliance function are organised. The CEO is responsible for the implementation of the principles

affirmed by the Board of Directors within the organisation of the United Bankers Group.

The risk management and internal control of the United Bankers Group are built on the principle of three lines of defence:

3.1.1 Business Segments – First Line of Defence

Risk management is part of internal control. Consequently, the Group's subsidiaries and business segments, as the first line of defence, are responsible for the identification of risks, risk management measures, as well as the construction of the internal control processes and knowhow. The Boards of Directors and management of the Group's subsidiaries, as well as the directors of the business segments are responsible for ensuring that risk management and internal control is at an adequate level within the said functions through ascertaining the appropriate safeguards as well as processes for identifying, assessing and management of risks.

3.1.2 Risk Management and Compliance – Second Line of Defence

The parent company risk management and compliance functions independent of the business of the United Bankers Group comprise the second line of defence in risk management and internal control. The risk management and compliance functions maintain and develop internal control and risk management methods, propose improvements to risk management principles and devise internal guidelines and processes. They additionally support, maintain, and monitor the actualisation of risk management and internal control, the deployment of methods and principles as well as the legality of governance and of the business.

The risk management functions support the management and business functions of the United Bankers Group and of its subsidiaries subject to supervision by providing a systematic approach to the evaluation and development of the risk management, oversight, and administrative processes. The task of the risk management function is to ensure and monitor that the risk management is at an adequate level relative to the quality, scope, diversity, and risks of the business of the companies within the United Bankers Group.

The risk management function oversees the day-to-day business, as well as compliance with the risk limits designated for the business segments and the risk exposure principles and guidelines. The risk management function reports to the Board of Directors on a biannual basis and to the Management Team on a quarterly basis.

The compliance function is responsible for overseeing compliance with the regulation within the operations of the United Bankers Group as well as supporting management and the business segments in the application of legislation, authority regulations and internal guidelines. The compliance function develops and oversees compliance with due procedure in customer relationships as well as the materialisation of the ethical principles within the United Bankers Group. The Compliance function reports its observations regularly to United Bankers' Board of Directors and the Management Team. Furthermore, the Compliance function reports its findings to the Board of Directors biannually.

3.1.3 Internal Audit – Third Line of Defence

The third line of defence consists of internal audit, independent of the business functions and providing support for the Board of Directors and senior management. The Board of Directors of the parent company of the United Bankers Group approves the internal audit action plan annually, upon the internal audit's presentation. The task of the internal audit is, through targeted audits, to assess the functioning, expediency, and effectiveness of the United Bankers Group's internal oversight system objectively and systematically, as well as compliance with internal guidelines and their development. A separate audit report is devised of each audit. The audit report includes the findings of the internal audit, as well as recommendations for remedial action.

The United Bankers Group does not have a separate internal audit function of its own. The operation of internal audit in the United Bankers Group has been arranged as an outsourced service, operated by a reputable external operator selected by the Company's Board of Directors. In 2022, internal audit was entrusted to KPMG Oy Ab.

3.2 Financial Reporting Process

Oversight of the financial reporting of the United Bankers group is the responsibility of the parent company's Board of Directors. The Board of Directors oversees, with the assistance of the Audit Committee, that the financial reporting process generates high-quality financial information. Furthermore, the tasks of the Audit Committee include the regular assessment of the risk and capital adequacy management, as well as financial audit monitoring.

United Bankers' CEO and CFO are tasked with ensuring that the accounting and financial reporting complies with law, the applicable accounting policies, and the guidelines issued by United Bankers' Board of Directors. The accounting and financial reporting of the United Bankers Group has been centralised within the financial administration of the parent company. United Bankers' financial administration is centrally responsible for external calculation and management reporting. Financial performance is reported regularly to the Board of Directors and the Management Team. United Bankers' financial administration is also responsible for the monitoring and reporting of the performance of each business segment. The Board of Directors, the Audit Committee, CEO, and the Management Team are responsible for the monitoring and thereby ensure the efficiency of internal controls.

United Bankers' consolidated financial statements for 2022 were devised in accordance with the International Financial Reporting Standards (IFRS). International Financial Reporting Standards refer to the standards and interpretations adopted in accordance with the Regulation of the European Parliament and of the Council (EC) No 1606/2002. Alongside the IFRS standards, the preparation of the United Bankers Group's financial statements is subject to legislation, regulations, and guidelines applicable to investment services companies and fund management companies. In addition to its annual accounts, the United Bankers Group also devises a half-year report published every six months in accordance with the IAS 34 standard. The guidelines and calculation principles regarding financial reporting are applied in all the group companies.

3.3 Capital Adequacy Management

The capital adequacy management of the Company comprises part of the financial management and administration of the United Bankers Group both on strategic and operative level. The objective of capital adequacy management is to ensure the group's risk tolerance, as well as the non-disrupted business continuity also in case of any unexpected events. The assessment of capital adequacy is based upon the identification, measurement, and assessment of risks. Capital adequacy management and proactive capital planning serves to ensure that the United Bankers Group's own funds are sufficient to cover the material risks encountered by the Group and the business operations. The adequacy of the capital buffer is tested through stress tests.

4. Audit

At the Annual General Meeting of Shareholders, the shareholders annually elect an auditor for the Company that must be an audit firm certified by the Finland Chamber of Commerce. The proposal prepared by the Company's Board of Directors as to the auditor is announced in the notice of the General Meeting. United Bankers' Annual General Meeting of Shareholders held on 23 March 2022 elected Oy Tuokko Ltd as the Company's auditor, with the responsible auditor being Authorised Public Accountant Janne Elo.

The auditors verify that the financial statements of the United Bankers Group are prepared in accordance with the applicable legislation and guidance and present a true and fair view of the financial performance and financial position of the Group to the shareholders and other stakeholders. As part of the annual audit assignment, the auditors of the United Bankers Group audit the books and administration of the Group parent company and its subsidiaries. The requirements of internal control are considered in the audit plans of the auditors. The auditors submit an annual audit report to United Bankers' Annual General Meeting of Shareholders. Additionally, the auditors report to the Board of Directors the key items in the audit plan, as well as provide a written audit report concerning the entire corporate group in connection with each half-year report and annual accounts.

The total fees paid to the auditors in 2022 amounted to EUR 128 135. The audit fee amounted to EUR 114 051. Fees unrelated to the audit amounted to EUR 14 083. The other fees primarily consist of a statement concerning the capital adequacy audit as well as legal and tax advisory services.

5. Principal Insider Administration Procedures

The United Bankers Group adheres to the insider and trading guidelines adopted by the parent company's Board of Directors. United Bankers has in place an insider administration organisation determined by the Board of Directors, including the person in charge of insider matters and their deputy, as well as the Compliance function. Insider administration maintains insider registers and a register of persons of the management subject to the disclosure obligation and of their related parties, verifies the details of those considered as insiders on a regular basis, is responsible for granting trading permissions, oversees the compliance with insider regulations and provides information of the closed periods relating to trading with the Company's share.

The Company has determined that the persons obligated to disclose their transactions with United Bankers' share and other financial instruments include United Bankers' Board members, CEO, other members of the Management Team, the CFO and Finance Manager, as well as their related parties.

The Company maintains a list of the management members subject to the disclosure obligation and of their related parties. The statutory information concerning the persons role in the management, their related parties as well as their controlled corporations and corporations which they have influence over is maintained in the register. A register of the members of the management subject to the disclosure obligation and their related parties does not constitute an insider register.

United Bankers publishes information concerning a transaction effected by a member of the management or one of their related parties immediately, or latest within two (2) working days of receiving a notification concerning the transaction.

United Bankers maintains project-specific insider registers of persons having access to insider information, as required under the insider regulation. Persons included in the project-specific insider lists are not allowed to engage in trade with the securities of the relevant company while the project is pending. Furthermore, United Bankers maintains a supplementary section of the insider register consisting of permanent insiders, identifying persons with a continuous access to insider information in the Company. Such persons include the Company's CEO, members of the Management Team and the assistant to the Management Team, the CFO, Finance Manager, members of the Board of UB Brokerage Company Ltd, persons working in Legal and Compliance functions, Head of Risk Management, Investor Relations Manager, and HR Director. These registers are not public.

Pursuant to the internal trading permission procedure of the United Bankers Group, members of the Boards of Directors of the Group companies, as well as persons employed by the United Bankers Group and its tied agents, as well as legally incompetent persons for whom such persons act as guardians, along with controlled corporations of such persons, must also request a written permission from the person responsible for insider matters to trading with United Bankers' shares or other financial instruments prior to carrying out such transaction. The aforementioned persons and instances must also not engage in shorting of United Bankers' shares or other financial instruments.

United Bankers adheres to a 30-day closed period, ending in the publication of a half-year report or a financial statements release. During the closed period, the aforementioned persons and instances are not allowed to trade with United Bankers' shares or other financial instruments.

6. Principles Concerning Related-Party Transactions

United Bankers assesses and monitors transactions carried out with its related parties and ensures that any conflicts of interest are duly considered in the Company's decision-making. The Company's Board of Directors has determined the instances considered as related parties of the Company, with United Bankers' CEO, to-

gether with the financial administration, being responsible for compiling, maintaining, and updating the register of related parties.

Transactions between the Company and its related parties are acceptable when they contribute to the purpose of the Company's operations and to the Company's interests and when there is a sound business reason. Related-party transactions must be carried out in compliance with the general principles of the Finnish Companies Act, such as the limited liability company's purpose of generating profit, the principles of equal treatment of shareholders as well as the obligation of the Company's management to promote the Company's interests by acting diligently.

The Company's Board of Directors has determined and adopted the principles for monitoring and evaluating United Bankers' related-party transactions. The Board of Director's Audit Committee monitors and evaluates whether the agreements and other legal acts concluded between the Company and its related parties fall under the scope of the Company's customary operations and satisfy the arm's length principle. The Audit Committee also evaluates potential conflicts of interest regarding potential related-party transactions and submits recommendations to the Board of Directors for appropriate measures in order to execute such transactions. Should the contemplated transaction deviate from the customary business of the Company or in case its execution would not apply the arm's length principle or be in accordance with customary market practices, the transaction shall be cancelled or submitted to the Board of Directors for approval.

The Company's CEO, financial administration, and risk management function of the group administration monitor related-party transactions as part of the Company's normal reporting and oversight practices.

Material transactions between United Bankers and its related parties are reported in the notes of United Bankers' consolidated financial statements. Pursuant to the Securities Market Act, material related-party transactions that are not part of the customary business operations or that are not executed on customary commercial terms, are also published as stock exchange releases.