



WESTAS

SUSTAINABILITY REPORT 2024

SUSTAINABILITY REPORT

Managing director's words

Environment
Social
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Westas Group summary

Westas Raunio Ltd summary

Westas Pihlava Ltd summary

Raw material efficiency,
planted saplings and
supplied biofuels

Energy, water, waste

Personnel-related figures

Administration

YOU HAVE A FOREST. WE HAVE A SAWMILL.

In this reporting package we include the outline of the responsibility report of our operations for the fiscal year 2023. This report continues the process initiated in 2023 of documenting and regular reporting our sustainability policies and results. The Westas Group's business includes extensive industrial activities utilising raw materials sourced from Finnish-owned commercial forests in the operating area. The Group employs around 170 people for wood procurement, industrial operations, administration, and international trade. In addition, the company indirectly employs a significant number of experts from different fields in its operations. The group strives for transparency on sustainability and environmental responsibility in its overall operation.

May 2024

Pekka Kopra

Managing director

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ENVIRONMENT (E)

Responsible forest management, commitment to shared climate goals, and socially and financially responsible operations are the cornerstones of Westas Group. The company is committed to the Finnish Sawmills Association's Forest Environment Programme, that requires significantly more ambitious biodiversity protection measures compared to those specified in legislation and forest certificates.

The company's portfolio includes reforestation services offered to forest owners, and the range of services will continue to expand in the future. Westas also plays a key role in ensuring the quality of the supply chain. Harvesting operations, forest management services and logistics are outsourced to co-operation partners. During the spring of 2024, contractors underwent training on Westas's sustainability policies and goals.

In 2023, Westas successfully reduced both energy and water consumption per cubic meter of sawn timber produced. The reduction in water consumption was achieved by optimising the water cooling systems for sawing machines. However, our waste quantities increased due to non-operational reasons. The old canteen at Pihlava was renovated, and a new office building was completed, leading to an accumulation of a large amount of material from the old facilities.

Westas has made significant investments to improve raw material utilisation efficiency, notably the 2023 investments at Westas Pihlava. Although Westas Pihlava did not yet reach the efficiency level of Raunio, and the Group fell short of the target in 2023, a noticeable improvement can be seen in 2024.

While Westas does not yet calculate its own carbon footprint, the company is participating in a project by the Finnish Sawmills Association to define calculation principles.

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SOCIAL RESPONSIBILITY (S)

Competent and satisfied employees are Westas's most important resource. Long careers, and low turnover rate are evidence of that. Employee turnover primarily comes through retirement. In 2023, the average length of employment decreased significantly for this reason, as several long-term employees retired.

The company believes in treating all employees equally and it does not tolerate discrimination in any shape or form. All employees have the equal opportunity for promotion regardless of their background and gender. New employees go through an orientation and training processes and additional training sessions are offered on a regular basis.

The company conducts regular surveys to measure employee job satisfaction, the most recent one being October 2023. Following the survey, the entire staff participated in an open meeting to review the result and discuss employee feedback and suggestions. The company then implements resulting action plans as opportunities arise. One of the examples of this is the management training held in the spring of 2024 to ensure consistent managerial practices across the organization.

At Westas, occupational safety is a top priority. We manage it with the utmost care with the goal of zero accidents. We ensure that our operators follow the safety instructions strictly and receive periodic safety training while addressing issues proactively. Westas continually works to make the work environment in sawmills safer. Despite these efforts, the number of work accidents increased in 2023. Fortunately, however, all incidents were minor.

Westas also pays attention to occupational health and has an early intervention model in place. The company provides occupational health services, not only at service providers' locations but also at the sawmills.

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GOVERNANCE (G)

Westas strives for sustainable business and profit growth over the long-term. Our business operates on the principle of transparency, open communications and close co-operation with the company's stakeholders.

Westas also expects its partners to operate responsibly. Financial responsibility means taking due care of the company's finances, using resources efficiently and generating consistent and long-term financial gain for the various stakeholders. The company communicates and reports on its operations in a transparent manner in accordance with the GRI guidelines for sustainability reporting.

Westas's overall sustainability and the related key themes are described in this report. The company complies with sustainable business principles by exercising internal control and continuously developing its operations towards increased level of sustainability. Westas publishes its tax footprint to promote administrative responsibility and transparency. The company strives to promote salary transparency and fairness across all professional groups.

Westas always abides by laws and regulations as a privately owned company with no political affiliations. Bribery and corruption of all forms are prohibited in the company. The company's detailed practices are outlined in its ethics guidelines.

WESTAS CONCERN

Environment



Sawn timber in m3

Raw material efficiency

427 615 ^{456 279}
Previous year

2,04 ^{2,02}
Target

Energy consumption (kWh) per m3 produced

298,72 ^{-0,6%}
Change from 2...



Water consumption (m3) per m3 produced

0,022 ^{-28,6%}
Change from 2022

Total waste (kg) per m3 produced

2,32 ^{1,89}
Previous year

Social responsibility



Personnel

174 ¹⁷³
Previous year



eNPS latest

27 ³⁵
Target



Sick leave rate %

3,0% ^{4,1%}
Previous year

Work-related injuries (cases)

15 ⁴
Previous year

Governance



Tax footprint M€

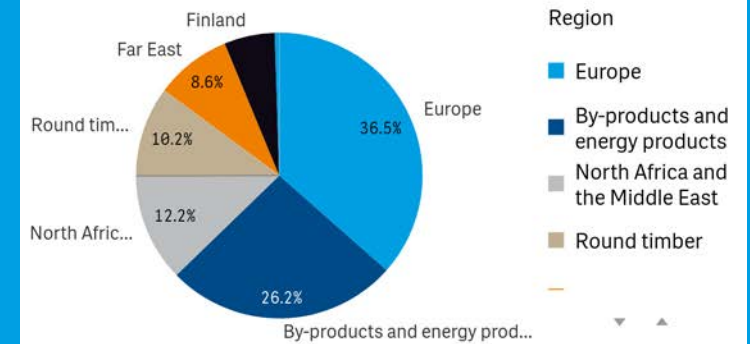
4,95 ^{10,72}
Previous year

Net sales M€

154,6 ^{186,1}
Previous year



Net sales by region M€



[Westas and sustainability](#)

Environment



Sawn timber in m3

Raw material efficiency

229 446 ^{236 511}
Previous year

1,99 ^{1,99}
Target

Energy consumption (kWh) per m3 produced

298,83 ^{-5,1%}
Change from 2...



Water consumption (m3) per m3 produced

0,023 ^{-37,3%}
Change from 2022

Total waste (kg) per m3 produced

2,06 ^{3,01}
Previous year

Social responsibility



Personnel

60 ⁶⁰
Previous year



eNPS latest

-4 ³⁵
Target



Sick leave rate %

3,7% ^{2,5%}
Tavoite

Work-related injuries (cases)

6 ⁰
Previous year

Governance



Tax footprint M€

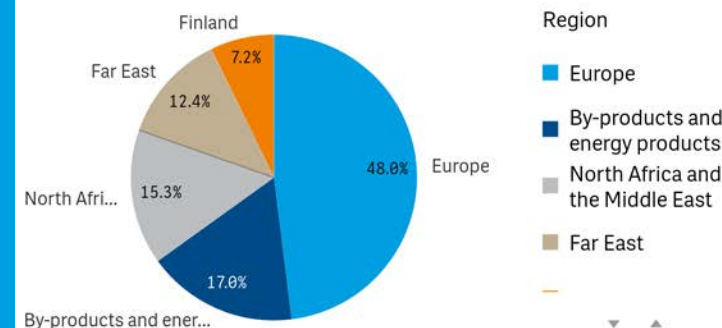
1,36 ^{1,60}
Previous year

Net sales M€

64,15 ^{84,6}
Previous year



Net sales by region M€



Environment



Sawn timber in m3

Raw material efficiency

198 169 ^{219 768}
Previous year

2,09 ^{2,05}
Target

Energy consumption (kWh) per m3 produced

297,56 ^{4,3%}
Change from 2...



Water consumption (m3) per m3 produced

0,021 ^{-15,2%}
Change from 2022

Total waste (kg) per m3 produced

2,61 ^{0,69}
Previous year

Social responsibility



Personnel

63 ⁶²
Previous year



eNPS latest

21 ³⁵
Target



Sick leave rate %

5,3% ^{2,5%}
Tavoite

Work-related injuries (cases)

74
Previous year

Governance



Tax footprint M€

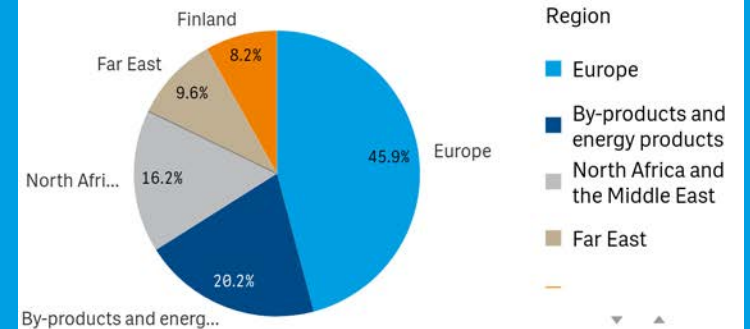
1,76 ^{1,84}
Previous year

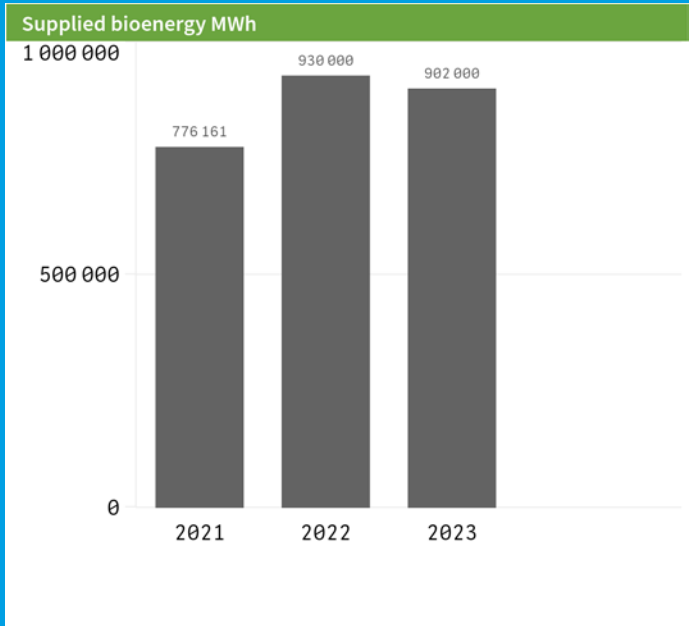
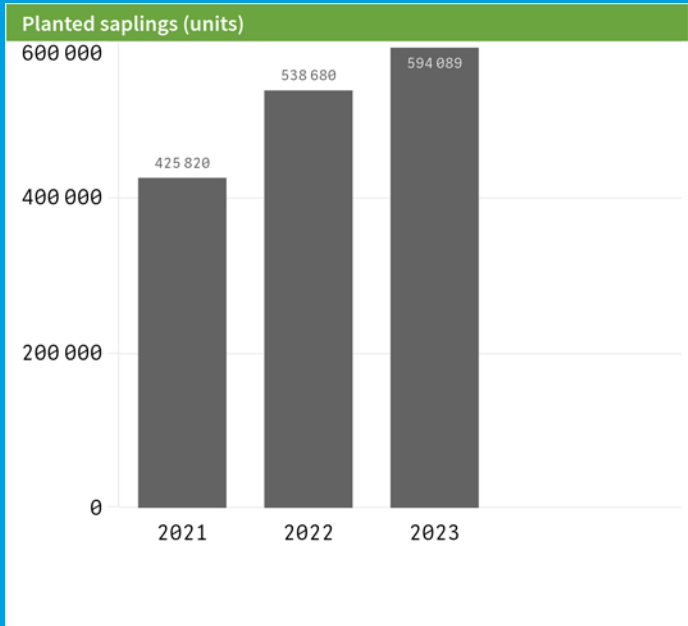
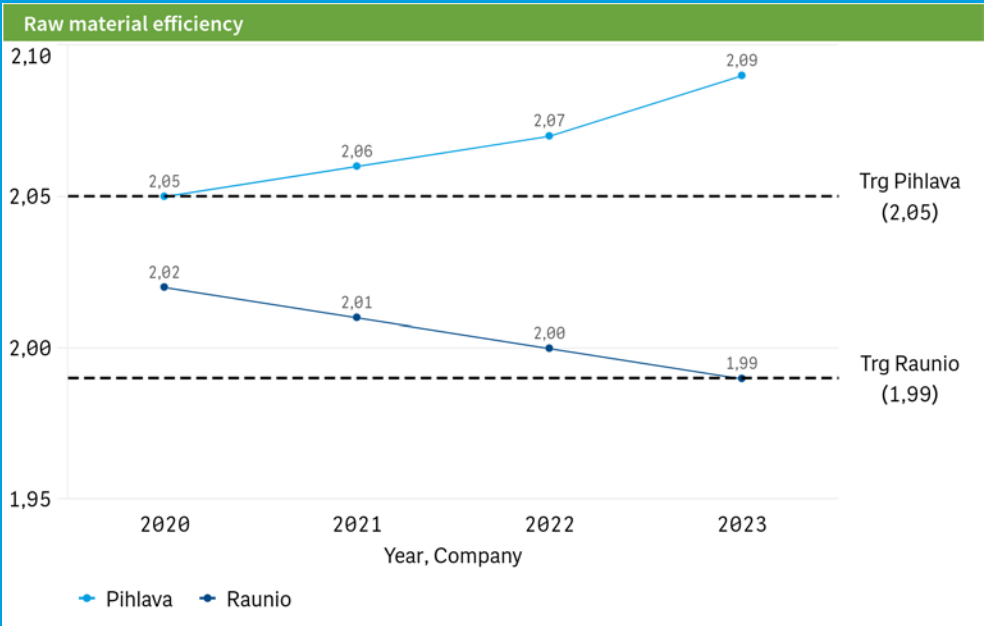
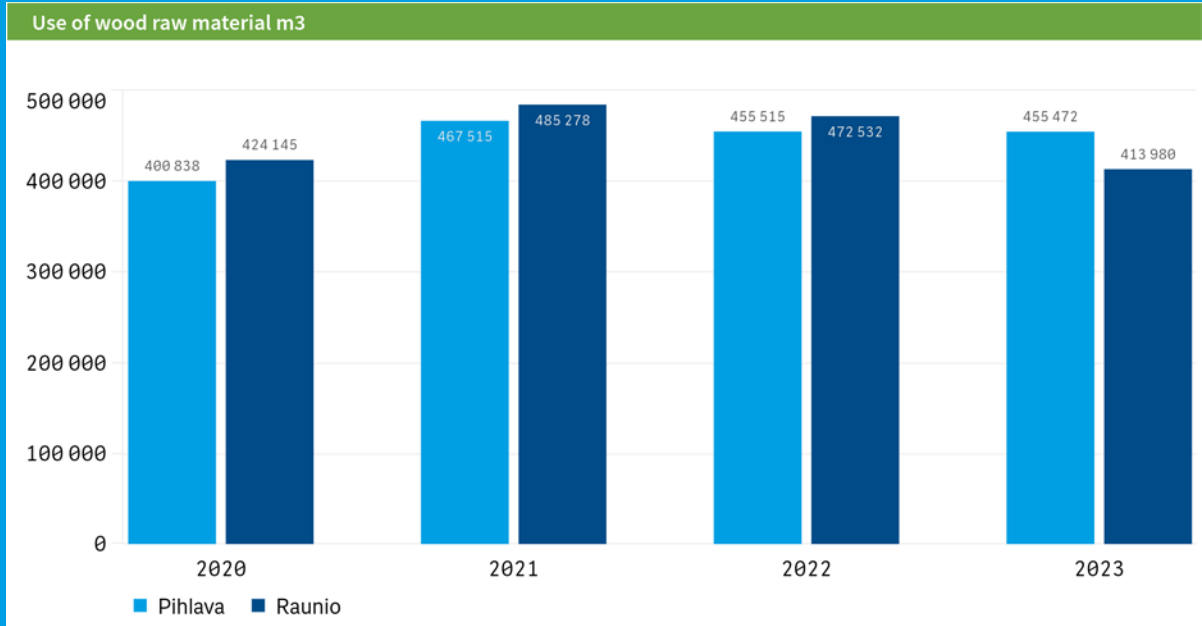
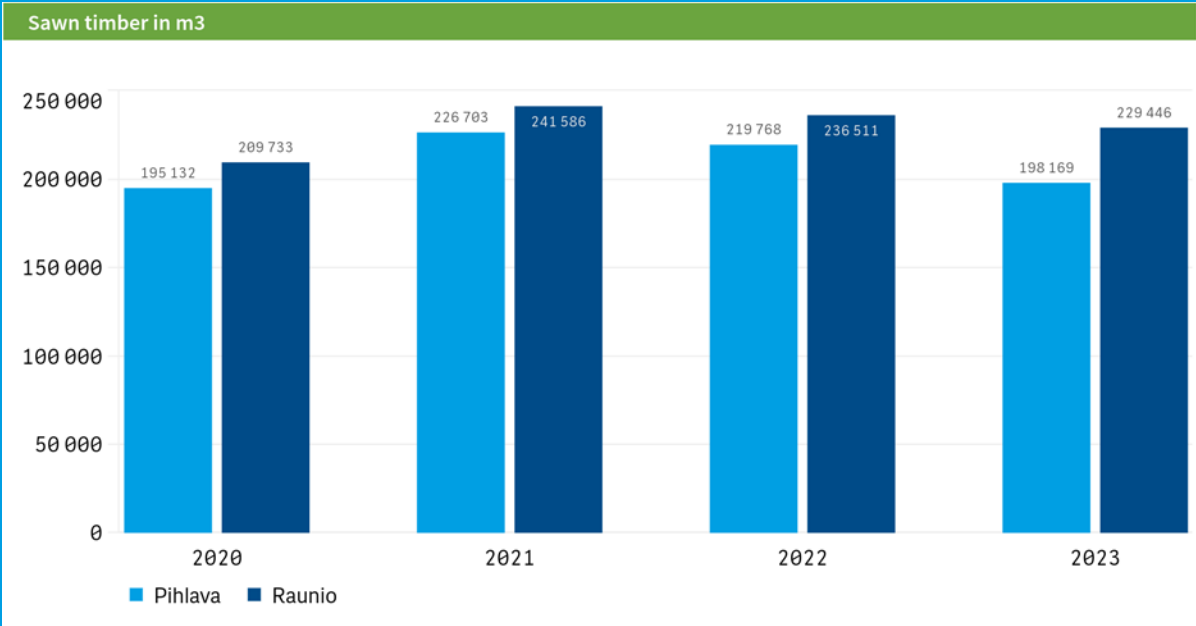
Net sales M€

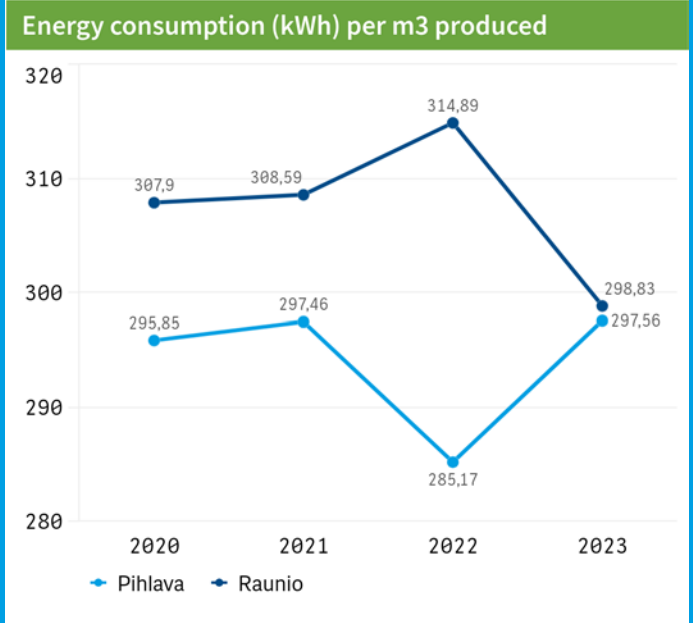
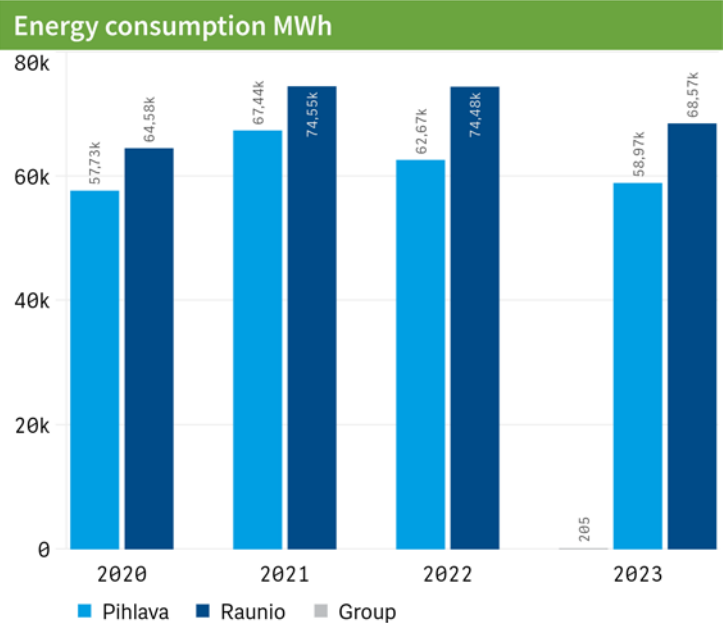
56,02 ^{73,2}
Previous year



Net sales by region M€

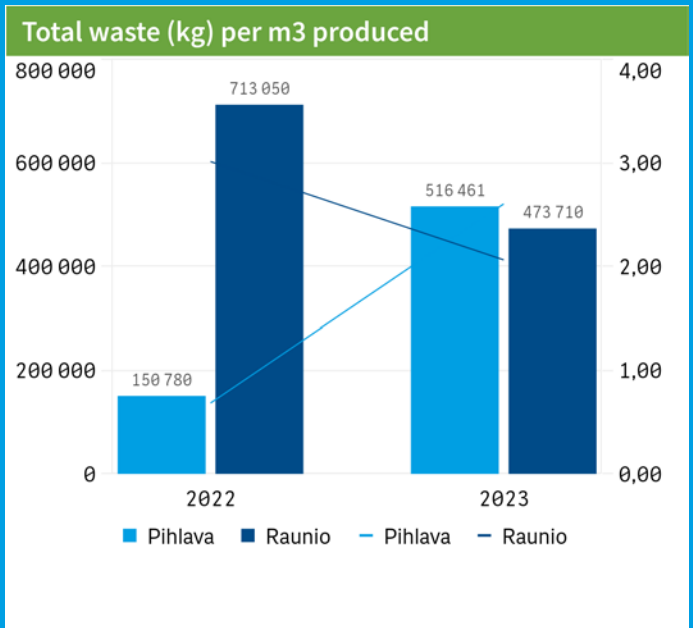
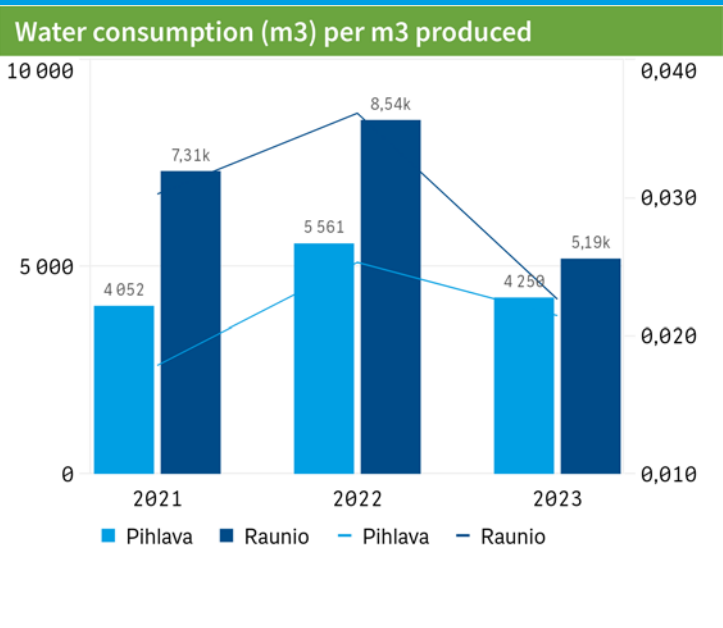






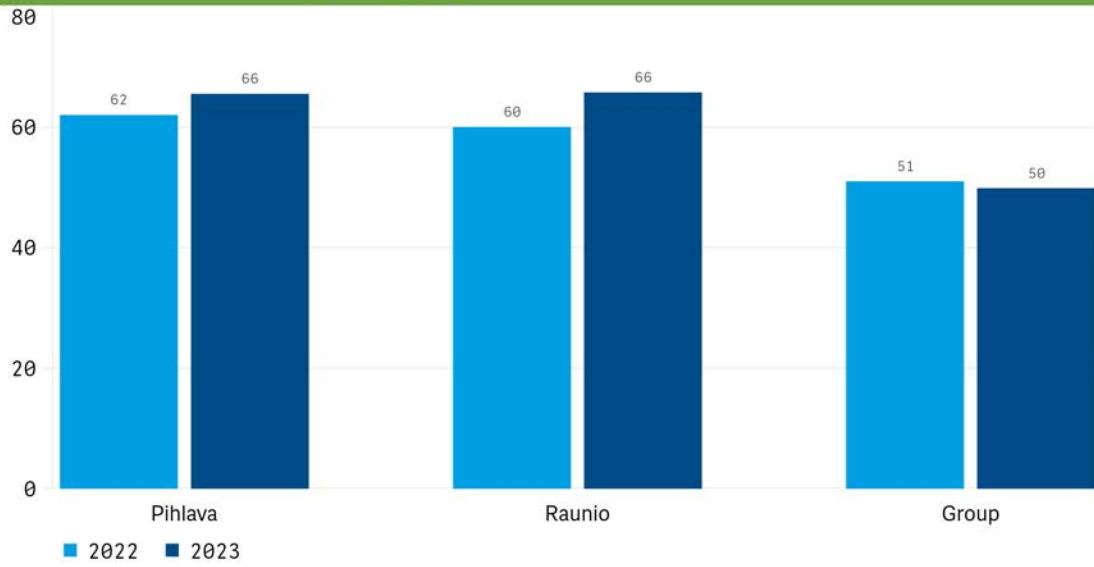
Waste by type kg

Waste Type	Pihlava	Raunio	Total	Change %
Total	516 461	473 710	990 171	14,6%
Aerosols (160504)	11	-	11	-
Batteries, accumulators (160603)	77	-	77	-
Biowaste (200108)	-	1 090	1 090	0,0%
Collected cardboard (150101)	7 984	-	7 984	262,9%
Data protection paper (200101)	660	-	660	-
Energy waste (150106)	177 780	14 120	191 900	242,4%
Fluorescent lamps, sodium lamps (200121)	207	60	267	790,0%
Inorganic sewage sludge (190802)	500	-	500	-
Lead-acid batteries (160601)	349	-	349	105,3%
Metal waste (150104)	10 975	-	10 975	-74,8%
Mixed waste for energy recovery (200301)	55 960	13 480	69 440	-
Mixed waste for sorting (200101)	22 180	360	22 540	10,2%
Oil-water mixtures (160708)	3 150	-	3 150	-
Oily waste (solid/paste) (160708)	-	450	450	-
Paints (80111)	347	-	347	23,9%
Power plant ash (100103)	-	414 800	414 800	-35,3%
Sewage sludge (200304)	221 505	-	221 505	138,2%
Solid oily waste (130899)	2 455	2 990	5 445	-
Steel scrap (200140)	-	25 840	25 840	-
Waste electrical and electronic equipment (WEEE) (1602)	-	520	520	-26,8%
Waste oils (130899)	9 481	-	9 481	100,9%
Wood waste (CCA-treated) (170204)	2 840	-	2 840	-

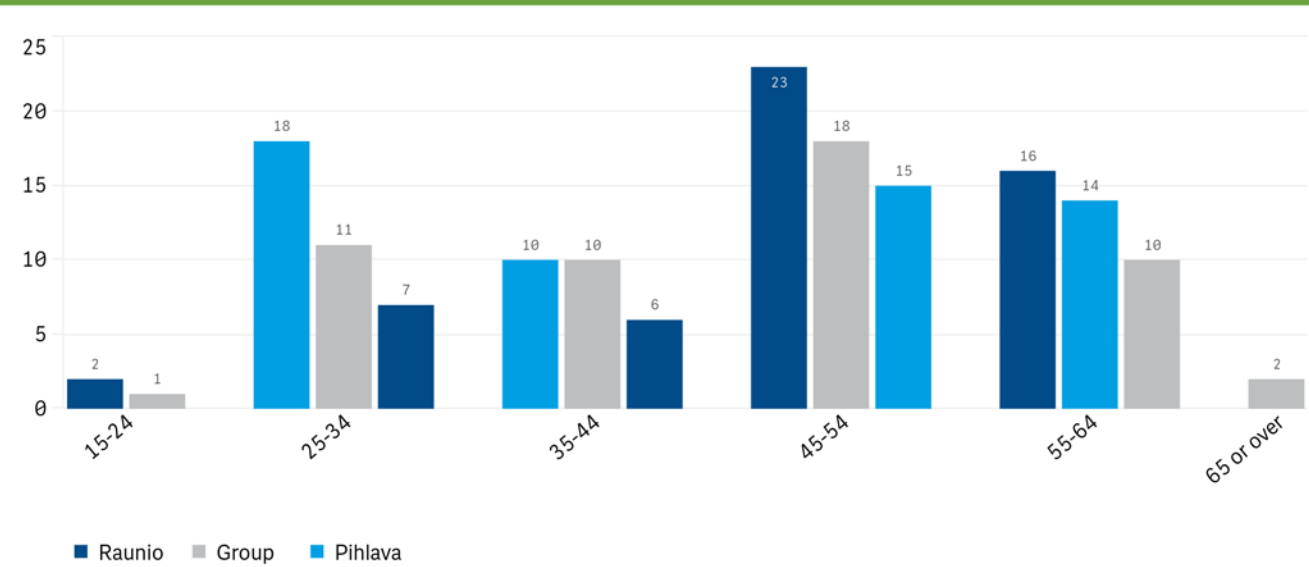


Target -10% compared to the previous year

Personnel number by Company

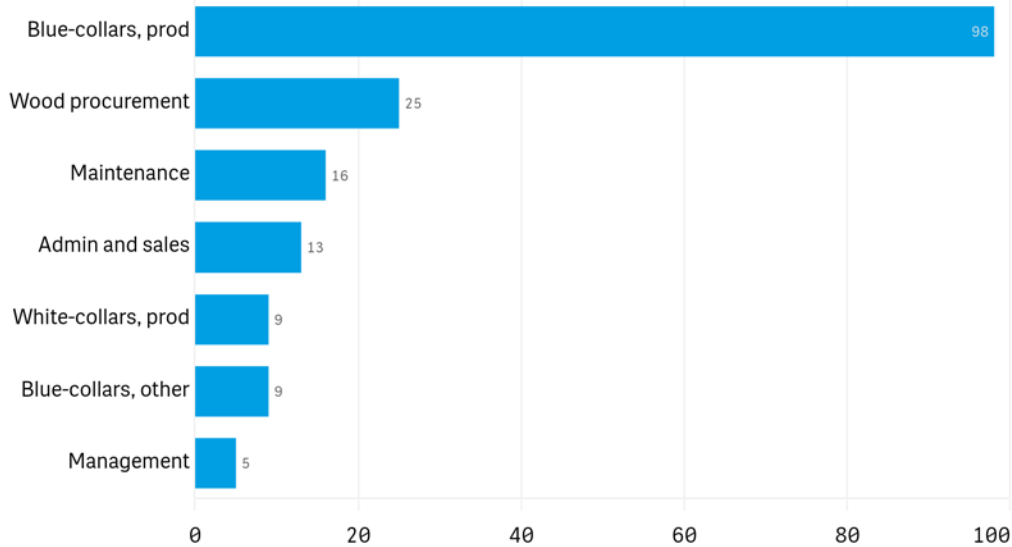


Age distribution



WESTAS CONCERN

Types of jobs

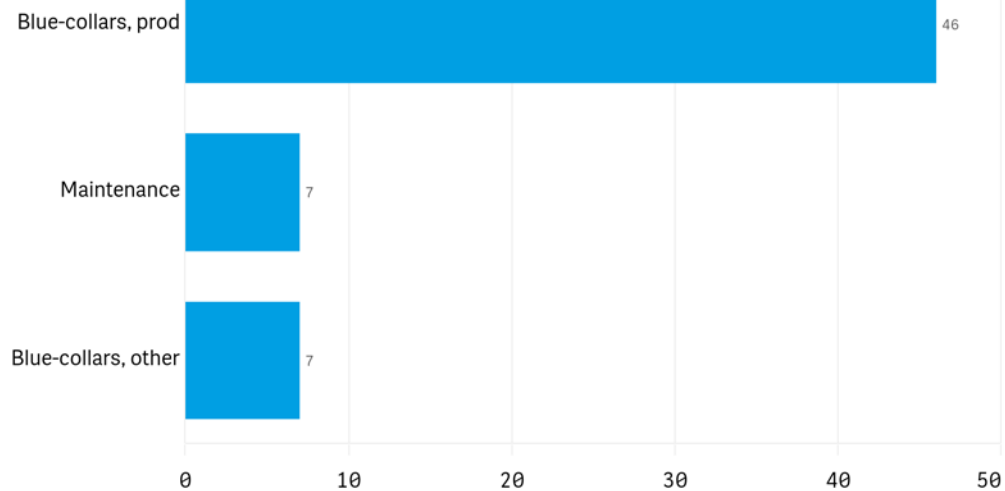


Main career variables

Career	2022	2023	Change	Change (%)
Length (years)	12,4	8,2	-4,2	-34,2
Average age (years)	44,6	45,5	0,9	1,9
Men (%)	84,0	84,5	0,4	0,5
Women (%)	16,0	15,5	-0,4	-2,8

WESTAS RAUNIO OY

Types of jobs

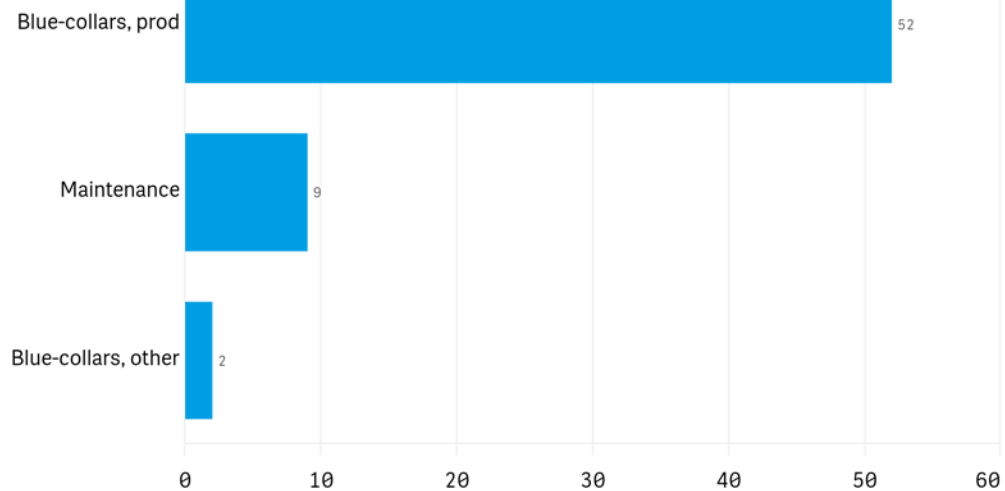


Main career variables

Career	Q	2022	2023	Change	Change (%)
Length (years)		16,2	7,3	-9,0	-55,2
Average age (years)		44,4	47,2	2,8	6,2
Men (%)		83,3	85,0	1,7	2,0
Women (%)		16,7	15,0	-1,7	-10,2

WESTAS PIHLAVA OY

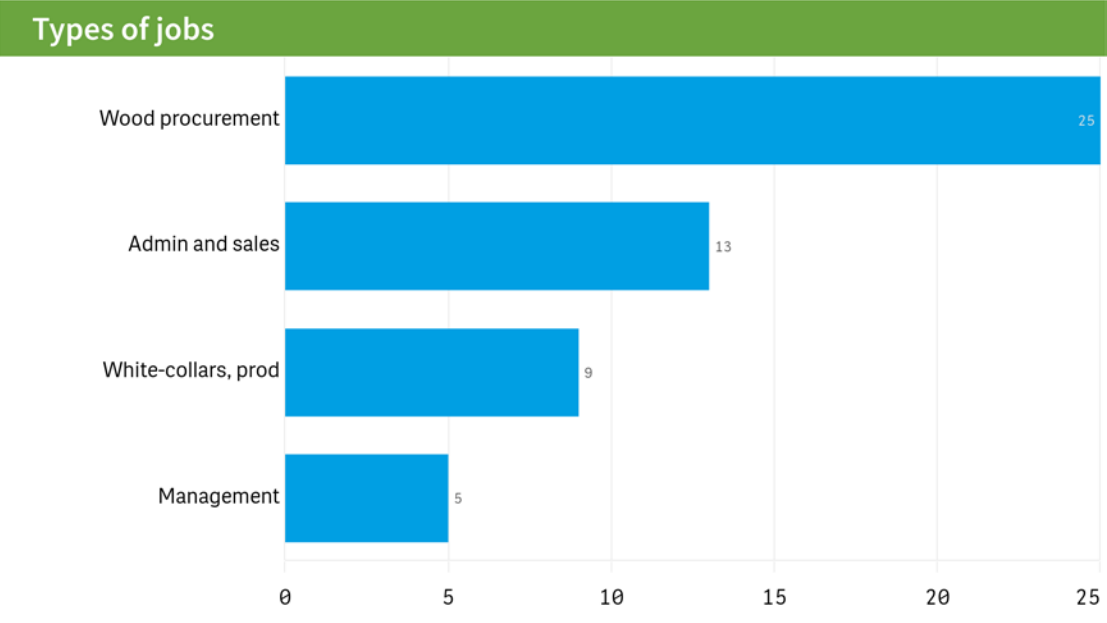
Types of jobs



Main career variables

Career	Q	2022	2023	Change	Change (%)
Length (years)		10,5	11,0	0,5	4,9
Average age (years)		42,8	43,7	0,9	2,1
Men (%)		100,0	98,4	-1,6	-1,6
Women (%)		0,0	1,6	1,6	-

WESTAS GROUP OY



Main career variables

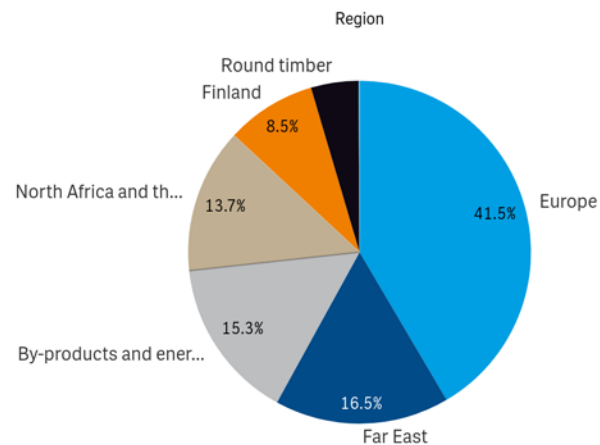
Career	2022	2023	Change	Change (%)
Length (years)	10,5	6,2	-4,3	-40,7
Average age (years)	46,7	45,6	-1,1	-2,4
Men (%)	68,8	66,7	-2,1	-3,1
Women (%)	31,2	33,3	2,1	6,8

Tax footprint

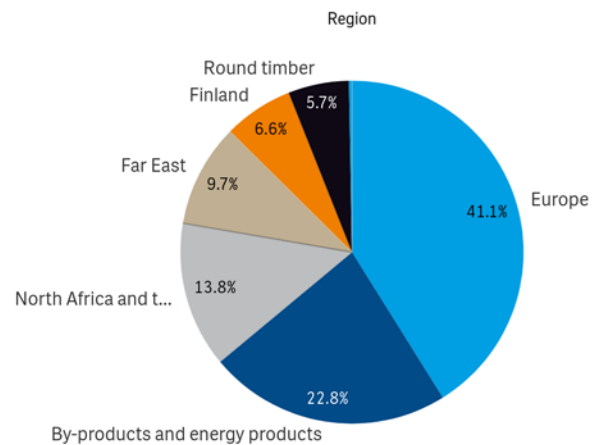
Taxes	Pihlava 22	Raunio 22	Group 22	Total 22	Pihlava 23	Raunio 23	Group 23	Total 23	Change €	Change %
Total	1 841,04	1 604,50	7 270,06	10 715,60	1 758,89	1 361,59	1 828,06	4 948,54	-5 767,07	-53,8%
PAYE taxes	707,66	589,73	869,56	2 166,95	752,28	547,03	962,21	2 261,52	94,57	4,4%
Social security	40,96	35,38	39,70	116,04	47,33	39,29	45,74	132,35	16,32	14,1%
Unemployment insurance	75,16	59,52	67,10	201,78	76,38	56,34	66,79	199,51	-2,28	-1,1%
Pension contribution	763,58	650,46	727,17	2 141,20	769,99	632,05	736,51	2 138,55	-2,66	-0,1%
Occupational accident and group life insurance	57,13	48,42	8,25	113,81	55,10	45,18	6,99	107,28	-6,53	-5,7%
Direct taxes	144,73	181,54	5 557,35	5 883,62	0,00	0,83	8,91	9,74	-5 873,88	-99,8%
Vehicle tax	0,61	0,56	0,92	2,08	0,61	0,90	0,92	2,43	0,35	16,7%
Electricity tax	8,89	9,45	0,00	18,34	8,84	9,04	0,00	17,88	-0,46	-2,5%
Real estate tax	42,33	29,45	0,00	71,78	48,36	30,92	0,00	79,29	7,51	10,5%

Net sales M€

2022



2023



Targets

Co-operation with local stakeholders

Supporting sports clubs, athletes and schools, among others. Familiarising schoolchildren and students with working life where possible. Offering summer jobs where possible.

Setting up a whistleblowing reporting channel

Channel implemented in December 2023

Engaging subcontractors in sustainable operations

A clause on commitment to sustainable operations included into contracts. The theme of responsibility was covered in entrepreneur training sessions in April 2024.