

ONVEST

Sustainability Report 2022



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Onvest is a financially stable family-owned company with a history of over a hundred years. We focus on developing and growing Finnish industrial businesses, real estate operations, and other business activities. Our aim is to be an attractive and respected partner in owning and developing Finnish companies and properties.

This is Onvest Oy’s first sustainability report. The report provides an overview of the achievements related to the goals set in the sustainability program for the year 2022. It brings together the progress of goals and measures across the entire group, including both the parent company and its subsidiaries.

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Finnish family-owned company

Onvest Oy is a Finnish family-owned company with roots dating back over a hundred years. At present, Onvest Oy operates in four main areas: real estate business, industrial holdings, steel service business, and wood construction.

Our goal is to be a partner for sustainable growth and to create new success stories in Finland. We possess extensive expertise and strong industry networks, which we utilize in the development of our subsidiary companies through activities such as board work. Our headquarters are located in Helsinki.

Our real estate business focuses on owning and developing domestic office, commercial, and industrial properties. The steel service business is conducted through our wholly-owned subsidiary, Feon Oy. As for our wood construction

business, we operate through Puura-kentajat and Teijo-Talot. We see wood construction as the future of building.

The foundation of our industrial ownership is long-term business development and the goal of supporting synergies within the group between different business operations. As a financially stable company, we have significant capacity to invest in the long-term and sustainable growth of our owned companies. We aim to actively collaborate with other owners, management, and employees

Values

Sustainability, agility, openness and commitment

Mission

We grow and develop businesses and properties across generations

Vision

We are the most attractive and respected partner for owning and developing Finnish businesses and properties

Feon Oy

Feon is one of the largest steel service companies in Finland and a significant importer of steel to the Finnish market. The company provides comprehensive services to its customers in machinery and equipment manufacturing, all stages of steel construction, and resale. In addition to a wide product range, Feon offers its customers versatile pre-processing services for both long steel products and sheet products.

Feon aims to contribute to the development of Finnish industry and construction towards sustainability and environmental friendliness. The company's operations combine excellent service experience, efficiency, and sustainable practices. The sustainability principles defined in the recently completed sustainability program in 2023 provide the foundation for sustainable business practices, and Feon expects its stakeholders to adhere to these principles as well.

Feon's modern steel service centers and warehouses are strategically located in

Hattula, Uusikaupunki, Akaa, and Forssa. The largest service center in Hattula has been operating in an energy-efficient and 100% carbon-neutral manner since 2021. In 2022, the company initiated efforts to assess the carbon dioxide emissions generated by the entire supply chain of steel products.

Sustainability themes:

Satisfied customers,
Well-being of employees,
Environmental stewardship,
Sustainable growth

The number
of employees
187

”

We strongly believe that the green transition will have a tangible impact on our industry, and we intend to be at the forefront of that development.

-Petri Kalliokoski, CEO, Feon Oy



Puurakentajat Group Oy

Puurakentajat is Finland's most experienced builder of large-scale solid wood projects, covering all stages from design to construction. Puurakentajat has its own construction company, design expertise, and component manufacturing capabilities, allowing them to deliver complete buildings or specific elements based on the project requirements. They specialize in large cross-laminated timber (CLT) structures, including timber apartment buildings, schools, offices, and industrial buildings.

Puurakentajat manufactures solid wood elements in their Timberpoint factory located in Loviisa Port, supplying both their own projects and other construction companies. Having their own factory is an essential part of Puurakentajat's strategy as it enables the realization of innovative designs and product development.

The number of employees
46

Values:
Professionalism, Humanity, Innovation

Vision:
By 2025, half of all apartment buildings will be constructed using mass timber, and one-fifth of them will be built by us.

”

The strategy of Puurakentajat is to be a strong advocate and implementer of ESG-driven construction. As mass timber construction efficiently sequesters carbon, Puurakentajat's business inherently aligns with responsible practices.

-Mikko Leino, CEO, Puurakentajat Group Oy

Onvest Development Oy

Onvest Development is a long-term and responsible property owner and developer. Its property portfolio currently consists of direct ownership of domestic commercial and industrial properties. The guiding principles of ownership focus on quality rather than quantity and emphasize long-term commitment.

Onvest Development actively collaborates with other property owners and stakeholders in the industry. The company is committed to being a flexible and responsive partner, addressing the needs of its tenants with agility and professionalism.

The company's mission is to develop properties across generations, while its vision is to be the most attractive and respected partner in owning and developing Finnish properties. Onvest Development's corporate culture is guided by its core values: sustainability, agility, transparency, and commitment.

The number
of employees
3

Sustainability themes:
Lessor with a human face
Developer of safe and
sustainable properties
Responsible owner

”

As part of our real estate business, sustainability is a significant focus for us. Over the years, we have carried out various energy renovations in our existing properties, resulting in reduced energy consumption. In our new projects, we strongly emphasize the aspect of sustainability right from the design phase.

- Lassi Välisalo, Real Estate Director, Onvest Development Oy

Onvest Invest Oy

Onvest's investment activities serve the purpose of strengthening the group's financial stability and profitability, as well as identifying companies with growth potential where Onvest can act as an active and long-term industrial owner, creating conditions for success and developing Finnish businesses. Onvest makes both direct and indirect investments. Indirect investments are made through funds, allowing for geographical, sectoral, and asset class diversification.

In the investment process, sustainability factors are taken into account when making new investment decisions. When selecting potential target companies, Onvest examines how they consider sustainability in their business operations. The selected funds for the investment portfolio are required to consider sustainability factors in their investments. Typically, this consideration includes the fund manager's analysis of the target funds' or companies' sustainability levels and principles, monitoring and influencing them, as well as excluding targets that do not meet

sustainability requirements. Sustainable investment targets promote positive environmental and social aspects and ensure good corporate governance through screening, exclusion, inclusion, and active ownership.

The majority of the investment funds in Onvest Invest's portfolio have comprehensive sustainability principles and factors in place. Onvest is committed, through its sustainability program, to promoting the adoption and maintenance of sustainable investment principles. The group's sustainable investment principles will be documented during 2023, and these principles and sustainability factors will be considered as part of the investment process for future investment decisions.

Sustainability aspects are always taken into account when making new investment decisions





Review of the year 2022

Subsidiaries play a significant role in Onvest Group's operations. Here are the highlights of the year 2022.

Onvest Oy

Many different industries faced challenging times last year. Due to the difficult global situation, there were challenges in the availability of steel and wood, leading to price increases. The cost increase also affected the real estate and construction sector. Despite this, it was a successful year for the Onvest Group. Onvest Oy continued its strategic growth and development in sustainable industrial business by acquiring Teijo-Talot Oy, a company specialized in modular wood construction, in late 2022. Following the completed acquisition, Onvest's wood construction business consists of Puurakentajat Group Oy for massive wood construction and Tei-

jo-Talot Oy for portable modular wood construction. Our subsidiary, Feon Oy, continued its steady growth and work in developing sustainable steel service business. In the real estate business, Onvest Development Oy continued to streamline and develop its property portfolio. The occupancy rate was nearly 100% throughout 2022, indicating the satisfaction of our tenants with a personal and responsive lessor. With these foundations and close collaboration, we are well-equipped to move forward into 2023.

-Maria Toivanen, Operative Director

Feon Oy

Despite the challenging market conditions last year, Feon's profitable busi-

ness growth continued, even with significant fluctuations in price and demand in the steel market. We successfully merged two subsidiaries into Feon and completed the integrations of previous acquisitions according to plan. We have renewed Feon's strategy and sustainability program for the next strategic period, placing even greater emphasis on sustainability in our operations. Sustainability guides our actions and is one of our core values. We have invested in the well-being and safety of our employees in recent years, which is reflected in positive employee satisfaction surveys and accident frequency rates. We have significantly reduced our company's carbon emissions through various energy efficiency projects and the transition to renewable energy sources. In terms of our own operations, we are nearly carbon-neutral. However, in the future, one



Review of the year 2022

of our main focuses will be finding and procuring more environmentally friendly products on the market for our customers. We have initiated this work under the leadership of our procurement organization. Furthermore, we will continue to enhance general sustainability awareness among our employees, customers, and other stakeholders.

Although the market appears challenging in the future, we strongly believe that the green transition will have a concrete impact on our industry, and we intend to be at the forefront of this development.

-Petri Kalliokoski, CEO

Puurakentajat Group Oy

Our long-term partnership with Stora Enso has deepened and solidified. In 2022, we have been able to carry out numerous new joint projects, such as Kotkan Satama Areena, Inkoo Kyrkjärden School, Helsinki Science High School, and As Oy Portinvartija in Turku.

Stora Enso's wood comes from sustainably managed forests, and the company actively takes actions to improve biodiversity. For us at Puurakentajat, it is important that the natural resources we use are of high quality and sourced sustainably. Solid wood sequesters carbon throughout its lifecycle and can be recycled after the demolition of a building.

We have also participated in the "Kasvua ja kehitystä puusta" project during the year to develop wood construction to be more cost-effective and ecological.

As a result of the project, we gain new research knowledge about solid wood apartment buildings.

In 2022, we employed more than double the number of people compared to 2021. We have placed greater emphasis on the well-being of our employees and started developing internal communication. Our values reflect a culture of care that we aim to implement throughout the construction industry. At Puurakentajat, sustainability is at the core of our business.

-Mikko Leino, CEO



Review of the year 2022

Onvest Development Oy

Year 2022 was significant in many ways for the real estate business. The real estate business strategy was reformed last year, and we made a purchase in line with our new growth strategy when we signed an agreement with SSA for the construction of an industrial and warehouse property. The property will be adaptable and meet high ESG standards (with the goal of achieving BREEAM In-Use Very Good certification). In another major project aligned with the new strategy, Kuortaneenkatu development project initiated a zoning change in the fall of 2022. For this project, we aim to achieve carbon-neutral construction.

Regarding tenant satisfaction, it remained at an excellent level in 2022, with the lessor receiving a rating of 4.3/5. We also continued to improve energy effi-

ciency as part of our long-term and responsible property ownership, transitioning to renewable electricity at the end of 2022. Additionally, our first sustainability program was completed in 2022, and we will be developing a roadmap to achieve carbon neutrality during the year 2023.

-Lassi Välisalo, Real Estate Director

Onvest Oy

During the year 2022, our group completed its first sustainability program, defining our sustainability principles and outlining the key sustainability themes and objectives. This sustainability program and the principles it contains guide and bind the entire group's operations, laying the foundation

for our sustainability efforts. This sustainability report we have now published was compiled in collaboration with our subsidiaries. Shared goals and collaborative efforts will also be increasingly emphasized in the future. As sustainability reporting requirements will continue to increase in the coming years, we will work closely with our subsidiaries to develop and align reporting practices and policies. We will share information and skills, supporting each other in this process. Onvest aims to be a partner in sustainable growth for all stakeholders and will continue concrete sustainability actions in the year 2023 as well.

-Laura Hostikka, Sustainability Manager

Foundations of
sustainability



Megatrends affecting operations

Megatrends, which are general development directions, have a broad impact on companies' businesses. Identifying these forces of change is important so that companies can respond to future challenges and opportunities. We want to prepare for the changes that affect our business environment so that we can develop our operations flexibly. The megatrends we have identified guide our group's activities.

Urbanization and changes in work structures.

Urbanization and the transformation of work create unpredictable threats and opportunities for the future. We identify opportunities, especially in the real estate and construction industry, to which we are also striving to respond.



Circular economy. The significance of the circular economy has been increasingly growing. Efforts are made to reduce waste generation and environmental impact while finding various ways to utilize waste. This opens up business opportunities, particularly in the areas of construction, energy, and biodegradable materials.



Climate warming and climate change. Mitigating climate change is critically important for society. To gain a competitive edge, new solutions must be found. On the other hand, this presents opportunities with various business prospects, but also a threat if the changes are not adequately addressed. We identify opportunities, especially in the field of renewable energy and improving energy efficiency.



Technology and digitalization are changing the way we operate. As technology and digitalization transform our processes, it is essential to stay up-to-date. The role of digitalization and technology in value creation will increase, bringing forth new opportunities. Emerging technological innovations create possibilities in various business areas. However, technological advancements can also pose a threat by potentially reducing job opportunities.



Collaboration with stakeholders



Stakeholders refer to groups of people who are essential to a company’s business and whose actions significantly impact the company. By identifying key stakeholders, we can better meet their expectations and develop our operations in the right direction. For our group operations, we have identified four

primary stakeholders: customers, employees, authorities, and partners. The expectations of these stakeholders serve as the starting point for our sustainability efforts.

|  Customers |  Employees |  Authorities |  Partners |
|--|--|--|--|
| <p>We aim to influence our business operations’ customers’ expectations through active dialogue and effective governance. This includes fulfilling customer promises and providing sustainably and environmentally friendly produced services and products. We bring comprehensive expertise and guidance to the decision-making process of our group companies, ensuring that they operate in line with our sustainability program. We encourage our business operations to engage in open and active communication regarding environmental and sustainability matters.</p> | <p>Our employees expect from us good and clear governance, transparency, and a safe working environment. The desired work practices emphasize flexibility and the integration of remote work and hybrid models. Developing employee well-being is at the center of our daily operations.</p> | <p>We meet the expectations of regulatory authorities through active and transparent collaboration while adhering to laws and regulations. We engage in open dialogue with various stakeholders and aim to have a positive impact on communities through our socially sustainable actions.</p> | <p>We engage in diverse collaborations with our partners. Our partners expect us to conduct our business in line with agreements, with a focus on ethical and sustainable practices, transparency, and efficiency. Long-term and trustworthy relationships are emphasized in our collaborations, along with flexibility and adherence to our values.</p> |

Sustainability principles

As part of our sustainability program, we have defined our sustainability principles. These principles guide the entire group's operations and serve as the foundation for our sustainability efforts. We expect both our subsidiaries and affiliated companies, as well as all stakeholders, to adhere to these principles and uphold them in their actions.



We promote the adoption of environmentally friendly technologies



We support initiatives that promote sustainability in the use of natural resources



We adhere to good governance practices and respect human rights



We take care to maintain strong financial stability



We respect and minimize environmental impacts by following the precautionary principle



We are committed to fair business practices and avoid conflicts of interest



We operate with a customer-centric approach and maintain confidentiality



We communicate clearly and openly



We promote the adoption and maintenance of sustainable investment principles

Sustainability program



SDGs



The member states of the United Nations have committed to the Sustainable Development Agenda 2030 and its Sustainable Development Goals (SDGs) since 2015. These goals aim to guide the actions of countries and businesses towards a more sustainable future.

We are dedicated to supporting all 17 of the UN's sustainable development goals. Additionally, as part of our corporate sustainability policy, we have identified five specific goals that are particularly integral to our daily sustainability efforts.



We aim to promote the healthy lifestyle and well-being of our stakeholders



We promote employment and economic growth sustainably



We promote sustainable and long-term operations in our business activities



We take actions against climate change by leveraging technology and research



We are promoting ethical and responsible partnerships



Key sustainability themes

We have examined the megatrends affecting our business and the expectations of our stakeholders. Based on these, we have identified three key themes that will shape our group's sustainability work: being close to people, caring for the environment, and acting as a partner in sustainable growth. We also expect our subsidiary and affiliated companies to actively and sustainably promote these identified sustainability themes.

We are close to people

We treat people with equality and encouragement. Well-being of our employees is essential to us, so we invest in their satisfaction, work-life balance, and continuous learning.

We care for the environment

We aim to reduce emissions through climate-friendly choices. We encourage our business operations and stakeholders to engage in responsible and environmentally-conscious actions. Additionally, we invest in circular economy practices and continuous product development.

We act as a partner for sustainable growth

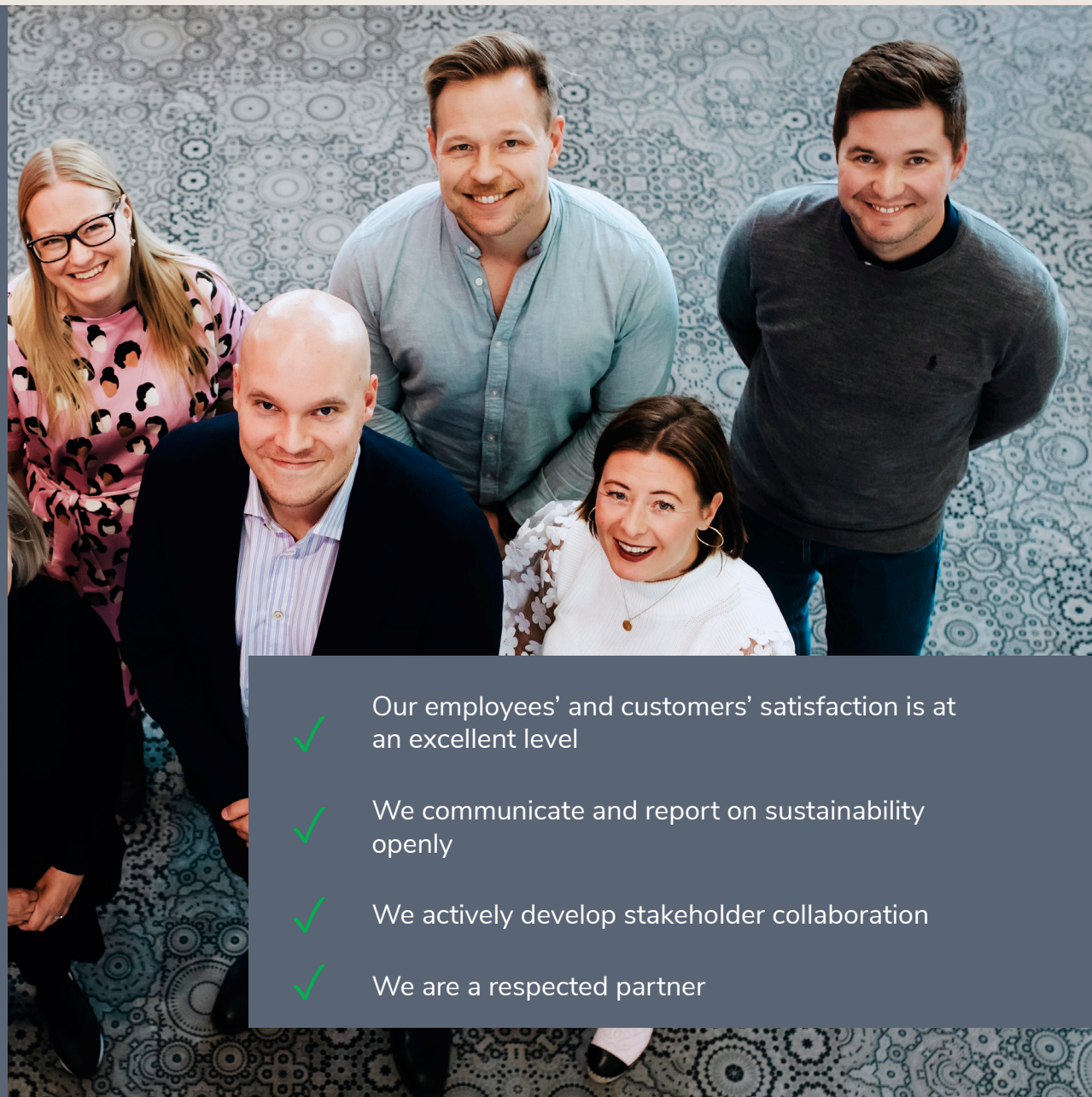
We are a fair and ethical partner, dedicated to creating value for society. We take ownership responsibly and expect ethical and sustainable behavior from our business operations and stakeholders. Our actions align with the principles we demand, and we consider the risks and opportunities of climate change in our operations.

Roadmap for Sustainability

| Theme | Perspective | Goals and Promises |
|--|---|---|
| We are close to people | <p>Employee well-being and satisfaction</p> <p>Approachable operator</p> <p>Engagement of stakeholders and open communication</p> | <ul style="list-style-type: none"> • Our employees' and customers' satisfaction is at an excellent level • We communicate and report on sustainability openly • We actively develop stakeholder collaboration • We are a respected partner |
| We care for the environment | <p>Sustainable ownership</p> <p>Circular economy and climate emissions</p> <p>Improving well-being</p> | <ul style="list-style-type: none"> • We encourage and support our employees in environmentally friendly actions • We monitor the emissions produced by our operations and actively work to reduce them • We boldly embrace new technology to promote sustainable development • We operate in accordance with circular economy principles |
| We act as a partner for sustainable growth | <p>Ethical business</p> <p>Supply chain sustainability and environmental sustainability</p> <p>Climate change risks and opportunities</p> | <ul style="list-style-type: none"> • We conduct ethical business and take our social responsibility seriously • We are committed to long-term and sustainable development and ownership • We actively monitor the sustainability efforts of our business operations and partners • We identify climate change-related risks and opportunities and monitor their progression |

We are close to people

We take care of our employees' well-being and satisfaction. We are an approachable actor, involving our stakeholders and communicating openly.



Our employees' and customers' satisfaction is at an excellent level



We communicate and report on sustainability openly



We actively develop stakeholder collaboration



We are a respected partner

Our group's goal is to maintain excellent levels of satisfaction among our employees and customers. We can indeed confirm that we have succeeded in achieving this goal.

Puurakentajat - Employees

At Puurakentajat, special attention is given to the well-being of the staff, offering comprehensive health services from doctor visits to dental care and mental health services.

After the restructured corporate organization, internal communication has been developed to serve not only information flow but also team spirit and social equality. An example of this is the monthly internal newsletter, where common news is shared, and focus is placed on the company's values and achievements. Internal communication has also been strengthened through increased video calls by the CEO, two-way communication, and active participation.

Sharing values and sustainability goals can increase the meaningfulness and significance of work. Puurakentajat has implemented unusual guidelines for the construction industry, expecting good behavior and consideration for others to be part of the professional skill set. The purpose of these guidelines is to protect

employees from discriminatory behavior and help them enjoy their collaborative work.

The first employee satisfaction survey will be conducted at Puurakentajat in the year 2023.

Puurakentajat - Customers

Puurakentaja's daycare and school projects include several highly acclaimed and award-winning facilities. For example, Martta Wendelin Daycare in Tuusula, completed in 2022, earned the prestigious Swan label, indicating that the design and construction took into consideration the environmental and user impacts extensively. Selected materials and construction methods aimed at achieving energy efficiency, eco-friendliness, and overall well-being. Subsequently, Martta Wendelin Daycare also received an international wood architecture award, with the jury particularly praising the use of CLT panels in the facility.

As of now, actual customer satisfaction or satisfaction of cooperation partners has not been measured at Puurakentajat. However, the development of customer satisfaction surveys began in 2023.



Feon - Employees

Feon considers the well-being of its employees as one of its key sustainability themes, and it takes various measures to ensure this. The company provides comprehensive occupational health services, accident insurance, and Health Security insurance to its staff. Special attention is given to work ergonomics and safety, offering services such as on-site visits from physiotherapists and high-quality personal protective equipment. Employee training is prioritized, and training needs are discussed annually in development discussions. Feon also has a performance-based incentive model where successful collective achievements are rewarded for the entire staff. The company ensures employee rejuvenation through team-building recreational days and offers benefits for sports and culture activities. Internal communication is continuously developed, and in addition to various staff news, the CEO sends out monthly information letters.

Feon conducts an annual work vitality survey conducted by a third party. The survey provides insights into the employees' perspectives on Feon's strengths and areas for improvement, as well as assessing the overall work

vitality of the staff. The surveys have highlighted the clear strengths of Feon, including clear job expectations, a safe and secure work environment, and a belief that they can work in their current role for the next two years health-wise. Areas for improvement include providing regular feedback and enhancing a caring work atmosphere. In the 2022 work vitality survey, Feon achieved an excellent average score of 4.1 (on a scale of 1-5), with a response rate of 75.8%.

Feon - Customers

Feon conducts an annual customer feedback process, where a third party interviews Feon's customers regarding their experiences with the company. Customers rate different aspects of Feon's operations, such as responsibility, reliability, expertise, accessibility, product range, price-quality ratio, and handling of complaints. The responses are compared to previous years' feedback and benchmarked against other companies in the steel industry. The customer feedback process helps identify strengths and areas for improvement.

From the customer feedback, Feon's key strengths were highlighted as reliability, responsibility, quick and accurate deliveries, after-sales services, and electronic trading services.



Grade of work vitality
survey **4,1/5**
in 2022

Onvest Development - Employees

Onvest Development has a close-knit team consisting of three individuals, and the company fosters an atmosphere of trust. The employees feel comfortable raising potential areas for improvement. However, there has been no separate employee satisfaction survey conducted within the company.

Onvest Development - Customers

Onvest Development conducted a tenant satisfaction survey at the beginning of 2023, seeking feedback for the year 2022. The survey aimed to assess the smoothness of collaboration between tenants and Onvest Development, tenant satisfaction with the properties and office spaces, and their overall satisfaction with Onvest Development as a lessor. Additionally, for Vallila33 Business Park, feedback was collected regarding the property's services, including reception services, conference center, and the gym.

For Vallila33 Business Park, the survey was sent to all individuals working in the property, and for other properties, the survey was responded to by the contact persons who regularly interacted with Onvest Development. The response rate for Vallila33 Business Park was 53 indi-

viduals, and for other properties, it was 65%.

Based on the feedback received, Onvest Development received very positive ratings as a landlord. The Net Promoter Score (NPS) was 52, and the collaboration with Onvest Development received an average rating of 4.3 out of 5 when weighted by leased square meters.

In response to the feedback, Onvest Development will focus on several improvement areas for 2023. These include implementing better environmental monitoring at Vallila33 Business Park to address air ventilation and improving the property's services to better meet tenant needs. Additionally, charging stations for electric vehicles will be added to the properties.

The Net Promoter
Score, **NPS 52**
in 2022



Case - Onvest Development Tenant Satisfaction

Onvest Development aims to be a transparent and approachable lessor, focusing on providing an easy and smooth collaboration with its tenants. The company is committed to fostering long-term and functional partnerships and strives to be the most preferred and highly rated lessor with the highest customer satisfaction. To achieve this goal, the company conducted its first tenant satisfaction survey at the beginning of 2023, seeking feedback from its tenants for the year 2022. The survey yielded very positive results, with Onvest Development receiving an average rating of 4.3 out of 5, weighted based on leased square meters.

One successful project in collaboration with a tenant was the implementation and customization of an electronic maintenance log for a property located on Teollisuusneuvoksenkatu in Herttoniemi, Helsinki. The tenant, Dietatec Oy, is responsible for property maintenance at the location, and to facilitate guidance and monitoring, Onvest Development provided them with an electronic maintainan-

ce log application. Together with Dietatec and their maintenance partner, Onvest Development created and incorporated the tasks and descriptions for property maintenance into the electronic log.

Onvest Development
as a lessor
4,3/5
in 2022



”

The electronic maintenance log application has made property maintenance tasks easy and effortless to manage alongside other responsibilities, without requiring expert-level knowledge. With the use of the electronic log, transparency has been introduced into the management of tasks and responsibilities, ensuring clear visibility into the maintenance process.

*- Carl Hietala, Production Development and Sourcing Manager,
Dietatec Oy*

Developing our sustainability efforts

We aim to communicate our commitment to sustainability more extensively. On the group's website, we have a dedicated section for our sustainability initiatives, making the information easily accessible. We have established a comprehensive sustainability program for the entire group, and both our subsidiaries, Onvest Development and Feon, have also formulated their own sustainability programs, aligning with the group's framework. Puurakentajat, along with Teijo-Talot, which became a part of the Onvest Group in late 2022, have started communicating their own sustainability efforts on their respective websites and are actively working on improving their sustainability programs and reporting. It is our aspiration to communicate our sustainability efforts regularly while continuously enhancing them. To strengthen our focus on sustainability, we appointed Laura Hostikka as the Group's Sustainability Manager at the beginning of 2023.

Continuing work in line with our values

We also actively develop stakeholder cooperation both at the group level and through our subsidiaries. Our subsidiaries maintain active interaction with their

customers and suppliers. In addition to Onvest's management, our subsidiaries also engage with business partners and participate in various networking events. We are a respected partner, which is evident in the willingness of stakeholders to collaborate with us. Moving forward, we aim to continue being a respected partner for sustainable growth.

We are increasing our sustainability communication

We meet our stakeholders regularly

We are a respected partner

We care for the environment

We own sustainably. We promote circular economy and reduce greenhouse gas emissions. We improve well-being.



- ✓ We encourage and support our employees in environmentally friendly actions
- ✓ We monitor the emissions produced by our operations and actively work to reduce them
- ✓ We boldly embrace new technology to promote sustainable development
- ✓ We operate in accordance with circular economy principles
- *We will increasingly consider the circular economy, and our subsidiaries are developing approaches in this regard, such as using recycled steel and wood components, as well as sustainable construction methods.*

Environmentally friendly operations

Our subsidiaries encourage their employees to engage in environmentally friendly actions. These efforts are supported by their respective sustainability programs, which bring meaning and tangible impacts to employees' actions. Our aim is to enhance communication within the group and share tips for eco-friendly practices. Additionally, our subsidiaries have calculated their carbon footprints, and summarized them for inclusion in this report.


Feon - Carbon footprint

In recent years, there have been significant changes in Feon Oy's operations and as a result, also in its emission and energy consumption data. After the acquisition of Kontino's business at the end of 2020, Feon decided to consolidate and relocate the ex-Kontino operations to the Hattula Steel Service Center. The construction of a 6000 m² extension started in Hattula at the end of 2021, and the ex-Kontino operations were gradually moved there. All operations were relocated by June 2022, leading to increased consumption of both natural gas and electricity. In August 2022, Feon merged the former AluSteel and


Akaa Steel operations (Uusikaupunki and Akaa Steel Service Centers), which have been included in Feon Oy's figures since then.

At the beginning of 2021, Hattula switched to using carbon-neutral green electricity, and the carbon emissions from natural gas and light fuel oil were compensated through reforestation. Due to the expansion of the warehouse, more energy was consumed than anticipated, and the remaining carbon emissions were added to the 2022 compensations. At the end of 2022, Hattula switched from using natural gas to biogas.


Feon's goal for 2023 is to calculate precise carbon emissions for its products based on environmental product declarations (EPD documents) obtained from suppliers, as well as calculate the carbon emissions from procurement transports. The carbon emission calculations for sales transports are already completed. With this information, Feon will be able to provide its customers with accurate figures on the carbon emissions associated with their purchased products and related supply chains.



| Feon Oy | 2020 | 2021 | 2022 |
|--|--------------|---------------|---------------|
| Scope 1: Direct emissions (tn) | | | |
| Natural gas | 150,4 | 1641,4 | 665,5 |
| LPG | | | 131,1 |
| Biogas | | | 0 |
| Light fuel oil | 13,3 | 23,6 | 25,0 |
| Scope 2: Indirect emissions (tn) | | | |
| Purchased electricity | | | |
| Market based | 439,4 | 270,8 | 205,3 |
| Location based | 236,3 | 362,9 | 367,4 |
| Total emissions (Scope 1-2) | 603,1 | 1935,8 | 1026,9 |
| Specific emissions, tnCO₂/mEUR | 10,5 | 13,3 | 5,8 |



| Hattula steel service center | 2020 | 2021 | 2022 |
|---|--------------|--------------|--------------|
| Scope 1: Direct emissions (tn) | | | |
| Natural gas | 150,4 | 167,6 | 96,8 |
| LPG | | | 0,0 |
| Light fuel oil | 13,3 | 23,6 | 22,0 |
| Scope 2: Indirect emissions (tn) | | | |
| Purchased electricity | | | |
| Market based | 439,4 | 0,0 | 0,0 |
| Location based | 236,3 | 201,9 | 249,9 |
| Total emissions (Scope 1-2) | 603,1 | 191,2 | 118,8 |
| Emissions compensated | | 140,0 | 225,0 |



| Energy consumption (MWh) | 2020 | 2021 | 2022 |
|---------------------------------------|--------|--------|--------|
| Natural gas | 845,0 | 9169,8 | 3717,6 |
| LPG | | | 562,7 |
| Biokaasu | | | 173,9 |
| Light fuel oil | 50,1 | 101,1 | 151,2 |
| electric | 2386,6 | 3985,3 | 3710,8 |
| Solar electricity produced in Hattula | 1,2 | 80,5 | 96,3 |

Emission factors: OpenCo2.net and electricity companies. Calculation: Feon Oy.

Puurakentajat Group - Carbon footprint

Puurakentajat Group has calculated both its corporate carbon footprint and product-specific carbon footprint for the CLT (Cross-Laminated Timber) cubic meter. The corporate carbon footprint represents the greenhouse gas emissions caused by the company's operations, while the product-specific carbon footprint reflects the climate impact of the product throughout its entire life cycle. The carbon footprint calculation for Puurakentajat was conducted for the year 2020, following the GHG Protocol Corporate Accounting and Reporting standard.

In 2020, Puurakentajat's corporate carbon footprint was 603 tCO₂e, considering emissions within the selected scope 1-3 boundaries. Scope 1 and 2 emissions include the company's own operational emissions, such as electricity and district heating consumption in office premises, as well as fuel consumption from company-owned vehicles, amounting to a total of 62 tCO₂e. The scope 3 emissions were 540 tCO₂e. Scope 3 emissions take into account various aspects, including emissions from materials (included in the delivered content), material transportation, waste ge-

nerated on construction sites, construction site electricity, fuel consumption of rented vehicles, and fuel production.

On the other hand, the buildings supplied by Puurakentajat sequestered 4,292 tCO₂e of carbon, indicating that carbon sequestration was seven times higher than the carbon footprint. The carbon footprint calculation was carried out by Green Carbon.

Scope 1-3 emissions from
Puurakentajat Group
603 tCO₂e
in 2020

Scope 1-2 emissions from
Puurakentajat Group
62 tCO₂e
in 2020

Buildings supplied by Puurakentajat sequestered carbon
4 292 tCO₂e
in 2020



Onvest Development - Carbon footprint

Onvest Development aims to achieve carbon neutrality in terms of its property's energy use by 2025. However, this goal does not directly include properties where the tenant is responsible for their own electricity and heating energy procurement. Nevertheless, Onvest Development encourages its tenants to reduce energy consumption and adopt carbon-neutral practices. The company's objective is to achieve carbon neutrality without resorting to offsetting measures.

The carbon footprint calculation follows the GHG Protocol guidelines, dividing emissions into scope 1-3. Scope 1 emissions include emissions from vehicles owned by Onvest Development. Scope 2 emissions encompass emissions resulting from purchased energy production for the properties where Onvest Development is responsible for maintenance. Scope 3 emissions cover indirect emissions from value chains, which result from various procurement activities. Additionally, scope 3 includes energy consumption from two properties that are capital lease locations. In total, Onvest Development's emissions in 2022 amounted to approximately 642.8 tCO₂e. The business-specific scope 1 and 2 emissions were 24.8 kgCO₂/m².

The goal is to be carbon neutral in terms of the energy consumption of the property portfolio by 2025

| Carbon dioxide emissions, tCO ₂ e | 2018 | 2019 | 2020 | 2021 | 2022 |
|--|--------------|--------------|--------------|--------------|--------------|
| Scope 1: Direct emissions | | | | 0,2 | 0,4 |
| Company cars | | | | 0,2 | 0,4 |
| Scope 2: Indirect emissions* | 466,0 | 464,9 | 422,9 | 489,0 | 410,9 |
| Purchased electricity | 194,5 | 205,6 | 191,2 | 187,7 | 179,8 |
| Market based | 194,5 | 205,6 | 191,2 | 187,7 | 179,8 |
| Location based | | | 119,1 | 107,4 | 112,0 |
| Purchased district heating | 271,5 | 259,3 | 231,7 | 301,3 | 231,1 |
| Market based | 271,5 | 259,3 | 231,7 | 301,3 | 231,1 |
| Location based | | | 217,0 | 295,2 | 218,2 |
| Scope 3: Other indirect emissions | | | 85,0 | 306,9 | 231,5 |
| Acquisitions | | | | | |
| Property maintenance and service | | | | 28,7 | 28,9 |
| Renovations and repairs | | | | 187,7 | 107,9 |
| Water | | | | | |
| Water, sewage treatment** | | | | 0,6 | 0,7 |
| Water, water production** | | | | 0,01 | 0,01 |
| Waste** | | | | 4,6 | 5,6 |
| Electricity for capital rental properties*** | | | 40,2 | 41,9 | 41,4 |
| District heating for capital rental properties*** | | | 44,8 | 43,4 | 45,4 |
| Waste from capital rental properties**** | | | | | 1,6 |
| Total emissions | 466,0 | 464,9 | 507,9 | 796,1 | 642,8 |
| Specific emissions, kgCO ₂ e/m ² ***** | | | | 29,5 | 24,8 |

* In the combined figure, a market based figure has been used.

** The calculation includes properties where Onvest Development is responsible for maintenance.

*** In capital rental properties, electricity and heat are the tenants' responsibility.

Included in the calculation are two properties with estimated average consumption readings.

**** One capital rental object is included in the calculation.

***** Scope 1 and 2 emissions are included in the calculation

Case - Puurakentajat Haagan Artturi

Haagan Artturi is an eleven-apartment, four-story solid wood apartment building located in the heart of Etelä-Haaga. It represents modern, ecological construction, which is a specialty of Puurakentajat.

Haagan Artturi is Puurakentajat's first self-produced prefabricated element project. The elements are manufactured at Timberpoint Oy's Loviisa factory, which is part of their product line. The high level of prefabrication and the warm factory environment enable exceptionally high-quality prefabricated element production. All work stages can be performed quickly, precisely, and efficiently in the heated factory hall, taking into account improved occupational health and safety measures.

The Haagan Artturi project meets the highest environmental requirements from all perspectives. As an infill construction project, it does not require new infrastructure, and it is built using renewable construction materials. The building has an A-class energy rating

and is heated with cost-effective and ecological geothermal energy. It also includes provisions for future solar panel installation. The living comfort is enhanced with water-circulating underfloor heating. The surroundings of the building offer green views, bringing nature and the proven health benefits of wooden surfaces close to the residents of Artturi.



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The project is fully in line with Puurakentajat's strategy. We are committed to building ecological and high-quality structures efficiently using solid wood, without the use of vapor barrier films. While conventionally constructed buildings of a similar size emit approximately 156 tonnes of CO2 equivalent, the structure of this project, made from solid wood, sequesters around 330 tonnes of CO2 equivalent. This achievement is only possible through the use of solid wood construction.

- Mikko Leino, CEO, Puurakentajat Group Oy

Utilizing innovations

In our group, we boldly embrace new innovations, and each of our subsidiaries implements this approach in their respective fields. At Onvest Development, the focus in property development is on new low-carbon solutions, adaptability, and the opportunities brought by digitalization. Feon, with its steel service business, actively contributes to the development of industry sustainability by introducing increasingly greener and more sustainable product options. Meanwhile, Puurakentajat is Finland's most experienced builder of large-scale solid wood structures, and they are leading the way in advancing Finnish wood construction.

Operation in accordance with the principles of circular economy

We consider promoting circular economy practices important. Our subsidiaries are already taking concrete measures towards circular economy, and we aim to continuously find new ways to advance circular economy principles.

In our real estate business, we prioritize the design of new buildings with adaptability and the reuse of materials in mind. Additionally, in the field of timber construction, wood material can be repurposed even after a building's

lifecycle is complete. In our steel service business, circular economy principles are applied through recycling scrap material and expanding the range of products made from recycled steel.

Creating new things
is our passion

Onvest Development
Real estate development

Feon Oy
Greener solutions in the
steel business

Puurakentajat
Promotion of wood
construction



We act as a partner for sustainable growth

Our business is ethical. We take care of the environmental sustainability and the sustainability of our supply chains. We consider the risks and opportunities of climate change in our operations.



- ✓ We conduct ethical business and take our social responsibility seriously.
- ✓ We are committed to long-term and sustainable development and ownership.
- ✓ We actively monitor the sustainability efforts of our business operations and partners
- ✓ We identify climate change-related risks and opportunities and monitor their progression - *The risks and opportunities will be defined as part of our strategy renewal process*

Ethical business

Onvest is a family-owned company that takes its social responsibility seriously. We are a long-term player, aiming to create value through responsible and sustainable ownership that spans generations. We pay our taxes in Finland.

We annually report on the entire group's sustainability efforts and work closely with our business units under the guidance of our sustainability manager. Sustainability is also evident in our collaborations with partners.

Parent company Onvest has a Code of Conduct, which is also followed by Onvest Development. Feon and Puura-kentajat have defined their own ethical guidelines, aligning with the group's sustainability principles.

Financial figures

In 2022, Onvest Group's revenue was 215.5 million euros. The entire group had a total of 225 employees, showing a 3% increase compared to the previous year. The parent company had three employees during the same period.

The risks and opportunities of climate change

The risks and opportunities of climate change have been defined for the real estate business. The definition will also be carried out for other businesses and at the overall group level as part of the strategy renewal.

The entire group had
a total of **225** employees
in 2022

Operating profit
6.70 M€
in 2022

Revenue
215.5 M€
in 2022



Case - Feon Sustainability of supply chains

In recent years, Feon has increasingly focused on the sustainability of its supply chains and the carbon emissions caused by the products it procures. They have sought low-carbon alternatives for each product category and collaborated with suppliers to develop Environmental Product Declarations (EPDs) that disclose the environmental impacts of the products.

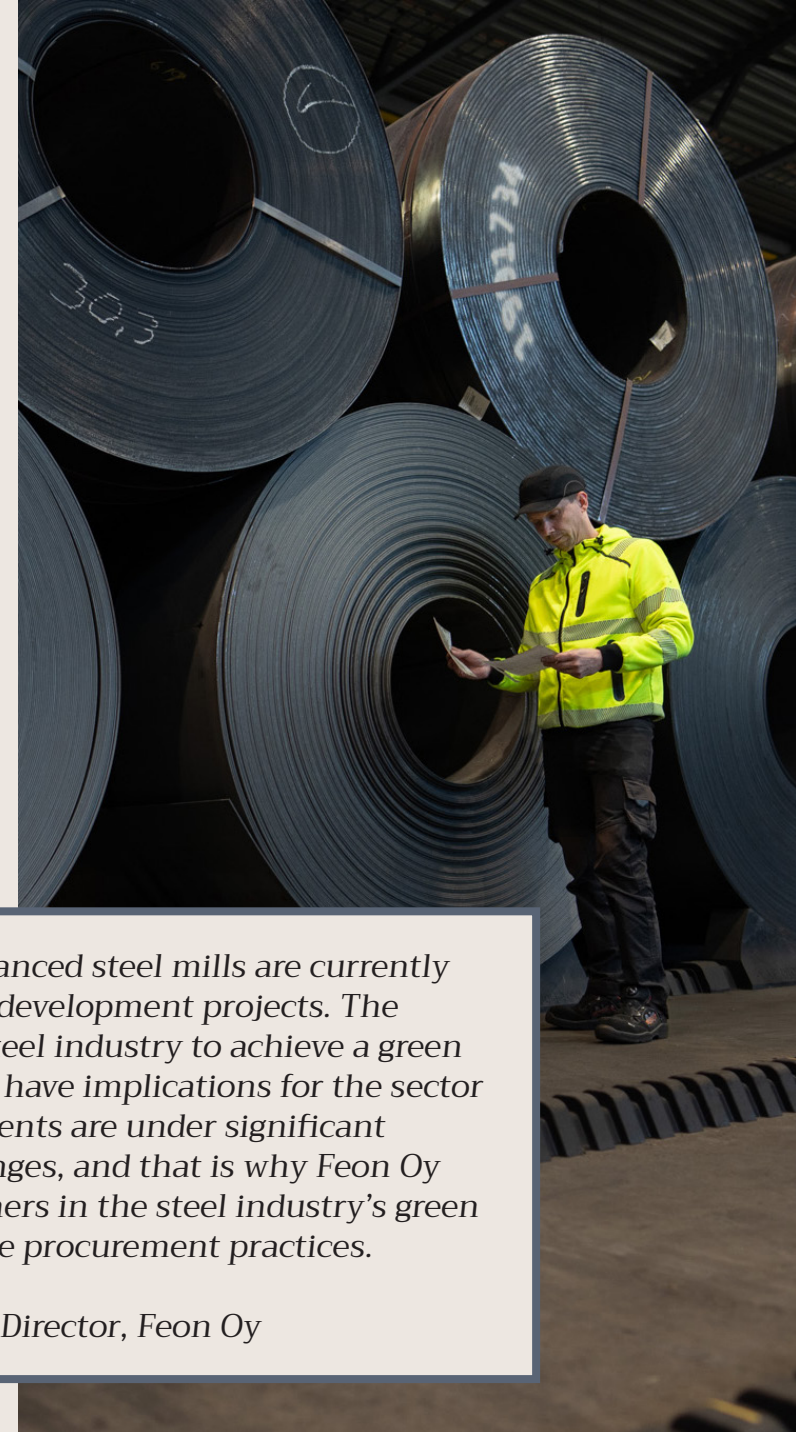
Feon has developed its own Supplier Code of Conduct, and all of its suppliers are committed to following the guidelines that address various sustainability themes. Moreover, they have established a pre-audit process to assess the sustainability of subcontractors, ensuring that they adhere to Feon's safety and environmental principles.

To monitor the performance and sustainability of all suppliers, Feon has implemented a real-time Supplier Score Board. This tool allows them to evaluate supplier performance and identify potential areas for improvement during supplier meetings.

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It is evident that nearly all advanced steel mills are currently engaged in various green steel development projects. The investments required for the steel industry to achieve a green transition are massive and will have implications for the sector for decades to come. Procurements are under significant pressure to adapt to these changes, and that is why Feon Oy also aims to support its customers in the steel industry's green transition as part of sustainable procurement practices.

-Juha Pakomäki, Procurement Director, Feon Oy



ONVEST

Onvest – A family-owned
partner for sustainable growth

In cooperation

