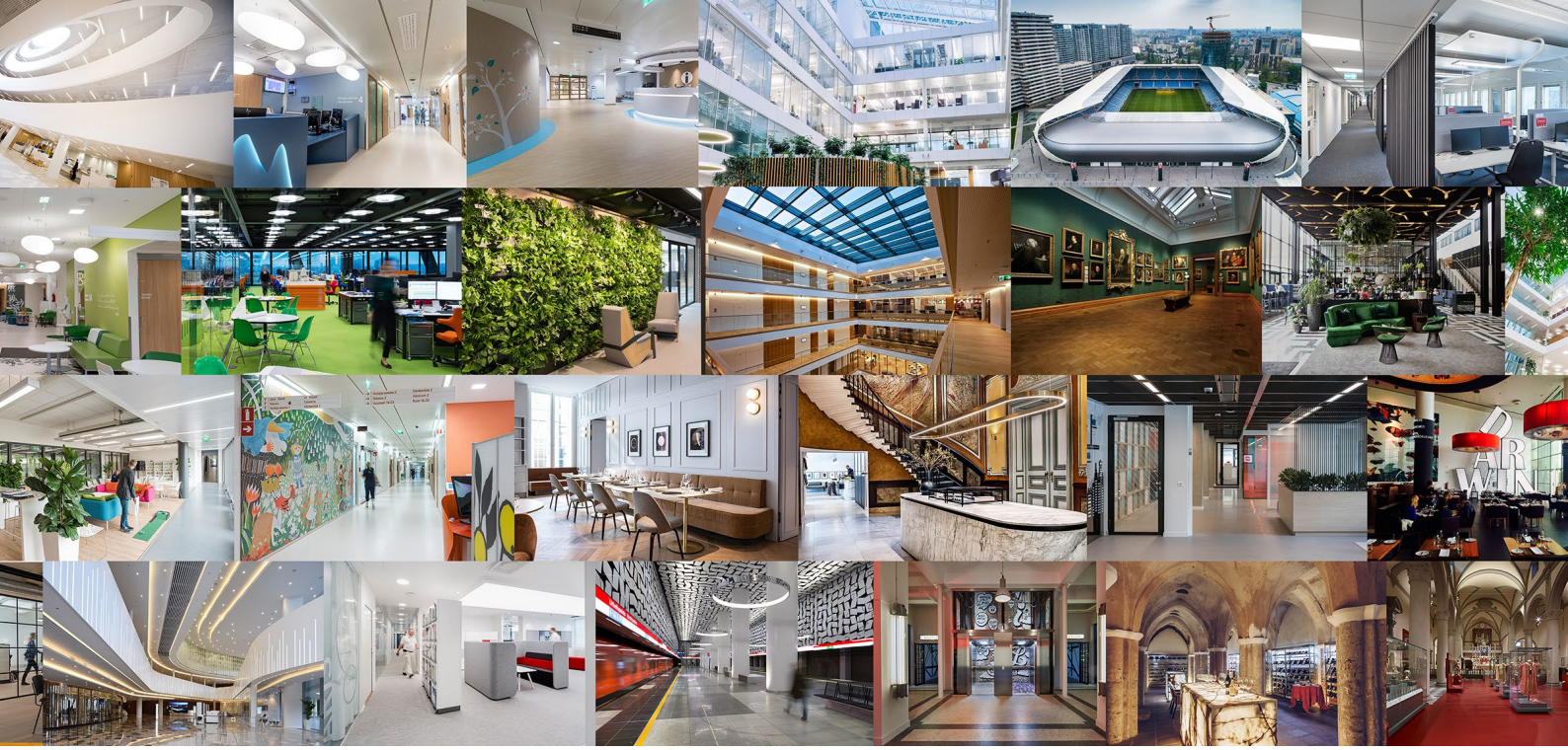

Helvar

# SUSTAINABILITY REPORT 2022

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## Tables and Figures



# A word from Helvar's CEO

Helvar is a family-owned company with over 100 years of history as an industry pioneer. With Finnish roots and a century of re-invention behind us, we feel that innovativeness and a strong capability to adapt have become synonymous with the Helvar name. However, as we turn the next page of the book, it's clear that the journey ahead remains just as challenging, if not much more. The devastating effects of the climate crisis continue to be felt throughout the world, and the time for decisive action feels long overdue.

Yet, as we enter a new era of challenges, the Helvar spirit burns brighter than ever, fuelled by a passion for truly impactful solutions. Through intelligent building technologies and actionable data, we continue our mission to transform everyday spaces for the better; enabling growth, productivity and seamless experiences while reducing our customers' footprint.

Though we have taken significant steps to reduce the impact of our own operations on the planet, we acknowledge that there is still a long way to go. As a manufacturer of system solutions and electronic devices, the path towards more sustainable operations involves many complex challenges with supply chains, raw materials and circularity, as an example.

With this report, Helvar commits to more transparency and accountability concerning the impact of our global network of operations, and to measurable improvements throughout our processes.


**Adel Hattab**
Helvar CEO

At the same time, however, our offering provides a unique solution and opportunity for fighting climate change.

While reducing our carbon footprint remains an important focus for the future, we believe that our carbon handprint is an equally important measure, referring to the positive impact our solutions create for our customers. Indeed, intelligent building technologies, while initially resource-intensive to produce, can achieve major energy savings over their long product lifetime, avoiding environmental impacts which far outweigh the actual impacts of production and implementation.

Thus, by optimising indoor conditions around the world through our solutions, we reduce our customers' carbon footprint and contribute to a more sustainable world.



# About the report

This report follows the Global Reporting Initiative framework with reference, as well as the Sustainability Accounting Standard Board's standards (SASB) for Hardware and Electrical and Electronic Equipment, and recommendations from the Task Force on Climate-related Disclosures. The Global Reporting Initiative and SASB content index table can be found on page 21. Calculation methods and references can be found in a separate file.

The selection of sustainability topics was based primarily on Helvar's actual business impacts, a sustainability statement received from the Board of Directors, and typical sustainability issues within the lighting industry. In addition, the SASB industry standards, European Sustainability Reporting Standard drafts, and interviews with selected customers were utilised in the selection of topics, disclosures and metrics.

Helvar is committed to sustainability reporting and will produce a full Corporate Sustainability Reporting Directive (CSRD) compliant report during the next reporting cycle. This means, for example, that a double materiality assessment following the EU sustainability reporting standards will be conducted for the next reporting cycle. The double materiality assessment will consider both impact materiality and financial materiality, thus expanding the criteria for the inclusion of topics.

# Environment

## *Energy*

Energy consumption is one of the most material environmental topics for Helvar due to the significant energy consumption of Helvar's Karkkila factory. Energy use is a major global contributor to climate change, which is why Helvar is committed to two key strategies for mitigating energy-related emissions: energy efficiency and renewable energy.

The total energy consumption at Helvar in 2022 was 2983 MWh. 47% of the energy purchased in 2022 was produced from renewable sources such as hydropower or biofuels, and 53% from non-renewable sources such as nuclear energy or fossil-based fuels. The energy was consumed in the forms of electricity, renewable heat, fuel and natural gas. Most of the energy (97%) was consumed at the Karkkila factory, where electricity and heat are used to manufacture and assemble products. Only 3% of energy was consumed at Helvar offices or as fuel. In the year 2022, the energy consumption by turnover was 45.2 MWh/M€. The Covid-19 pandemic has not had any significant effect on Helvar's energy use.

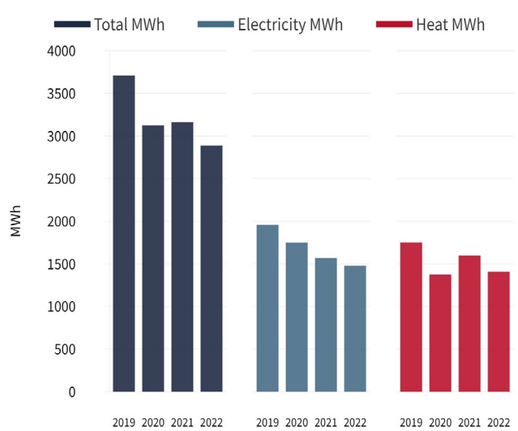



*Figure 1:*
*Heat and electricity consumption*

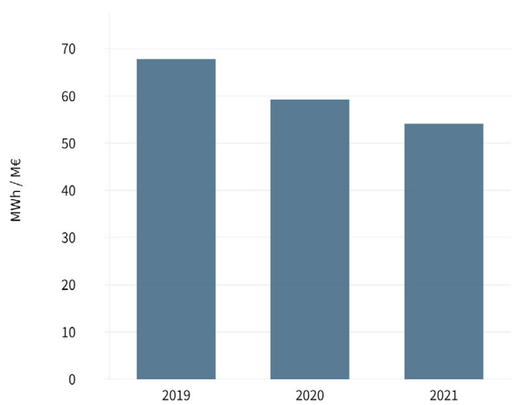



*Figure 2:*
*Energy by turnover*
*(Relative energy consumption)*

At the centre of Helvar's energy management is the Finnish energy efficiency management system EES+, which has been in use at the Karkkila factory since 2015. The EES+ management system is used to systematically plan for energy efficiency and to implement, measure, and improve it in Helvar facilities. Every year, an energy review is carried out to analyse Helvar's energy consumption, identify significant areas of energy consumption, and identify opportunities for improving energy performance. The annual energy reviews carried out as per EES+ are consistent with the ISO 50001 standard.

In addition, the Karkkila factory has been a part of the Finnish Energy Efficiency Agreement since 2008 and entered its second contract period in 2017. Helvar has already achieved targets set out by the Industry's Energy Efficiency Agreement 2017-2025 for a 7,5% reduction in energy consumption compared to 2016, reaching even higher energy savings than required in the contract. Helvar's own goal for energy savings was set to 400 MWh annually. The energy efficiency measures taken since 2017 are:

- Adjustments and changes to ventilation systems, 440 MWh
- Smaller compressor for HID line, 64 MWh
- Changes in lighting, 20 MWh.

Total savings are currently 524 MWh annually (11% of the 2016 baseline), which means that Helvar has already exceeded the set targets.

Helvar has invested in renewable energy at the Karkkila factory. All purchased district heating has been 100% renewable and carbon neutral since 2021 and is backed up with guarantees of origin. The electricity used at the factory is typical electricity from the electricity exchange market and its composition is based on the residual mix in Finland. The residual mix was 9.95% renewable, 48.58% nuclear and 41.47% fossil-based in 2021, according to the Energy Authority of Finland.

## *Emissions*

Helvar fully acknowledges the global climate crisis and the importance of climate change mitigation. Helvar's impact can be divided into two categories: carbon footprint and carbon handprint. Helvar's carbon footprint originates both from its operations and value chain, while Helvar's carbon handprint refers to the positive impact that Helvar products have in helping to reduce greenhouse gas emissions through energy usage. Helvar's company footprint was calculated according to the GHG protocol.

Helvar's scope 1 emissions come from the mobile combustion of fuels, mainly from the vehicles used by Helvar technical support and sales staff. Scope 1 emissions in 2022 were 81 tonnes of CO2e. Helvar's scope 2 emissions come from purchased electricity and district heat. 95% of market-based and 98% of location-based scope 2 emissions originate from the Karkkila factory. Helvar's scope 3 emissions, i.e., the value chain emissions, are divided into 5 categories according to the GHG protocol. The absolute scope 3 emissions in 2022 were 20 635 tonnes of CO2e.

| Category | Result (t C02e) |
|---|---|
| **SCOPE 1** | |
| Diesel and gasoline | 96 |
| **SCOPE 2** | |
| Electricity, location-based | 136 |
| Electricity, market-based | 342 |
| District heat, location-based | 249 |
| District heat, market-based | 0 |
| **SCOPE 3** | |
| Goods and services | 16 540 |
| Upstream transportation and distribution | 3 182 |
| Fuel- and energy-related activities | 48 |
| Waste | 16 |
| Business travel | 163 |
| **Total emissions** | **20 635** |
| **Total emissions per net revenue** | **312.6 t C02e/M€** |

*Table 1: Emissions by scope*

Helvar is committed to climate change mitigation and has taken up action to reduce scope 1 and scope 2 emissions. Scope 1 reductions have been planned for the year 2023 and are set to be achieved through the use of renewable diesel. Scope 2 emissions will be reduced through continuous energy efficiency development, which has accumulated 520 MWh annual savings since 2017. In addition, Helvar will continue to buy 100% renewable district heat.  Helvar did not purchase any carbon credits to offset emissions in 2022.



## *Product footprint and handprint*

While Helvar products have a carbon footprint that the company is working on reducing, they also have a significant carbon handprint. Indeed, one of the core benefits of lighting control solutions is the energy saving opportunity that they bring. Lighting standards reinforce this need for saving energy by defining varying illuminance levels for different tasks and needs. Without lighting control, significant amounts of energy would be wasted. Even with just daylight harvesting and occupancy detecting features, one can save in many cases more than 50% of lighting energy usage.

To calculate Helvar's handprint in terms of saved electricity, the annual sales of sensors and dimmable drivers were measured, along with the respective yearly savings that they generate on the sites at which they are installed. Naturally, different ways of producing energy can result in different foot- and handprints, depending on the country or region. However, even in places where a considerable portion of the energy comes from renewable or nuclear sources (such as in Finland), a luminaire's carbon handprint in the use stage is five times greater than its footprint from the manufacturing stage, when it is equipped with a dimmable driver and uses proper lighting controls.

The total Helvar handprint is significantly bigger than the Helvar footprint, which is why maximising carbon handprint is a key company target. Nonetheless, Helvar will continue to focus on reducing its product footprint as well. Helvar plans to identify scope 3 reduction opportunities for GHG emissions and set an ambitious target for them during 2023.

## *Task Force on Climate-related Disclosures*

### Governance

In its annual meeting calendar, Helvar's Board of Directors focuses on ESG-topics in three separate meetings, dedicating one of them to governance-only topics. In addition to these meetings, the board is frequently informed about ESG issues. This ensures oversight and guidance on Helvar's ESG strategy and budgeting. A regular annual audit and themed internal audits provide valuable findings and recommendations on Helvar's management of ESG issues, and the OKR methodology (Objectives and Key Results) is used to oversee progress against any set goals and targets. Key ESG results are also reported to the owners of the company. The owners have a guided ESG strategy with a sustainability statement that applies to all owned companies, including Helvar. There is a clear request from the owners for measurable progress on ESG-related actions.

ESG-related responsibilities have been assigned to relevant management positions. Management is responsible for assessing, managing, and presenting ESG issues to the board, as well as setting appropriate OKRs and reporting on the results. Management is informed about ESG-related issues through environmental reviews and audits of the quality- and environmental management systems. The Quality and Environmental Managers are responsible for monitoring issues and presenting them to the wider management group for review.

### Strategy

Helvar faces both transition and physical risks, which are evaluated on short-term (2025), medium-term (2030) and long-term (2050) time horizons. The risks are shown in Tables 2 and 3. Helvar's own operations primarily face transition risks and opportunities, as physical risks are evaluated to be very minor in the company's own premises. Possible consequences of climate-related physical impacts are likely to be increased energy demand from cooling and possible damages from flooding caused by heavy precipitation (rain), although said damages are highly unlikely.

Physical risks lie mainly within the supply chain and on the medium- and long-term time horizons. A significant part of global electronic component production is in South Asia, East Asia and South-East Asia. The *IPCC: Climate Change 2022: Impacts, Adaptation and Vulnerability Report* has identified flooding and sea level rises as large level risks with high evidence in the aforementioned regions and has concluded that the physical risk level increases progressively with the temperature increases. Other risks in the regions are heatwaves in South Asia and East Asia, and droughts in South Asia. The tangible losses and damages caused by the regional key risks are estimated to be of medium magnitude in RCP2.5 and RCP4.5 scenarios, and of high magnitude in RCP8.5.

Progress on climate change adaptation in the aforementioned regions varies, meaning that certain regions will be more resilient to physical impacts than others. Most progress with climate adaptation is reported in East Asia, where it is high on both the infrastructural and institutional levels. The progress is at a medium level in South Asia and Southeast Asia (IPCC, 2022). The key physical risks identified by five component manufacturers are extreme weather patterns, water scarcity and poor water quality. These physical risks could cause disruptions and delays in the supply chain or even shortages, which could impact Helvar's production capacity and possibly increase costs. For Helvar, these potential physical risks are determined to have a medium likelihood and medium-low impact.

| | Risks | Time horizon | Likelihood (1-5) | Impact (1-5) | Management approach |
|---|---|---|---|---|---|
| TRANSITION RISKS | Increased cost of components due to tighter regulation and cost of transitioning to lower emissions technology. | Short to Mid-term | 4 | 3 | Organisational agility, supplier relationship management, component redesign. Comparable components/substitutes specified for products. Effective communication to customers. Pricing according to costs. |
| | Imbalance between upgrading the old portfolio and developing new products. | Short to Mid-term | 3-4 | 3-4 | Good business case portfolio management, strict analytics and decisions. Include and enhance ESG parameters in decision making. |
| | Customers requiring third-party certificates that require high effort and are costly. | Mid-term | 4 | 4 | Relying on standardised approaches. Clear communication to customers that voluntary certificates increase costs. |
| | Uncertainty in market signals and development. | Mid-term | 3 | 3 | Actively following the market and maintaining the ability to make fast decisions. |
| PHYSICAL RISKS | Water scarcity and poor water quality affecting the component production and quality. | Mid- and long-term | 3-4 | 2 | Redesign of the supply chain, focus on component manufacturers and replaceable components. |
| | Extreme weather patterns affecting the supply chain, causing e.g. disruptions. | Mid- and long-term | 3-4 | 2 | Redesign of the supply chain, focus on component manufacturers and replaceable components. |

***Table 2**: Transition risks and physical risks*

| | Opportunities | Time horizon | Likelihood (1-5) | Impact (1-5) | Management approach |
|---|---|---|---|---|---|
| TRANSITION OPPORTUNITIES | Smart buildings, consumption flexibility and frequency control | Short to Mid-term | 4 | 4 | Lighting is easy to control according to electricity availability and pricing. |
| | Use of supportive policy incentives in the lighting and/or building sector. | Short term | 2.5 | 5 | Lighting control is an easy way to save energy. |
| | Increased stakeholder concern or negative stakeholder feedback increasing the awareness of energy savings. | Mid-term | 3 | 4 | Lighting control is an easy way to save energy. |
| | Lighting management taken to the next level. | Long-term | 4 | 3 | New solutions open more saving opportunities. |

*Table 3*: *Transition opportunities*

## Risk management

Risk management is a continuous process at Helvar, and the Helvar Board of Directors reviews both business- and climate risks on an annual basis. Risks are identified and reported by a team of executives for the board to consider them in strategic development and budgeting processes. Central governance risks are analysed within the owners' CRALT forum twice a year and reported to the board of the owner's holding company.

## *Waste*

Helvar's most significant waste streams are generated from the production processes at the Karkkila factory, where waste is measured and managed according to an ISO 14001 certified environmental management system. Waste fractions are measured annually in environmental reviews. Helvar has stepped up to increase the recycling rates of materials in its operations.  The Karkkila factory is already reusing some packaging materials and, from 2022 onwards, the plastic film used in final pallet packing is being recycled while other plastic recycling possibilities are continuously under review.

The total amount of waste that was generated in Helvar's operations was 166.7 tonnes in 2022. Over 90% of it was generated in Karkkila. The waste composition is shown in Table 4. At the factory, waste is sorted into metals, paperboard, and packaging plastics for further recycling.

| Waste type | Treatment | Amount (kg) |
|---|---|---|
| Recyclable metals | *Recycling* | 115 660 |
| WEEE | *Disposal* | 12 521 |
| Energy waste | *Incineration* | 5800 |
| Mixed waste | *Incineration, disposal* | 8500 |
| Hazardous waste | *Disposal* | 8689 |
| Plastics | *Recycling* | 1000 |
| Paper and cardboard | *Recycling* | 10 500 |
| Paper | *Recycling* | 2815 |
| Wood | *Reuse/Recyling* | 1200 |
| **Total** | | **166 685** |

*Table 4*: *Waste management at Helvar*

5% of the waste generated in operations and from the maintenance of process equipment is hazardous. It is composed of cutting fluids, oil-containing waste, chemicals such as washing liquids, glues, and used batteries and lamps, which are all collected in their own separate containers. The rest of the waste is generated mostly in production, but due to structural changes in production, the hazardous waste and WEEE amounts are unusually high. All of Helvar's waste is managed by external waste treatment service providers operating according to local legislative requirements.

## *Water*

Water is supplied by the municipal authority and is only used for drinking and sanitary purposes in Helvar's operations. Wastewater is discharged into the public sewer systems as sanitary wastewater. The total water use in 2022 was 630m$^3$, with a water intensity of 9.54 m$^3$/M€.

The Karkkila factory is located close to two types of water resources. The Karjaanjoki/ Vanjoki river is located less than 200 meters away and 20 meters below the factory area. A groundwater aquifer important for water withdrawal is located 50 meters away. No spills, leaks or other pollution from Helvar's operations have taken place.

# Our products

## *Resource use*

The total amount of material needed for manufacturing and packaging of products was 664.8 tons in 2022. The total share of renewable and non-renewable materials was 10% and 90% respectively. Renewable materials are cardboard and wooden pallets used in product packaging.

| Resource use | Tonnes |
|---|---|
| Renewable | 66.2 |
| Non-renewable | 598.6 |
| **Total** | 664.8 |

*Table 5: Usage of materials for products*

## *Ecodesign & circularity*

The European EcoDesign Directive has set certain requirements for the energy consumption of Helvar products, and these requirements have been successfully met. For example, the stand-by consumption of Helvar's DALI products complies with the 0,5W requirement for idle power consumption of a luminaire, and new controllable products have been designed and optimized to achieve an even lower combined consumption than defined in the EcoDesign directive. Other Ecodesign requirements Helvar has met are flicker thresholds as well as metrics for driver-module combinations and minimum efficiency levels.

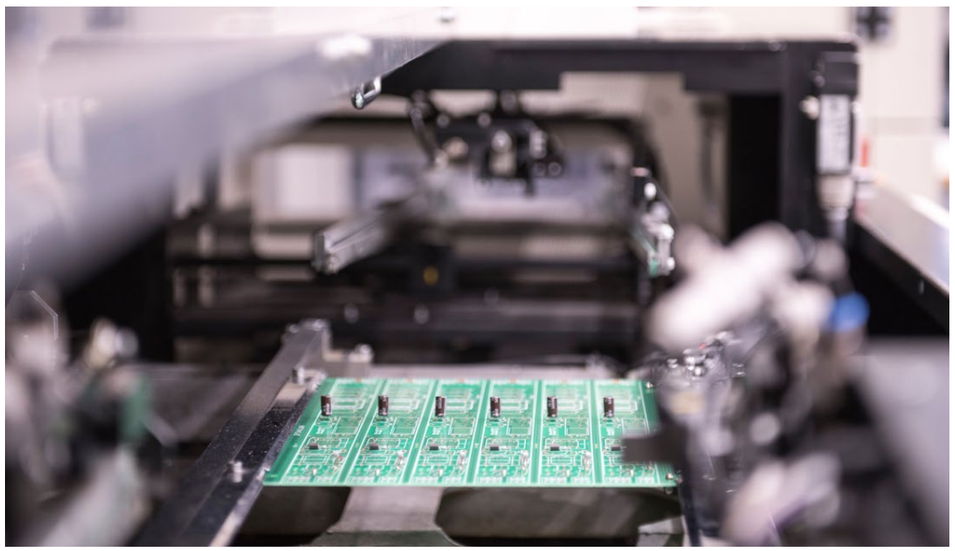
Helvar continues to work on improving the sustainability of its products. To use packaging more efficiently, packaging waste is reduced, reused, and recycled where possible. Helvar has reduced the needed amount of packaging material by utilizing inflatable plastic protection for its products while reusing pallets and polystyrene plastics in other operations. Recycling of packaging waste is being continuously improved in Helvar's operations, and plastic film from pallet transport is now collected separately for recycling.

Understanding the importance of material circularity, Helvar has taken an initial step towards a circular economy in 2022 by identifying potential circular economy opportunities and their feasibility from design, service, and circular business model perspectives. Although no concrete actions have been planned yet, Helvar is keeping a keen eye on the subject. Currently, there are considerations around the possibility of reusing area sensors from relatively new sites that will be upgraded with new sensor capabilities.

## *Chemical compliance / Safe products*

Helvar has stepped up to eliminate and reduce harmful and hazardous substances in its product portfolio. Helvar's driver portfolio is continuously assessed for chemical compliance, resulting in two SVHC substances being previously identified. Lead is used in power semiconductors that are exempt from the RoHS directive, and perfluorobutanesulfonic anhydride was found in plastic casings. All drivers containing the identified substances have been registered in the SCIP database, and the perfluorobutanesulfonic anhydride acid-containing plastic has been replaced with an SVHC-free alternative in 2022.

Helvar has integrated clean materials principles in both design and sourcing, and all new components are assessed for chemical compliance prior to approval. The screening process is especially strict in the driver business and, in addition to regulatory demands, Helvar has an internal listing of substances to avoid. Chemical compliance screenings are conducted regularly to assess the luminaire components portfolio for any new substances of very high concern (SVHCs). To support the chemical management of all products and improve the management of Helvar's lighting controls portfolio, Helvar has started to use *Silicon Expert* software to automatically filter products and components for SVHCs. Processes and practices for applying the software will be ramped-up for new products starting 2023, and the approach will also be applied to existing products with special concern. Helvar is committed to safe products, and in principle avoids using materials containing halogenated substances and PVC plastics in its products.



## *Sustainable supply chain*

Helvar is dedicated to continuously assessing and improving the social and environmental impacts of its value chain activities and has taken important steps in this commitment by requiring subcontractors, suppliers and partners to demonstrate their sustainability performance through a survey. The survey serves three goals:

- to ensure that Helvar's sub-contractors, suppliers and partners are aligned with Helvar company values
- to encourage integrating sustainability into core decision-making, and
- to improve supply chain sustainability performance.

In 2022 all of Helvar's subcontractors and manufacturers of buy-in products have been assessed using a survey that details their commitment to environmental, social and governance standards. The survey consisted of 149 questions on 29 specific ESG topics, and a separate ranking system to evaluate ESG performance. All subcontractors performed well in the assessment and no further action has been needed.

Helvar's suppliers and partners will continue to be surveyed in 2023 and assessed with a more compact survey of 65 ESG-related yes/no questions on six topics, which are human rights, labour, business code of conduct, sustainability, environmental, health and safety issues, as well as their respective management approaches. The results of the surveys will be ranked according to a three-tier system, which will guide internal decision-makers on how to choose goods and services from responsible suppliers and improve ESG management in the value chain.

Helvar has also integrated its Code of Conduct in Helvar's General Terms and Conditions of Sale, which requires buyers to act in accordance with core company principles and values. The Code of Conduct includes (but is not limited to) a commitment to fair business practices and zero tolerance for corruption and bribery. The purpose of the integrated Code of Conduct is to ensure that all buyers agree to conduct business with strict legal compliance and the highest ethical standards, as well as to foster sustainable practices at the other end of Helvar's value chain.

# Social

At Helvar, people are seen as the greatest asset of the company. Helvar nurtures a culture that enables every Helvarian to grow, succeed and find meaning in their work. Through Helvar's core company values of 'Powered by people', 'Trusted', 'Passion for growth' and 'Customer value', we aim to bring out the best in people and work together to positively impact the planet.

Fair treatment, equal opportunities and respect for all employees are integrated into everyday company activities. Helvar is committed to upholding the applicable labour legislation and the human rights of its employees and strictly rejects the use of child labour. All first-tier suppliers are expected to adhere to Helvar's Code of Conduct, and next-tier suppliers to make a direct commitment to the Electronic Industry Citizenship Coalition's Code of Conduct. No human rights violations have been reported in 2022 in Helvar's workforce or value chain.

## *Employees*

In 2022, there were a total of 279 Helvarians from 31 different nationalities. Helvar values diversity as a part of its Code of Conduct and does not accept discrimination of any kind. Helvar has a strict anti-harassment policy and a legally required equality plan in place. We want employees to feel like they belong and are appreciated, which is why we regularly measure and improve our culture and job satisfaction by using a Quality of Work Life Index.

Helvar complies with and commits to all applicable labour and human rights legislation for employees in all locations, and strives to continuously improve the occupational health and safety of said employees. Health and safety matters are managed by the Occupational Health and Safety team(s), who oversee and manage the safety culture. Helvar's target is to have zero workplace accidents.

| Category | Statistics as of December 2022 |
|---|---|
| Nationalities | 31 |
| Age distribution | 17 % below 30<br>49 % between 30 - 49<br>31 % between 50 - 63<br>3 % over 64 |
| New employees | 53 |
| Gender distribution | 74% male<br>24% female<br>2% other |
| Employee Engagement (company average) | 76.9 |

***Table 5**: Employee statistics*

## *Wellbeing*

As wellbeing is at the core of Helvar's business, we are naturally determined to improve the wellbeing of company employees as well. Helvar's HQ in Espoo is one of the few places to be certified at the WELL Gold level. The WELL Building Standard promotes the health, wellbeing, and performance of people through science-based criteria across ten areas, including air and water quality, lighting, sound, and community. A free gym is available for all employees to use at Helvar's headquarters and Karkkila factory, and healthy snacks are provided to promote healthy lifestyle choices.

To maintain wellbeing Helvar has adopted an Early Support model to detect issues threatening work ability in time and to find appropriate solutions. Healthy and productive workers are a priority, which is why Helvar aims for smooth work processes and fair leadership. Supervisors monitor the smoothness of work and regularly coach and discuss with their employees and teams to ensure that work duties are carried out without issues.

## *Learning and development*

Helvar provides its employees flexibility as well as a range of benefits and possibilities for learning and self-development. Growth and performance dialogues are conducted on all sites three times a year to guide in identifying new areas of growth, expertise, skills, techniques and working methods.

Helvar utilises a 70-20-10 learning and development model to best develop skills and knowledge at work. The 70-20-10 mix is based on the principle that 70% of challenging assignments come through on-the-job experience, 20% is development through learning from others and 10% is coursework and training through formal learning.

Major investments have been made in recent years to provide access to e-books and learning platforms and to organize internal training, knowledge sharing opportunities and hackathons. Helvar employees are encouraged to use one hour per week on learning and developing new skills.


# Governance

The highest governance body at Helvar is the Board of Directors, which is composed of four independent, professional board members and two members of the owner-family. There are 6 full members with a gender ratio of women and men being 1:5 respectively. Other participants in board meetings are the CEO, CFO, and a board observer. The board is responsible for developing targets for sustainable development and approving related strategies and policies. This process is scheduled around the annual timing of the strategy process.

Leadership processes are centred around the OKR (Objectives and Key Results) methodology, which involves setting significant objectives with targeted future-oriented key results, cascading to teams and individuals. Helvar's key activities and their outcomes are regularly measured and reported to the board by a selected executive. The board is well-versed in sustainability and frequently monitors progress in ESG topics, since supporting both energy efficiency and wellbeing are at the core of Helvar's business. The sustainability report has been reviewed and approved by the board.

## *Ethical business*

Integrity is the guiding principle in all of Helvar's business practices and the Code of Conduct. Helvar has zero tolerance for bribery and corruption, and is committed to fair competition, ethical conduct and respect for human rights. Every Helvarian, including management and the Board of Directors, is expected to follow and comply with Helvar's Code of Conduct. Helvar expects all direct suppliers to be committed to the Responsible Business Alliance's Code of Conduct or equally binding principles.

Helvar honours contracts and strictly condemns manipulative or illegal trading practices. Helvar is committed to fair competition and compliance with relevant competition laws, as stated in company financial policies. Helvar is aware of the possible risks in both operations and value chain activities and has controls in place to prevent any issues. Helvar's partners are made aware of relevant policies. Helvar's instructions and stance on anti-competitive behaviour are unambiguous and clear: unethical business behaviour will not be excused.

All employees are trained on Helvar's Code of Conduct and ethical business issues during the onboarding process. Additional training is provided to relevant personnel when policies or processes are changed. A themed audit is conducted every year for one of Helvar's processes (such as order to cash, purchase to pay and inventory), and a GDPR audit is conducted annually. A whistle blower channel is accessible to all employes who wish to report concerns about possible illegal activities or breaches of Helvar's Code of Conduct.

To ensure good governance, Helvar has multiple policies in place to avoid conflicts of interest or unethical behaviour, and a third-party speak-up-line to report critical concerns. Whistle-blowing guidelines exist to control the process and to protect the whistle-blower. In 2022, no critical concerns or corruption suspicions have been alerted nor have any insufficiencies in actions to address them. All donations or sponsorships to other organisations require approval from the board of directors.

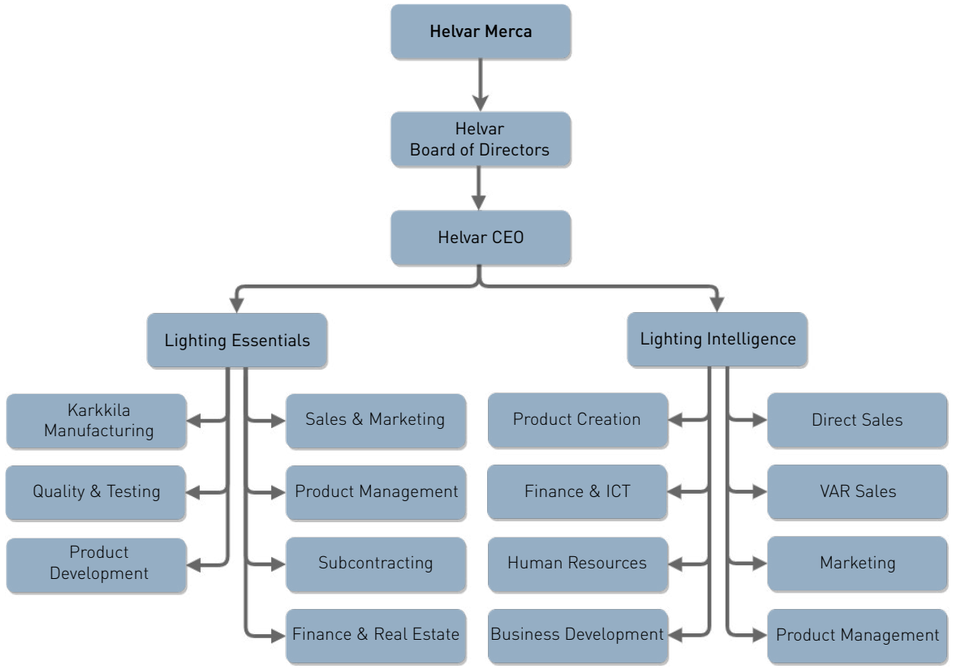



*Figure 3: Helvar company structure*

# GRI & SASB content index

| GRI Standard | Disclosure | Page Location |
|---|---|---|
| Statement of use | Helvar Oy Ab has reported the information cited in this GRI content index for the period 1.1.2022-31.1.2022 with reference to the GRI standards. | 21 |
| Task Force on Climate-related Financial Disclosures (TCFD) 2021 | Governance, Strategy, Risk Management, Metrics and Targets. | 6, 8-10 |
| GRI 1 used | GRI 1: Foundation 2021 | - |
| GRI 2: General disclosures 2021 | 2-9 Governance structure and composition<br>2-12 Role of the highest governance body in overseeing the management of impacts<br>2-13 Delegation of responsibility for managing impacts<br>2-14 Role of the highest governance body in sustainability reporting<br>2-15 Conflicts of interest<br>2-16 Communication of critical concerns | 19-20 |
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| GRI 205: Anti-corruption 2016 | 205-1 Operations assessed for risks related to corruption<br>205-2 Communication and training about anti-corruption policies and procedures | 19 |
| GRI 301: Materials 2016 | 301-1 Materials used by weight or volume | 12 |
| GRI 302: Energy 2016 | 302-1 Energy consumption within the organisation<br>302-3 Energy intensity<br>302-4 Reduction of energy consumption<br>302-5 Reductions in energy requirements of products and services | 4-5, 13 |
| GRI 303: Water and Effluents 2018 | 303-3 Water withdrawal<br>303-4 Water discharge | 12 |
| GRI 305: Emissions 2016 | 305-1 Direct (Scope 1) GHG emissions<br>305-2 Energy indirect (Scope 2) emissions<br>305-3 Other indirect (Scope 3) GHG emissions<br>305-4 GHG emissions intensity<br>305-5 Reduction of GHG emissions | 6 |
| GRI 306: Waste 2020 | 306-1 Waste generation and significant waste-related impacts<br>306-2 Management of significant waste-related impacts<br>306-3 Waste generated<br>306-4 Waste diverted from disposal<br>306-5 Waste directed to disposal | 11 |
| GRI 308: Supplier Environmental Assessment 2016 | 308-2 Negative environmental impacts in the supply chain and actions taken | 15 |
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