



Miltton Group

United Nations Global Compact

Communication on Progress Report

February 2021 - January 2022

To our stakeholders,

Miltton is an ambitious, forward-looking consultancy, equipped with a unique range of skills and tools to help our clients succeed in the global marketplace and be relevant, responsible members of the society. Our integrated services range from corporate communications, marketing communications, capital markets advisory and public affairs to leadership development and strategic sustainability consultancy. We support our clients in developing their sustainability agendas and related communications, corporate culture, and stakeholder engagement, as well as integrating sustainability into the core of their business strategy.

I am pleased to confirm that Miltton reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment, and Anti-Corruption. Miltton joined the Global Compact in 2015 and this is our sixth Communication on Progress (COP) report, describing our policies concerning the Global Compact's Ten Principles and how we implement and monitor them in practice. We aim to continually improve the integration of the Global Compact and its principles into our business strategy, culture, and daily operations, as well as our client work. We have also made a commitment to share this information with our stakeholders. This report covers all subsidiaries of the Miltton Group. We operate in Finland, Sweden, Estonia, Latvia, Belgium, Russia and the USA, and many of our clients operate globally. The head office and majority of our employees are located in Helsinki, Finland.

During 2021 we launched our Urban Affairs business, carried on recruiting key competencies, and opened businesses in Riga and Saint Petersburg. We have also developed and launched new digital services. At the same time, our position as advisor for initial public offerings (IPOs), acquisitions and transactions, as well as our financial communication, were strengthened both in Finland and in Sweden.

Since the very beginning, we have had a strategic ambition to recruit top competencies from all parts of society. Only then can we guarantee insights and advice covering all perspectives in a dynamic modern world. We also create opportunities for them to influence positively in society. This recipe has worked well, and in 2021 our business started to recover well from the impacts of the Covid-19 pandemic. In the future we will shift our focus from Covid-19 recovery to explore how big of an impact we can have as a consultant agency. Our goal is to continue growing internationally, earn an even stronger mandate amongst our clients and, to nurture the motivation and wellbeing of our experts.

Mathias Järnström

Managing Director of Miltton Group
Helsinki, Finland
18 February 2022

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Human rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Assessment, policy and goals

Miltton is committed to high standards of ethical conduct and complies with all applicable national and international laws and regulations. Miltton operates in Finland, Sweden, Estonia, Latvia, Belgium, Russia and the USA, most of which are welfare countries with advanced legislation in terms of human rights.

According to The Human Freedom Index 2021, an annual report that evaluates the state of human freedom based on 12 categories, all countries except for Russia score high. Estonia, Finland and Sweden are even ranked in the top 10 countries. Therefore, the immediate risk for serious human rights infringements in Miltton's operating countries can be seen as reasonably low. Nevertheless, human rights must be considered in our daily operations and client work. In Russia, where the score was slightly lower, Miltton only works with Finnish or European companies who have a market in Russia.

The Miltton Group's Code of Conduct sets out our commitment to ethical business practices and defines the standards and behavior expected from every employee. It was last updated in January 2018 and includes guidelines on human rights issues such as equality and non-discrimination, good working conditions, responsible sourcing, and respecting legislation. The code also states that employees have the right to refrain from work that compromises their personal ethics or beliefs.

Miltton has defined a detailed equality plan, which aims to ensure that every employee is treated alike. The plan entitled the Equality, Non-Discrimination and Diversity Plan, was updated and published at the end of 2020. Furthermore, to facilitate the open dialogue between employee and employer and develop employees' rights and working conditions, Miltton annually elects two employee representatives.

Given the nature of consultancy work and seasonal fluctuations, the work can be strenuous at times. Thus, the main people-related risks in our operating model are related to stress and heavy workloads. To address this risk, Miltton adopted "Miltton Care", a Finland-wide approach to employee wellbeing in early 2018. The approach sets out an Early Support Model for identifying and addressing occupational wellbeing related issues and aims to prevent any serious incidents. The approach defines roles and responsibilities of different parties, provides advice for line managers and employees, lists early warning signals, and suggests courses of

action. In 2020, a section regarding work-related exhaustion was added to the Miltton Care approach. The section aims to further address the people-related risks and support employees' well-being and recover from the Covid-19 related stress and concerns. While Miltton Care has currently been adopted in Finland, other countries are supported by HR in similar matters.

Miltton also aims to support parenthood and proper work-life balance where possible.

Miltton requires its business partners, subcontractors, and suppliers to comply with all applicable laws and regulations but encourages its partners to strive beyond legal compliance. Miltton has set a Supplier Code of Conduct, outlining our expectations on ethical business conduct and how suppliers manage their social and environmental impacts. Suppliers are responsible for respecting and acting in accordance with the code and reporting any incidences or concerns regarding non-compliance they may be aware of. Miltton's Supplier Code of Conduct is attached to every supplier contract.

As a company, we continuously work to improve our social impact. We also aim to address and advance human rights topics through our client work. Miltton supports clients in the planning and implementation of their sustainability work and related stakeholder engagement and communications, as well as corporate advocacy related to human rights themes such as equality and non-discrimination.

Miltton also engages in pro-bono work to advance societal causes. Miltton's pro bono partners include, but are not limited to, actors such as the United Nations Technology Innovation Labs UNTIL that seeks to promote the achievement of the Sustainable Development Goals and other UN mandates through emerging technology. In 2021, Miltton's employees chose to make a Christmas donation to WHO's Covid-19 Solidarity Response Fund to help fight Covid-19, as well as to Mieli ry, Mental Health Finland which promotes mental health and prevent mental health issues in Finland.

Implementation

All new employees in Finland sign Miltton Group's Code of Conduct as an attachment to their employment contract. All employees are also requested to read and approve the Code of Conduct whenever it is updated, most recently in spring 2018. Employees shall respect and follow the code in their daily work and report any incidences of non-compliance they may be aware of. The ultimate responsibility for legal compliance lies with the Managing Director of each subsidiary.

In the event that an employee's job appears to contradict the code, or they become aware of a breach of the code, employees shall immediately alert their superior or HR. If an employee wants to report or disclose a matter in confidence, there is also an anonymous whistleblowing channel available. In case concerns are raised, those are thoroughly investigated, and actions

taken accordingly. If an employee has been found to have acted against the code, the employee's contract may be terminated.

The Milton Care approach was shared with all employees in Finland in spring 2018 and has since then been in active use in managing and supervising work and in supporting the personnel's coping with work. Team leaders receive group and one-on-one training on the Early Support Program and how to support their teams in work planning and resourcing. Milton aims to engage proactively in preventing psychosocial stress. Each employee is requested to record working hours and encouraged to openly discuss their workload with their supervisor. Recorded working hours are monitored on a weekly basis by supervisors, who engage in frequent discussions with the employees and are responsible for taking action in case of early warning signals. In 2020, a new business management system was implemented. The system alerts an employee's team lead when the number of extra hours temporarily exceeds 40, so that actions can be taken. In 2021, as the pandemic was prolonged, all team leaders were encouraging to schedule regular one-to-one conversations with their team members in order to better pick up weak signals related to wellbeing and stress. Milton also arranges regular opportunities for informal one-on-one discussions with HR and provides comprehensive occupational health services for employees in Finland, including specialty doctors such as psychiatrists and physiotherapists. In all operating countries, Milton complies with relevant laws and regulations related to occupational health and safety. Milton's People Team, dedicated to continuously developing Milton's working culture, addresses possible concerns together with the supervisors and occupational health services.

Milton conducts an extensive occupational wellbeing survey annually and additional pulse surveys quarterly. With the survey, Milton collects direct feedback from its employees, maintains practices that are perceived to work well and gathers information on targets for improvement face meetings and virtual channels.

In 2021, all operating countries were covered by the surveys. All countries and units who have more than 5 respondents receive country-/unit-level results, which are shared with employees via face-to-face meetings and virtual channels. The action points based on the findings from the surveys are fed into Milton-wide people development or annual plans.

Milton undertakes various actions to support parenthood. In Finland, where most employees are located, Milton goes beyond legal minimum requirements by providing full salary for the first three months of maternity leave and by offering the opportunity to work 60% upon returning to work. Paternity leaves are also fully paid for 54 days. Milton also aims to support work-life balance by enabling flexible working hours, remote work, and bringing one's child to work if needed.

As the Covid-19 pandemic was prolonged in 2021, all employees were recommended to work from home and provided with necessary equipment such as facemasks etc. Still, offices also

were kept open throughout the pandemic, with increased cleaning and hygiene standards implemented, to provide a safe space for people not wanting to or not being able to work from home.

Measurement of outcomes

Miltton's Code of Conduct is a standard attachment in every employee contract. Miltton has not been involved in any legal cases or other relevant incidents related to the contravention of the Global Compact Human Rights Principles. No human rights offences have been reported via the whistleblowing channel.

As part of the Miltton Care approach, supervisors and HR regularly monitor working hours and engage in open discussions with the employees and take action accordingly. As the workload varies due to seasonal changes, overtime cannot be avoided. Rather, the aim is to ensure the workload is manageable and that there is a plan in place for when employees can have extra time off, to compensate for the extra hours worked. The approach seeks to prevent and detect factors that threaten work ability, making it possible to respond constructively and provide effective solutions at an early stage.

Employee survey results and related actions, as well as other internal development initiatives, are shared with the employees via various channels. As an example, Miltton organizes monthly updates, (during Covid-19 even more frequently) where every employee is invited, representatives of senior management are present, and open discussion is encouraged. Miltton also continuously monitors and published Covid-19 related guidelines and restrictions that are relevant for the work. Work related issues are also discussed in internal channels monitored by Miltton's employee representatives, who bring the issues identified to the knowledge of HR and management.

Video recordings of the events are streamed for off-site employees and relevant information is also shared via Slack channels. In addition, general and topic-specific internal briefings, heads-ups, trainings and Q&A sessions are organised.

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.

Assessment, policy and goals

Miltton is committed to high standards of ethical conduct and complies with all applicable national and international laws and regulations, including those relating to wages, salaries, working time, freedom of association, and other labour topics. Due to the nature of business and Miltton's operating countries, the risk of child or forced labour is relatively low.

The Miltton Group's Code of Conduct, last updated in 2018, covers topics related to labour, including but not limited to, freedom of association and non-discrimination. Miltton does not employ child or forced labour, nor will the company tolerate working conditions that conflict with international conventions and practices. In Finland, Miltton annually participates in work practice programs (TET) organized for high school students. These mandatory and unpaid, 1-2-week periods are part of the national high school students' curricula where students have an opportunity to be introduced to working life.

Miltton believes and understands that diversity and inclusion are key to good business: for us, our clients and the world we live in. Organisations must also create a space where diversity can fit in. Miltton has an internal working group and discussion channels for diversity and equality, where all employees are welcome to participate. Whenever this group develops ideas or suggestions, Miltton aims to put those ideas into practice. Additionally, the employee representatives elected in 2021, enhance the inclusion and common working conditions by fostering open dialogue between employer and employee.

Miltton has elaborated an equality plan, which sets out our commitment to improve equality and serves as a tool for everybody who works at the Miltton Group to promote equality actively and systematically. In 2020 the plan was updated taking into consideration the results of the Equality, Non-discrimination and Diversity survey, as part of the wider people development plan 2020-2021. and published on the company intranet site. The plan is published on the company's intranet and is valid for two years.

Miltton Group is a member of the Finnish Business & Society (FiBS) and its Diversity Charter Finland.

Implementation

All employee information is recorded and maintained in Milton's employee register. Every new employee signs the Milton Group's Code of Conduct as part of their employment contract. All employees are also requested to read and approve the Code of Conduct whenever it is updated, most recently in spring 2018.

Superiors are responsible for implementing labour legislation correctly in the workplace. If a supervisor or an HR & Administration Director observes irregularities, it then becomes their responsibility to intervene. Concerns can be raised directly with supervisors and HR or via anonymous whistle-blowing channels. Any issues raised are thoroughly investigated and actions taken accordingly.

Milton's employment contracts have not been negotiated with a trade union. There are various trade unions to choose from in our industry and employees may join any union they prefer. Milton promotes freedom of association and has encouraged employees to use their right to assemble. As mentioned above, since 2020 Milton employees have annually elected two employee representatives to facilitate open dialogue between employer and employee and develop working conditions. Workplace safety representatives have also been appointed and regular, open discussions take place between management and employees via different channels. Milton aims to communicate to all its employees openly, collectively and simultaneously. The management of Milton is strongly committed to practicing open communication towards employees.

Milton selects and promotes employees based on their qualifications and merit, without discrimination or concern for race, religion, national origin, colour, gender, sexual orientation, age, disability, or any other personal attribute.

Comparison of salaries by gender is conducted annually and shared with employees at monthly meetings and via other virtual channels. All open positions are posted in English in order to reach non-Finnish speakers, and English is also Milton's official language in internal communications. Part-time work and flexible working time are offered as a possibility to promote work-life balance in different life situations. Career advancement opportunities are promoted to all employees equally, and proper briefing and mentoring are provided to new employees. Employees are also free to decline work that conflicts with their personal ethics and beliefs.

Milton also aims to promote diversity and non-discrimination in our client work and pro-bono projects.

Measurement of outcomes

The bi-annual salary negotiations and development discussions temporarily put on hold during 2020 were re-instated during 2021.

Miltton has not been involved in any investigations, legal cases or other events related to offences against the Global Compact Labour Principles. No serious offences have been reported via the whistleblowing channel. In December 2021, 66% of the Miltton Group's Finland employees are women and 34% are men. Senior management (heads of country operations in Finland including the Group managing director) has 38% women and 62% men. The average age of all personnel is 37 years and varies from 25 years to 61 years. Based on Miltton's bi-annual salary comparison studies between genders, there are no major differences in women's and men's salaries for equal work, and variations may change in either direction. We discuss findings bi-annually with the whole organisation.

Both women and men are well represented in all of Miltton's age groups except for one. We notice a continuous decrease in the number of junior male applicants, which is affecting the share of the youngest male employees, and the overall balance between genders.

In addition to regularly monitoring the representation of women, men and non-binary persons, Miltton is aiming at increasing representation of other marginalised minorities.

Miltton conducts regular employee surveys for its employees to find out topics of concern. Miltton listens to this feedback and takes action based on the findings. Senior management and the People Team set relevant targets on topics important to employees, share these with supervisors, and monitor implementation and the follow-up of goals. In the 2020 survey, a significant drop in the results could be detected when it comes to work life balance, which has been partly corrected during 2021.

Based on the results of Miltton's extensive employee surveys from the last three years, employees continuously feel Miltton has a working environment where "you can be yourself". In 2021, the results also indicated appreciation of professional colleagues, freedom to work regardless of time and place, and meaningful work assignments. Fair salary and perks and wellbeing had been in focus during 2021, they still received a low score, but substantially better than the previous year. Extensive efforts have been made during 2021 to improve the situation, the largest change being a re-organization into smaller teams where team leaders can support employees' workload and wellbeing. There were also investments in training program for staff and for all employees in a concrete way. During the year Miltton implemented our own "Ways of working" making our culture and expected behaviours more explicit, as we noted a need for formalizing the more tacit parts of the culture that is more easily absorbed when people meet at the office, but hard to transmit virtually. Miltton also published guidelines for hybrid work in order to support employees in working at the office or at home.

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.

Assessment, policy and goals

As a consultancy, Milton does not use substantial amounts of natural resources. Due to the nature of our business, however, our company utilises resources such as electricity and computers, and relies on paper and printed products, among other office items.

The secure printing system at the Helsinki premises prevents excess printing as it is based on logging on with one's personal key card, which removes the issue of accidental or unnecessary prints and wasted printing paper. Furthermore, due to the Covid-19 pandemic, remote meetings have been the primary way to arrange meetings this year, which has contributed to reducing the environmental impacts of transport. In normal circumstances, employees travel regularly to other offices and to meet clients, but during the Covid-19 pandemic this has decreased significantly. Catering is also arranged for client meetings and events. We cater mainly vegetarian and often vegan food at our events, while meat is only available on special demand. Thus, reducing our climate impact and supporting the sustainable use of natural resources are relevant for us

While Milton does not have a Group-level written policy for environmental management, the company aims to function in an environmentally friendly way, and some measures have been taken to reduce environmental impacts.

According to the Code of Conduct, in Milton's client work, all communication must be honest, truthful and accurate. Transparency and truthfulness benefit all sides. Milton avoids whitewashing and greenwashing in communications and advises clients against doing so. We demand that claims are based on facts and will not knowingly produce work that contains statements, suggestions or images that are false or misleading.

As a company, Milton continuously works to improve our environmental impact, with an aim to set a good example for our partners and clients. Milton has also set a Supplier Code of Conduct, outlining our expectations on ethical business conduct and how suppliers manage their social and environmental impacts.

Implementation

At our new office in Helsinki, we have an electricity contract for 100% green energy, which is produced with wind power, and have taken measures to reduce our energy consumption. For example, we use energy saving settings as default in our computers and printers, and heating and air conditioning are used thoughtfully. In our other offices, energy is also consumed thoughtfully, and, for example, low-energy consuming lighting is used, and employees are encouraged to turn off unnecessary lights. At the new Helsinki premises, lighting has been implemented with LED lights in order to reduce energy consumption. The lighting works with motion detectors and is switched off automatically in the late evening.

Miltton aims to strike a balance between consuming necessary office supplies and making our workplace more sustainable. For example, it is not possible to cut out printing entirely in our business, but Miltton can choose its printing settings and paper type. All our printing paper is eco-certified and printer settings are set as two-sided and black and white by default. Only ecological detergents are used by our cleaning companies in Helsinki and Stockholm. Miltton favours a courier that has invested in electric cars.

As Miltton regularly hosts client meetings and events, we also have an impact by choosing sustainable products and food supplies for the offices. Miltton favours organic fruits, smoothies and coffee, and local products at our meetings. We provide only vegetarian food for meetings at the Helsinki office, unless otherwise requested.

Our employees are recommended to use carpool, hold client meetings and internal meetings online, and use public transport to get to client meetings if routing and schedules allow. New employees have been encouraged to use public transport and shown how to claim expenses from public transport tickets, when attending client meetings. Especially during 2021 most meetings have been conducted online, reducing the need for travelling.

All Miltton offices aim to sort and recycle their waste thoroughly, and the execution is partly dependent on the possibilities offered by our office properties. Offices in Estonia, Sweden, Brussels and the USA, are small consumers and generate only little waste. In Brussels, employees are encouraged to drink filtered tap water instead of purchasing plastic water bottles. At our new Helsinki premises, we have added several recycling options that our previous premises did not support. At the Miltton House it is possible to recycle paper, biowaste, plastics, carbon, metal and glass. Our IT and print partners recycle electronics and all printer colours etc. material needed for printing. Many of our suppliers favour environmentally friendly packaging materials and invoicing to reduce their environmental impacts.

Through our expert advisory, we also help our clients understand their impacts and stakeholder expectations for environmental responsibility and develop their environmental work and communications accordingly.

Measurement of outcomes

Miltton has not been involved in any legal cases or other relevant incidents related to the contravention of the Global Compact Environmental Principles.

Miltton does not separately monitor environmental indicators at Group level. At our new Helsinki office, we have made an electricity contract for 100% renewable sources and at our Stockholm office, 100% of the energy consumption comes from renewable sources. Other offices also favour electricity companies that provide renewable source options.

All printing paper at the Helsinki office is eco-certified and only ecological detergents are used by our cleaning companies in Helsinki and Stockholm.

Anti-corruption

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

Assessment, policy and goals

Miltton and its employees shall never offer, give, ask for, accept, or receive any form of bribes. A bribe occurs when someone attempts to influence a decision by offering some form of undue or improper advantage, favour, or incentive. Anti-corruption is addressed in Miltton's Code of Conduct and the Conflicting Interest Governance Guidelines. Insider trading is also prohibited and covered in our Employee Manual.

Transparency International's Corruption Perceptions index 2020 scores countries by their risk of corruption, 0 standing for 'highly corrupted' and 100 representing 'very clean'. According to this study, the majority of Miltton's operating countries have high or medium high scores, with Finland and Sweden scoring 85 points and placing third highest globally (Belgium 75, USA 67 and Latvia 57). Therefore, the likelihood of corruption in Miltton's operating countries can be seen as reasonably low and in Finland and Sweden, very low.

For Russia, where the score is only 30, Miltton only works with Finnish or European companies who have a market in Russia. Miltton does not offer services of cooperation with government organizations, parties or propaganda channels. In Latvia, Miltton will be joining the Latvian Communication Association and through this, Miltton Latvia Ltd. will accept the internal code of ethics of the association and strengthen its part in combating corruption. It requires members to be free from conflicts of interest and questionable business dealings that could bring the industry into disrepute.

Implementation

Miltton complies with laws and regulations and does not accept any illegal or morally questionable activities in any measures. In public bidding processes, the company plays by mutual rules and acts as openly as possible in the situation.

All employees sign the Miltton Group's Code of Conduct as part of their employment contract. Employees shall report any incidences of non-compliance they may be aware of directly or via anonymous whistle-blowing channels. In September 2021 Miltton introduced a Whistleblowing channel in accordance with the so-called EU Whistleblower Directive (EU 2019/1937). The notification channel for suspected abuse is a system implemented by an external service provider that operates detached from Miltton's own systems. The report can be made electronically and anonymously. The whistleblowing channel provides Miltton's customers, employees and other stakeholders a confidential channel for bringing under internal investigation a suspicion of possible misconduct or breach of policy.

In the event that an employee's job seems to contradict the code, or they become aware of a breach to the code, employees shall immediately alert their superior or HR. Concerns raised are thoroughly investigated and actions taken accordingly. If an employee has been found to have acted against the code, the employee's contract may be terminated at the discretion of the management team.

Due to the nature of our industry, Miltton organizes various smaller and larger events throughout the year. All event services must be reasonable and not excessive. At times, Miltton facilitates and invites clients to off-site events, but in these cases transportation and accommodation are not covered by Miltton. Miltton does not offer gifts to its partners, but instead presents possible honours and testimonials through contributions to charitable organisations.

The use of confidential information in insider trading is strictly prohibited. Miltton has an insider register that prohibits Helsinki employees from providing sensitive information about our clients to any media or buying or selling shares during the period we possess critical information.

Measurement of outcomes

Miltton has not been involved in any investigations, legal cases or other relevant events related to offences against Global Compact Anti-Corruption Principles. No offences have come to light via the whistleblowing channel.

SIGNATURES**ALLEKIRJOITUKSET****UNDERSKRIFTER****SIGNATURER****UNDERSKRIFTER**

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Detta dokument innehåller 14 sidor före denna sida

Dokumentet inneholder 14 sider før denne siden

Dette dokument indeholder 14 sider før denne side

authority to sign

asemavaltuus

ställningsfullmakt

autoritet til å signere

myndighed til at underskrive

representative

nimenkirjoitusoikeus

firmateckningsrätt

representant

repræsentant

custodial

huoltaja/edunvalvoja

förvaltare

foresatte/verge

frihedsberøvende