

The background of the slide is a scenic photograph of a coastal town. In the foreground, there are lush green trees. The middle ground shows a small town with several red-roofed houses and buildings situated along a blue body of water. A tall, thin antenna tower is visible in the background, rising above the town. The sky is a clear, bright blue. Overlaid on the top half of the image is a network of glowing blue lines connecting various points, resembling a digital or communication network.

Sustainability Highlights 2021

OSTP

OSTP

OSTP is a market leader in welded stainless steel tubes and fittings, as well as specialised equipment for pressure corrosion applications. We're committed to customers and applications with the highest demands on quality.

With an extensive range of products and grades, backed by application engineering, technical support and development services, we give businesses a competitive and sustainable edge.

VISION

THE MOST EFFICIENT AND SUSTAINABLE SPECIALIST IN WELDED STAINLESS STEEL TUBULAR PRODUCTS AND EQUIPMENT FOR PRESSURE APPLICATIONS

TARGETS

- **CO₂ NEUTRALITY BY 2025**
- **THE INDUSTRY'S SMALLEST OVERALL CO₂ FOOTPRINT FROM RAW MATERIAL TO THE CUSTOMER'S GATE**

Summary 2021

ANDREA GATTI, CEO



2021 was a different kind of year in many ways. The world changed with the pandemic, and since then everyone has had challenges to meet. All of us have had to find new ways to take on our tasks, and different ways of going about our normal business.

I'm proud to say that OSTP has upheld everyday business and production. That's thanks in no small part to our dedicated team, which expanded along with our product range when we acquired PCM Technology in August 2021.

Moreover, we've maintained our focus in the best possible way. Our focus on safety, quality and sustainability – which are OSTP core values and part of our fundamental principles – has been even more important under these extreme circumstances.

Personally, I believe that we've been successful. Having already taken a leading position for sustainability in our field of industry, we've set the target for OSTP to be CO₂ neutral by 2025. Even more importantly, we'll increase our efforts in the years to come, ensuring that we retain the industry's smallest overall CO₂ footprint.

In this summary, you'll find highlights of our sustainability work in 2021. Rest assured, our work for a sustainable future will continue.

Andrea Gatti, CEO
OSTP Group

Sustainability at OSTP

In all the years that OSTP has existed, many things have changed, including our name and ownership. Yet one thing has remained consistent: our firm belief in being a sustainable company – for the good of the environment, our people, our customers and society. Based on that conviction, sustainability is high on our agenda as one of our core values.

ENVIRONMENT

Since the very beginning, stainless steel has been the main component of OSTP's business. The material and the products we craft from it are 100% recyclable.

In 2021, we spent more than 12% of our investments to further reduce our CO₂ emissions and overall environmental impact. Our measures have included:

- Sourcing green electricity for our production sites
- Deploying a new biofuel-driven forklift fleet in Jakobstad, replacing diesel forklifts
- Deciding to invest in our first electric vehicle
- Finalizing our energy savings project in Jakobstad
- Starting the work with our Environmental Product Declarations (EPDs)
- Starting the work of creating a sustainability roadmap, encompassing multiple subprojects for reaching zero levels of CO₂, NO_x and other emissions

In the process of creating our sustainability roadmap, we have identified a number of critical points and drivers. One of these is the raw material used by OSTP, whose manufacture falls outside our direct scope. Because the production of stainless steel is energy-intensive, it is vital that our raw material suppliers are the best in their class.

SAFETY, QUALITY, PEOPLE

Given our thorough dedication to sustainability, OSTP also invests considerable time and effort into securing personal safety, ensuring a sound workplace and doing our part for the community at large.

Safety first

The first statement in our OSTP stamp is one that we live by from the top down. Safety is paramount in all situations, and

our safety culture begins with the management team's commitment. Safety topics are the first point of discussion at every management meeting, and our management team conducts annual safety walks at each of our production sites. The latter are key to keeping personal and environmental safety levels high.

In 2021, we spent 1.3% of all working hours on safety-related efforts. Those efforts include proactive risk observation activities, focused on workplace and environmental safety alike. During our many safety walks, for example, we scrutinise our sites and note anything amiss – correcting it immediately. Additionally, we hold regular trainings to maintain and strengthen our safety emphasis. In 2021, our employees were more involved in the work than ever, evidenced by an average of 1.9 risk notifications per person.

Rely on quality

Closely tied to safety is our focus on doing everything right the first time, which is reflected in our extensive training. Besides keeping workers safe, this focus keeps quality high throughout OSTP processes and production. Our Route to World Class programme not only promotes development within the group, but also puts processes and tools in place to keep safety and quality high.

People make the difference

Our people are crucial to our success. At OSTP, we work actively to provide a sound and healthy work environment, engaging in activities that promote both health and well-being. In 2021, we introduced our new OSTP Academy, a digital learning platform that encourages training and improves our training possibilities.

Investing in the future

We believe in being an active part of society. Each year, OSTP supports schools and educational programmes with a focus on technology and industry. That support takes a variety of forms, including apprenticeships and cooperation with schools and universities. Besides stimulating interest in the work that we do and promoting interest in industry and technology, it brings us valuable input and energy from the employees of tomorrow.

HIGHLIGHTS OF 2021

THE MOST SUSTAINABLE MANUFACTURER OF
STAINLESS STEEL TUBULAR PRODUCTS

100%
recyclable product

100%
of all electricity used
at our main production sites
in Sweden and Finland
is CO₂-free

1.9
risk observations
made per employee

12%
of total investments
went to reducing CO₂ emissions
as part of our environmental
roadmap

10,120
man hours spent
on safety work

100%
of all staff members had
individual development talks
and dialogue about OSTP's
fundamental principles

91%
of all waste at our
production sites
is recycled

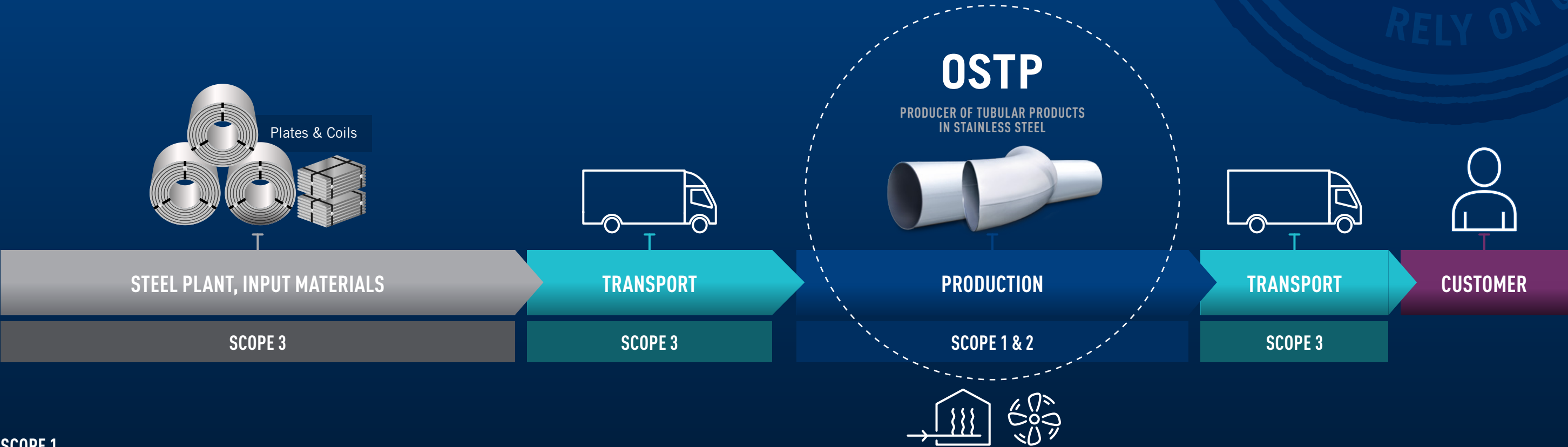


Accredited according
to ISO 9001, 14001,
45001 and PED by
TÜV Nord

>90%
More than 90% of the
raw material we used came
from recycled steel

* Highlights excluding PCM, part of
the OSTP Group since August 2021.

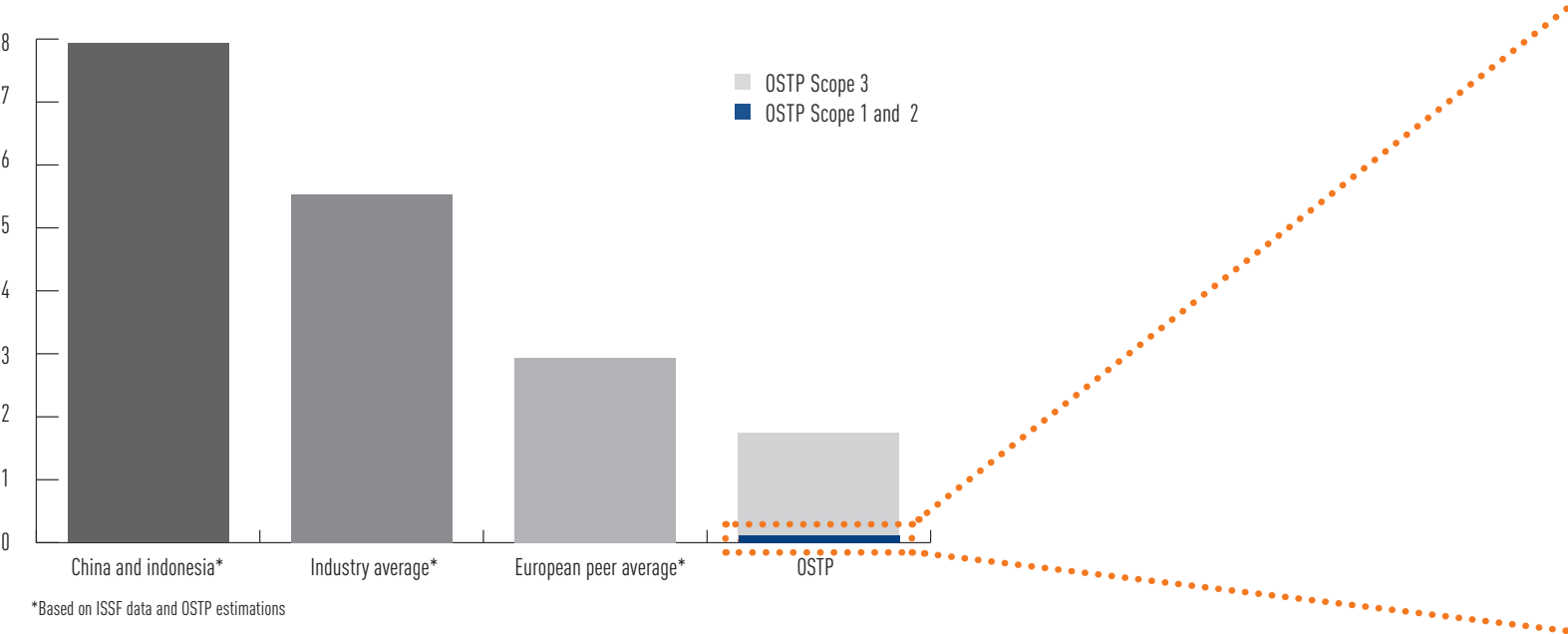
DEFINITION OF SCOPES AND EXAMPLES



CO₂ EMISSIONS IN THE STAINLESS STEEL INDUSTRY

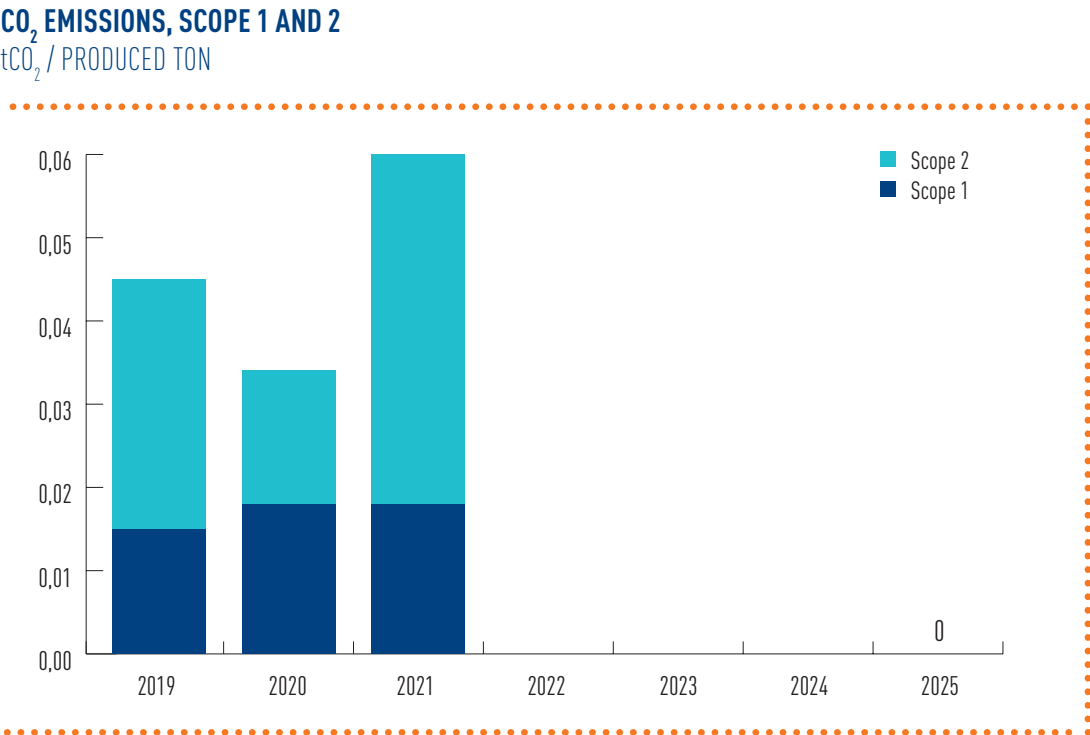
Scope 1 and 2 comprise the direct and indirect emissions from the company.
Scope 3 includes upstream and indirect emissions, for example tied to raw material and transports.

VALUE CHAIN CO₂ EMISSIONS FOR SCOPES 1, 2 AND 3
tCO₂ -eq/T / PRODUCED TONNE OF STAINLESS STEEL TUBULAR PRODUCTS



CO₂ VALUE CHAIN EMISSIONS, OSTP GROUP

We continuously look for ways to reduce our CO₂ footprint and have a clear road map, planned activities and plan forward.



SUMMARY

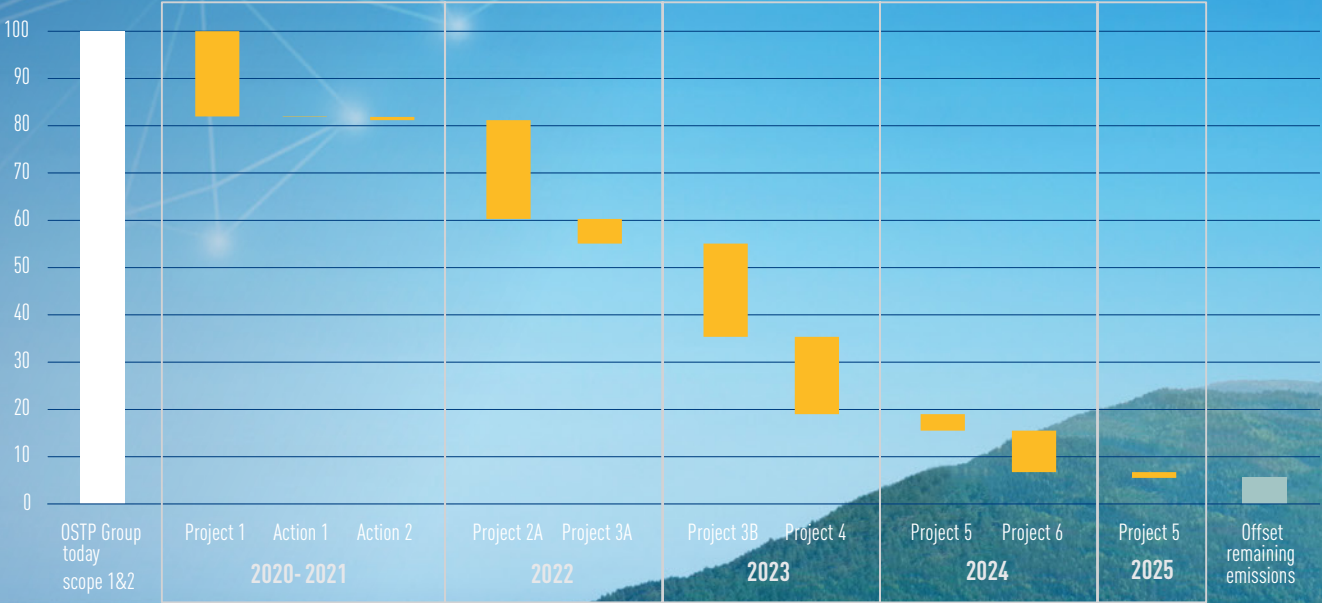
OSTP's internal estimation, based on ISSF data with all three scopes included, is that we are in an industry-leading position when it comes to CO₂ footprint. We do not rest on this, but rather set high targets for the future.

SUMMARY

Scopes 1 and 2 are those over which we have direct or indirect control. Through active measures and conscious choices at OSTP sites, we have already reduced these scopes. Nevertheless, we continue make improvements with the aim of achieving CO₂ neutrality by 2025.

The choice for a sustainable future

Our very low CO₂ emissions within Scopes 1 and 2 could be offset with CO₂ credits. However, we have concrete plans to go further. We have developed a roadmap with structured activities that will bring OSTP to a level approaching CO₂ neutrality. By 2025, we will offset any remaining CO₂ emissions within Scopes 1 and 2 with credits.

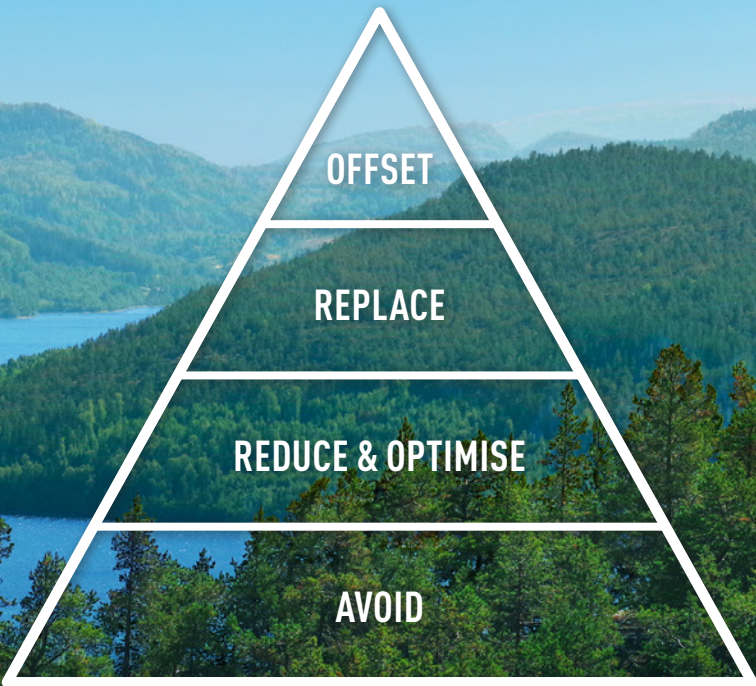


OUR LONG-TERM VISION WILL BE ACHIEVED BY:

- Focusing on 100% recyclable products
- Sourcing green energy
- Using the best available techniques in our production processes
- Constantly improving our performance and reducing emissions
- Striving to reduce our waste production and using the best recycling options
- Migrating to more environmentally friendly packaging materials for every package type
- Minimising business travel and compensating the environmental effects when travel is unavoidable

Our vision and plans will move the OSTP Group towards a zero-emission future.

We have a target of being CO₂ neutral by 2025, as well as a very clear plan for reaching it. By making the right choices, we can reach this ambitious goal.





OSTP GROUP
www.ostp.biz

SUSTAINABILITY HIGHLIGHTS 2021
April 2022