

ENSTO

Sustainability Report 2023



Better life.
With electricity.





At Ensto, we are dedicated in our goal to drive the green transition, by ensuring a reliable and secure electricity supply with the development of sustainable solutions for electricity distribution. We offer innovative and reliable line accessories with long lifecycles, as well as distribution automation, protection and control solutions, and substations for critical electricity distribution infrastructure.

With a team of 800 experts across Europe, North America and Asia, Ensto is committed to better living through electricity, while staying true to our core values in sustainability.

Table of contents

- Message from President and CEO 3
- Ensto in brief 4
- Sustainability Summary 2023..... 5
- Highlights 6
- Sustainability at Ensto 7
- Our key sustainability commitments..... 11
- Sustainability Governance 12
- Stakeholder engagement 13
- Sponsoring and memberships..... 15
- Sustainable Development Goals at Ensto 16
- Durable and innovative solutions with positive impacts..... 17
- Enhancing actions on climate and circularity..... 20
- Empowering employees by providing a safe and inclusive workplace 24
- Ensuring high ethical standards and compliance across our value chain 29
- UNGC index 33
- GRI index 34
- About this report..... 38

Ensto’s Sustainability Report 2023 is about the key sustainability challenges and opportunities and our response to each. To read more about our reporting practices, see section [About this report](#). The reporting scope has been clarified in connection with each indicator and marked with the following asterisks:

- *Ensto Group, excluding newer businesses Protrol and Maviko
- **Ensto Group, excluding newer businesses Arcteq, Protrol and Maviko
- ***Ensto Group, excluding Ireland and newer businesses Arcteq, Protrol and Maviko
- ****Comparing year 2021 data is Ensto Group business and Legrand Finland business both 12-month data
- *****Comparing year 2021 data is Ensto Group business and Legrand Finland business 10-month data

This report includes an interactive PDF, which allows navigation by scrolling up and down, as well as by clicking on elements such as the table of contents, navigation bar at the top of the page, and other embedded links throughout to access additional information.

Our vision for sustainable growth empowers people and drives progress

MESSAGE FROM THE PRESIDENT AND CEO



As I reflect on Ensto's journey over the past year and our commitment to sustainability, I am reminded of the fundamental role it plays in shaping our future. Sustainability is more than a buzzword – it is the cornerstone of our identity and a key driver to our success. Since joining the company last year, I have witnessed first-hand the transformative power of sustainability in driving innovation, fostering growth and creating lasting value for all our stakeholders.

Building a more resilient business through sustainability

At Ensto, we recognize our role in shaping the future of electricity supply and consumption. We have taken concrete steps to reduce our climate impact by assessing the carbon handprint of our products and communicating their positive environmental effects to drive company growth and renewal. Amidst a rapidly changing landscape, we strive to increase our societal impact by offering products and solutions that enable our customers to lower their carbon footprint.

In 2023, we prioritized health and safety, with the goal of decreasing number of accidents and improving safety measures. We closely tracked metrics, for example, Lost Time Injury Frequency (LTIF) rates and accident frequency, comparing our performance to industry benchmarks. We continue to foster a culture where safety is a top priority, and employees are encouraged to report health and safety observations.

We reported our CO₂ footprint across the entire value chain, covering Scope 1 and 2 emissions. Our efforts continue towards building a comprehensive system for reporting Scope 3 emissions, encompassing all materials and value chain activities. Our aim is to establish a robust reporting framework by 2025. This enables us to accurately report our emissions and set reduction targets that have impact.

Action planning is integral to our strategy

We deliver high-quality, long-lasting products and solutions that resonate with our customers and contribute to a sustainable future. There is a shift towards prioritizing sustainability, driven by key stakeholder requests for sustainability assessments and KPIs, which in turn shapes our processes. Customer input is vital, but so is action planning and progress tracking. If goals are not met, we reassess and enhance the plans. Following through on our objectives is crucial for meeting stakeholder expectations and promoting sustainable growth.

Our sustainability targets, set until 2025, serve as our roadmap for progress. We have refined our strategy for 2024 to 2027, with an emphasis on sustainable premium solutions that fulfil our customers' needs, while fostering Ensto's growth, profitability and renewal. We measure our success not solely in monetary terms, but also through tangible outcomes such as reduced emissions and increased safety measures. By integrating sustainability into our performance management system, we ensure that every decision aligns with our commitment to sustainability.

Customer connection through empowering our people

Empowering our people and promoting a culture of co-creation and collaboration are central to our strategy. We see our employees as our greatest asset, and their dedication drives our success. By fostering open dialogue and encouraging innovative thinking, we harness the collective expertise of our people to develop lasting solutions that address our customers' needs.

Our commitment to sustainability extends beyond our internal operations to our relationships with customers, suppliers, and communities. We actively engage with stakeholders to co-create sustainable solutions and ensure that

our actions have a positive impact on the communities we serve. Through initiatives such as our employee well-being programs and partnerships with local communities, we strive to create a more sustainable and inclusive future for all.

Future ahead: moving towards a digitalized network

Looking ahead, we recognize the importance of a digitalized electricity network in our strategy. The transition to renewable energy presents significant opportunities for growth, and we are committed to playing a leading role in shaping the future of the energy sector. With existing and emerging technologies such as wind and solar power as well as small nuclear power reactors and hydrogen economy, there is a pressing need to modernize the electricity grid across the EU, and we actively collaborate with our customers to advocate for grid improvements.

Our goal is to build a more resilient, efficient and sustainable energy infrastructure. Working with our partners, we have achieved set milestones and laid the foundation for a greener tomorrow. I am proud of our progress, though our work is not yet done. We will continue to drive positive change, leading our industry forward.

Continued commitment to UN Global Compact

As in 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.

Markku Moilanen,
President and CEO

Ensto in brief

WHO WE ARE

Ensto is an international, growth-oriented family company powered by people since 1958. Ensto Group, headquartered in Porvoo, Finland, is owned by Ensto Invest Oy. Ensto has production plants in six countries: Finland, Estonia, France, India, Ireland and Sweden.

WHERE WE ARE

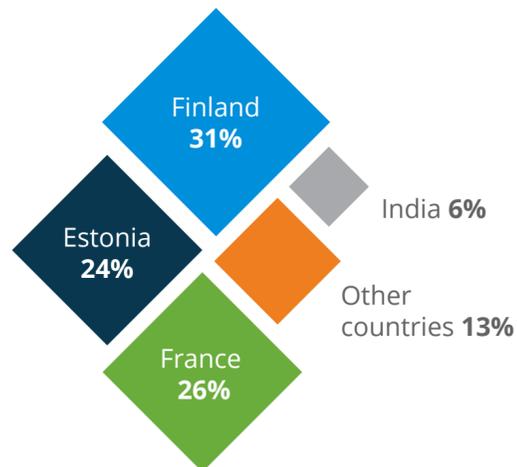
Sales offices in **15**
 Production in **6**
 Ensto and Arcteq partners **2**
 Arcteq partners **37**
 Selling to **100** COUNTRIES

Ensto Worldwide



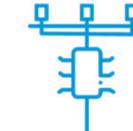
PERSONNEL

 **800**



WHAT WE DO

We enable green transition and reliable supply of electricity by creating sustainable solutions for electricity distribution.

 Line Accessories	 Distribution Automation
 Protection, Automation and Control	 Substations

OUR VALUES

- Trust Capital
- Creativity
- Winning Together

[READ MORE >](#)

TURNOVER 2023



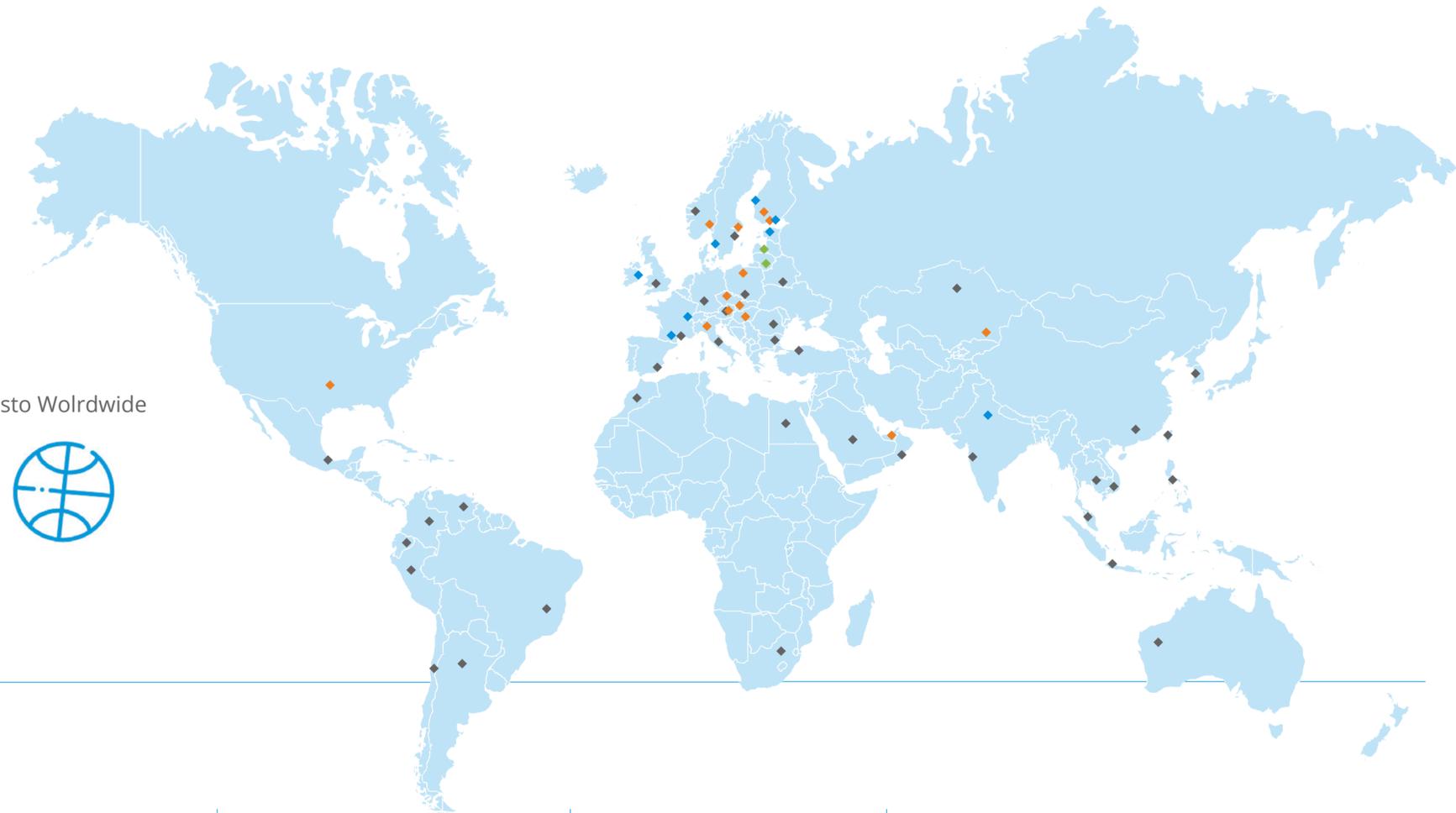
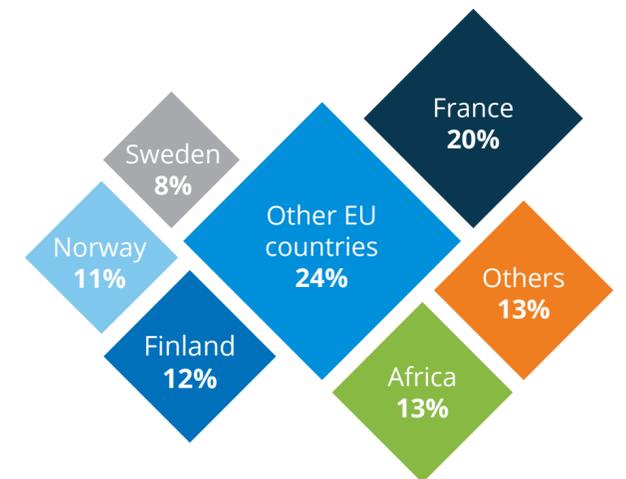
182 M€

OUR CUSTOMERS



Distribution system operators (DSOs), industrial customers and renewable energy producers engaged in the electricity distribution.

MARKET AREAS



Sustainability Summary 2023

Ensto is firmly grounded in sustainability, through our strategic focus to promote sustainable development and vision to offer sustainable solutions for electricity distribution. Advancing sustainable business is a strategic choice for Ensto. We enable green transition and reliable supply of electricity by creating innovative and reliable, long-lifecycle solutions for electricity distribution. We are dedicated to improving climate action and circularity, providing a safe and inclusive workplace, and upholding ethics and compliance throughout our value chain.

Actions on climate and circularity

During 2023, we reached our 2025 target of reducing Scope 1 and 2 CO₂ emissions ahead of time. This was largely due to decreased fuel consumption and reductions in emissions from purchased electricity. For 2024, our aim is to establish data from the company's entire CO₂ emissions and the long-term emissions reduction target, to reach net-zero.

In addition to our own operations, we want to make sure we get more accurate information about our solutions and reduce their negative impacts and increase the positive ones. The first EPD (Environmental Product Declaration) for Ensto's SLIW insulation piercing connectors was finalized during the year, and the work continues to create more EPDs in 2024. To make a difference in the impacts, we continue working in co-operation with external stakeholders such as suppliers and customers. Unfortunately, most of the other climate and circularity goals are not advancing as targeted.

People as drivers for success

The changes in our business environment and in the company's operation caused uncertainty among employees which reflected through our employee engagement survey results in 2023.

In 2023, our focus was to strengthen a Group-wide safety culture. Achieving a zero-accident workplace where everyone can go home safe is one step closer. Accidents with sick leaves decreased from 19 to 7 compared to the previous year and new factories joined the 0-accident level. Most health and safety targets were reached or exceeded.

We believe the diverse and inclusive workplace can best serve our customers and boost creativity and innovation. The planned diversity and inclusion actions progressed according to plans concentrating on competence building. The key commitments are going in the right direction, but slower than planned.

Dedication to ethics and human rights

Ensto works on safeguarding human rights in its global supply chains. In 2023, we moved to a systematic approach to human rights. We conducted a comprehensive review of human rights issues, evaluated risks and created Ensto's first Human Rights Due Diligence Action plan. In 2023, Ensto published and trained its Anti-corruption and Anti-bribery Policy. In 2024, Human Rights Policy will be created to support the work forward.

Sustainability reporting going forward

Growth and especially acquisitions bring their own challenges to reporting. There is a continuous need for new, updated and developed measures, KPI's and solutions. In addition, there is a need to generate data that holds genuine value for decision making. To support Ensto's strategy and to respond to changing obligations we will begin the development work with double materiality assessment and continue from there. With these results it is possible to drive sustainable growth and resilience over the long term.

Ensto's non-financial performance in 2023

	2022	2023
Turnover, EUR million	166.8	182.0
per employee, EUR thousand	195.5	227.7
Profit before taxes, EUR million	-17.5	6.5
per employee, EUR thousand	-20.5	8.1
Employees		
number of employees	853	799
engagement index	76	69
lost time incident frequency (LTIF)**	13.2	5.8
Use of materials, in metric tons***	7,466	4,919
Steel/iron and steel items	2,443	1,496
Aluminium	970	599
Copper and copper alloys	331	165
Plastics	533	271
Other	3,189	2,388
Waste, in metric tons*	1,312	1,240
Recovery rate, %* ^[1]	88	87
Purchased energy, MWh*	14,575	12,729
electricity	8,745	7,611
heat ^[2]	3,893	3,798
fuels	1,937	1,320
Total energy, MWh per EUR 1 million of turnover*	87	70
CO ₂ emissions ton (Scope 1 & 2)*	848	689
tons, per EUR 1 million of turnover	5.1	3.8

*Ensto Group, excluding newer businesses Protrol and Maviko

**Ensto Group, excluding newer businesses Arcteq, Protrol and Maviko

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^[1]Recovery rate, hazardous waste treatment is excluded from recovery rate

^[2]District heating FI and EE

Highlights

STRATEGY & COMMITMENT

Refined and published our 2024–27 strategy “**Sustainable Solutions for Electricity Distribution**”

Surpassed our

75%

emission reduction target set for 2025 in 2023, opening the stage for ongoing development and expanded impact via scope 3 initiatives.



Established **Sustainability Competence Groups** to improve sustainability governance and co-operation



Enhanced **health and safety** efforts in 2023, resulting in fewer accidents and increased health and safety observations.

8th

Ranked 8th in the **Responsible Employer campaign** for small and medium-sized organizations by Oikotie in Finland.



Achieved and improved our **Ecovadis silver medal** rating in 2024, ranking in the top

15%

percent of companies assessed by EcoVadis over the last year.

Retained **gold level status** from the **Responsible Business Forum in Estonia**.

WAYS OF WORKING

Achieved an impressive **Customer Loyalty score** of

47

at the end of 2023

Earned our first **ISO 27001 certification** for information security and privacy protection in France

Earned our first **ISO 45001 certifications** for Occupational Health and Safety in Finland

Developed the first **Environmental Product Declaration (EPD)** for insulation piercing connectors

Implemented an **Anti-corruption and Anti-bribery Policy** to ensure compliance across operations

Conducted a comprehensive review of human rights issues, risk assessment and created **Human Rights Due Diligence Action Plan**

Organized training programs on anti-corruption, anti-bribery as well as diversity & inclusion, coaching and feedback trainings for leaders.

Successfully completed the **UN Global Compact’s Business & Human Rights Accelerator training program**

Successfully completed Finland’s national **Circular Design training** program

AREAS OF IMPROVEMENT



Enhancing employee engagement and well-being is a key for the refined strategy to be successful.



Improving Scope 3 emission calculations and advancing in product specific environmental assessments and declarations.



Innovating product development, management and manufacturing, emphasizing on reducing raw material emissions and enhancing material re-use.



Formalizing human rights processes, procedures and integrating human rights considerations within our operational and supply chain activities.



Strengthening diversity and inclusion efforts to increase representation of women and other gender in senior positions.



Enhancing the transparency and detail of our sustainability reporting to more effectively support the business and communicate our financial, environmental and social impacts.

Sustainability at Ensto

Sustainability is an integral part of Ensto's strategy and a critical success factor for our business. As a Finnish family company, sustainability and ethical business conduct is part of our heritage – in the present and for the future. Our owners and senior leadership are committed to steering the company responsibly and to create a positive handprint in society. Sustainability is vital for meeting the expectations and needs of Ensto's stakeholders.

At Ensto, strategic sustainability has reached a new level in recent years, notably in 2021, when it became an integral part of our company strategy. In 2023, we published our refined strategy: Sustainable Solutions for Electricity Distribution for 2024–27. This updated strategy did not change in relation to sustainability, and Ensto's sustainability program continues with the same defined themes and goals.



BETTER LIFE WITH ELECTRICITY. SUSTAINABLY.

At Ensto, we have the power to reshape our world for the better. We provide electrical products and solutions for the critical infrastructure that drives the green transition and promotes social equality and development through electrification.

Sustainability is the driver of our journey forward. Our mission is to help our valued customers enhance the sustainability of their operations, by creating durable and innovative products and solutions that deliver a positive impact across their entire life cycle.

To succeed, we know that greater well-being, diversity, and inclusion will empower our people to thrive. We will also continue to ensure that we live by the long-held principles of our family business: equality, transparency, and high ethical standards throughout our value chain.

By creating smart solutions today, we can build more sustainable electricity systems tomorrow. At Ensto, we make life better with electricity. Sustainably, by the long-held principles of our family business: equality, transparency and high ethical standards throughout our value chain.

By creating smart solutions today, we can build more sustainable energy production and distribution tomorrow. At Ensto, we make life better with electricity. Sustainably.



The structure of our sustainability program is threefold and consists of:

- ◆ our action on climate and circularity,
- ◆ providing a safe and inclusive workplace and
- ◆ ethics and compliance throughout our value chain.

Materiality assessment as the basis for sustainability work

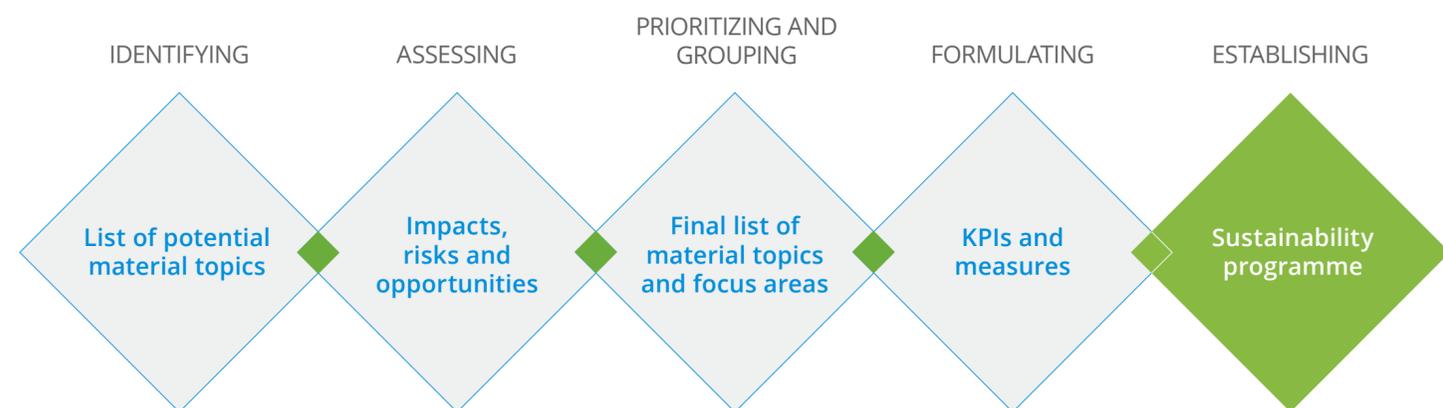
In 2022, we conducted a materiality-based sustainability analysis in collaboration with our key stakeholders. By engaging internal and external stakeholders in the process, we ensured that our work concentrates on issues that are relevant to stakeholder expectations, as well as the social, environmental, and economic impact of each issue. The key stakeholders involved in the assessment were customers, employees, suppliers, and owners. No major updates were made in 2023. A double materiality-based assessment will be conducted in 2024.

The materiality assessment included an online survey, stakeholder interviews, and internal meetings. The process starts by identifying and evaluating the most relevant ESG (environmental, social, governance) topics through the online survey. To deepen understanding, in-depth interviews were conducted with two representatives from Ensto's senior leadership, one supplier, one customer and one stakeholder who is both a customer and supplier.

In addition to the views gained from key stakeholders, the actual and potential impacts on society and the environment, and their effects on Ensto's business were considered. The findings were presented to an internal group of topic experts, who evaluated the significance of Ensto's own impact on these sustainability topics. Ensto's Sustainability Steering Team assessed and adjusted the results into 12 topics of the most material importance to Ensto and its stakeholders. The analysis forms the basis of our 2023 sustainability reporting, which is done with reference to the Global Reporting Initiative's framework (GRI).

Ensto's impacts are assessed on an ongoing basis through active stakeholder engagement. Next, the sustainability topics will be further evaluated based on their financial materiality during 2024.

MATERIALITY ASSESSMENT PROCESS



MATERIAL TOPICS



ENHANCING ACTIONS ON CLIMATE AND CIRCULARITY

- Products with positive impacts, advancing global sustainability goals
- Innovation and R&D to promote sustainability
- Sustainable product design to minimize life-cycle environmental impacts
- Use of renewable, recyclable or reusable materials
- Product quality and durability
- CO₂ reduction and energy efficiency of manufacturing
- Supply chain emissions and other environmental impacts (incl. logistics)
- Preserving biodiversity throughout our value chain
- Waste minimization and proper treatment

SDG



EMPOWERING EMPLOYEES BY PROVIDING A SAFE AND INCLUSIVE WORKING PLACE

- Employee health, safety and wellbeing
- Equality, diversity and inclusion and non-discrimination
- Employment conditions and labor rights (incl. fair pay, freedom of association)
- Employee competence development
- Employee satisfaction and engagement



ENSURING HIGH ETHICAL STANDARDS AND COMPLIANCE ACROSS OUR VALUE CHAIN

- Ethical business practices and legal compliance
- Material compliance and responsible sourcing of minerals
- Honoring human and labor rights throughout value chain
- Avoidance of child and forced labor
- Sustainability competence building and integrating sustainability in operations
- Cybersecurity of products and solutions
- Product and customer safety
- Customer privacy and data protection

Ensto's strategic priorities 2024–2027

Sustainable Solutions for Electricity Distribution

From 2024 to 2027, our strategic focus lies in sustainable development, emphasizing quality products for distribution system operators (DSOs), industrial customers, and renewable energy producers in electricity distribution. Our strategic priorities are growth, profitability, and renewal.

We serve our customers through four technology and expertise-based business lines: Line Accessories, Distribution Automation, Substations, and Protection, Automation and Control solutions. Our operations are driven by shared values and motivated teams across procurement, factory operations, product management, and development. Sales staff and support functions collaborate closely to provide sustainable solutions that meet customer needs.

Ensto's strategic transformation and expansion in 2023

In summary for 2023, the most significant change was the creation of a new global operational model for the company. This involved restructuring the organization by establishing four distinct business lines. We streamlined the

structure by reducing organizational levels and clarifying our focus areas, including the company's main growth drivers, target countries, and solution lines. This resulted in a clear emphasis on strategic important growth markets.

We opted to transfer our overhead line production from Estonia to a newly established factory in India. This transition, projected for completion in two years, began in the spring of 2023. While there was a significant operational focus, we also concentrated on specific products and markets, leading to an organizational streamline and significant reduction in our workforce Group wide.

Our refined strategy aims to grow both organically and through acquisitions. In summer 2023, we acquired Finnish company Maviko Oy, which specializing in electricity distribution services and smart secondary substations. We also continued to strengthen cooperation with Arcteq and Protrol companies we acquired earlier, specializing in protection relays and arc flash protection systems to protect electricity distribution networks. This serves as a significant step in implementing Ensto's vision to offer Sustainable Solutions for Electricity Distribution. It strengthens Ensto's position as a supplier and expert in new smart technologies for electricity distribution networks.

“We have refined our strategy for 2024 to 2027, with an emphasis on sustainable premium solutions that fulfil our customers' needs, while fostering Ensto's growth, profitability and renewal.”

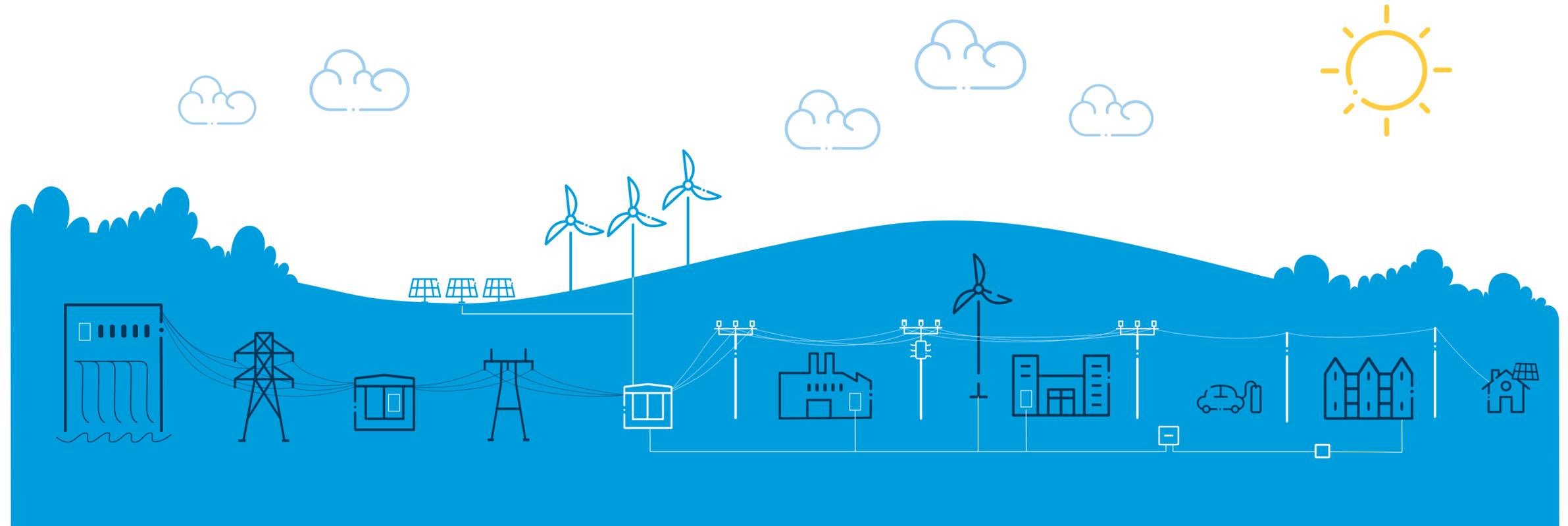
Markku Moilanen,
President and CEO



Competences building continues to meet future business requirements

Facing unprecedented growth in the sustainability transition and regulatory demands, Ensto is enhancing competences and processes to fulfill new requirements, and more importantly making an impact and finding opportunities for business. This involves strengthening collaboration across internal functions such as sustainability, ICT, and finance, while advancing our understanding and due diligence on human rights impacts within our value chain.

To meet both regulatory demands and our sustainability objectives, Ensto emphasizes strong partnerships. Collaborating on innovations in sustainable materials and improvements in data management, cyber security, work wellbeing, and supply chain management is becoming increasingly vital.



THE MOST IMPORTANT TOPICS FOR OUR KEY STAKEHOLDERS

EMPLOYEES

- Employee health, safety and wellbeing
- Honoring human and labor rights
- Avoidance of child labor and forced and compulsory labor
- Product and customer safety
- Product quality and durability

CUSTOMERS

- Product and customer safety; Sustainable product design to minimize life-cycle environmental impact
- Customer privacy and data protection
- Employee health, safety and wellbeing
- Avoidance of child labor and forced and compulsory labor
- Product quality and durability

OWNERS

- Anti-corruption and anti-bribery
- Honoring human and labor rights
- Avoidance of child labor and forced and compulsory labor
- Contributing to training of future talent
- Crisis management and business resilience
- Employee health, safety and wellbeing; Product and customer safety
- Equality, diversity and inclusion and non-discrimination
- Products with positive impacts

SUPPLIERS

- Honoring human and labor rights
- Avoidance of child labor and forced and compulsory labor
- Employee health, safety and wellbeing
- Product and customer safety
- Product quality and durability



Our key sustainability commitments

2023 Full year results

	Key sustainability commitments	Baseline	2023 results	2025/30 target
<p>◆ Enhancing actions on climate and circularity</p> 	75% reduction of scope 1 & 2 CO ₂ emissions by 2025	100	24* 	25% level
	50% of our R&D investments contribute to SDGs by 2030	18.5%	13.2%** 	50%
	10 million euros of revenue from sustainable products by 2025	4.1 M	3.3 M** 	10 M
<p>◆ Empowering employees by providing a safe and inclusive workplace</p> 	Zero accidents	23****	7** 	0
	80 in employee engagement index by 2025	76	69 	80
	1/3 of our senior positions will be held by women and other gender by 2025	17%	20.5%* 	33%
<p>◆ Ensuring high ethical standards and compliance across our value chain</p> 	100% of our main suppliers have committed to our Supplier Code of Conduct by 2025	0%	97%** 	100%
	100% of employees completed e-learning on Employee Code of Conduct	0%	75% 	100%
	100% of office employees completed Sustainability basic e-learning	0%	87% 	100%

*Ensto Group, excluding newer businesses Protrol and Maviko

**Ensto Group, excluding newer businesses Arcteq, Protrol and Maviko

****Comparing year 2021 data is Ensto Group business and Legrand Finland business both 12-month data

Sustainability Governance

Ensto’s commitment to sustainability is embedded throughout our purpose, vision, and strategy. Sustainability and high ethical standards are the guiding principles for Ensto and integrated elements in our corporate governance.

Policies and Management Systems

The high standard and guidelines for ethical and sustainable operations are set out and communicated via Ensto’s [Employer Code of Conduct](#) and [Supplier Code of Conduct](#). We have also defined policies for [Conflict Minerals](#), [Anti-Corruption and Anti-Bribery](#), [Health and Safety Management \(HS\)](#), [Quality and Environmental Management \(QE\)](#) and for [Privacy and Information Security](#) matters. A new policy for human rights practices is currently being prepared at Ensto and will be published during 2024.

In addition to our internal policies, our work is guided by the [principles of the United Nations Global Compact](#) and by the legislation in each of our operating countries and geographical areas like the European Union or North America.

Understanding the needs and expectations of our stakeholders and creating value for them is a core element in everything we do. We have established management systems to ensure a systematic approach to value creation, effective risk and opportunity management, world class processes and procedures and above all, continuous improvement of our operations. Our target is to have all our main manufacturing sites [certified](#) according to ISO 9001, ISO 14001, and ISO 45001 standard requirements. Most of our manufacturing sites hold both ISO 9001 and 14001 certificates. Ensto’s first ISO 45001 and ISO 27001 certification processes were completed in 2023.

Governance body	Role
Board of Ensto	<p>The Board’s primary role, through its decisions, is to ensure the future success and operational preconditions for Ensto. The board is responsible, together with the operative management, for the planning and preparation of matters which have long-term effects for the future of Ensto.</p> <p>The Board confirms, reviews, monitors, and guides the strategy, including high ethical standards and sustainability targets and programs. The Board reviews the company’s performance and development of shareholder value. The Board bears the overall accountability for the management and guidance of risks and opportunities. The Board supervises the development of the human capital management and confirms the incentive program for Ensto employees.</p>
Group Management Team	The team ensures the execution of strategy, company performance, and conduct, including high ethical standards and sustainability. The team upholds a strong culture based on Ensto’s ethical principles and values.
Sustainability Executive Committee	The Group Management Team, together with the Group Sustainability function form the Sustainability Executive Committee. The Sustainability Executive committee oversees implementation of the Sustainability Program, reviews status of development actions, and monitors progress toward targets.
Group sustainability function	SVP HR, Brand, Communications, Marketing and Sustainability, a Group Management Team member, leads the sustainability work at Ensto and is also the chairwoman of the Sustainability Executive Committee. The Group Sustainability function determines and drives Ensto’s Sustainability targets and program in co-operation with the Sustainability Competence Groups. The Sustainability Program is based on inputs from stakeholders, assessment of compliance obligations, and risk and opportunity analyses.
Sustainability Competence Groups	<p>Sustainability Competence Groups are cross-functional teams of experts that work with defined sustainability streams and forward the sustainability program. The Competence Groups initiate targets, development proposals and roadmaps for sustainability, and determine the governance for their respective sustainability focus areas by appointing champions and workgroups. In addition, the Competence Groups share best practices, develop, and implement policies, standards, processes, tools and reporting in defined sustainability stream.</p> <p>The Sustainability Competence Groups report to the Sustainability Committee on their progress.</p>
Businesses, Countries, and Functions	Leadership teams across the company implement strategy and sustainability actions into daily business towards common targets. The teams report on progress and reaching common sustainability goals. Businesses, Countries and Functions are engaged to the sustainability development through participation in Sustainability Competence Groups.



Sustainability Governance Model

In 2022 we made changes to our sustainability governance model. We established the Sustainability Executive Committee to enable the Ensto Management Team to have a full focus on our sustainability agenda. The Executive Committee Meetings are held 2-4 times a year.

During 2023, we decided to end the operation of our Sustainability Steering Team and take a more co-operative and practical approach. We believe that involving people widely plays a vital role in driving sustainability initiatives. With teamwork we can pool and utilize our resources wisely and at the same time foster knowledge sharing, learning and innovation. Our teamwork in sustainability is now boosted through Sustainability Competence Groups. The Competence Groups have been formed based on our sustainability streams and are as follows: Climate, Circularity, Safe Workplace, Inclusive Workplace, Ethics, Compliance and ESG Reporting. Our Sustainability Competence Groups will be fully activated during 2024.

Stakeholder engagement

Transparency and open relationships with our stakeholders are important to us at Ensto. Our business activities affect a wide variety of stakeholders, and we aim to understand their needs and expectations. Our key stakeholder groups are employees, customers, suppliers, owners, and communities – especially those in close proximity to manufacturing sites – as well as regulators, and industrial associations.

Stakeholder engagement is one of our most critical aspects in business leadership. We aim to build trust through building relationships and fostering open dialogue and transparency. We truly value diverse perspectives and integrate our stakeholders’ interests, needs and expectations into our decision making and continuous improvement process thus leading to enhanced outcomes in our sustainability performance.

In 2022, one of the most important events in our stakeholder engagement was Ensto’s sustainability materiality assessment, in which we collaborated with both internal and external stakeholders to gain an understanding of which topics are considered most relevant, how the current sustainability work is seen and what expectations there are for Ensto’s sustainability work in the future. This assessment is still valid, and the new double-materiality assessment will be conducted in 2024.

Engaging with our key stakeholders

Stakeholder	Significance to Ensto	Interest of stakeholder group	Engaging	Our 2023 activity examples
Employees	<ul style="list-style-type: none"> Impact our value creation, operational and sustainability performance, Competent, happy, and engaged employees enable satisfied customers and make a successful company. Critical resource for business continuity and growth. 	<ul style="list-style-type: none"> Employment stability Employee health, safety, and wellbeing Career and individual development possibilities Fair recognition and reward, on-time and accurate payments Ontime, clear and transparent communication on strategies, objectives, success, and changes 	<ul style="list-style-type: none"> Annual Employee Engagement Survey Biannual ePulse surveys Biannual iGrow, weGrow discussions Learning and career development opportunities Collaboration with employee representatives Ensto Global networks Annual Ensto Council Active communication and dialogue through various channels and means Participation in HSE Walk & Talks and opportunity to register HSE observations 	<ul style="list-style-type: none"> “Your Safety Matters” communication campaign including Ensto Global Safety Week HSE Walk & Talk and registration of HSE observations renewal and relaunch Auntie service for mental wellbeing Diversity and inclusion training for leaders Increasing transparency and understanding of Ensto’s Job Framework and salary review process Communication of refined business strategy, change in operating model and cost reduction program First ISO 45001:2018 certifications
Customers	<ul style="list-style-type: none"> Backbone of our success in business. Provide valuable feedback of their needs and expectations to improve our products and solutions. 	<ul style="list-style-type: none"> High-quality products, solutions, and services Competitive pricing Product durability, easy and fast to install products Superior delivery capability and customer service Business ethics and compliance obligations Continuous improvement in Sustainability performance Customer privacy and data protection Employee health, safety, and wellbeing 	<ul style="list-style-type: none"> Customer relationship management through meetings, trainings, and fairs Customer visits and audits Customer Loyalty surveys and related improvement actions Technical support Engaging customers in product development and product change processes Sharing information through company reports, marketing materials, our website, social media channels and product trainings 	<ul style="list-style-type: none"> Implementation of anti-corruption and anti-bribery policy Renewal of our website started with a thorough analysis of expectations and needs of our customers Ensto participated in the Business & Human Rights Accelerator program ISO 45001:2018 certifications in Finland ISO 27001 certification in France Stock optimization activities and second source suppliers Establishment of local supplier base and procurement organization in India Switching from single use pallets to Epal pallets Targeted quality assurance programs Expertized factories and logistics centers closer to our growth markets and customers Investments in new machinery, tooling, and devices
Owners	<ul style="list-style-type: none"> Set the business framework, culture, direction, and roadmap. Provide funding for growth and expansion. 	<ul style="list-style-type: none"> Return on investment, financial performance Business strategy realization Business ethics and compliance obligations Good corporate governance and sustainability performance Crisis management and business resilience Excellent global reputation Competent, engaged employees Employee health, safety and wellbeing Equality, D&I, nondiscrimination Open dialogue 	<ul style="list-style-type: none"> Ensto Invest Board meetings 2–3 times per year Ensto Board meetings 6–7 times per year Annual Ensto Council Monthly meetings with chair and CEO/CFO Company events Financial and sustainability performance reporting 	<ul style="list-style-type: none"> Refining Ensto Strategy Implementation of Anti-corruption and Anti-bribery policy Human rights due diligence plan Risk and opportunity assessments and related actions

Engaging with our key stakeholders

Stakeholder	Significance to Ensto	Interest of stakeholder group	Engaging	Our 2023 activity examples
Suppliers	<ul style="list-style-type: none"> Provide the materials, services, and expertise to carry out our operational excellence and meet customer needs. Enabler in customer satisfaction via quality, pricing, sustainability performance and delivery capability. 	<ul style="list-style-type: none"> Business security Open, fair, and mutually beneficial partnership Clearly defined and documented requirements and specifications On time, open and accurate information Timely and accurate payments Business ethics and compliance obligations Healthy and safe working environment Support in competence development and compliance obligations 	<ul style="list-style-type: none"> Supplier registration and approval process Early engagement during new product development Fair and transparent tender processes Supplier relationship management actions such as regular meetings Supplier performance and risk monitoring 	<ul style="list-style-type: none"> Providing trainings on special topics such as Human Rights and Supplier Code of Conduct Identification and auditing of risk suppliers Sourcing of sustainable raw materials Collaboration with CO₂ reporting performance Collaboration with Reach and RoHs reporting performance Actions to ensure material availability; second source suppliers, establishment of local supplier base in India, continuous risk monitoring in supply chain
Communities	<ul style="list-style-type: none"> Share of our value creation through tax payments and employment. Ethical and responsible business decisions and operation crucial for local acceptance and good reputation. 	<ul style="list-style-type: none"> Impact on local economy, welfare, and environment Ethical behavior and social responsibility Human rights Healthy and safe working environment 	<ul style="list-style-type: none"> Collaboration with universities, schools, and local communities Community programs and events for social development Traineeships and thesis opportunities Sponsoring, scholarships, and donations Active participation on sustainability programs 	<ul style="list-style-type: none"> Ensto sponsored Suniye, an NGO dedicated to assisting hearing-impaired children in India Ensto sponsored the Senorina Foundation, a non-profit organization dedicated to helping individuals with Alzheimer's disease and their families in Czech Republic. Ensto sponsored the Science Club of Keila school in Estonia Ensto donated to Unicef's Children's fund Ensto participated in the first national Circular Design Program arranged in Finland Ensto participated in the Business & Human Rights Accelerator program
Regulators, industrial associations	<ul style="list-style-type: none"> Creation and enforcement of regulations and standards impact various aspects of strategic decisions and business operations. Non-compliance with the regulations and standards can result in penalties, legal action, and damage to the reputation. 	<ul style="list-style-type: none"> Compliance with regulations and standards Transparent, accurate and on-time reporting and information sharing 	<ul style="list-style-type: none"> Sharing expertise with external organizations Memberships in industrial associations Early dialogue with regulatory bodies on national and regional level Participating in working groups Inspections by authorities 	<ul style="list-style-type: none"> Ensuring the compliance across our value chain through trainings, audits, and contractual requirements Implementation of HSE compliance tool in Finland



Sponsoring and memberships

The main goal of our sponsoring is to engage in concrete actions and to be an active and responsible actor in building a better future. Our sponsorship policy emphasizes cooperation with young people. This reflects our values of responsibility, human-centricity, innovativeness, and collaboration.

We cooperate with different entities and projects where considerable emphasis is placed on supporting both children and youths' physical exercise and well-being in communities where Ensto has its plants. Through our sponsoring, we support local children's sports clubs and provide activities for disabled and disadvantaged children. We also support the technological innovation of young people by supporting and organizing events, as well as cooperating with educational institutions in our industry.

Enhancing the industry's sustainability

Ensto is actively engaged in promoting sustainability through key memberships in global and local initiatives. We are a signatory of the United Nations Global Compact, aligning with its ten principles for sustainable business practices. As members of the [World Energy Council \(WEC\)](#), we support energy sustainability efforts globally. Through the [Climate Leadership Coalition \(CLC\)](#), we share and learn best practices to accelerate the green transition. In Finland, we contribute to the [Finnish Business & Society \(FIBS\)](#) network, focusing on responsible business practices,

and [Inklusiiv](#), supporting diversity, equity, inclusion, and women's empowerment in tech. Additionally, we participate in the [Nollis](#) forum to enhance workplace safety and aim for a zero-accident environment.

From scholarships to support for future innovators in Finland

Ensto is committed to nurturing the next generation of professionals by providing robust support to students from high school to university levels, including Universities of Applied Sciences (UAS). In a recent initiative, Ensto awarded scholarships to ten schools in Porvoo recognizing the efforts of dedicated students. Through collaborations with student organizations, such as the Guild of Electrical Engineering, Ensto contributes to the financing of electrical engineering studies, aiding in the purchase of traditional student overalls and enhancing the educational journey. Additionally, Ensto plays an active role in various events like the [Contact Forum](#) and [Aalto Talent Expo](#), creating opportunities to engage with promising talents. These engagements underscore Ensto's target to foster innovation and collaboration, with the ultimate goal of partnering with these emerging talents to create a more sustainable future.

Nurturing the future of science and engineering in Estonia

As part of our commitment to education and innovation, we also support the Science Club of Keila school in Estonia. The Science Club aims to create the curiosity and interest of young people in science and engineering. We believe that by investing in the next generation of scientists and engineers, we can contribute to a more sustainable and prosperous future.

Our support for the Science Club is not only financial, but also practical. We regularly host the club members in our company and show them the various aspects of our work. We also offer them opportunities to apply for internships and jobs with us, and to learn from our experienced professionals. We hope that by exposing them to the real-world challenges and solutions of our industry, we can inspire them to pursue their passions and talents.

Ensto raises Alzheimer's Awareness in Czech Republic

Ensto has been a proud supporter of the Senorina Foundation, a non-profit organization dedicated to helping individuals with Alzheimer's disease and their families. As part of our commitment to this cause, we have purchased Alois socks, each with a unique pattern, to raise awareness about the challenges faced by those with Alzheimer's disease. These high-quality cotton socks are produced in the Czech Republic and packaged in a sheltered workshop that employs individuals with disabilities. We have distributed these socks as gifts to our customers and partners, as a symbol of our support for the Senorina Foundation and its mission.



ENSTO AND SUNIYE - PARTNERSHIP FOR CHANGE IN INDIA

Ensto sponsors [Sunie](#), an NGO dedicated to assisting hearing-impaired children in India by providing hearing tests, speech therapy, and educational support. Sunie's work is crucial given the rising number of hearing-impaired children in the country, aiming to integrate them into mainstream society and schools. It has positively impacted over 1,000 children, especially from low-income backgrounds, by teaching spoken language, a unique endeavor in India. Ensto's sponsorship reflects its commitment to social responsibility and building an inclusive society, aligning with its values of responsibility, people-centricity, and innovation. This partnership highlights the collective effort to improve the lives of young children with disabilities, offering them a brighter future.

[READ MORE >](#)

Sustainable Development Goals at Ensto

The United Nation's Sustainable Development Goals (SDGs), a worldwide action plan to end poverty, aims to protect the planet and ensure that all people enjoy peace and prosperity.

Ensto is dedicated to business practices that support specific Sustainable Development Goals (SDGs), identifying seven primary goals where we make the most impact. In 2023, we enhanced our skills through the UN Global Compact and participated in the Human Rights Accelerator program. This program aids UN Global Compact companies in evaluating their performance, identifying risks, and uncovering new opportunities in line with the SDGs, assisting Ensto in advancing our systematic human rights efforts.

Ensto's SDGs and our contribution



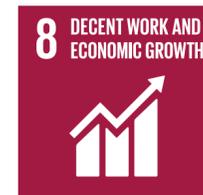
Gender equality

We are committed to increasing gender diversity throughout all levels of our company by data, developing competences with diversity and inclusion training, and inclusive recruitment process.



Affordable and clean energy

We offer innovative and reliable, long-lifecycle line accessories, distribution automation, protection and control solutions as well as substations for a critical electricity distribution infrastructure. We develop solutions for wind electricity production and develop micro-grid technology, which enables the integration of renewable energy sources to rural communities.



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 a healthy and safe working environment. We manage human and labor rights risks in our own operations and in our supply chain. We work closely with our suppliers to increase quality and environmental awareness.



Industry, innovation and infrastructure

Our in-house R&D, manufacturing, and testing facilities enable us to innovate and offer worldwide. We are committed to improving renewable infrastructure, supporting decentralized power production, and minimizing the environmental footprint of our products. Our actions reflect our commitment to prolonging infrastructure durability and embracing circular economy.



Responsible consumption and production

We constantly try to minimize our waste generation and increase the recovery rate. We design our products taking material efficiency into account. We aim for high quality and to produce robust products with a long lifespan.



Climate action

We aim to decrease our own energy consumption and lower our indirect emissions (e.g., from logistics). We aim to increase the environmental knowledge and competence of our own employees. We see that electricity, especially electricity solutions, plays an important role when fossil fuels are replaced by renewable, carbon free electricity. Electricity is an enabler of modern life, modern societies, energy efficiency and carbon emission reduction.



Peace, justice and strong institutions

We are dedicated to maintaining responsible business practices, strictly prohibiting bribery, fraud, and corruption as outlined in our Code of Conduct, Supplier Code of Conduct, and Anti-corruption Policy. These principles are fundamental to our strategy. We actively implement these policies by training our staff, educating our customers and suppliers, assessing risks, and -prioritizing high-risk areas. Additionally, we maintain a robust mechanism for reporting and addressing any observed unethical practices.

Durable and innovative solutions with positive impacts

Ensto is firmly grounded in sustainability, prioritizing climate action and circularity, providing a safe and inclusive workplace, and upholding ethics and compliance throughout our value chain. Our commitment to lasting, innovative solutions is our part to drive the green transition forward, fostering development through electrification.

Our mission is clear – to empower our valued customers to enhance the sustainability of their operations through our products and solutions, while creating offerings that deliver positive impacts throughout their lifecycle.

We continually work to enable renewable infrastructure development, support decentralised power generation, and minimise the environmental impact of our products. Initiatives such as refurbishing overhead load break switches, in the Auguste model, demonstrate our commitment to expanding critical infrastructure lifespan and embracing circular economy principles. By introducing circular and sustainable solutions, we are actively driving forward the sustainability agenda, shaping a responsible future one step at a time.

SOLUTIONS

Guarding the grid: advanced solutions for electricity network resilience

Ensto's Full Covered Conductor Solution and Auguste load break switch emerge as essential defences that ensure uninterrupted power supply in the face of extreme weather conditions.

To address the challenges posed by harsh weather conditions, constructing a resilient and adaptable network is essential. Distribution system operator (DSO) Vattenfall Elnät, operating in northern Sweden's Arjeplog region, exemplifies this proactive approach by implementing a new Full Covered Conductor Solution (FCCS) line. This aligns with a broader trend in Sweden, where most DSO's prefer Ensto's FCCS for its quality and ease of installation, along with our dedication to excellent service.



FCCS offers a comprehensive solution, protecting against ice, snow, storms, and wildlife interference with minimal interruptions and size-efficient designs. Together with Auguste maintenance-free overhead line [load break switch](#), they secure power distribution in severe weather, rapidly isolating faults, automatic isolation and restoring power within minutes to enhance grid safety and reliability in even remote locations. Our customers gain value from a secured network, protected against adverse weather

conditions and potential faults, such as wildfires that can result from damaged power lines, standing without our reinforced protection. The space-saving design of FCCS reduces the need for extensive forest clearing and preserves natural habitats by requiring narrower line areas, while Auguste's reliability minimises outage durations. Fewer faults and lower maintenance costs enhances the security of electricity supply, underscoring the sustainability of our solutions.

SOLUTIONS

Progressing renewable energy infrastructure for sustainable energy generation

In the evolving landscape of renewable energy, Ensto's solutions are adapted to the unique demands for a resilient infrastructure.



With the increasing importance of renewable energy, the rise of wind power demands robust solutions and advanced protection systems. As wind farms grow in size and complexity, efficient and safe operations require durable cables, dependable accessories, and advanced control applications to ensure reliable energy generation.

Our comprehensive solutions are tailored to the unique demands of wind farm environments. The [WIND underground cable accessories](#) are specifically designed to withstand high voltages and volatile conditions, incorporating durable materials and cold shrink techniques for enhanced reliability. Our substation solutions offer power distribution solutions for substations, enabling

seamless integration of renewable energy sources into the grid. In addition, Arcteq, part of Ensto Group, provides the most accurate [protection and control devices](#) for protection, monitoring and control of power systems.

Elenia, Finland's second-largest distribution system operator, partnered with Ensto to begin renovation of its two [primary substations](#) in North Ostrobothnia. By upgrading protection relays, constructing a 110kV field, and relocating main transformers, Elenia aims to enhance electricity distribution reliability and facilitate the integration of renewable energy. Ensto's expertise ensures a resilient power supply, reducing outage times and improving connectivity for renewable energy sources.

SOLUTIONS

Ensto's Auguste proves weather resilience with swift restoration of power supply even in challenging environments

Auguste load break switches provide a continuous supply of power, safeguarding electricity distribution networks against disruptions and enhancing power stability in severe weather.

Finnish distribution system operator Koillis-Lapin Sähkö manages a vast distribution network of 3,400 km in Lapland, Finland and serves 12,550 customers, including ski resorts and remote communities that require a reliable power supply. Protection for long branches is crucial, with some spanning over a hundred kilometres, facing challenging weather such as ice, snow, and storms.

[Auguste load break switches](#) are installed at endpoints of long branches to secure power distribution, while enduring harsh winter conditions. The system swiftly disconnects faulty branches, isolating the affected area to expedite fault location and restores power to unaffected customers within minutes. With intelligent



technology and closed structuring Auguste ensures reliability and durability, shortening the duration of power outages and improving the SAIDI and SAIFI indices in MV overhead line networks, while requiring minimal maintenance.

Ensto's proactive customer support and product quality foster trust and confidence among operators, including Koillis-Lapin Sähkö, making the system the preferred choice for remote locations in Lapland's challenging terrain.

SOLUTIONS

Arcteq's arc flash protection with arc quenching device delivers a sustainable way for increasing electrical safety and extending life of aging equipment

The arc protection system used at Stora Enso marks a progressive step towards sustainable grid management, achieving significant cost savings and extending the lifespan of vital infrastructure.

There is a growing demand for solutions that enhance safety and offer long-term sustainability by optimizing resource use and extending the lifespan of existing equipment.

A 6-kV switchgear retrofit project at Stora Enso's Anjala paper mill was implemented using the AQ 100 [arc flash protection](#) system, which quickly detects and extinguishes arc flash, helping safeguard personnel and minimizing damage on critical equipment.



By implementing the arc flash protection system, Stora Enso achieved cost savings of five million euros, while extending the lifespan of its 40-year-old switchgear. Opting for a retrofit approach instead of full replacement, the company minimised downtime and additional costs associated with shutdowns. The system not only improves electrical safety for people interacting with the switchgear but also demonstrates a commitment to environmental responsibility.

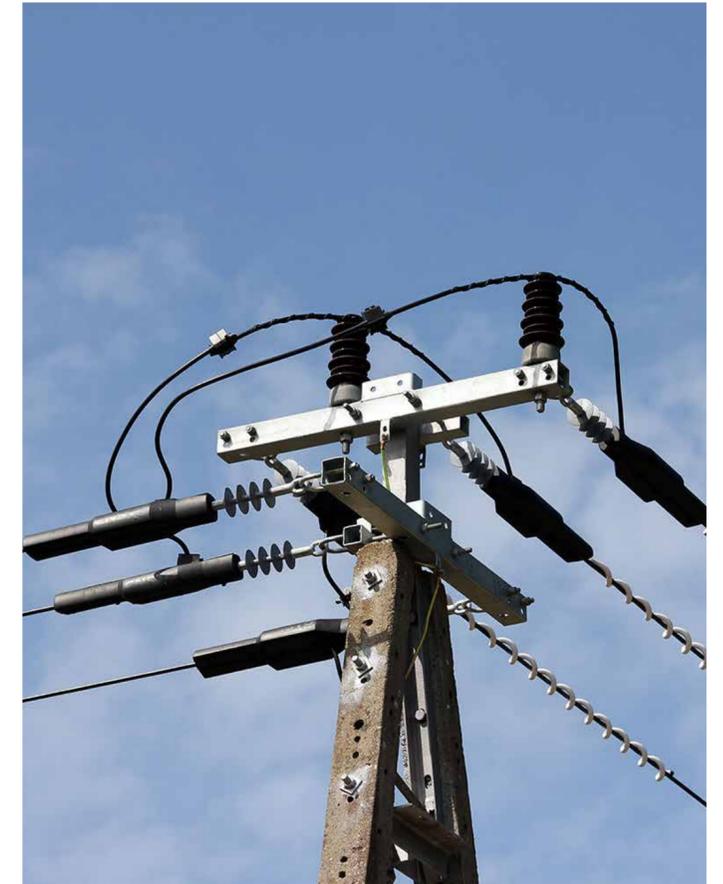
SOLUTIONS

Sustainable synergy: harmonising human safety with environmental protection

Through pioneering solutions including fault carts and wildlife safety products, Ensto reinforces networks against potential hazards that prioritise human safety, minimise ecological impact, and builds a sustainable approach to energy distribution.

As technology advances, so does the need for comprehensive testing to ensure the seamless operation of protection systems, and to address network complexity. Customers look to develop reliable solutions that can simulate potential accidents, evaluate network responses in real-time, and enhance overall operational resilience.

To address these evolving customer needs, Ensto offers advanced solutions designed to increase electrical safety and environmental protection. These include the

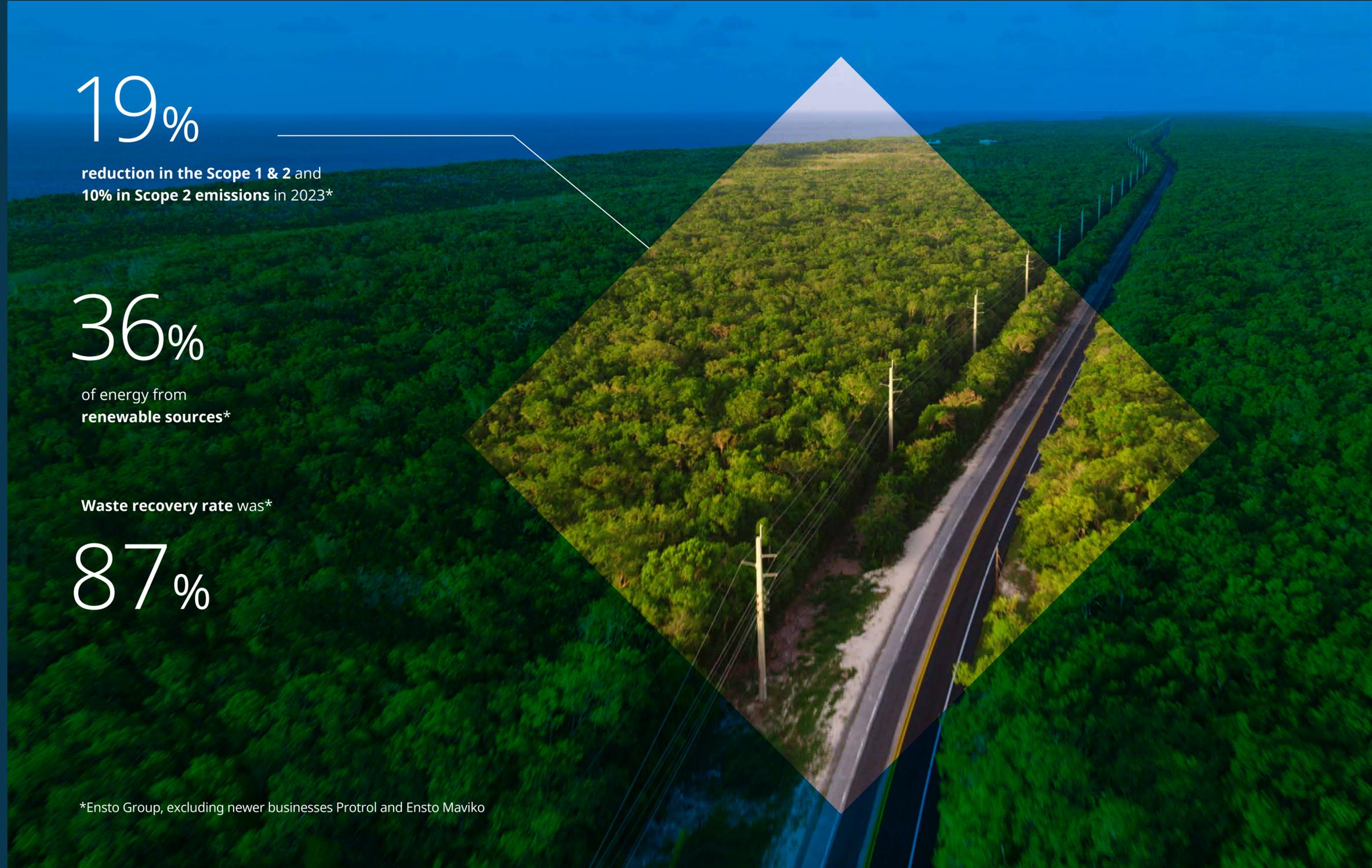


fault cart for simulating accidents and testing protection systems in real-time. Ensto provides a range of wildlife protection products such as the [bird protection set](#), which save the animals from our infrastructure and safeguards against wildlife-related outages.

Through these initiatives, we not only safeguard human lives but also mitigate environmental risks, laying the foundation for a safer and more sustainable energy ecosystem.

◆ ENHANCING actions on climate and circularity

Ensto builds critical societal infrastructure that helps drive the green transition. We develop durable and innovative products and solutions that advance the UN Sustainable Development Goals. We are dedicated to improving resource efficiency and reducing greenhouse gas emissions across our value chain.



Ensto is committed to continuously developing our sustainability and reporting about it. We have been publishing sustainability reports since 2010, and all the previous reports are available on our [website](#).

◆ Enhancing actions on climate and circularity

	Target	Baseline	2023 results	2025/30 target
Climate	75% reduction of scope 1 & 2 CO ₂ emissions by 2025	100*****	24* 	level 25%
	50% of our R&D investments contribute to SDGs by 2030	18.5%	13.2%** 	50%
	100% renewable electricity by 2030	12%*****	36%* 	100%
	7% improvement in energy efficiency by 2030	0%	-20%** 	7%
Circularity	10 million euros of revenue from sustainable products by 2025	4.1 M	3.3 M** 	10 M
	All factories ISO 14001 certified by 2025	4/6	6/9 	9/9

*Ensto Group, excluding newer businesses Protrol and Maviko

**Ensto Group, excluding newer businesses Arcteq, Protrol and Maviko

*****Comparing year 2021 data is Ensto Group business and Legrand Finland business 10-month data.

Climate actions

Ensto achieved significant milestones in emissions reduction, exceeding its 2025 target by reducing Scope 1 emissions by 48% and Scope 2 emissions by 82% from the 2021 baseline. The overall emissions reduction was 19%, with an initial potential of 27% before updating impact factors, highlighting the importance of data accuracy. Key factors included decreased fuel consumption and reductions in emissions from purchased electricity, contributing to a total CO₂ equivalent reduction of at least 158 tons.

Renewable energy accounted for 36% of Ensto's manufacturing operations, with 97% of electricity sourced from non-fossil fuels.

Energy consumption fell notably; however, energy efficiency indicators worsened, suggesting the need for refined measurement methods to reflect product complexity and operational differences across locations.

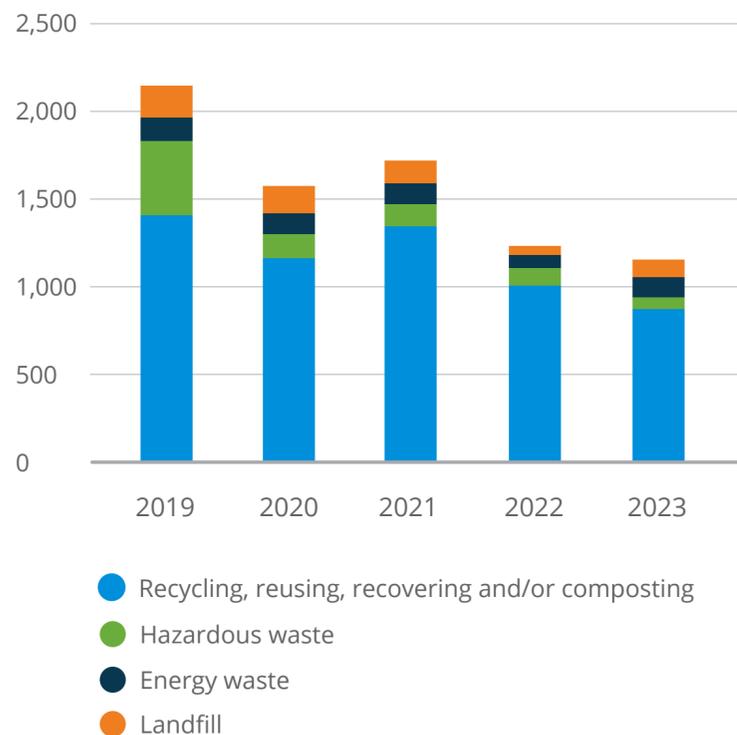
 FRANCE



Electricity from photovoltaic panels represented 23% of the consumed electricity at the Villefranche site in 2023



Waste management in Ensto's manufacturing plants, tonnes*



*Ensto Group, excluding newer businesses Protrol and Maviko
 *****Comparing year 2021 data is Ensto Group business and Legrand Finland business 10-month data

Waste management saw a 76-ton decrease in total waste, with a 33-ton reduction in hazardous waste, despite a 6% drop in waste recovery rates due to more landfilling.

Ensto's scope 3 data collection is ongoing, in conjunction with the development driven by the Corporate Sustainability Reporting Directive (CSRD). Another emerging EU sustainability regulation is the implementation of the Carbon Border Adjustment Mechanism (CBAM), an environmental policy designed to apply the same carbon costs for imported products as for installations located in the EU. These directives require more detailed supply data management and more transparent investigation of sustainability impacts from supply chains.

2022-2023, Ensto's material consumption included a mix of steel (raw and prefabricated) making up about 30% of the total weight, with electrical machinery (including complex items, prefabricated products, cables, and epoxy insulators) as the second-largest category at 14-23%. Aluminum materials and components were close behind at 12-13%. Plastics and wood-based materials, including packaging, each accounted for 6-8%. There was also some overlap in material categories, with items fitting into multiple categories or unweighted contributing to 2-8% of the total, as detailed in the material use table.



FINLAND

Ensto's first environmental product declaration, EPD reveals that SLIW insulation piercing connector footprint is 0.75 kg CO₂e [GWP-fossil, A1-A3]



Materials, metric tons / %***

	2022		2023	
	tons	%	tons	%
Steel/iron and steel items	2,443	33	1,496	30
Electrical machinery and equipment, including epoxy insulators and batteries, cables	1,081	14	1,114	23
Aluminium	970	13	599	12
Plastics	533	7	271	6
Wood, paper, carton	589	8	289	6
Ceramic ware and silicone insulators	352	5	396	8
Copper and copper alloys	331	4	165	3
Tools and machinery	174	2	110	2
Other base metals, incl. Tin, Zinc	17	0.2	51	1
Chemicals, glass, rubber, additives,	389	5	172	3
Uncategorized; complex items or OEM purchases	587	8	256	5
Items categorized without weigh	1.4*	1.9*	1*	1.5*

*Million pcs / % from all Pcs
 ***Ensto Group, excluding Ireland and newer businesses Arcteq, Protrol and Maviko

Circular economy

Circular design knowledge

In 2023, Ensto joined 50 companies in Finland's first Circular Design Program, aimed at fostering circular economy concepts. Led by Ethica and Design Forum Finland and funded by the Finnish Ministry of the Environment, the program sought to provide foundational knowledge for piloting and scaling circular economy projects. Ensto explored product-level circular economy improvements and enhanced its brand's connection to circular practices.

Operational excellence

We are constantly striving for world-class manufacturing in our operations. Our lean culture of continuous improvement reducing losses.

SCOPES OF GREENHOUSE GAS EMISSIONS



SCOPE 1

Fuel for heating, fuel for generator to produce electricity, fuel for company owned cars



SCOPE 2

Electricity, district heating



SCOPE 3

Currently collecting data to make calculations, includes e.g. raw materials, logistics, waste, water, business travels, commuting

We have been awarded the Ecovadis Silver Medal. This result places our company among the top 15% percent of companies assessed by EcoVadis in the past 12 months. Our environmental policy, particularly on energy consumption and greenhouse gas emissions (GHGs), along with our quantifiable objectives, were recognized as strengths.

Product green claims

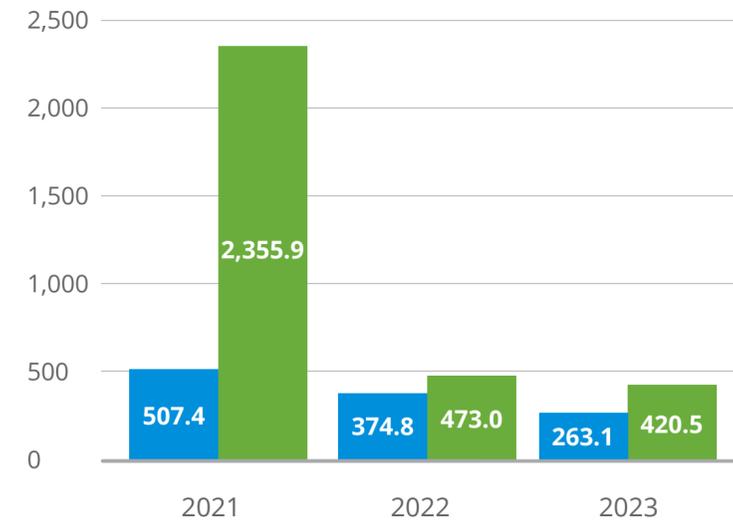
In 2023, Ensto focused heavily on meeting the growing demand for sustainability claims. We achieved our goal of developing in-house capabilities for ISO 14025 compliant environmental claims by producing Environmental Product Declarations (EPDs) and carbon footprints for select products. Despite this progress, further efforts are needed to meet future demands.

Next steps

A considerable part of our Scope 3 emissions, about 85% of Ensto's total emissions, comes from our supply chain, especially when end-of-life treatments that comply with existing systems and circular economy principles are not fully implemented.

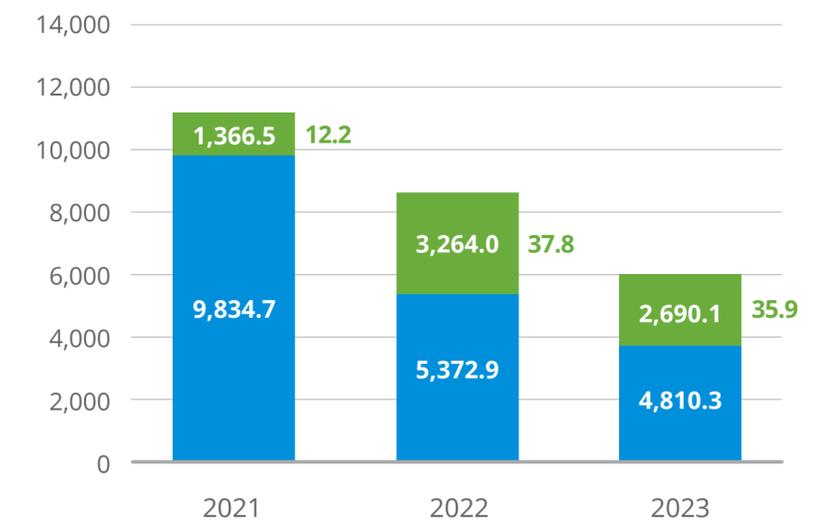
Ensto is committed to developing data processes for scope 3 emissions and investigating opportunities to increase the use of renewable energy and reduce our logistical footprint. Collaboration with supply chain stakeholders is crucial to this development in order to obtain relevant environmental impact information for compliance and decision making. We aim to produce more verified, product-specific claims to support our customers in the sustainable design of distribution networks.

Scope 1 & 2 emissions, tCO₂e*

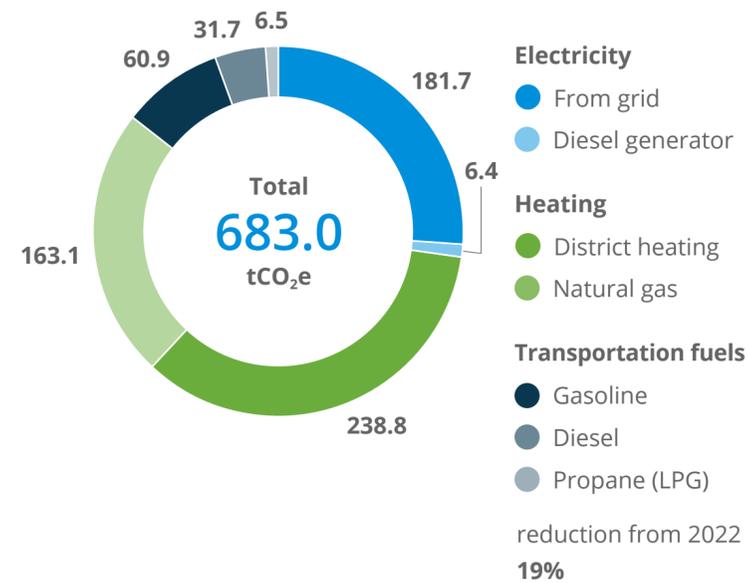


Electricity consumption, MWh*

Use of electricity in Ensto factories in years 2021–2023



CO₂ emissions break-down, tCO₂e*

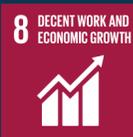


*Ensto Group, excluding newer businesses Protrol and Maviko

*****Comparing year 2021 data is Ensto Group business and Legrand Finland business 10-month data

◆ **EMPOWERING**
employees by providing
a safe and inclusive
workplace

Ensto aims to provide a workplace where people feel safe, respected, and fulfilled, enabling them to boost their wellbeing and perform at their best. Our target is to achieve a zero-accident workplace and we aim to build a culture where diversity is highly appreciated. We continuously develop our highly valued employee competence.



Ensto is committed to continuously developing our sustainability and reporting about it. We have been publishing sustainability reports since 2010, and all the previous reports are available on our [website](#).



36%

of employees are **women and other gender***

Number of accidents
decreased from 18 to

7**

Average age of employees was

46

years*

*Ensto Group, excluding newer businesses Protrol and Ensto Maviko

**Ensto Group, excluding newer businesses Arcteq, Protrol and Ensto Maviko

◆ Empowering employees by providing a safe and inclusive workplace

	Target	Baseline	2023 results	2025/30 target
Safe workplace	Zero accidents	23****	7** 	0 accidents
	Lost-time injury frequency <5 by 2025	11.5****	5.8** 	<5 LTIF
	Increased number of safety observations	183	906** 	> 906
	All factories ISO 45001 certified by 2030	0/6	2/9 	9/9
Inclusive workplace	80 in employee engagement index by 2025	76	69 	80
	1/3 of our senior positions held by women and other gender by 2025	17%	20.5%* 	33%
	100% iGrow participation yearly	63%	90% 	100%
	Improve gender diversity	38%	36%* 	>38%

*Ensto Group, excluding newer businesses Protrol and Maviko

**Ensto Group, excluding newer businesses Arcteq, Protrol and Maviko

****Comparing year 2021 data is Ensto Group business and Legrand Finland business both 12-month data

Empowering employees by providing a safe and inclusive workplace

People are a key factor in value chain. Our company is driven by our employees, and they are a key to our success. We believe that empowering our people is our greatest strength for delivering value to our customers and partners.

We see a diverse and inclusive workplace as a strength that helps us to attract a talented workforce to further drive innovation and business success. During the year, Ensto participated for the third time in Finland's largest Responsible Employer study on responsibility practices, ranking as the 8th most responsible employer nationwide.

Safe working environment

Health and Safety require constant attention and improvement

Our foundation for safety has been built on legal and regulatory compliance, strong quality and environmental management systems and lean culture. Above that we have put effort into establishing a solid Health and Safety Management system.

Because health and safety are not a static state, it requires constant attention and improvement. In 2023 we concentrated on promoting safety through showing management's commitment, raising awareness and

employee participation. The safety program was formed with three core elements:

- ◆ Communication
- ◆ Certification of ISO 45001 based Health and Safety Management system
- ◆ HSE Walk & Talk and registration of Health and Safety observations.

Communication and collaborative efforts to improve safety culture

Building a positive safety culture is crucial, and at its heart lies effective communication. In 2023, we launched a comprehensive global safety communication campaign to enhance awareness of vital safety issues, celebrate our safety milestones, and communicate our commitments to safety. The campaign covered a range of topics, including our safety objectives, wins and achievements in safety initiatives, stories specific to countries and functions, themed months, and safety promises made by our top management.

A key highlight was the global safety week, timed with the European Week for Safety and Health at Work. This year's theme focused on "Leading Safety Through Commitment," aiming to deepen our safety culture. The week featured global discussions and local activities, particularly in our manufacturing sites. We encouraged all employees to engage in the event, share their safety commitments and ideas for improvement, and continue to actively report health and safety observations.

In 2023, the first certification processes of ISO 45001 based Health and Safety management systems were completed at Ensto Maviko Oy in Vaasa and Lempäälä, Finland and at Ensto Finland Oy in Porvoo, Finland. The establishment and certifications of the Health and Safety management systems were executed in close collaboration with the employee representatives and line organizations to ensure learning from the process and strong commitment.

 FINLAND



In 2023 Ensto Finland and Ensto Maviko focused on continuous development of health and safety through certification process of ISO 45001. Not just certifying the operations but also having zero accidents with sick leave in Porvoo.

The certification process continues in 2024 at our Estonian location in Keila.

Our employees hold valuable knowledge, and we want everyone to have a chance to give feedback, suggestions and raise their concerns on health and safety matters. In 2023 we renewed, systematized, and trained our HSE Walk & Talk procedures as well as system for registering and managing of HSE observations. The main change was the emphasis on open dialogue during the walks, expanded participation and categorization of observations to enable deeper understanding of our health and safety hazards. With this information we were able to target the corrective and preventative actions to the most critical health and safety issues.

Safety observations**

	2021	2022	2023
Number of safety observations per year	183	459	906

Key safety figures (LTIF)**

	2021****	2022	2023
LTIF1	11.5	13.2	5.8
LTIF4	10.0	11.8	4.2
Number of accidents (with sickleave)	23	19	7

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

Excellent results through safety program

Through implementation of our safety program, among other actions already in use, we achieved great results.

In 2023 we wanted to increase the number of health and safety observations. We managed to double the previous year’s number resulting in a total of 906 Health and Safety Observations

The number of occupational accidents resulting from sick leave occurred at work reduced from 19 to 7 setting the rate of all occupational accidents (LTIF1) in 2023 at 5.8 compared to 13.2 in 2022.** The rate of serious accidents with four or more sick leave days (LTIF4) was 4.2.**

In our recently certified manufacturing locations of Ensto Finland Oy and Ensto Maviko Oy, the number of occupational safety accidents with sick leave was one. Other manufacturing locations with zero accidents with sick leave during 2023 were Ireland and India.

Business environment and operational changes affect the employee engagement

During 2023, we adopted Glint, a new survey tool, and conducted four surveys to gain important and timely insights into our employees' wellbeing and thoughts on working at Ensto. The survey results are broken down and analyzed in management team meetings and by leaders with their teams. The Glint platform offers leaders an easily accessible tool to evaluate the survey results, engage in open conversation with employees and their teams, and commit to concrete actions to improve their results. In the surveys, we also measure if employees believe meaningful actions are taken based on the survey to ensure the tool is being used. The Glint platform offers global benchmark data. When compared, Ensto’s engagement was above benchmark average in the beginning of 2023.



**Ensto Group, excluding newer businesses Arcteq, Protrol and Maviko

****Comparing year 2021 data is Ensto Group business and Legrand Finland business both 12-month data

However, the results of the last survey were lower than the previous time, mirroring the uncertainty of the business environment and operational changes of the company.

Supporting Employee Mental Health

To enhance the well-being of our hybrid workers, we invested in online mental health and exercise programs, ensuring comprehensive support for our employees' daily lives. The Auntie service provides all employees with easy access to provide support for stress, motivation loss, or self-leadership challenges, preventing these issues from worsening. Offering personalized 1-2-1 sessions with a therapist in 20 languages, Auntie delivers targeted support through thematic packages, aiming for preventive care and accessible assistance.

ESTONIA



Ensto Estonia joined the Employers' Initiative on Domestic Abuse, founded by the President Kaljulaid Foundation

in 2023. The initiative, launched by former Estonian President Kersti Kaljulaid, aims to serve as a competence center for employers who choose to incorporate domestic violence awareness into their organizational culture and address it as a matter of responsible business.

Supporting employee growth and development

We actively support our employees' growth and development at Ensto. We believe that our employees know what they need to excel in their roles, and we encourage them to suggest courses and training to their managers. We also support open conversations about development, and it is for this reason we implement iGROW-discussions twice a year. In January, our iGROW discussions brought together leaders and employees to assess the previous year's achievements and challenges, and to set goals jointly in developing skills and competence areas.

Halfway through the year mid-year iGROW is launched, where the focus is solely on employees' professional and personal growth and development. To support this, Ensto organizes trainings for managers, with a workbook for supportive conversations. The goal is to create and facilitate a coach-focused mindset and setting between managers and employees.

Ensto also provides training and webinars for all employees. Together with external provider Bravers, we offer our managers varied training aimed at developing their leadership skills. In the spring 2024 we launched a senior specialist development program, consisting of project leading training, while an internal mentoring program is in the works. We also partner with Academy of Brain, an external source that offers our employees a variety of training courses to develop skills to a growth mindset. As English is the working language at Ensto, we offer the opportunity for employees to develop their English skills through Hult EF English trainings.



Diversity and inclusion

Learning together to avoid biases

Diversity and inclusion remained Ensto's sustainability key commitment theme in 2023. We aim to develop Ensto's diversity and inclusion by focusing on gender diversity especially in senior level positions, closing the gender gap in salaries, and by increasing our overall awareness on matters relating to diversity and inclusion. We have seen improvements in the number of women in senior management positions, which is one of our key KPIs.

In 2023, the development of this theme continued, and the plans were put into action. All leaders underwent mandatory 3-hour training on diversity and inclusion. Leaders learned about the ways in which D&I benefits the company and learned to identify the challenges to diversity and inclusion, and to work together to find the solution. Training was completed by 79% of leaders. For the

 FINLAND, INDIA, IRELAND



In June 2023, Ensto celebrated Pride Month, embracing diversity, equality, and inclusion through a series of activities. Highlights included webinars on psychological safety with our mental health service partner, Auntie, encouraging a culture where everyone can be their authentic selves. Furthermore, we organized Pride-related personnel events and announced a social media competition, affirming our support for the LGBTQIA+ community.

first time, we conducted an annual survey, specifically on diversity and inclusion. In the future, diversity e-learning training will be mandatory for all Ensto employees.

In 2024, we plan to offer more voluntary leadership training on diversity and inclusion, create an e-learning course for all employees, and continue our annual surveys with action plans. Looking ahead, we intend to expand our training programs in other themes. We are in the process of considering to host a keynote speaker to raise awareness on diversity and unconscious biases.

Job framework brings transparency and equality to our salary system

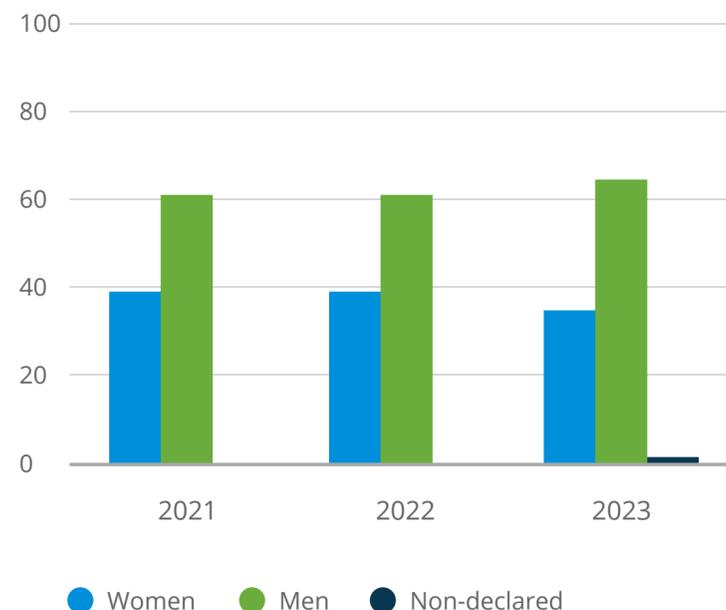
We are systematically working to reduce the gender pay gap and help our employees to understand our compensation framework. Our target is to achieve equal pay for all genders. We have established a globally consistent and transparent job framework for the different roles and their requirements within the company. For each country, we created a local salary table based on international benchmark data, as well as monitor each country's salary levels. The Job Framework makes salaries comparable in all countries and helps in bridging the salary gap between genders. Our target is to increase the female share to one-third of senior positions by 2025, as women are under-represented in certain job classes at Ensto.

Fostering diversity and inclusion through recruitment

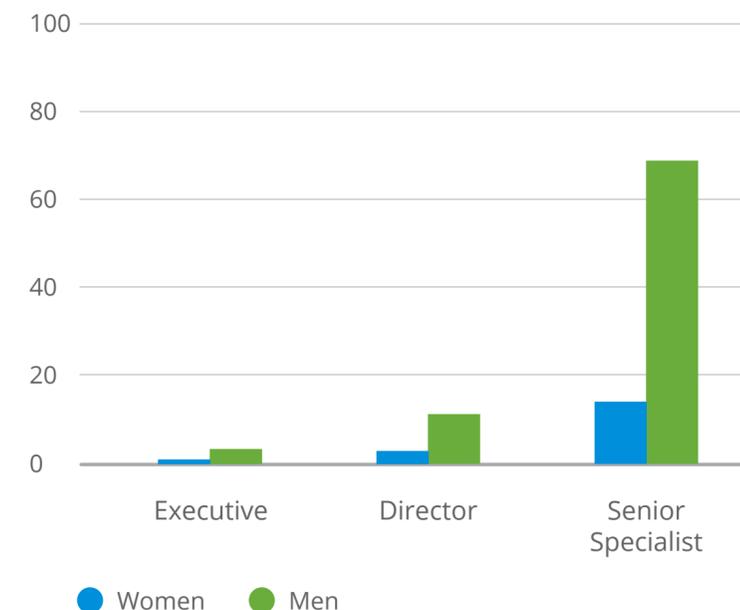
Recruitment and onboarding of new employees remain important from the perspective of building organizational culture and widening our competence. Our recruitment tool enables completely anonymous recruitment and transparently disclosing salary ranges in our job postings.

We have implemented anonymous recruiting in the first stages of our recruitment process. This means that the recruiter is unable to see the applicant's name, age, gender, picture etc., We also use another software tool that automatically finds non-inclusive and discriminating content in the text and proposes better alternatives.

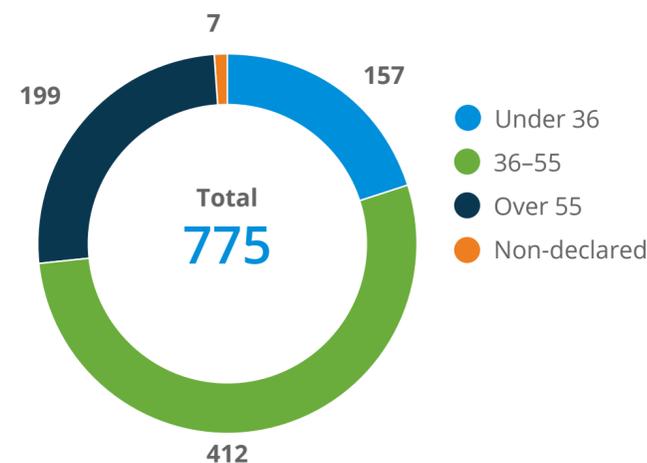
Share of male and female employees, %*



Gender distribution in senior positions, 2023 (%)*



Share of employees by age, %*



*Ensto Group, excluding newer businesses Protrol and Maviko

◆ **ENSURING**
high ethical standards
and compliance across
our value chain

Ensto is committed to upholding ethical behavior and respect for human and labor rights and aims to set an example throughout the industry. Our goal is to further integrate sustainability and ethics into our own operations and across the supply chain. We are taking concrete actions to ensure we deliver industry leading standards of ethical, supplier and material compliance, as well as customer privacy and cybersecurity.



75%

of employees completed
**Employee Code of
Conduct** training

Material
purchases from

18

countries globally**

97%

of A-suppliers have
accepted our **Supplier
Code of Conduct****

**Ensto Group, excluding newer businesses Arcteq, Protrol and Maviko

Ensto is committed to continuously developing our sustainability and reporting about it. We have been publishing sustainability reports since 2010, and all the previous reports are available on our [website](#).

◆ Ensuring high ethical standards and compliance across our value chain

	Target	Baseline	2023 results	2025/30 target
High ethical standards & compliance	100% of our main suppliers have committed to our Supplier Code of Conduct by 2025	0%	97%**	100%
	100% of employees completed e-learning on Employee Code of Conduct	0%	75%	100%
	100% of employees completed e-learning on Health and Safety policy completed	0%	73%	100%
	100% of employees completed e-learning on Quality and Environmental policy	0%	72%	100%
	100% of office employees completed Sustainability basic e-learning	0%	87%	100%
	100% of office employees completed e-learning on Cyber Security	0%	83%	100%

**Ensto Group, excluding newer businesses Arcteq, Protrol and Maviko

Ethics and compliance throughout value chain

As a Finnish family-owned company with strong values, sustainability and our ethical conduct of business is taken seriously. We continuously strive to strengthen our competence and seek new ways to improve our business to benefit our company, and society as a whole.

Ensto has production facilities in six countries, and we purchase materials from 18 countries globally. The value chain of our products is extensive, and it stretches our social and environmental impacts beyond our direct operations. We value human and labor rights, equality, healthy and safe working conditions, and expect our suppliers and partners to respect the same values and policies when engaging in business activities with us.

We are committed to our Code of Conduct and reject corruption or bribery in any form. We are committed to building sustainability competence internally and within our partner network and integrating sustainability into our daily operations.

Developing processes and policies for managing ethical competence

Ensto's Code of Conduct ("Code") is the key policy that sets the ethical standards that guide our everyday work and decision-making. The Code applies to everyone working for Ensto, and we require all our employees to complete a Code of Conduct e-learning course on our Ensto Academy training platform. At the end of 2023, 75% of our employees had completed the course. This level is not where it should

be and needs attention. To ensure 100% participation, the e-learning course is part of our employee onboarding, and every other year one specific Code topic is highlighted and additional training on the topic is provided. In 2023 the theme was anti-corruption and anti-bribery. Next going forward we will have the topics of human rights and climate.

Ensto uses an anonymous platform called SpeakUp for reporting unethical activities, violations and concerns. The platform is hosted by a third party, and all violations are reported to the Ensto Management Team and Chair of the Board of Directors. Through the grievance channel there were 2 cases in 2023. Through our internal trusted person process, five cases were reported in 2023 they were investigated and successfully resolved.

Ensto's Health and Safety (HS) and Quality and Environmental (QE) policies are reviewed yearly. To ensure effective communication and understanding of the main policies, we established mandatory e-learning courses for all Ensto employees in 2021. We also have a mandatory online basic training on sustainability for our office employees.

During 2023 we introduced new mandatory training program for a selected group of our employees, including a mandatory eLearning module on anti-corruption and anti-bribery, along with launching anti-corruption and anti-bribery policy. Group trained was specifically chosen of people in roles that have higher risk of corruption or bribery. 107 employees, that is 88% of those invited, finished the training in 2023.

During 2023, we focused on initiating our human rights development activities. We conducted due diligence on human rights and labor rights, identified areas for development, and aligned our suppliers with this due diligence. In 2024, we will define our human rights policy and continue implementing actions to ensure our preparedness when the corporate responsibility directive becomes active. Read more about Ensto and human rights on our website.

SPEAKUP CHANNEL



1. Discuss with person(s) involved

- If this:
- is not possible
 - you do not feel comfortable



2. Discuss the issue with your superior, SpeakUp coordinator or local / global HR person

- If you:
- don't feel comfortable in doing so
 - want to report anonymously
 - the raised concern has not been solved



3. Report your concerns through SpeakUp line, which is open 24/7

[READ MORE AND MAKE A REPORT >](#)



First human rights reporting and action plan according to the local Transparency Act published in June 2023.

THE ENSTO CODE OF CONDUCT



We all play a key role in putting this code into practice



We comply with the laws and regulations



We respect human and labor rights



We truly care for our people



We treat each other with respect



We strive for high quality



We take care of the environment



We respect privacy



We do business fairly and openly



We avoid conflicts of interest



We do not accept or give bribery or improper gifts



We speak up

[READ MORE >](#)

Engaging with suppliers through building competence

We set strict requirements for our business partners to uphold high standards for responsible business practices. Ensto's Supplier Code of Conduct defines the minimum sustainability and ethics requirements for our suppliers. We expect our suppliers to implement these requirements across their own supply chains. Compliance with our Code is an integral part of our supplier selection criteria. Our group-level target aims for 100% of our key external suppliers (where we spend more than EUR 150,000 annually) to accept our Code through an E-procurement portal, E-Academy training program or by signing Ensto's contract.

In 2023 we continued arranging e-learnings on the Supplier Code of Conduct to engage our suppliers and to increase the number of suppliers to accept the Code. The e-learnings focused on explaining Ensto's values and our expectations for suppliers in more detail. As a result of the e-learnings, the coverage of our Code of Conduct compliant suppliers reached 97%* by the end of 2023. Ensto's external stakeholders, including suppliers, can report any misconduct, illegal or unethical behavior they

detect through the same in use for our employees. We monitor the progress of our Supplier Code of Conduct implementation, which rolls out in twelve months.

Supply chain plays a significant role in fostering sustainability

We monitor compliance to the Code in risk countries through regular sustainability audits. The audits are conducted by external sustainability certification companies with extensive local expertise.

The importance of audits in ensuring sustainability and efficiency within the supply chain cannot be underestimated. In 2023, we directed our efforts towards improving sustainability practices, particularly within the local supply chain in India, which is a strategically important region for our operations. We conducted 20 audits, with a focus on sustainability measures. This initiative has been groundbreaking in strengthening our local supply chain in India, which contributes to broader goals of environmental responsibility and ethical sourcing.

In addition to our efforts in India, our auditing responsibility extends across the Ensto Group network, with a total of 57 audits conducted. These audits are the cornerstone of our high-functioning supply chain, enabling us to maintain the highest standards of quality, transparency, and ethics throughout the supply chain network. Thorough evaluation of company practices ensures not only compliance with requirements, but also promotes a culture of continuous improvement and accountability.

Ultimately, audits play a significant role in safeguarding our commitments to sustainability, strengthening relationships with suppliers, and creating positive change within the industry. Through these comprehensive evaluations, we aim to create a supply chain ecosystem that not only meets present requirements but also preserves the integrity of future generations and the planet.

FRANCE



Ensto Groups First ISO 27001 was granted for the French locations. This implementation of an Information Security Management System will decrease risks and strengthen the trust that our customers place in Ensto.

ENSTO SUPPLIER CODE OF CONDUCT TOPICS



Our suppliers comply with the laws and regulations



Our suppliers secure healthy and safe working conditions



Our suppliers respect human rights



Our suppliers respect labor rights



Our suppliers do not accept child labor



Our suppliers strive for high quality and sustainable operation



Our suppliers respect privacy



Our suppliers do not accept or give bribes or improper gifts



Our suppliers do business fairly

[READ MORE >](#)

Strengthening cybersecurity for a sustainable future

At Ensto, we believe that cybersecurity is a fundamental element of sustainability, and we are committed to continuously improving our cybersecurity posture to protect our employees, customers, and stakeholders.

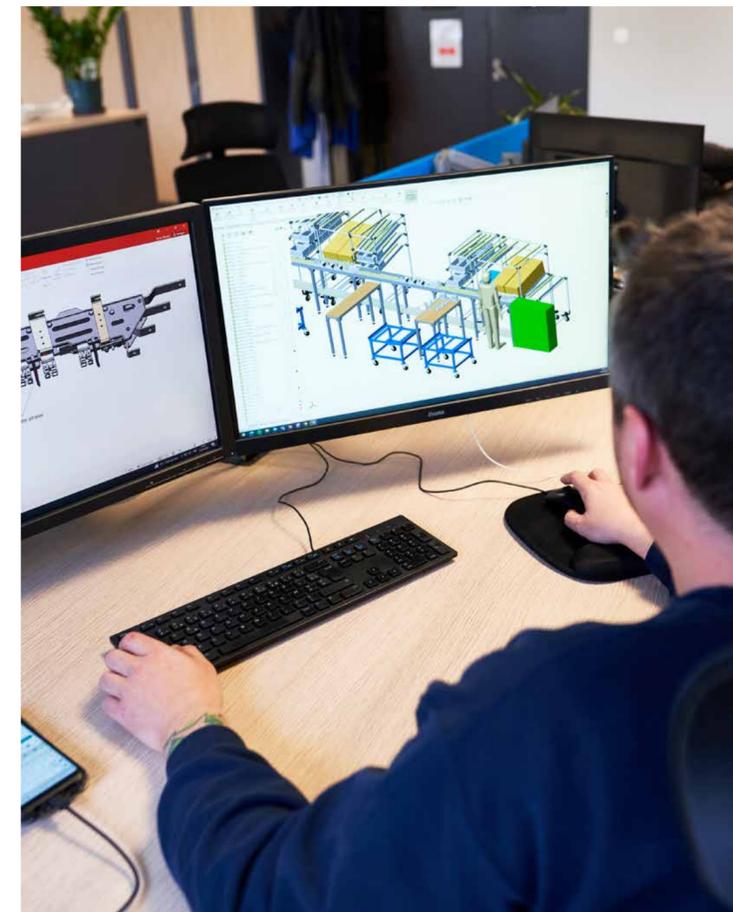
In 2022 we launched a mandatory cybersecurity training to all our employees. In 2023 we included to the cybersecurity training program a new learning approach in a form of gamification. Ongoing development of cybersecurity protection measures and services included ISO 27001 certification granted for both of the Ensto locations in France. Cybersecurity integration in our products and solutions, reflect our proactive approach towards ensuring the highest standards of cybersecurity. Moving forward we keep on continuously developing our solutions and operations to comply with stakeholder and obligatory requirements in all our locations.

By prioritizing cybersecurity, we aim to build trust, foster resilience, and contribute to a more sustainable digital ecosystem. Ensto is firmly committed to protecting our digital assets, and we will continue to invest in cybersecurity to secure a brighter and more sustainable future for all.

Solutions compliance through the value chain

In 2023, our sustainability efforts advanced significantly through a partnership with GreenSoft Technology Inc. to optimize supplier material compliance declarations. This collaboration aimed to efficiently manage product compliance, ensuring alignment with stringent sustainability standards.

Concurrently, we pursued alternative materials, particularly for brass and SF6, acknowledging their environmental impact. Exploring options such as aluminium substitutes for brass and leadless brass variants, we aimed to align with sustainability objectives and promote sustainable manufacturing practices.



Educating our workforce on material regulations became a priority, fostering a culture of sustainability across all roles through comprehensive training sessions.

Additionally, we prepared for more specific examination for compliance of North American material regulations during 2024, not only for compliance but also to strategically position ourselves in the market. By adhering to local sustainability mandates, we sought to enhance our market presence while contributing to broader environmental goals.

UNGC index

Ensto has been a signatory to the United Nations Global Compact since 2013, and we are committed to its principles regarding 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.

The following table shows how we have connected the UN Global Compact principles to Ensto’s Employee Code of Conduct and Supplier Code of Conduct and policies.

Commencing in summer 2023, we will start to report according to the new separate UNGC Communications in Progress online reporting format, in addition to this company sustainability report.



Supporting the UN Global Compact

Principles	Covered in
Human rights	
Principle 1 Business should support and respect the protection of internationally proclaimed human rights.	Ensto Code of Conduct, Supplier Code of Conduct, Health and Safety Policy
Principle 2 Make sure not to be complicit in human rights abuses.	Ensto Code of Conduct, Supplier Code of Conduct, Health and Safety Policy
Labor standards	
Principle 3 Business should uphold the freedom of association and the effective recognition	Ensto Code of Conduct, Supplier Code of Conduct, Health and Safety Policy
Principle 4 The elimination of all forms of forced and compulsory labor	Ensto Code of Conduct, Supplier Code of Conduct
Principle 5 The effective abolition of child labor	Ensto Code of Conduct, Supplier Code of Conduct
Principle 6 Elimination of discrimination in respect of employment and occupation	Ensto Code of Conduct, Supplier Code of Conduct, Health and Safety Policy
Environment	
Principle 7 Businesses should support a precautionary approach to environmental challenges	Ensto Code of Conduct, Supplier Code of Conduct, Quality and Environmental Policy, Environmental management system
Principle 8 Undertake initiatives to promote greater environmental responsibility	Ensto Code of Conduct, Supplier Code of Conduct, Quality and Environmental Policy, Environmental management system
Principle 9 Encourage the development and diffusion of environmentally friendly technologies	Quality and Environmental Policy, Ensto Group R&D Guidelines
Anti-corruption	
Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery	Ensto Code of Conduct, Supplier Code of Conduct, Anti-corruption and Anti-bribery Policy

GRI index

Statement of use Ensto Group has reported the information cited in this GRI content index for the period 01.01.2023–31.12.2023 with reference to the GRI Standards.

GRI standards in use GRI 1: Foundation 2021 and Topic Standards material to Ensto.

GRI standard	Disclosure	Location	Reported fully/partly	Comments
GRI 2: General Disclosures 2021				
	2-1 Organizational details	Ensto in Brief	fully	
	2-2 Entities included in the organization's sustainability reporting	Ensto in brief, About this report	fully	
	2-3 Reporting period, frequency and contact point	About this report, GRI index	fully	Jenni Raitavuo, Head of HSE and Sustainability, firstname.lastname@ensto.com
	2-4 Restatements of information	GRI index	fully	Restatements were made in the about the report section concerning updated emission factors.
	2-5 External assurance	About this report, GRI index	fully	Ensto's Sustainability Report 2023 hasn't been externally assured.
	2-6 Activities, value chain and other business relationships	Message from the President and CEO, Ensto in brief, Ensuring high ethical standards and compliance across our value chain, About this report	partially	Detailed description of activities and products, supply chain, other relevant business relationships or significant changes compared to the previous reporting period not reported.
	2-7 Employees	Ensto in brief, Empowering employees by providing a safe and inclusive working place	partially	The numbers are reported in head count as an average across the reporting period. Breakdown of total number by region not reported. Employment types and their breakdowns by gender and region not reported. Includes also workers who are not employees from Estonia and Finland.
	2-9 Governance structure and composition	Sustainability Governance	partially	Detailed description of the composition of the highest governance body and its committees not reported.
	2-11 Chair of the highest governance body	GRI index	fully	The chair or other Ensto's highest governance body members are non-executive to avoid conflicts of interest.
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability at Ensto, Sustainability Governance, About this report	partially	Detailed description of the highest governance body overseeing or reviewing Ensto's due diligence or other processes, related stakeholder engagement or consideration of outcomes not reported.
	2-14 Role of the highest governance body in sustainability reporting	About this report	fully	
	2-16 Communication of critical concerns	Ensuring high ethical standards and compliance across our value chain	fully	

GRI standard	Disclosure	Location	Reported fully/partly	Comments
	2-22 Statement on sustainable development strategy	Message from the President and CEO	fully	
	2-23 Policy commitments	Sustainability Summary 2023, Sustainability at Ensto, Sponsoring and memberships, Ensuring high ethical standards and compliance across our value chain, UNGC index	partially	Detailed description of policy commitments' content, including human rights, or the approval level of commitments not reported.
	2-24 Embedding policy commitments	Sustainability at Ensto, Sponsoring and memberships, Ensuring high ethical standards and compliance across our value chain, UNGC index	partially	Detailed description of commitment implementation responsibilities not reported.
	2-25 Processes to remediate negative impacts	Ensuring high ethical standards and compliance across our value chain	partially	Detailed description of remediating the negative impacts, stakeholder involvement concerning grievance mechanisms or tracking the grievance mechanism effectiveness not reported.
	2-26 Mechanisms for seeking advice and raising concerns	Ensuring high ethical standards and compliance across our value chain	fully	
	2-27 Compliance with laws and regulations	GRI index	fully	No fines or significant instances of non compliance with laws and regulations during the reporting period.
	2-28 Membership associations	Sponsoring and memberships, UNGC index	fully	
	2-29 Approach to stakeholder engagement	Sustainability at Ensto, Stakeholder engagement, Sponsoring and memberships	fully	
GRI 3: Material Topics (2021)				
	3-1 Process to determine material topics	Sustainability at Ensto, Stakeholder engagement	fully	
	3-2 List of material topics	Sustainability at Ensto, GRI index	fully	No significant changes in the organization's activities or business relationships; no changes in material topics.
	3-3 Management of material topics	Sustainability at Ensto, Sustainability Governance, Stakeholder engagement, Sponsoring and memberships, Sustainable Development Goals at Ensto, Enhancing actions on climate and circularity, Empowering employees by providing a safe and inclusive working place, Ensuring high ethical standards and compliance across our value chain	partially	
GRI 201: Economic performance (2016)				
	201-1 Direct economic value generated and distributed	Sustainability Summary 2023	partially	
GRI 205: Anti-corruption (2016)				
	205-2 Communication and training about anti-corruption policies and procedures	Sustainability Summary 2023, Highlights, Sustainability Governance, Ensuring high ethical standards and compliance across our value chain	partially	No percentages or breakdowns to categories and regions reported.
GRI 207: Tax (2019)				
	205-3 Confirmed incidents of corruption and actions taken	GRI index	fully	No incidents reported in 2023.

GRI standard	Disclosure	Location	Reported fully/partly	Comments
GRI 3: Materials (2016)				
	301-1 Materials used by weight or volume	Sustainability Summary 2023, Enhancing actions on climate and circularity	partially	
	301-2 Recycled input materials used	GRI index	-	The topic has been identified as material, but Ensto has not yet compiled the information required in this disclosure.
GRI 302: Energy (2016)				
	302-1 Energy consumption within the organization	Sustainability Summary 2023, Enhancing actions on climate and circularity	partially	Reported electricity consumption related data.
GRI 305: Emissions (2016)				
	305-1 Direct (Scope 1) GHG emissions	Sustainability Summary 2023, Our key sustainability commitments, Enhancing actions on climate and circularity, About this report	partially	Reported direct (Scope 1) GHG emissions in metric tons of CO ₂ equivalent.
	305-2 Energy indirect (Scope 2) GHG emissions	Sustainability Summary 2023, Our key sustainability commitments, Enhancing actions on climate and circularity	partially	Reported indirect (Scope 2) GHG emissions in metric tons of CO ₂ equivalent.
GRI 306: Waste (2020)				
	306-3 Waste generated	Sustainability Summary 2023, Enhancing actions on climate and circularity, About this report	fully	
	306-4 Waste generated	Sustainability Summary 2023, Enhancing actions on climate and circularity	partially	Breakdown not reported in detail.
	306-5 Waste directed to disposal	Sustainability Summary 2023, Enhancing actions on climate and circularity	partially	Breakdown not reported in detail.
GRI 403: Occupational Health and Safety (2018)				
	403-1 Occupational health and safety management system	Empowering employees by providing a safe and inclusive workplace	fully	
	403-2 Hazard identification, risk assessment, and incident investigation	Empowering employees by providing a safe and inclusive workplace, Ensuring high ethical standards and compliance across our value chain, GRI Index	partially	In Ensto the process to report work-related hazards is Health, Safety and Environmental War Room (HSE WR). All employees are instructed how to make the cards, today we are using digital cards instead of paper ones and it is easy to fill them in anywhere you are. In addition, HSE walks are conducted by responsible persons. All cards are regularly looked over at Pareto meetings, where 4-step-projects are opened to investigate work-related incidents and prevent their recurrence. In addition, regular 5S audits control the using of personal protective equipment and chemical safety, and findings are recorded in audit form.
	403-5 Worker training on occupational health and safety	Empowering employees by providing a safe and inclusive workplace, Ensuring high ethical standards and compliance across our value chain	fully	
	403-6 Promotion of worker health	Empowering employees by providing a safe and inclusive workplace	partially	Reported about health promotion service Auntie.
	403-9 Work-related injuries	Sustainability Summary 2023, Empowering employees by providing a safe and inclusive workplace, GRI Index	partially	Reported number of accidents (with sickleave), LTIF1 and LTIF4 figures. No fatal work-related injuries happened during the reporting period. Data covers only employees.

GRI standard	Disclosure	Location	Reported fully/partly	Comments
GRI 404: Training and Education (2016)				
	404-2 Programs for upgrading employee skills and transition assistance programs	Highlights, Sustainability at Ensto, Empowering employees by providing a safe and inclusive workplace, Ensuring high ethical standards and compliance across our value chain	partially	
	404-3 Percentage of employees receiving regular performance and career development reviews	Empowering employees by providing a safe and inclusive workplace	partially	iGrow participation reported only as a percentage out of total number of employees.
GRI 405: Diversity and Equal Opportunity (2016)				
	405-1 Diversity of governance bodies and employees	Empowering employees by providing a safe and inclusive workplace	partially	Ensto Management Team Board of Directors
GRI 408: Child Labor (2016)				
	408-1 Operations and suppliers at significant risk for incidents of child labor	Ensuring high ethical standards and compliance across our value chain	partially	Forbidding the use of child labor is a part of our Supplier Code of Conduct and suppliers must comply with the Code.
GRI 409: Forced or Compulsory Labor (2016)				
	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Ensuring high ethical standards and compliance across our value chain	partially	Respecting the labor rights is a part of our Supplier Code of Conduct and suppliers must comply with the Code.

About this report

Ensto's Sustainability Report 2023 discusses the key sustainability challenges and opportunities we face and explains the many ways in which we are responding to them. Ensto has been publishing sustainability reports since 2010 and is committed to continuously improving its sustainability performance and communications.

To further increase the comparability and transparency of our practices and to prepare for upcoming regulatory requirements on sustainability reporting, Ensto's 2023 Sustainability Report is prepared in reference to the Global Reporting Initiative's (GRI) Sustainability Reporting Standards.

Ensto's reporting period is the calendar year, from 1 January to 31 December 2023, and we publish the report annually. As Ensto is not a listed company and does not report its financial performance, this report focuses mainly on environmental, social and governance aspects of our operations. The report is based on internal data and has been cross-checked internally. Ensto Management Team and Chair of the Board of Directors review and approve the report. This report has not been assured by an external party. Ensto is continually developing the reporting and taking steps towards external verification in the near future.

In this report, numerical data about safety (number of accidents, LTIF1, LTIF4) and environmental figures (waste management, electricity consumption, CO2 emissions) are covering Ensto's production facilities, with some exceptions. The rest of the data, including some environmental figures (investments, sales, inventory scrapping), people, and sup-

pliers, covers all Ensto's production facilities, functions and sales offices worldwide. If not stated otherwise. Majority acquisitions of Arcteq Relays Oy in Finland and Ensto Protol Ab in Sweden carried out in December 2021 and Ensto Maviko Oy in July 2023 are not included in some of the data due to them not being integrated into all Ensto's sustainability reporting systems yet.

To avoid risk of unintentional greenwashing environmental impact factors were reviewed and updated retrospectively for 2022 data by replacing secondary data with primary data when available. Also more representative secondary data was utilized for district heating, renewable and fossil-free energy sourcing. An increased impact was noted due to updates on the renewable and fossil-free energy impact factors for France, Estonia, and Finland. Conversely, decreases in impact factors were due to updates providing more detailed country-specific grid mixes for electricity in India, and Ireland, as well as local district heating impact fluctuations in Finland.

In November 2021, Ensto Building Systems business was divested to Legrand. And new businesses joined Ensto after that. Due to the big organizational changes, there are many different data scopes in this report. The exact reporting scope has been clarified in connection with each indicator, taking into consideration data accuracy, comparability and availability, and marked with the following asterisks:

*Ensto Group, excluding newer businesses Protrol and Maviko

**Ensto Group, excluding newer businesses Arcteq, Protrol and Maviko

***Ensto Group, excluding Ireland and newer businesses Arcteq, Protrol and Maviko

****Comparing year 2021 data is Ensto Group business and Legrand Finland business both 12-month data

*****Comparing year 2021 data is Ensto Group business and Legrand Finland business 10-month data



If asterisks are not defined data includes the entire Ensto Group. The history data from years 2018–2020 include both Ensto Group business and Legrand Finland (formerly known as Ensto Building Systems together.



In case of questions regarding our sustainability report or its content, please contact us by email at ensto@ensto.com.

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