

# ENSTO

## Sustainability Report 2019



**Better life.**  
With electricity.

Contributing to Build a More  
Sustainable World

[ensto.com](https://ensto.com)

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# Message from the CEO:

## Better life with electricity. Sustainably.



The year 2019 has been a year of changes. We have reorganized our business, simplified our processes, consolidated factories, outsourced some production, and reduced fix costs. The changes have enabled us to focus on our core business and activities that bring added value to the company. Big changes are never easy but they are often necessary to maintain a healthy business.

The world around us is changing increasingly fast especially during this year 2020 which has shown that we must be agile and ready to adjust our business accordingly. Covid-19 has been a powerful factor in changing our way of working, forcing us to modify our daily habits and focus on the most important fact of all – the safety of people.

We at Ensto have so far survived this exceptional time surprisingly well by focusing on the health and safety of people and the company – in a positive fighting spirit.

In the upcoming years, we want to focus on reinforcing the work environment where creativity and innovativeness thrive our culture. Ensto people are our first priority, and we encourage our experts to make full use of their talent; to be enthusiastic and creative. We want to offer them work that has a meaning in an environment where employees feel part of the

Ensto family. I believe that collaboration and an in-depth understanding of customers' businesses lead to mutually profitable growth. Together we reach for the highest performance in our operation, products and services.

### Continued commitment to UN Global Compact

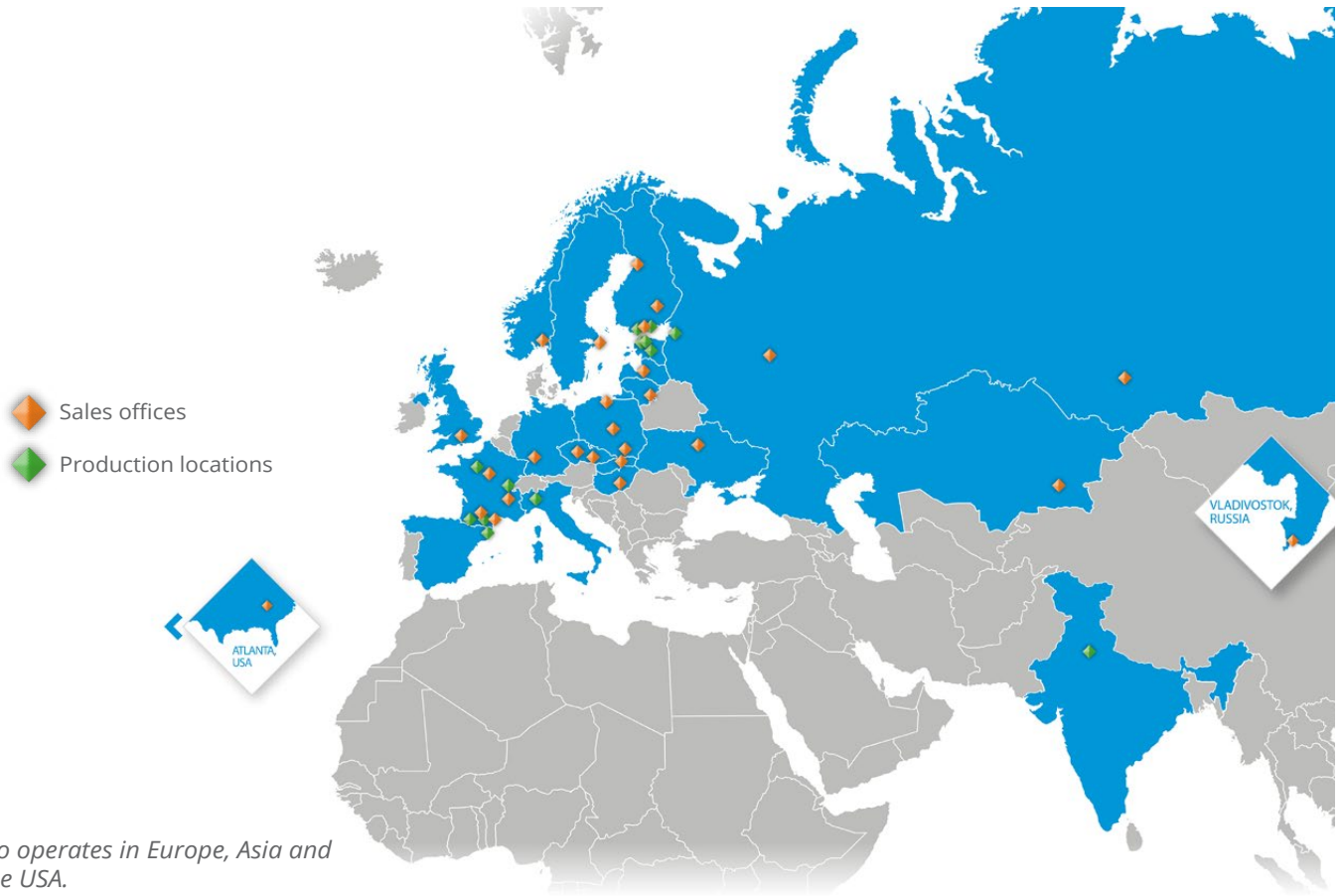
Like previous years, I am pleased to confirm that Ensto reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment and Anti-Corruption. This sustainability report includes UN Global Compact report. In the report, we describe our actions to continuously improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations.

I hope you enjoy reading this report and wish that you will follow our sustainability progress in the future too.

Let's continue to fight for matters which are important to us.

Hannu Keinänen  
President and CEO, Ensto Group

# Ensto briefly



Ensto operates in Europe, Asia and in the USA.

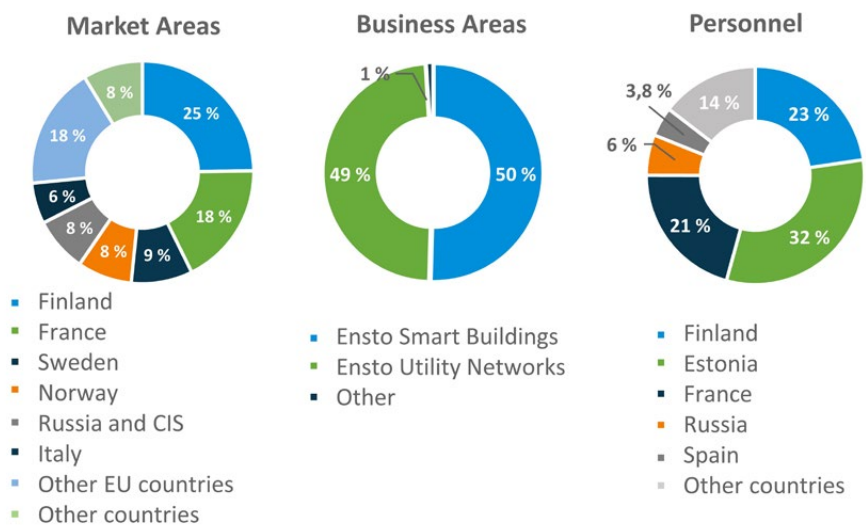
Ensto, an international technology company and a family business, was founded in 1958 and employs ca. 1,400 passionate professionals in Europe, the USA and Asia. In 2019, we generated turnover of ca. 260 million euros. We believe in a better life with electricity and a more sustainable tomorrow.

Ensto is a limited company, owned by Ensto Invest Oy. In 2019, Ensto had two businesses: Ensto Smart Buildings and Ensto Utility Networks.

Ensto has its headquarters in Porvoo, Finland and operates in 19 countries and sales to ca. 100 countries. Ensto has production facilities in seven countries: Finland, Estonia, France, Spain, Italy, Russia and India.

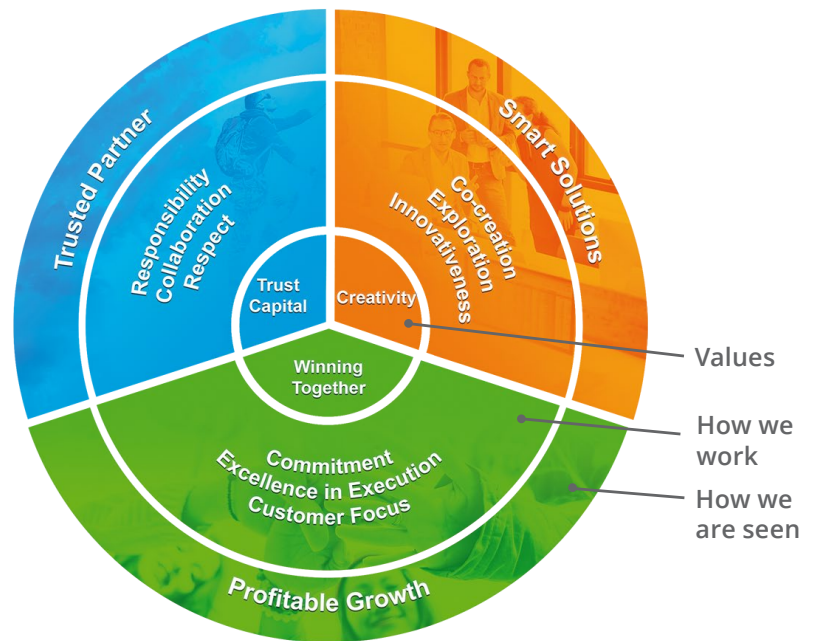
Ensto's products are sold under the Ensto brand. Ensto's business model is mainly business-to-business. In some market areas, our business is done via wholesalers and distributors, and our

biggest customers are utilities, contractors, designers, construction companies, building owners and facility management and fleet owners.



# Our values

Ensto's values describe what we stand for and what we expect of others. Our values are what we know to be true, what underlie everything that takes place in our organization; they define how we work, and how we work defines how we are seen externally.



## Trust Capital

Trust is the basis for everything we do, and it must be earned every day.

Human centricity, openness and responsibility are visible in every action we take. We always keep our promises, which makes us a Trusted Partner.

## Winning Together

We are a family business with family values. We collaborate, understand our customers' business and are excellent in execution. This leads to mutual Profitable Growth.

## Creativity

Creativity drives innovativeness and we want to explore new technologies and business models. Together with our customers and other partners, we create Smart Solutions.

# Our vision

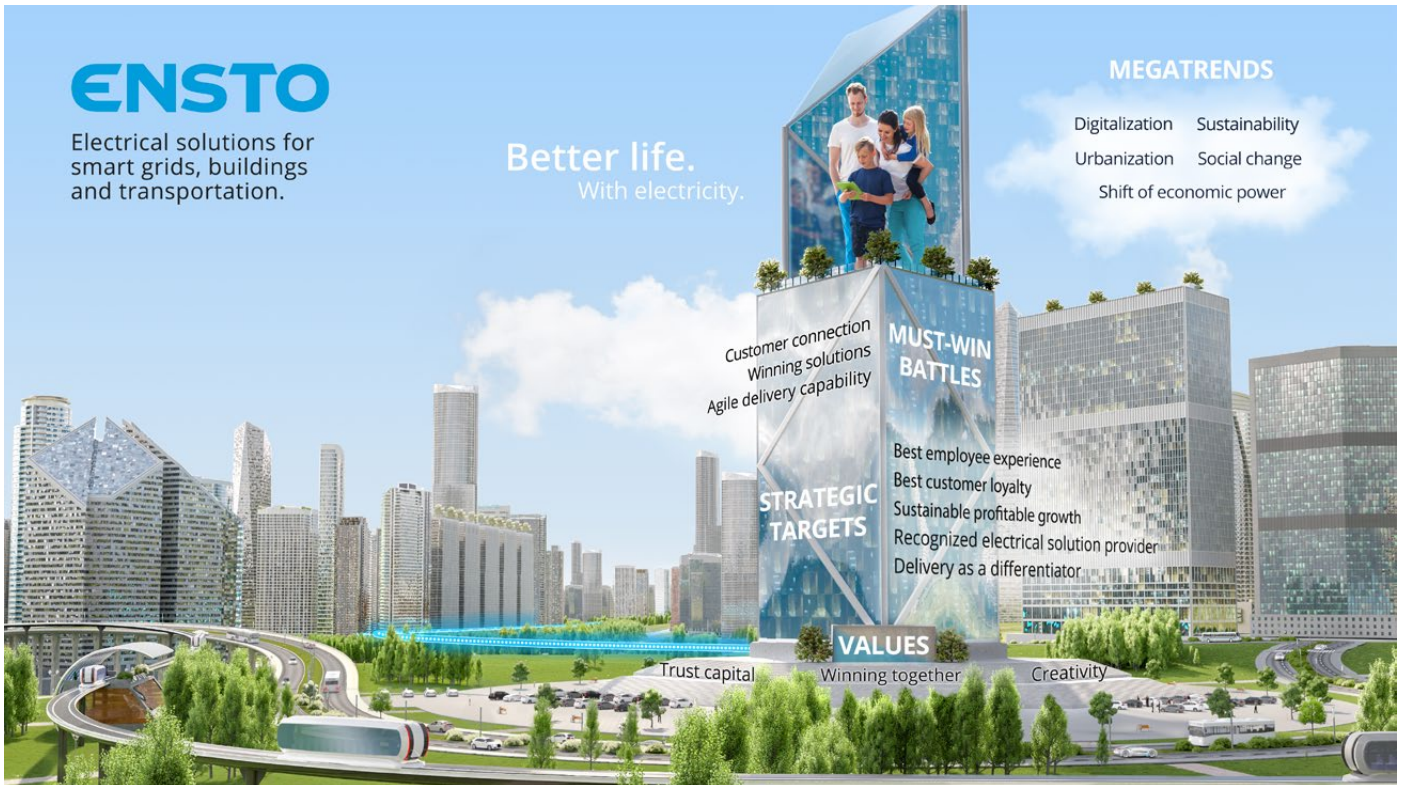
## Better life. With electricity.

At Ensto, our vision is to create Better life. With electricity. We design and provide smart electrical solutions to improve the safety, functionality, reliability and efficiency of smart grids, buildings and transportation.

Smart electrical solutions for infrastructure and buildings enable better and more sustainable life for all of us.



# Our strategy



Ensto's current strategy was launched in 2017 for the years 2017-2020. New strategy has been launched in the autumn 2020.

Our strategic targets (2017-2020) are:

- Best employee experience
- Best customer loyalty
- Sustainable profitable growth
- Recognized electrical solution provider
- Delivery as differentiator

We provide electrical solutions for smart grids, buildings and transportation. Our solutions improve safety, functionality, reliability and efficiency. We are the trusted partner as we always keep our promises. Our goal is to build close and long-term customer relationships. For us it is important to be able to fulfill customer promises accurately and efficiently through end-to-end supply chain control of core offering elements.

We want to explore new technologies and business models and find solutions for our customers by collaborating with them. We seek growth in service business and from new solutions. We have also set a target to increase our revenue from geographic expansion.



# Value creation

## Customers:

We provide electrical solutions for our customers, improving energy efficiency and focusing on sustainable development. We create value by working closely with our customers to find best solutions for their needs. We provide long lasting solutions that help our customers build profitable business. For our end customers we create value by providing solutions that are easy to use they last long and have positive impact on the environment.

We help our customers electrify buildings and transportation and improve user experience. We provide products to build long lasting utility network and solutions that enable our customers to manage network easily. We also provide educations and courses for our customers (Ensto Pro Trainings).

## Employees:

Ensto offers meaningful work and opportunities for talented people. We want to improve the well-being of our employees. At Ensto well-being consist of safe working conditions, good leadership, motivating working environment and meaningful work. We encourage into team working, as we believe that together we are able to find best solutions.

Read more on chapter Best Employee Experience.

## Society and environment (nature):

Ensto offers solutions that help society become more electrified by providing solutions to build modern infrastructure. Our solutions increase well-being (e.g. Ensto Workspaces control system), contribute in decreasing particulate emissions (read more on chapter Smart Solution Creation) and decrease the time of power failures (products for underground cable networks and network automation). We also support community by sponsoring and through other donations (read more on chapter Stakeholder engagement).

We do business taking environment into account by decreasing our own energy usage, water consumption and waste generation. We provide energy efficient products and solutions that contribute to fight against climate change (e.g. electric vehicle charging, flexible power systems to manage solar electricity). We decrease the usage of excess material and production of waste by providing solutions with long lifetime. Read more on chapter Smart Solution Creation.

## Owners:

Ensto seeks growth from new solutions and from new regions. We do business sustainable and in ethical manners through the whole value chain.

## Value created

**Customers:** high quality solutions, professional partnership, knowhow, profitable business



**Employees:** meaningful work, well-being, competitive salary



**Society and environment:** tax payment, sponsoring, positive impact on local communities, energy efficiency, responsible operation



**Owners:** sustainable profitable growth



**Value creation foundations:** values, company policies, risk management, engaged employees, trusted partners, sustainable business, professional leadership



# Company changes



## Changes in the corporate structure

Ensto's business structure was changed in the 2019 for better alignment with our strategy and to lower and streamline our structure, simplify our operating models and processes. Ensto has now two business units, which are Ensto Smart Buildings and Ensto Utility Networks.

Ensto Smart Buildings is focused on electrification, lighting and electric vehicle charging solutions. Ensto Utility Networks is focused on overhead line, underground cable, network automation, power quality and network monitoring solutions.

## Changes in sales units

Due to difficult market situation and modest outlook in Ukrainian market, Ensto has closed down its Ukrainian sales company. The legal shutdown was completed in the end of 2019. Business in Ukraine continues via Export Sales from Finland. This transaction is a part of a Group-wide change program with the target to improve Ensto's profitability and strengthen the company's position as a competitive provider of electrification solutions.

## Acquisitions

In 2019 Ensto acquired Workspaces business from control system supplier Mount Kelvin. Ensto continues to develop Ensto Workspaces solution as part of Ensto Smart Buildings business unit. Ensto Workspaces is an open IoT solution that provides lighting control and superior conversion flexibility, as well as other value-added services such as office utilization rate measurement, presence information and, in the future, other services that bring added value.

## Changes in operations

In 2019 Ensto has closed its luminaire factory located in Lohja, Finland and transferred its production to Porvoo, Finland and Paide, Estonia.

Ensto has simplified its legal corporate structure to match the organizational structure and has merged Ensto Lighting OÜ to Ensto Ensek AS in Estonia as of March 1, 2019. The personnel has moved from Ensto Lighting to Ensto Ensek and the employment relationship will continue as before, and the business continues in Paide.

Ensto has closed its factory in Vernon, France and transfer its production to the other factories of Ensto France SAS. The Vernon factory has been specializing in manufacturing customizable electrification systems for the distribution of energy, sound, data and image recordings.

The closure of the factories were part of the change program for the entire Group where Ensto has renewed its operations and organizational structure to meet the company's strategic targets and the company's financial and market situation. By reducing the number of factories, Ensto is able to improve the utilization rate at the remaining plants and thus improve the profitability of the business and products.



# Sustainability at Ensto



For us sustainability means responsible operation in all our actions throughout the whole supply chain. We constantly seek ways to reduce our energy consumption and operate more efficiently. We concentrate our efforts in the areas that account for most of our environmental impact to effectively enhance our overall performance; namely the use of raw materials, the consumption of electricity and the generation of non-recyclable waste.

We contribute to building a better society with electricity by providing smart solutions and services for our customers, improving energy efficiency and focus-

ing on sustainable development. To accomplish this, we aim to be at the front line of the electrical systems and supplies industry in producing clean, recyclable, trusted, and innovative products and solutions that have a long lifetime and a low environmental impact over their life cycle. We do our utmost to run our business in ethical manners through the whole value chain.

We value human rights, and health and safety working conditions and expect our suppliers to do so too. We are committed to promote responsible practices in our supply chain, while ensuring that our sourcing and supplier relation-

ships deliver a competitive advantage. We expect our suppliers and partners to respect our values, policies and way of doing business when engaging in business activities with us. We see sustainability as part of our everyday actions.

Sustainability at Ensto is led by the Sustainability Steering Team. It has representatives from Group Brand and Communications, Group Sourcing, Operations, Human Resources and Product Development. The Chairman of the Steering Team is the Senior Vice President responsible for sustainability at Ensto.

## Sustainability Themes

We have defined four sustainability themes by focusing on our main stakeholders' needs and requirements. These focus areas are put into practice through action plans that are followed at all levels of the organization. Theme owners have been appointed by the Ensto Management Team. These persons are responsible for developing and enhancing these themes.

**Best Employee Experience:** The target of Best Employee Experience is to attract, develop and retain the best talents.

**Smart Solution Creation:** Smart Solution Creation concentrates on supporting customers in sustainability by creating smart and safe solutions with low environmental impact.

**Responsible Sourcing:** In Responsible Sourcing we concentrate on increasing transparency in sourcing activities.

**Lean Manufacturing and Delivery:** Within the theme Lean Manufacturing and Delivery we concentrate on efficient operation by reducing energy consumption and material wastage, minimizing environmental impacts and utilizing circular economy.



# Ensto and United Nations Sustainable Development Goals

Ensto has selected seven [United Nations Sustainable Development Goals](#) that we have the most impact on. The UN Sustainable Development Goals are a worldwide action plan – the 2030 UN Agenda – to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. By integrating the selected goals to our business, we can better assess our impact on sustainable development and find new business opportunities. At Ensto, we see electricity as a solution to make life better and we believe that electrical industry has a significant impact in reaching the UN Sustainable Development Goals.

## 7. Affordable and clean energy:

We develop solutions for solar electricity production and develop micro-grid technology which enable integration of renewable energy sources to rural communities.

## 8. Decent work and economic growth:

Our business has a positive economic impact on communities through employment and taxes. We take care of our employees by developing health and safety working environment. We manage human and labor rights risks in our own operations and in our supply chain.

## 9. Industry, innovation and infrastructure:

We provide smart and safe solutions with low environmental impact and minimum life cycle energy demand.

## 11. Sustainable cities and communities:

We offer smart, human-centric and flexible electrification, lighting and EV charging solutions, which increase efficiency and functionality in buildings and help them to respond to user's needs. We are building an advanced smart grid with solutions for network automation, power quality and network monitoring.

## 12. Responsible consumption and production:

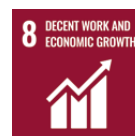
We constantly try to minimize our waste generation and increase recycling rate. We design our products taking material efficiency into account. We aim to high quality and produce robust products with long life time.

## 13. Climate actions:

We aim to decrease our own electricity consumption and lower our indirect emissions (e.g. from logistics). We increase environmental awareness of our own employees.

## 17. Partnerships for the goals:

We work closely with our suppliers to increase quality and increase environmental awareness. We work with our partners to research and develop new technologies.





# Ensto's Sustainability targets

In 2020 we have clarified our sustainability work by determining short-term sustainability targets for the year 2020. These targets are set for each sustainability theme which are described in the chapter Sustainability themes.

The targets concern the whole company and they help us to focus our work and prioritize our sustainability projects. The targets are presented in a nutshell in Ensto's sustainability one-pager (below). As similar targets were not set for 2019 we report the current status of themes in 2019.

We are planning to set long term sustainability targets, which will be reported in the Sustainability report 2020.



## Better life with electricity. Sustainably. 2020



We truly care for our people

### BEST EMPLOYEE EXPERIENCE

- Taking care of employee wellbeing and competence development
- Building a strong company culture with engaged people



### OBJECTIVE | TARGET

Reduce sick leaves	- 10 %
Reduce accidents at work	Zero accidents
Completed Code of Conduct eLearning	100 %
Completed iGROW discussion	100 %
Improve employee engagement	+ 10 pp



We provide smart, safe and sustainable solutions

### SMART SOLUTION CREATION

- Smart and safe solutions
- Solution with low environmental impact through whole life cycle



### OBJECTIVE | TARGET

Turnover of products	> 30 %
less than 3 years old	
Communicate positive environmental actions	Create a handprint measure



We are committed to responsibility of our actions

### RESPONSIBLE SOURCING

- Transparency in sourcing activities
- Honoring human rights
- Following the Ensto Supplier Policies



### OBJECTIVE | TARGET

Implement Supplier Code of Conduct	Compliance confirmed 100 %
Risk suppliers identified and audited	Sustainability audits conducted 100 % Non-conformities corrected 100 %
Optimize purchased material stocks	Define performance indicators and set targets



We strive for operational excellence

### LEAN MANUFACTURING AND DELIVERY

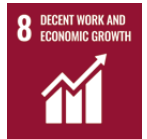
- High quality, safe and energy efficient production methods
- Minimizing the environmental impacts of our manufacturing and logistics



### OBJECTIVE | TARGET

Reduce energy consumption	-1 %
Improve recycling percentage	+3 %
Increase ISO 14001 factory coverage %	+20 %

# Best Employee Experience



At Ensto we see our employees as the greatest asset of the company. As a family business, we value the dedication, motivation, and spirit that Ensto people demonstrate in their daily work. We believe that satisfied, happy and professional employees serve our customers best.

We value diversity, openness and competence of our people and meaningful work. We treat each other with respect and

welcome new employees warmly to the Ensto family. We truly care for our people and, together with our employees, take responsibility for their well-being.

We do our utmost to provide a safe and rewarding working environment and offer a high-quality occupational health care. We want to be an attractive employer for both current and potential employees.

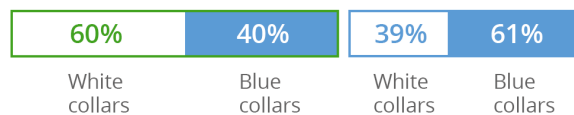
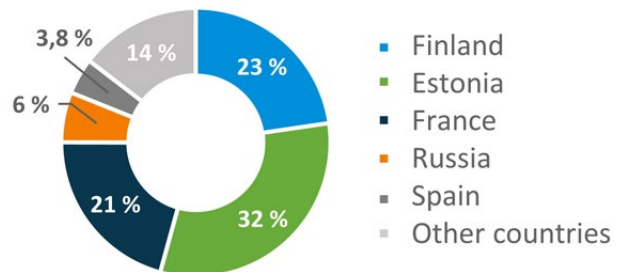
## Our people

At the end of 2019 Ensto employed 1,341 people of which 1298 (96 %) had full-time employment contract. Ensto has employees in 19 countries from which production in 7 countries and R&D in 5 countries. The majority of our employees are located in Estonia (32 %), Finland (23 %) and France (21 %).

Our employee base is relatively evenly distributed in terms of age and gender and there have not been big changes over the years. At the end of 2019, 43% of our employees were female and 57% male.

We value all people and factors like one's gender, nationality, ethnicity, sexuality or age have no weight in our recruiting decisions. We also consider factors such as nationality, ethnicity, physical ability, in addition to education, and work experience, as important aspects of diversity. We provide equal opportunities to all of our employees, but do not actively gather data on aforementioned factors.

### Personnel





## Healthy and safe working environment

At Ensto we want to provide a healthy and safe working environment for our employees. We are committed to developing and applying effective occupational health and safety systems and practices. We do our utmost to provide a safe and rewarding working environment and offer a high-quality occupational health care.

Main principles concerning health and safety are set in our Health and Safety Policy. The compliance of our main policies

is reviewed at least once a year by the Ensto Management Team in management reviews and new version of Health and Safety Policy will be published in 2020.

The main health and safety development methods are Safety War Room practice in our factories, internal and external audits, health and safety walks and risk mappings. We also provide our employees with regular safety trainings.

## Continuous improvement towards zero accidents

We aim at zero accidents and are constantly developing our safety procedures in order to achieve our goal of becoming an accident-free workplace.

Unfortunately in 2019, 22 accidents occurred at work, meaning that our accident frequency rate (LTIF 4) was 6,9 acci-

dents per million hours worked (accidents more than 3 days sick leave). LTIF1 was at the same level than in 2018. The table below shows the occupational accident frequency rates in Ensto's manufacturing countries.

Key safety figures	2019	2018	2017
LTIF1	9,4	9,5	12,4
LTIF4	6,9	5,6	12,4

LTIF = lost time incident frequency per million working hours – this describes the number of accidents at work, which have caused sick leave

LTIF1 = accidents at work which caused 1 or more days sick leave = Medium

LTIF4 = accidents at work which caused 4 or more days sick leave = AFR = Serious





## Well-being of our employees

At Ensto we believe that satisfied, happy and healthy employees are more productive and lead to satisfied customers. Well-being at work is a set of preventive, comprehensive and systematic actions where everyone in the organization is involved. We aim to prevent work-related illnesses and maintain and improve working capability.

The well-being work at Ensto is led by the Well-being Steering Team, which is the governing body to develop the well-being framework on Ensto Group level. Members of the steering team are HR representatives. The Well-being Steering Team follows up the agreed actions, suggests well-being topics to the Ensto Management Team's agenda and proposes well-being goals and metrics for approval.

Health and safety matters have the highest priority and individuals' own responsibility is crucial. Ensto supports em-

ployees in this by providing different tools and possibilities to maintain and develop own skills and competences needed in one's daily work, to participate in developing one's own work, and in other development projects. Ensto provides and organizes occupational health care services for our employees according to local requirements.

Following means are used to support employee's well-being (local variations possible to enable best fit to the local culture and traditions):

- Development discussion
- Employee surveys
- Early support model
- Supporting sports activities
- Trainings to ensure needed competences (e.g. Ensto Academy)

## Listening our people

One of the tools in caring for the wellbeing of our employees is the Best Employee Experience survey. The surveys help us gather valuable information about our employees' opinions and what are the most important things for our people. The survey gives us a tool to develop our activities and identify practices that will make Ensto a better place to work.

In 2019 the Best Employee Experience survey was carried out in the end of the year after the big organization changes had been completed. Response rate was 78 %, which was slightly higher than previous year (72 %). 72 % of respondents were satisfied with Ensto as a workplace and it is at the same level as last year. This is a very good result, and indicates that we have great potential in creating the best employee experience together. The chart presents overall job satisfaction in more detail.

As a result of the Best Employee Experience survey we also received our own LIT Index. The LIT Index is used to describe the passion and motivation levels of employees, i.e. how "on fire" or excited we are at work. The LIT Index is an average of the realization of factors, which are of importance to the employee (the selected 5 things in total) at the workplace. The index does not take into account what the significant things selected by an employee are, but how they are realized in the employee's experience. The LIT Index of Ensto people show that on average 69% of us are "on fire" of our work. The figure is exactly the same as last year.

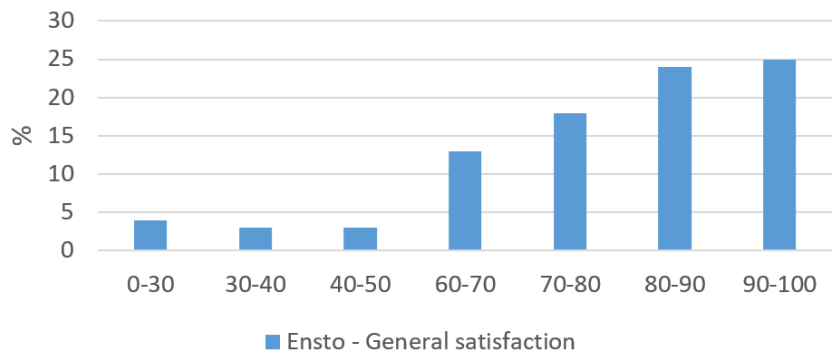
*Response rate 78 %, overall satisfaction 72 %, LIT index 69, eNPS -10*



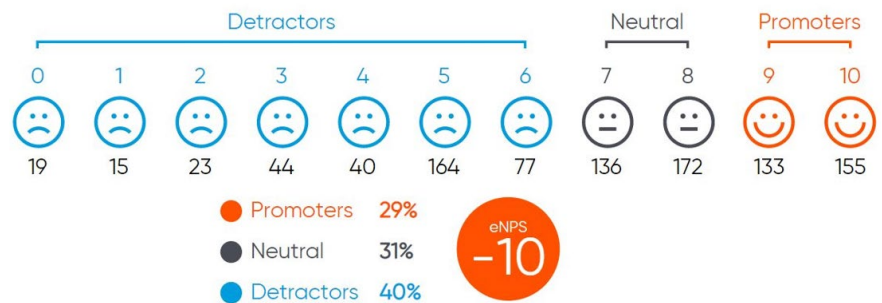
In our Best Employee Experience survey we also measure Employee Net Promoter Score (eNPS), which is internationally comparable score showing how engaged employees are. It is measured by asking how likely is it that you would recommend your employer to a friend or acquaintance. eNPS is calculated as follows: promoters (9-10) – detractors (0-6) / all respondents.

In 2019 eNPS was -10, which has slightly declined from last year (-6). It basically means that only 29 % of our employees are willing to promote Ensto as a workplace. This number can be anything between -100 – 100, a number 20 already being good. The decrease of eNPS results most likely from big organizational change, where we had to farewell a number of employees.

## Ensto - General satisfaction



Respondents answer to the question: "Evaluate on a scale 0-100 how satisfied are you with your work and workplace at the moment." The report shows the percentage of respondents ranked on a scale.



## Ensto Council

Another tool to hear our employee's opinion is Ensto Council. The Ensto Council is a consultative committee and a co-operation forum that includes employee representatives of Ensto offices and sites as well as representatives of Ensto's board, owners and management as invited guests. The Council meets once a year on a subject determined in advance in order to express participants' views on the matter.

In addition, the Council acts as a Group-wide discussion and information forum.





# iGROW discussions for individual and company growth

Discussions with our employees, hearing what they have to say and acting accordingly have a high importance in creating the Best Employee Experience.

To increase employee engagement and to ensure employee well-being iGROW development discussions are held at least once a year to each employee. The iGROW discussions are about personal development within Ensto culture, values and business direction. They are designed towards individual growth and work-wellbeing. We have harmonized the iGROW discussions by defining common process for it.

The iGROW discussions are divided into three focus meetings

➤ Siqni Team Workshop = Siqni results (the Best Employee Experience survey) will be discussed in the team and development ideas gathered to an action plan and feedback given to the management

➤ iGROW Team Discussions = Ensto’s vision and strategy, direction, a team’s role in Ensto’s strategy, values, behaviors and a team’s well-being will be discussed

➤ iGROW Individual Discussions = Well-being of an employee / Siqni-results, his/her role in Ensto’s strategy, values and behaviors, leadership and individual’s goals will be discussed

In the Individual iGROW discussion the superior and the employee can have an equal discussion and decide the specific personal development goals for the coming year. Superiors and employees will set and follow the targets throughout the year.

*iGROW, because everyone has a right to have a meaningful and growth supporting discussion.*



## We honor human and labor rights

At Ensto, we respect internationally recognized human rights in all our operations. We do not tolerate any violation of human rights or labor laws in any part of our supply chain. Our goal is that human and labor rights are well understood and managed in all our operations and integrated into our daily business. We expect our suppliers to respect our human and labor rights principles, which has been stated in our Supplier Code of Conduct.

We follow the ILO (International Labor Organization) minimum age limits for employment and local laws when being stricter than ILO. We follow national laws concerning minimum wages and working hours. We continuously evaluate the wage rate and other benefits.

We do not use any form of forced labor and expect the same from our business partners. Salaries paid by Ensto are based on individual contracts and/or local collective agreements (if available). We regularly evaluate the salary rate of our employees to be at least in line with similar working assignment. We expect our suppliers to follow the local regulations of the minimum wages.

All our employees have right to establish and join groups for the promotion and defense of their occupational interests. Regular meetings and consultations are ongoing locally with local labor unions in countries where labor unions are active. We published our renewed Ensto Code of Conduct on September 1, 2020, which confirms our commitment to human and labor rights. An e-learning course for the new Ensto Code of Conduct was also published, which is mandatory for all new and current Ensto employees. The course includes a section of human and labor rights.

In 2019 we didn’t carry out any internal audits concerning human and labor rights. Internal audit in India is planned for the year 2021. Besides the internal audit the target is to educate Ensto’s own people to carry out supplier audits in India. There were no human or labor rights related non-compliances reported in 2019.



# Smart Solution Creation



We provide our customers smart and safe solutions with low environmental impact and minimum life cycle energy demand. We utilize smart technology and digital means to support our customers in reducing energy consumption. We consider durability and long lifetime as key features of our products and solutions. We prioritize recyclable and durable materials to ensure the longevity of our products. We put a great emphasis on easy and fast installation process in order to minimize the amount of excessive material or waste generated.

We have integrated sustainability in our product creation process. In each phase we take environmental aspects into account and evaluate possibilities to select even more sustainable choices. We pay attention to material choices, durability of the product, energy consumption during the user phase and processability of the product.

## Intelligent lighting increases wellbeing

Ensto has developed a new way of controlling light, Ensto Workspaces. The solution transforms light into a personal and positive experience. Work environment adapts to the habits and preferences of the people and thus increasing wellbeing at work both for individuals and teams alike.

As an open IoT-solution Ensto Workspaces offers lighting control and conversion flexibility. The solutions also enables office utilization rate measurement, presence information and, in the future, other services that bring added value. Ensto Workspaces is using a new Blue Ocean technology that uses Wirepas Mesh network. It enables wireless IoT networking at a massive scale. Wirepas Mesh is a decentralized IoT network protocol that can be used to connect, locate, and identify lights, sensors, assets, trackers and devices.

Also, Blue Ocean includes many modern features like observing office utilization and detecting free space. With Blue Ocean technology, Ensto Workspaces offers its customers a possibility to create a work environment where every single employee's wellbeing is a priority.





## Ensto's own laboratories enable us to deliver high quality products and solutions

Ensto has its own laboratories in in Porvoo and Helsinki, Finland, in Manesar, India, and in Villefranche-sur-Saône, France, which are part of our R&D functions. The laboratories have an essential role in our product design as they help us to deliver high quality solutions to our customers.

One of our biggest laboratories is located in Porvoo. The laboratory in Porvoo was established in 1984 as a performance and regulatory testing laboratory. It has a quality management system to ensure customer satisfaction by complying with regulatory requirements and customer requirements. The quality management system has been designed to comply with international standards SFS-EN ISO/IEC 17025:2017 and ISO 9001:2015.

Ensto's own laboratories enable us to test on our own premises more cost-effectively and faster than when using external laboratories. Own laboratory breaks down the barrier to do testing which help us prevent risks, eliminate unsuccessful ideas and choose the best-performing ones. We are able to

run several tests already at the beginning of product design which makes our product design more agile, quicker and effective.

With wide range of testing we can detect deviations and correct errors in early phase and thus ensure the high quality of our products. Professional onsite test conditions enables us to guarantee long lasting products. We run several test to make sure that our products are durable, stand severe natural conditions and that their lifetime is long.

Own laboratory increases our technical knowhow of our own personnel. We are able to better understand testing results and learn from them. High knowledge of our own products increases satisfaction of our own employees but also the quality of our products.



### Laboratory in Porvoo does

- › Product development testing
- › Ensto's own type tests
- › Benchmarking tests
- › Tests to investigate product or component functionality
- › Tests for external customers





## Parking and charging with the same application for EV drivers

Together with Easy Park, mobile parking payment service, Ensto has built a new smart charging solutions. The new charging point can be used for the payment of both parking and charging fees and both features can be managed with a single application. The new charging points have been installed in Tikkurila in Finland and they are operated by Smart Park Finland.

The smart charging devices contain smart technology. The new devices are equipped with an internet connection,

so the charging can also be started and stopped remotely via the EasyPark solution. The new technology facilitates the maintenance of the charging devices and the resolution of any problematic situations.

The map in the EasyPark application shows the location of the closest device that provides electricity for vehicles. If the address of the desired charging device is known, it can be used for searching for the device in the application. When the EV charging station and

the most likely available parking space can be found quickly and easily, the amount of unnecessary driving is reduced. At the moment, the EasyPark parking area navigator can be used in Finland (Helsinki, Turku, Tampere, and Lahti).



## Esteri provides electricity for a building and for electric vehicles

Esteri, Ensto's metering board, has been redesigned to function as a normal metering board but also as an electric vehicle charger. In many cases the two systems are placed in the same location in a small family house so combining these two products was a handy solution.

Having two functions in the same products decreases the work of electrician and the material usage is lower than having two separate products. The combined product is also more cost efficient choice than having separate electric vehicle charger and home metering board.

The need of electric vehicle chargers is increasing rapidly as the number of electric vehicles is growing. The lack of chargers is one of the elements slowing down the electrification of traffic. Having an electric vehicle charger at home increases the chances of the house owner to buy/lease an electric vehicle.

The next step is to raise the smartness of Esteri in which case the current allowed by car charging would be adjusted according to the existing load. Thus the house owner does not need to increase the fuse size and pay the extra costs that comes along.





## Sustainable future with flexible power systems

Ensto has been developing solar inverter unit, which is based in the grid inverter realized for low voltage direct current distribution use. In addition to the traditional solar power systems functionality, the new system will stabilize the local direct current (DC) microgrid. This DC microgrid will be utilized in the next step when battery storage integration will take place.

A system with an accessible DC microgrid allows easy connection of almost any DC generation source or even DC load. An example of a DC load with an increase in popularity would be DC fast charger for electric vehicles. The DC chargers can also be bidirectional to further increase the system flexibility due to the possibility to function as a source and a load.

All of these separate DC sources and loads would traditionally have an individual active front end. With the described system the grid connection interface can be centralized. Due to the DC microgrid, the efficiency when transferring energy between DC sources and loads are expected to be much higher since two conversion stages can be eliminated.

With the designed structure, the system can be constructed more flexibly by adjusting the power rating of the building blocks to suit the target application. Furthermore, this type of system's operation can be very well defined and optimized by software to meet the changing daily requirements. The advantage of flexible power systems is its ability to get the most out of renewable energy sources and manage local energy most efficiently and sustainably.



# Responsible Sourcing



Through collaboration with our stakeholders, we aim to ensure the highest quality and create a sustainable supply chain. We set strict requirements for our suppliers to uphold high standards for responsible business practices.

When selecting suppliers we look for quality, reliability, transparency and ability to foster innovation. We are committed to strive to build long-term, open, fair and mutually

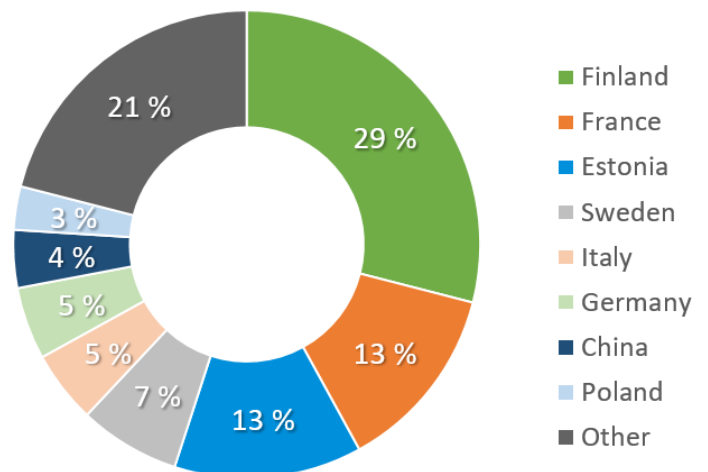
beneficial partnerships with our suppliers and partners as well as seek innovative ways of working together.

To support the above, we have following policies; Supplier Code of Conduct and Conflict Mineral Policy and general purchasing terms and conditions which are published on our webpage. In 2019 Ensto's supplier terms and conditions were updated with the addition of sustainability criteria's.

## Working with our suppliers

Ensto's suppliers are an important part of our supply chain. Ensto currently has active co-operation with around 3,000 external suppliers who supply us raw materials, components, modules, services etc. Out of these 185 are classified as key suppliers. Ensto's suppliers are mainly located in Europe and Asia.

Suppliers by country



## Supplier Management

Ensto is committed to improving the sustainability of our supply chain. We expect all our suppliers to respect Ensto's Supplier Code of Conduct, which sets bases for sustainability requirements for all our suppliers. Ensto requires all suppliers to make an effort to manage aspects related to quality and sustainability, labor and human rights, occupational safety, environmental management, product safety and conflict mineral management.

In 2020 we have set a target to have all A suppliers to sign Ensto's Supplier Code of Conduct. Suppliers are classified based on Ensto's annual spend (A-D). By September 2020 55 % of Ensto's A Suppliers had signed Ensto Supplier Code of Conduct (in 2019 this was not measured.)

We evaluate our potential new suppliers in accordance with the suppliers' qualification process and our current major suppliers on sustainability criteria mentioned afore. We use supplier scorecard method for supplier evaluation. It is

based on performance quality of suppliers' products and services. The most important criterion is among others account delivery accuracy, quality, lead-time and payment terms. Automatic performance reports are used to share with supplier results as soon as possible. If the supplier is not fulfilling the set criteria, the supplier site audit is conducted or other development actions are agreed with the supplier in order to ensure the fulfillment of the criteria.

In 2020 we have set a target to identify all risk suppliers and audit them. Suppliers located in risk countries are categorized as risk suppliers. The categorization is made based on international rating system. Ensto uses local expertise for risk supplier audits. In 2019, we conducted 69 supplier onsite audits plus co-operation meetings. No significant non-compliance cases related to sustainability were reported during these audits and visits. Some minor observation on safety issues were made, which have been corrected.



## Ensto Supplier E-Portal

Ensto Supplier E-Portal is one of Ensto's tool to manage sustainability in our total supply chain. It offers a platform to share our requirements and expectations and collect information and needed evidences from suppliers. With the tool we can manage co-operation with suppliers more efficient and transparent.

Pre-qualification questionnaire is divided to sections where sustainability and compliance questions are mandatory to be

answered. The system makes the pre-evaluation based on supplier answers. To get an approved supplier for Ensto status we conduct final evaluation and decide on follow-up steps if needed. All qualified suppliers are required to keep their information up-to date in the portal. In this way we can keep all the information about our business partners, continuously updated and accurate. As a result we have increased the supplier compliance and approval through easy to follow and manage registration & pre-qualification process.





# Lean Manufacturing and Delivery



Our culture of continuous improvement is based on sustainable, effective and efficient manufacturing. We are constantly working to minimize negative environmental impacts of our operations, minimizing both the resources used and the waste created. We are also utilizing possibilities of circular economy. We focus on efficient and agile delivery capability and keep our promises to customers.

We are focusing on providing customers the best possible products at the best possible prices, quality levels and delivery times. The Lean method does this by focusing on finding and removing waste.

We are constantly striving for world-class manufacturing in our factories.

## Lean Manufacturing at Ensto

Efficient and well-organized operations are an essential part of Ensto's company culture. We work hard to reduce delivery lead times, enhance manufacturing flexibility, and focus on delivery accuracy in order to meet our customer's needs.

In order to promote lean manufacturing in our operations, we are running a company-wide internal program, "Ensto Operational Excellence (EOX)". The program is all about continuous improvement and focuses on adding value and reducing waste, which results in shorter lead times, better flexibility

and top quality for the benefit of our customers. The Lean methods that we use are: 5S, War Room, Andon, Ensto Equipment Effectiveness, Preventive Maintenance and PULL.

Lean in Ensto is also about not to fear changes. During the past years Ensto's operations have undergone big changes to make manufacturing even more efficient. We have gained savings by efficiency improvements from direct labor and from freed machine capacity.

METHOD	What is it all about?	Our status today?	Future targets
5S	<ul style="list-style-type: none"> <li>• 5S = Sort, straighten, shine, standardize, sustain</li> <li>• A system to reduce waste and optimize productivity through maintaining an orderly, safe workplace and using visual guidelines to achieve more consistent operational results.</li> </ul>	<ul style="list-style-type: none"> <li>• Method standardized and extensively implemented in plants and offices, including HSE</li> <li>• Sustained by regular auditing and cross auditing processes</li> <li>• Digital 5S auditing implemented in Keila, Paide, Porvoo, Nefiach, Llers and St. Petersburg. Implementation on-going in Villefrance and Bagnères-de-Bigorre</li> </ul>	<ul style="list-style-type: none"> <li>• Sustain the current level</li> <li>• Introduce 5S method to all Ensto plants</li> <li>• Implement digital 5S auditing to all Ensto plants</li> </ul>
War Room	<p>Continuous improvement through empowerment</p> <ul style="list-style-type: none"> <li>• Daily loss and improvement potential identification</li> <li>• Four-step improvement projects</li> <li>• Wide empowerment across organization</li> <li>• Andon in use – Improving quality performance and reactivity to quality problems.</li> </ul>	<p>Method standardized and extensively implemented in production, purchasing, logistics, customer care, HSE</p> <ul style="list-style-type: none"> <li>• Implemented in Porvoo, Keila, St. Petersburg and Nefiach</li> <li>• Digital loss card implemented in Porvoo, Keila and StP</li> <li>• WR implementation on-going in Paide, Villefrance and Bagnères-de-Bigorre</li> </ul> <p>In 2019 we:</p> <ul style="list-style-type: none"> <li>• recorded 29 535 loss cards</li> <li>• completed 187 four-step loss elimination projects</li> <li>• reduced 6672 hours of loss</li> <li>• target for 2020 is 158 projects</li> </ul>	<ul style="list-style-type: none"> <li>• Sustain the current level</li> <li>• Introduce WR method to all Ensto plants</li> <li>• Implement digital loss card to all Ensto plants</li> </ul>
Andon	<p>Method to signal process-stopping problems to involve professional resources and to execute immediate actions</p> <ul style="list-style-type: none"> <li>• Improve quality performance and reactivity to quality problems</li> <li>• Quick resolving time to process-stopping problem</li> <li>• Recording process-stopping losses to loss cards</li> </ul>	<ul style="list-style-type: none"> <li>• Method implemented in Porvoo and Keila</li> </ul>	<ul style="list-style-type: none"> <li>• Implementation to the other plants (if seen applicable) in synch with WR implementation</li> </ul>
Ensto Equipment Effectiveness	<p>Improving machine intensive productivity by</p> <ul style="list-style-type: none"> <li>• SMED (shortening set-up times)</li> <li>• Reducing cycle times</li> <li>• Reducing waste time</li> </ul>	<ul style="list-style-type: none"> <li>• Method standardized and implemented in machinery-intensive plants</li> </ul>	<ul style="list-style-type: none"> <li>• Annual set-up, cycle time and waste time reduction targets on plant level</li> </ul>
Preventative maintenance	<p>Optimized use of investments</p> <ul style="list-style-type: none"> <li>• Reduces unexpected machine breakdowns</li> <li>• Longer lifetime of investments</li> </ul>	<ul style="list-style-type: none"> <li>• Method implemented in Porvoo and Keila</li> </ul>	<ul style="list-style-type: none"> <li>• Plan for further implementation will be made in H1/2021</li> </ul>
Pull control (Kanban)	<p>Efficient material and production flow according to market needs</p> <ul style="list-style-type: none"> <li>• Based on bin-system</li> <li>• Shorter lead times</li> <li>• Market-driven manufacturing</li> <li>• Supplier collaboration</li> </ul>	<ul style="list-style-type: none"> <li>• Half of production flow covered by pull (hrs)</li> <li>• Systematic method implemented in Keila, Porvoo, StP and between Plants</li> <li>• Implemented between selected suppliers and Ensto</li> </ul>	<ul style="list-style-type: none"> <li>• Main method for handling material flow with suppliers, internal and inter-plant</li> <li>• Focus on supplier delivery accuracy</li> </ul>
Quality assurance	<p>Quality assurance</p> <ul style="list-style-type: none"> <li>• Processes and practices that ensure the high-quality of products and services in a proactive manner</li> </ul>	<p>Quality assurance development program divided into following themes</p> <ul style="list-style-type: none"> <li>• Supplier quality</li> <li>• Product development quality</li> <li>• Manufacturing process quality</li> </ul>	<ul style="list-style-type: none"> <li>• Continuous improvement in product and service quality</li> </ul>



# Continuous improvement is led in War Rooms

War Room is one of the most important initiatives to continuously improve our processes. War Room is used almost in all our operational units and in other Ensto's functions such as customer care, warehousing, procurement, health and safety and environment.

War Room is based on the idea that we continuously identify and measure performance losses in the plants. Ensto production personnel gather regularly for a brief meeting to review the losses, which are defined as lost productive time by machine, people or risks. Whenever possible, losses are immedi-

ately addressed with corrective actions.

Most significant and meaningful problems are identified and focused loss reduction projects (4 step projects) are opened to identify root causes of the losses, eliminate the losses and to prevent the losses from happening again.

We continuously follow the number of loss cards and improvement project completed. In 2019, 29 535 loss cards were recorded. In 2019 187 improvement projects were completed generating 6672 h/a loss time reduction.

## Managing quality

The quality of our products, services and solutions is an integral part of our strategy and a cornerstone of our business. Quality is embedded in our daily business, as we strive to deliver the best customer loyalty and satisfaction.

By providing high quality products, we meet our customers' requirements. Also less waste is generated, material usage is decreased and CO2 emissions are reduced. We set factory specific quality targets and follow key performance quality indicators, which are quality yield, monetary yield, claim costs and number of claims.

Our integrated management system is based on ISO standards: ISO 9001:2015, Quality Management Systems and ISO 14001:2015, Environmental Management Systems.

We have a certified ISO 9001: 2015 quality management system in following locations:

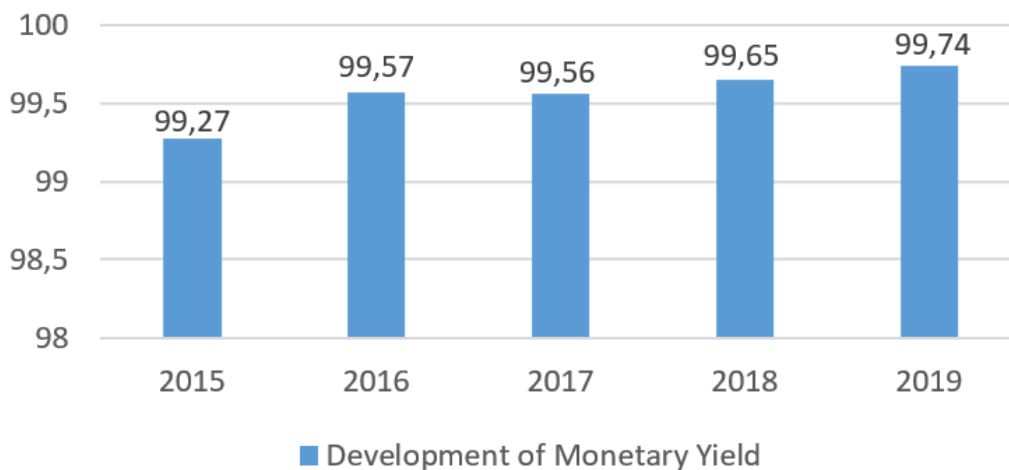
Porvoo in Finland, Keila in Estonia, St. Petersburg in Russia, Villefranche-sur-Saône and Bagnères de Bigorre in France, Cormanò in Italy and Manesar in India.

Also the following Ensto sales companies are ISO 9001:2015 certified: United Kingdom (Ensto UK Ltd), Hungary (Ensto Elsto KFT.), Norway (Ensto Nor AS), Poland (Ensto Pol Sp. z o.o.) and Czech Republic (Ensto Czech, s.r.o.).

A certified ISO 14001:2015 Environmental management covers the following locations:

Porvoo in Finland, Keila in Estonia, St. Petersburg in Russia, Villefranche-sur-Saône and Bagnères de Bigorre in France, Cormanò in Italy. Also the following sales companies are ISO 14001:2015 certified: United Kingdom (Ensto UK Ltd) and Czech Republic (Ensto Czech, s.r.o.).

### Development of Quality Yield





# Managing the environmental impact of our operations

At Ensto, continuous improvement of environmental protection is an integral part of our daily operations, and the premise of our business. Our focus is to assess and reduce the negative environmental impacts of our own operations.

Environmental management system ISO 14001 covers 6/10 of our factories. In 2019 we started the implementation of ISO 14001 in Cormano, Italy and Gurgaon and Haryana, India.

## Energy

All our locations across the world take it upon themselves to improve energy efficiency of their locations. In 2019 Ensto in Porvoo, Finland and Ensto in Keila, Estonia replaced old luminaires with LED lights. The calculated electricity saving of the projects was 130 MWh. Smaller savings were gained for example through reduction of air leakages, improving heating and ventilation systems in Keila's factory and replacing a compressor at Ensto in France.

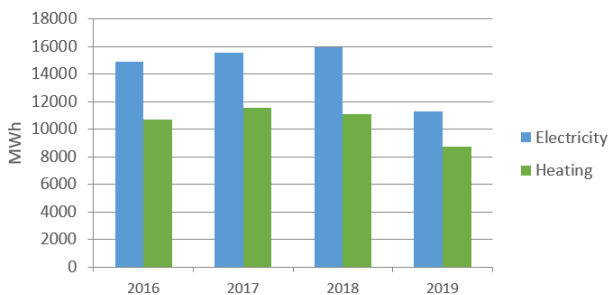
Due to energy saving projects and transferring the manufacturing and hence closing the factories we were able to reduce the electricity and heating consumptions.

Also the electricity intensity rate (MWh/Turnover) decreased in 2019.

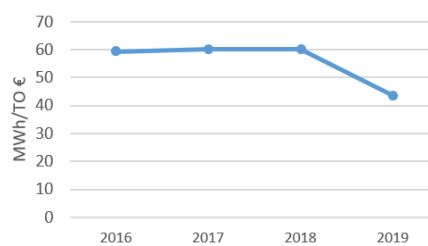
As Ensto is an electricity intensity industry, electricity plays a biggest role in Ensto's CO<sub>2</sub> emissions from energy perspective. 45 % of the electricity is used in Porvoo's factory generating around 65 % of the CO<sub>2</sub> emissions of electricity usage. In France in Villefranche-sur-Saône and Bagnères de Bigorre purchased electricity is produced from renewable sources.

Propane is the second largest CO<sub>2</sub> emission source. Propane is used in heating, forklifts and in owned machinery. Natural gas is mainly used in heating.

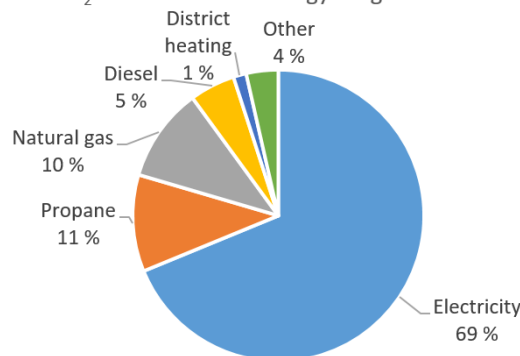
Purchased electricity and district heating in Ensto



Electricity intensity in Ensto



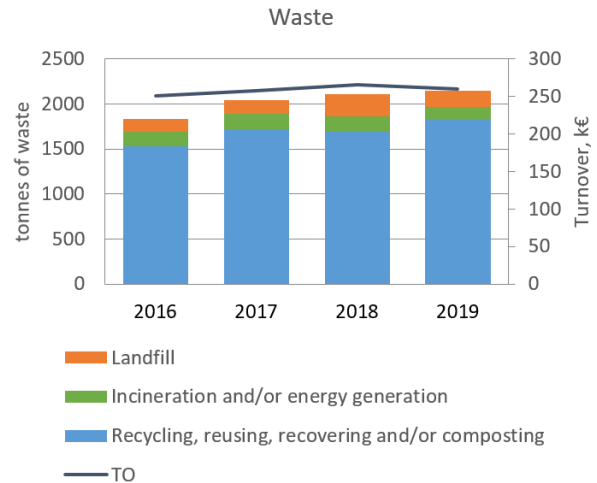
CO<sub>2</sub> emissions from energy usage in 2019



## Waste

We are striving to find ways to prevent waste generation by recycling and reusing materials and components. Majority of the produced waste is metals (40 %), which are recycled and reused. We have set ourselves a goal of 0 % landfill waste and have gained this target in majority of our locations. In 2019 still around 8,5 % of the waste ended up to landfill.

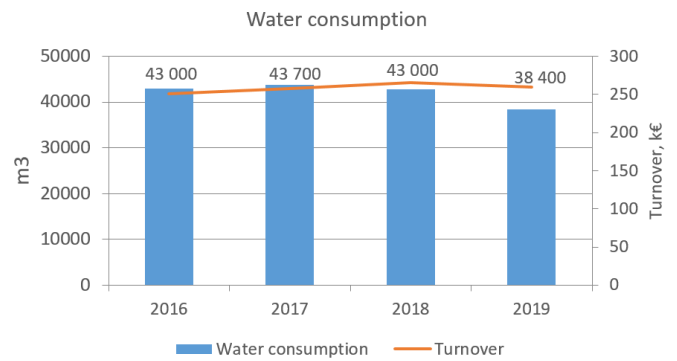
Ensto in Estonia has been developing a concept of a paperless production that aims to reduce paper consumption, paper waste and time loss and provides faster information exchange about setbacks in production. Paperless production a broad concept that embraces both environmental, social and economic aspects. Early response allows us to plan and acquire the necessary resources more efficiently, involving internal and external suppliers. In the future we are planning to implement this concept to Ensto's others locations.



## Waste water

Majority of the water is used at Ensto in Finland in our surface treatment process. A lot of water is needed to keep high quality standard since better finished products require more water. Ensto is located in Porvoo, where there is no scarcity of the clean water.

At Ensto in Porvoo a water saving project was conducted in 2019. The goal was to reduce the water consumption of the heat shrink department by changing the open water cooling system to a closed circulation system. Due to this project clean water usage was decreased from 6 250 m<sup>3</sup>/a to 220 m<sup>3</sup>/a.



## Increasing environmental awareness

In 2019 Ensto arranged two theme weeks to raise environmental awareness; Earth Day and Energy Awareness Week. The main idea of these weeks is to share knowledge, raise common environmental awareness and encourage to more sustainable behavior at work and at home. The weeks are a mean of getting people to think and act in favor of sensible use of energy and environmentally conscious way in their daily life. During the theme week facts about environmental choices were presented in our intranet and on posters. Our own employees also shared their own ways to save energy.



# Stakeholder engagement

We believe in transparent and open relationship with our stakeholders. As part of our sustainability work we identify and evaluate our stakeholders, their needs and expectations. We analyze how our actions affect to our stakeholders and how our stakeholders impact on Ensto. The latest update to our stakeholder analysis was done on 2017 and it was carried out internally.

	Description	Main activities
<b>Customers</b>	Wholesaler, distributor, retailer, contractor, building owner, grid owner, fleet owner, consumer	<ul style="list-style-type: none"> <li>✓ Develop customer relationship through meetings, fairs and visits, trainings</li> <li>✓ Continuous customer experience surveys (Customer Net Promoter Score)</li> <li>✓ Technical support</li> </ul>
<b>Employees</b>	1400 employees in 19 countries	<ul style="list-style-type: none"> <li>✓ Employee experience survey (Employee Net Promotor Score)</li> <li>✓ ePulse</li> <li>✓ iGROW discussions</li> <li>✓ Competence management</li> </ul>
<b>Owners</b>	Family owned company	<ul style="list-style-type: none"> <li>✓ Responsible risk management</li> <li>✓ Implementation of Ensto Code of Conduct</li> <li>✓ Implementation of Ensto strategy</li> <li>✓ Monitoring and reporting</li> </ul>
<b>Suppliers</b>	Around 3000 external suppliers	<ul style="list-style-type: none"> <li>✓ Supplier relationship management</li> <li>✓ Clear demands and open communication on supplier selections</li> <li>✓ Open, fair and mutually beneficial partnerships</li> </ul>
<b>Society</b>	Regulators, decision makers, media, general public, schools, universities	<ul style="list-style-type: none"> <li>✓ Active dialog with regulators, decision makers and industrial work groups</li> <li>✓ Sponsoring</li> <li>✓ Activity in social media, press releases</li> <li>✓ Cooperation with schools and universities, researches (thesis)</li> </ul>

## We value our customer's opinion

In 2019 we have started to measure loyalty of Ensto customers by collecting customer feedback. The customers were asked "How likely are you to recommend Ensto?" It is widely known as Net Promoter Score (NPS), which gives relevant information, what is the actual sentiment of customers to Ensto. The feedback is gathered constantly which allows us to react quickly, to satisfy our customers even more.

The range of NPS starts at -100 and ends up at +100. Every number above "0" is positive. At the end of the year Ensto's overall NPS was +27, which means that our customer were satisfied with us.



## We share our knowhow

Customer trainings are a vital part of our operations. They enable a true connection between Ensto and our customers, which results in profitable and long-term relationships. Our customer trainings vary from small installation trainings to large lecture-type events.

From 2015 we started an installer certification system for underground cable products. Besides the know how the advantage for course participants, is that Ensto grants three-year extension on guarantees for underground cable joints

and terminations when the installer is certified by Ensto. This way, Ensto takes responsibility for possible mistakes made by the installer. The guarantee is extended from the normal two years to five years.

A remarkable share of the delivery breaks for an underground cable network is caused by installation faults of cables and cable accessories. By spreading the knowhow, working with the installers and designing products that are easy to install we are fighting against the delivery breaks.

## Sponsoring

At Ensto sponsoring is based on our values: Trust Capital, Creativity and Winning Together. These values are a direct match to the idea of sponsorship, emphasizing responsibility and human centricity, innovativeness and collaboration. Belief in better life with electricity and a more sustainable tomorrow provides the basis for selecting the best targets for sponsoring.

All the sponsoring's are made according to Ensto's sponsorship policy. The policy defines the principles and objectives of sponsorship by targeted group, and it describes how suitable sponsorship targets are selected.

One of the main goals of our sponsoring is to make concrete actions and be active and responsible actor in building a better future. We cooperate with different entities and projects where main weight is on societal and environmental matters. Ensto's sponsoring is aimed at projects targeting children and young people, students, the disadvantaged, the environment, as well as developing countries. An annual sponsorship budget is made at Ensto Group Level. In all projects, the aim is long-term beneficial cooperation.

# Anticorruption



Ensto has a zero tolerance for corruption of any kind. The Ensto Code of Conduct, approved by the Ensto Management Team and the Board of Directors of Ensto Group, outlines the proper practices and provides guidance to help employees recognize and deal with ethical issues laws and practices related to anticorruption.

The Ensto Code of Conduct applies to all Ensto's employees in their daily work. Employees are provided with an e-learning course about Ensto Code of Conduct, which deals issues such as anticorruption. In 2020 Ensto published a renewed Ensto Code of Conduct. In 2020 we also launched a new internal feedback channel, SpeakUp, provided by third party People in Touch. People not working for Ensto can send their concerns through email: [ethics@ensto.com](mailto:ethics@ensto.com).

We expect our suppliers to follow the laws and regulations related to anticorruption. This has been stated in our Supplier Code of Conduct. We conduct risk assessments to all our new suppliers and suppliers' audits to suppliers from risk areas to ensure that we identify and respond to anti-corruption risks.

In 2019, there were no fines or other sanctions for non-compliance for regulations related to anticorruption.



# Supporting the UN Global Compact

Ensto is a signatory of the United Nations Global Compact since 2013, and we are committed to its principles on human rights, environment, labor, and anti-corruption. We promote sustainable development in all our daily business activities and operations. We demonstrate this by committing to the Ten Principles of the UN Global Compact initiative.

Following table is about how we have connected the UN Global Compact principles to Ensto Employee Code of Conduct and Supplier Code of Conduct and policies.



HUMAN RIGHTS	COVERED IN
<b>Principle 1</b> <ul style="list-style-type: none"> <li>Business should support and respect the protection of internationally proclaimed human rights.</li> </ul>	<ul style="list-style-type: none"> <li>Ensto Code of Conduct</li> <li>Supplier Code of Conduct</li> </ul>
<b>Principle 2</b> <ul style="list-style-type: none"> <li>Make sure not to be complicit in human rights abuses.</li> </ul>	<ul style="list-style-type: none"> <li>Ensto Code of Conduct</li> <li>Supplier Code of Conduct</li> </ul>
LABOR STANDARDS	COVERED IN
<b>Principle 3</b> <ul style="list-style-type: none"> <li>Business should uphold the freedom of association and the effective recognition</li> </ul>	<ul style="list-style-type: none"> <li>Ensto Code of Conduct</li> <li>Supplier Code of Conduct</li> </ul>
<b>Principle 4</b> <ul style="list-style-type: none"> <li>The elimination of all forms of forced and compulsory labor</li> </ul>	<ul style="list-style-type: none"> <li>Ensto Code of Conduct</li> <li>Supplier Code of Conduct</li> </ul>
<b>Principle 5</b> <ul style="list-style-type: none"> <li>The effective abolition of child labor</li> </ul>	<ul style="list-style-type: none"> <li>Ensto Code of Conduct</li> <li>Supplier Code of Conduct</li> </ul>
<b>Principle 6</b> <ul style="list-style-type: none"> <li>Elimination of discrimination in respect of employment and occupation</li> </ul>	<ul style="list-style-type: none"> <li>Ensto Code of Conduct</li> <li>Supplier Code of Conduct</li> <li>Health and Safety Policy</li> </ul>
ENVIRONMENT	COVERED IN
<b>Principle 7</b> <ul style="list-style-type: none"> <li>Businesses should support a precautionary approach to environmental challenges</li> </ul>	<ul style="list-style-type: none"> <li>Ensto Code of Conduct</li> <li>Supplier Code of Conduct</li> <li>Quality and Environmental Policy</li> <li>Environmental management system</li> </ul>
<b>Principle 8</b> <ul style="list-style-type: none"> <li>Undertake initiatives to promote greater environmental responsibility</li> </ul>	<ul style="list-style-type: none"> <li>Ensto Code of Conduct</li> <li>Supplier Code of Conduct</li> <li>Quality and Environmental Policy</li> <li>Environmental management system</li> </ul>
<b>Principle 9</b> <ul style="list-style-type: none"> <li>Encourage the development and diffusion of environmentally friendly technologies</li> </ul>	<ul style="list-style-type: none"> <li>Quality and Environmental Policy</li> <li>Ensto Group R&amp;D Guidelines</li> </ul>
ANTI-CORRUPTION	COVERED IN
<b>Principle 10</b> <ul style="list-style-type: none"> <li>Businesses should work against corruption in all its forms, including extortion and bribery</li> </ul>	<ul style="list-style-type: none"> <li>Ensto Code of Conduct</li> <li>Supplier Code of Conduct</li> </ul>



# About this report

Ensto is committed to continuous sustainability reporting. This report covers the whole company's sustainability performance for the year 2019 and it covers all Ensto's business units and locations. As Ensto is not a listed company, and do not report our financial performance, this report concentrates mainly on social and environmental aspects.

In our sustainability report, we are committed to transparency. In our report, we also report our compliance with UN Global Compact principles.

Our sustainability report is available in electronic format and it is published annually. Publication of this report was delayed due to difficulties caused by Covid-19 pandemic. The report will be published in December 2020 and it is only available in digital format to reduce the usage of printing materials. The report is not externally audited.

If you have any questions regarding our sustainability report or its content, please contact us through [ensto@ensto.com](mailto:ensto@ensto.com).





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