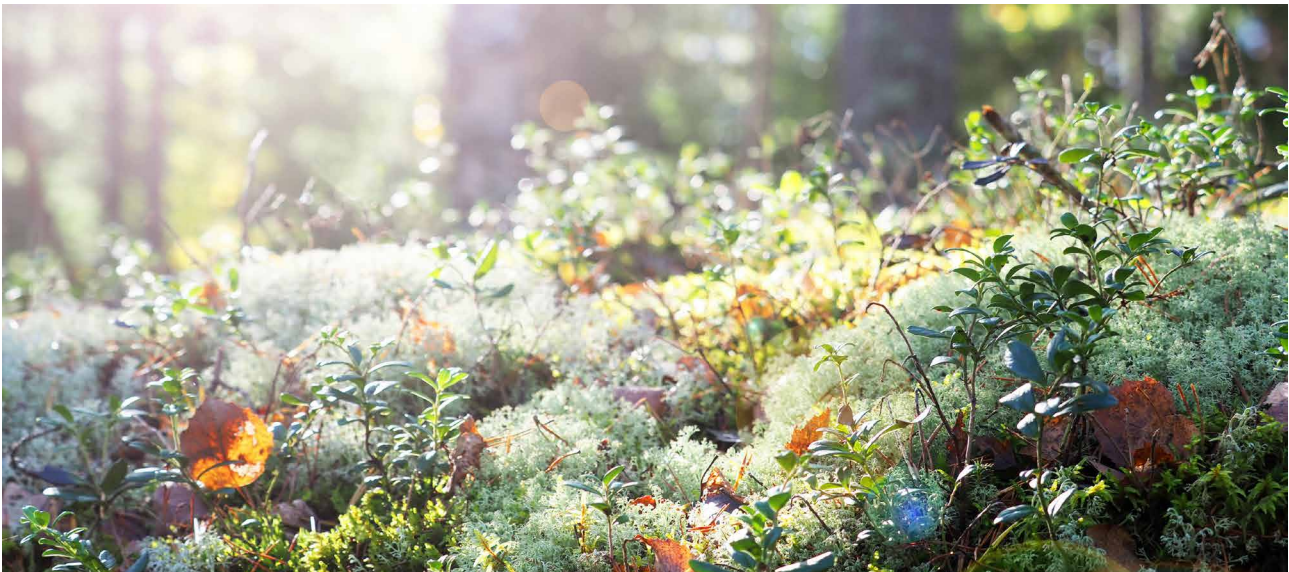
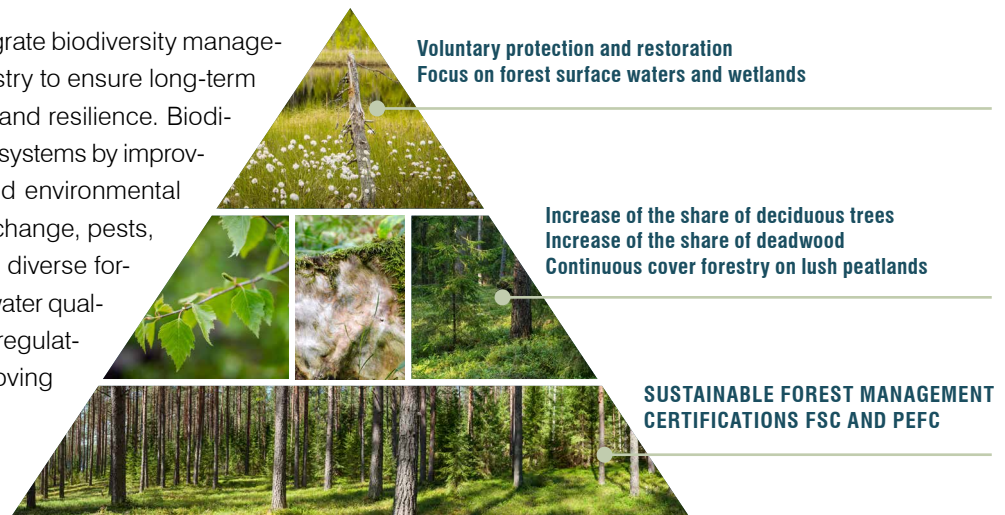


# Biodiversity in UB Timberland Funds: A Sustainable Approach



UB Timberland Funds integrate biodiversity management into commercial forestry to ensure long-term forest health, productivity, and resilience. Biodiversity enhances forest ecosystems by improving their ability to withstand environmental stressors such as climate change, pests, and diseases. Additionally, diverse forests contribute to soil and water quality by preventing erosion, regulating water cycles, and improving carbon sequestration.



## A HOLISTIC APPROACH TO SUSTAINABLE FORESTRY

UB's biodiversity strategy is comprehensive and includes multiple initiatives to promote ecological sustainability. The foundation of this approach is adherence to sustainable forest management certifications, including FSC® and PEFC™. These certifications ensure responsible forestry

practices that balance economic, social, and ecological considerations. UB timberland funds aim at certifying all forest properties to PEFC and/or FSC sustainable forest management certifications.

To enhance biodiversity, UB Timberland Funds actively increase the proportion of deciduous trees in their forests, aiming to double their share to 20%<sup>1</sup>. This not only supports ecosystem diversity but also strengthens forests' timber production capacity and resilience to climate change. Additionally, the company maintains deadwood, a crucial habitat for thousands of species and an important factor in carbon storage. Controlled burning, in accordance with FSC guidelines, is also used to enhance biodiversity and promote nutrient cycling.

## CONTINUOUS COVER FORESTRY AND CONSERVATION EFFORTS

Continuous cover forestry, particularly on lush peatlands, is a key aspect of UB's management strategy. This method, which avoids large-scale clear-cutting, maintains a constant forest canopy, thereby reducing environmental disturbances and improving biodiversity. UB has set long-term goals to favor this approach on suitable sites, improving soil and water management while increasing the carbon balance of forests.



Conservation is also a significant part of UB's biodiversity management efforts. At least 5-10% of all FSC-certified forests within UB's portfolio are under strict protection, with an additional 5% designated as special harvesting areas where forest management activities are minimized. Beyond mandatory conservation measures, UB voluntarily protects high-value natural areas, ensuring their ecological integrity and sustainability. In 2024 alone, the company had 8,328 hectares under strict protection and 3,739 hectares designated as special logging areas. Moreover, UB established 697 hectares of voluntary conservation areas, focusing on preserving large-scale ecosystems in collaboration with local authorities and environmental organizations.

<sup>1</sup> In Finland

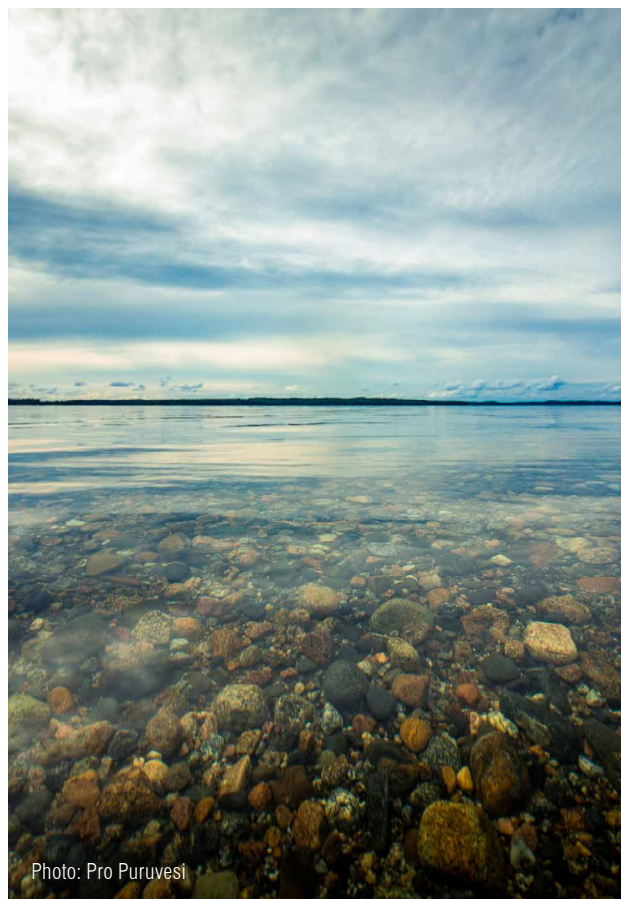


Photo: Pro Puruvesi

## RESTORATION AND REHABILITATION PROJECTS

In addition to conservation efforts, UB Timberland Funds engage in ecological restoration and rehabilitation projects. These initiatives aim to restore forests and wetlands to their natural state, improving biodiversity and ecosystem health. Recent projects have focused on rehabilitating wetlands and small forest watercourses. Such efforts enhance biodiversity, improve water quality, and contribute to climate change mitigation.

### CASE STUDIES:

**Purojärvensuo Conservation Project:** In collaboration with stakeholders, UB protected 78 hectares of wetland and forest habitats, contributing to Finland's HELMI biodiversity program.

**Suomussalmi Wetlands Conservation:** UB participated in a 200-hectare conservation initiative with 13 landowners, preserving valuable wetland ecosystems.

**Puruvesi Rehabilitation Project:** UB implemented measures to prevent nutrient runoff into Lake Puruvesi, improving water quality and restoring natural wetland functions.



## COMMITMENT TO SUSTAINABLE AND BIODIVERSE FORESTS

Through a combination of sustainable forest management, conservation, and restoration, UB Timberland Funds demonstrate a strong commitment to biodiversity. These efforts not only contribute to forest resilience and ecological sustainability but also enhance the long-term

economic value of timberland investments. By integrating biodiversity into its forestry operations, UB ensures that commercial forests remain productive, healthy, and beneficial for both the environment and society.

|   |  |   |  |  |   |
|---|--|---|--|--|---|
| <p>A significant proportion of forest is set aside for conservation (FSC 5-10%)</p> | <p>Protection of high conservation value areas (HCV)</p> | <p>Long term forest management planning</p> | <p>Sustainability criteria for harvest timing (rotation) and methods</p> | <p>Ecosystem-specific criteria for nature management in commercial forests</p> | <p>Buffer zones to safeguard water quality and aquatic biodiversity in surface waters</p> |
|   |  |   |  |  |   |

Typical elements of biodiversity management in sustainable forest management certifications FSC and PEFC. The certification criteria are designed specifically for each country and consider the different local forest ecosystems and conditions.

**ABOUT THE AUTHORS:** United Bankers is a leading Nordic real asset manager who specialise in forest, real estate and infrastructure funds. Through their funds they are the fourth largest private forest owner in Finland. Their buy-and-build investment strategy complements how forests tend to be owned in the region. Timberland properties are generally small, allowing clusters of properties to be developed strategically in local areas. These clusters build economies of scale and improve cost efficiencies. United Bankers was founded in 1986 and comprise of about 200 experts. The company is listed on the Nasdaq Helsinki Stock Exchange. To find out more, please visit [unitedbankers.com](https://unitedbankers.com).