



2023

Sustainability report



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01

Introduction

Message from our CEO
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Message from our CEO

It is with pride and enthusiasm that we introduce you to our Sustainability Report for 2023. Within these pages, you will find information of our journey as we continue to embed sustainability within our business strategy. We are committed to setting ambitious goals and monitor Key Performance Indicators (KPIs) driving meaningful change. This report aims to provide insights to our progress towards meeting objectives, demonstrating our commitment to accountability and transparency.

Looking back at 2023, a year affected and influenced by war in Europe, high energy and electricity prices and high interest rates. The general economic situation has a significant impact for our industry; construction activity in Europe is dramatically reduced compared with recent years. The effect is a decrease in demand for Protan's products and services. Despite these challenges, we have succeeded in maintaining high activity and profitable operations - thanks to our skilled employees, our committed customers and partners.

We have done significant achievements and have lots to be proud of in 2023. A highlight for the year was the successful opening of a new production line in Stęszew, Poland, marking a significant milestone in our industrial expansion. Moving an entire production line from Turkey to Poland was a complicated project requiring great effort and hard work from everyone involved. We made it happen, and I am very grateful and proud of this. We now produce roof membranes in Norway, Poland and Turkey with distribution throughout the whole of Europe.

We have elevated our efforts to fulfill our ambition of contributing to combating climate change. We launched Protan's first sustainability report last year, outlining our ambitions and commitments for the environment. It is not new that we work with sustainability at Protan, but nevertheless it is an important milestone stating our ambitions and giving us a clear direction forward, while ensuring open and honest communication with our stakeholders.

In 2023, we witnessed the effects of climate change, as demonstrated by extreme weather events and nature disasters such as heating records in Poland, extreme weather Hans in the Nordics and an earthquake in Turkey. While our business experienced minimal impact from these events, they serve as reminders of the necessity to prioritize sustainability in our operations as well as in the development of resilient products for a greener future. We produce products with a life-time expectancy which far exceeds the minimum requirements, ensuring that buildings and constructions are futureproof with our waterproofing solutions in place.

Maintaining and developing a good HSE culture is very important in Protan. We have a culture where we look out for each other and speak up when we observe situations that potentially can be a risk. We carried out an HSE week in 2023, as our second year, and will continue this as an annual event.

Leadership development has been the focus for our intermediate managers and leaders during the past year. Whatever your background and experience, there is always a potential to develop as an individual and person and recently many leaders from 4 different countries started a journey in Protan's leadership development program. A pilot for a new project management school was also launched and carried through in 2023.

The market forecasts for the construction industry in 2024 are not very optimistic, and we experience that the start of 2024 is challenging. It is in difficult times that we develop our potential and I am confident that we will emerge stronger out of 2024.

It is in tough times that we see our potential and I am confident that we will emerge stronger out of 2024.



Our journey towards sustainability is not a solitary route. We recognize the importance of collaboration with our suppliers, customers, and business partners in achieving our goals. Together, we can create a positive impact on the environment, society, and the economy.

Together, we will continue to push boundaries, challenge the status quo, and inspire others to join us on our important journey. Let us seize the opportunities ahead with optimism and determination, knowing that our collective actions today will shape the world of tomorrow.

Thank you for your ongoing commitment to sustainability and for your contribution to making our company and our common world a better place.

Warm regards,
Erik Øyno
CEO

Key figures 2023



Opened a new production line in Stęszew, Poland



Reduction of total emission from base year: 20.2 %



Total emissions: 103 810 tCO₂eq

94

risk-based supplier assessments conducted

44%

women on the company's board of directors

15%

female employees



02

General requirements and disclosures

About the report

This is Protan

Dual strategy

Double materiality assesment

Sustainability strategy

About the report

This is Protan's second sustainability report and covers activities in the calendar year 2023. The report is based on the Corporate Sustainability Reporting Directive (CSRD).

The content of this report is derived from the topics that are identified as material for Protan through a double materiality assessment. The report also includes our carbon accounting performed by Protan Group based on the Greenhouse Gas protocol (GHG). The accounting includes data from all companies where Protan Group has more than 80 % ownership. Companies with only one employee have been excluded.

The company's organization and operating area "The Protan Group" consists of the following companies; Protan AS (parent company), Protan Entreprenør AS, Protan Entreprenør Midt-Norge, Litex AS, Protan UK Ltd, Protan Elmark, Protan Polska S.p.Zoo, Protan AB, Protan Entreprenad AB, Litex AB, Protan Cubiertas Y Membranas, Protan Turkey Yalitim, Skantag AS and Protan Deutschland GmbH.

Corporate management represents all of Protan's business areas and staff functions. [The organisational chart can be found here.](#)

The latest report update includes the due diligence report in compliance with the Transparency Act, under the section "Workers in the value chain". Protan's Board of Directors are responsible for establishing the company's procedures in compliance with the Transparency Act. [Link to our obligation is here.](#)

The Board of Directors have approved the report. The report has not been reviewed by an external party.

Protan Group

- Protan employees
- Protan production facilities

NORWAY

Protan AS
Protan Entreprenør AS
Litex AS

UK

Protan UK Ltd

SOUTH EASTERN EUROPE

Protan South-East ZRT

POLAND, BALTICS & EASTERN EUROPE

Protan Elmark
Protan Polska SPZOO

SWEDEN

Protan AB
Protan Entreprenad AB
Litex Sverige AB

SPAIN

Protan Cubiertas y Membranas

TURKEY & MIDDLE EAST

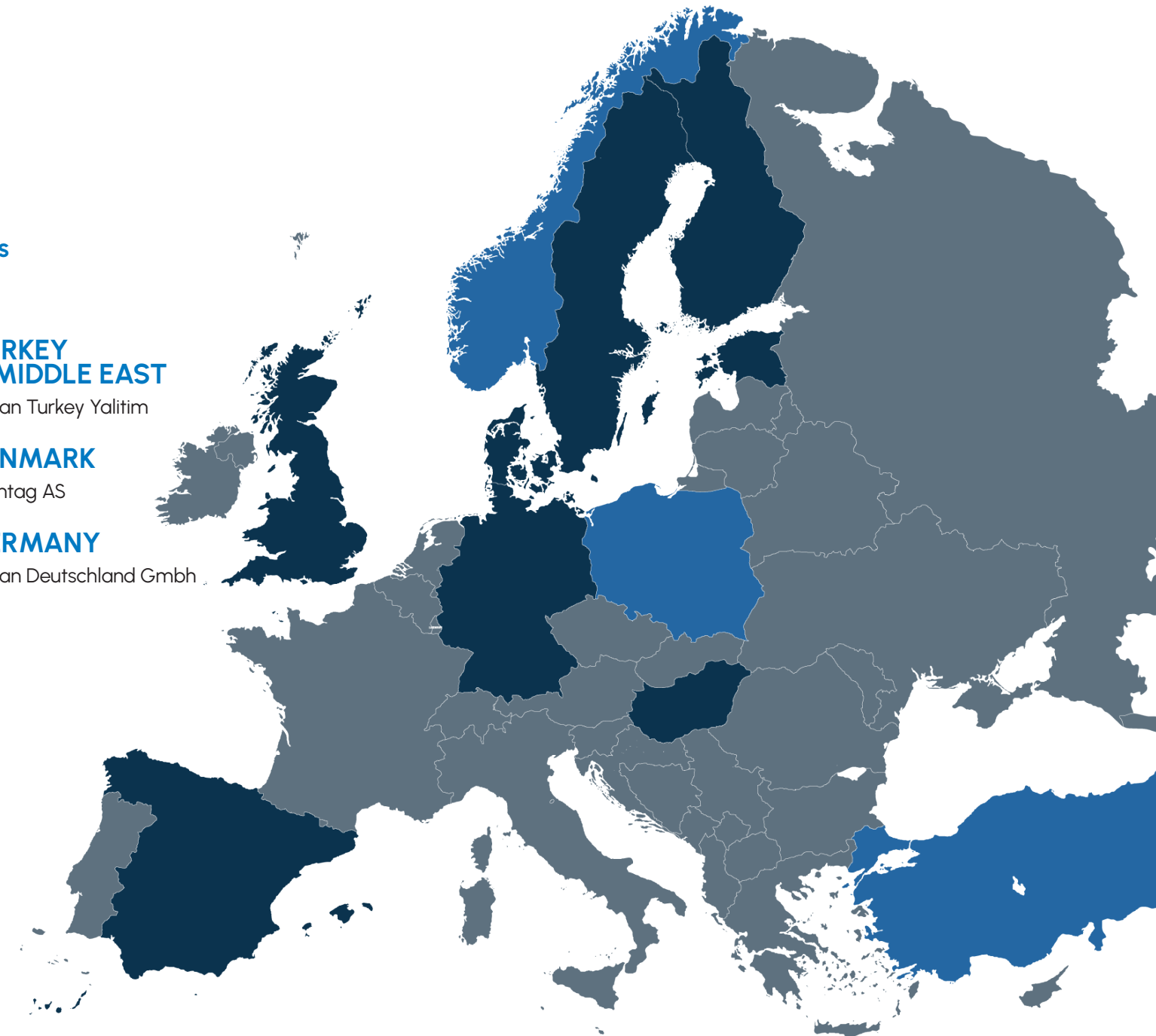
Protan Turkey Yalitim

DENMARK

Skantag AS

GERMANY

Protan Deutschland GmbH



This is Protan

Protan, established in 1939, is an international company headquartered in Lier, Norway. With over 85 years of expertise, we have evolved into a global leader in membrane technology, driven by innovation and a commitment to environmentally friendly solutions.

Our unwavering focus is on meeting the evolving demands of a worldwide market that prioritizes sustainability and strives to achieve net-zero targets.

Our presence spans across diverse market sectors, including roofing, tunneling and mining, technical textiles, and more. We offer a comprehensive range of products, such as thermoplastic roofing and tunnel membranes, advanced ventilation ducting systems and other technical textile solutions. In addition to producing these cutting-edge products, we take pride in our professional installation services ensuring the quality and performance of our offerings.

At Protan we believe that innovation-driven practices and more environmentally friendly solutions are the keys to addressing the needs of a rapidly changing world, and we remain dedicated to advancements that make a positive impact on both local and global scales.

85+
years of experience,
expertise and
innovation

Global presence
with 11 offices
around the world

894
employees and a
global distribution
network

PRODUCT FACILITIES IN
Norway
Lier, Nesbyen and Sandefjord
Poland
Stezcew
Turkey
Gebze and Izmir

Revenues of NOK
2 450 million
(2023)

Developing
futureproof solutions
for achieving ambitious
sustainability goals

Dual strategy

During the last decade our business model has undergone a transformation from “product oriented” to “customer oriented”. Rather than focusing on what we have, we are now focusing on how we can contribute to and support our customers’ success with complete solutions. Our dual strategy is to accelerate and expand from our base, while simultaneously contributing to CO₂-neutral buildings and construction.

ACCELERATE

- People and culture - empower and develop our people
- Quality in operations - realizing our improvement programs
- Share our competence - partnership model
- Sustainability - pursue climate neutrality by 2050

EXPAND

- Customer interaction - intelligent customer platforms
- Focused market growth - one stop shop for roof and tunnels
- Widen our footprint - global cooperation with customers
- Seize opportunities - invest in CO₂-friendly waterproofing

Our Vision

Futureproofing Waterproofing

Our Mission

Ensuring our solutions stand the test of time and with pride contribute to a sustainable future.

Our Values

Our values guide our actions and conduct. Our clients, partners and colleagues experience these values when they work with us.

PASSION

We take ownership, we are creative and innovative, we are enthusiastic, we are hungry for success.

COLLABORATION

We value and show each other respect, we involve, we sell, we communicate.

QUALITY

We are knowledgeable, understand the need, exceed expectations and we deliver without failure.

RESPONSIBILITY

We are reliable, carry out our plans, learn from our successes and our mistakes.



Double materiality assessment

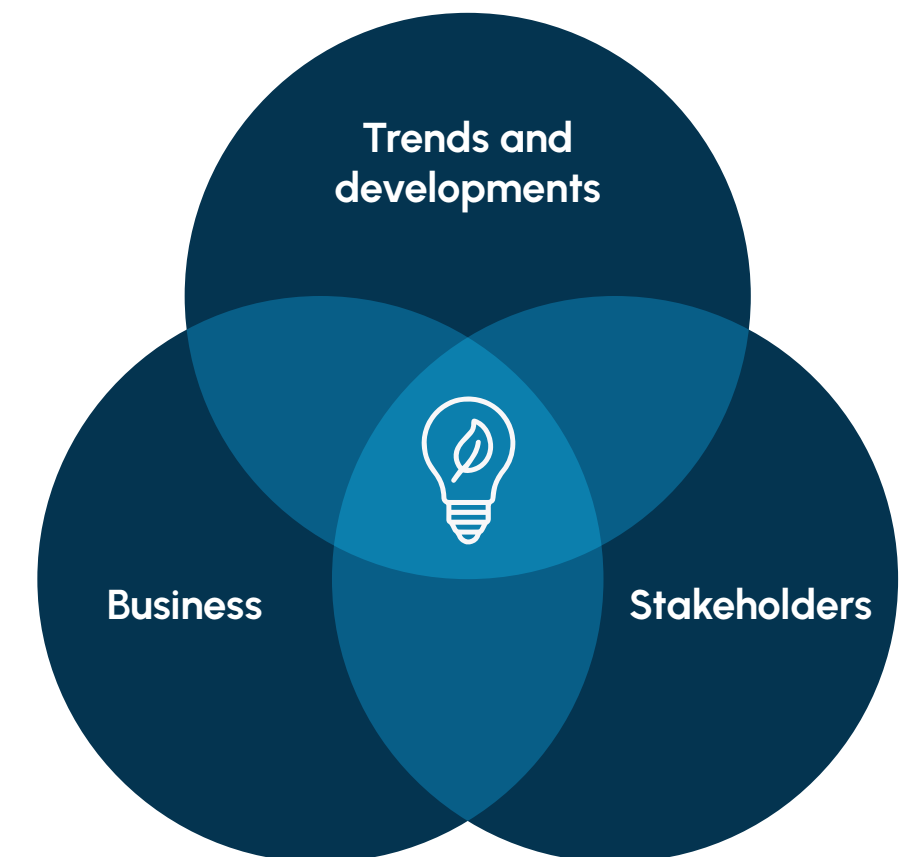
We have performed a double materiality assessment that meets the requirements of the CSRD. Protan is positioned to fulfill our stakeholders' expectations of information about our sustainability commitments and prepared for additional future regulatory requirements.

A double materiality assessment identifies how the business (Protan) affects the outside world (people, planet, and society) and how the outside world affects the business. The analysis identifies topics where the impact, positive or negative, is the most material. We have evaluated the different topics based on "impact materiality" and "financial materiality".

Based on our findings from the analysis we identified 14 material topics (see [Appendix 2](#) for the complete list of material topics from initial analysis).

The double materiality assessment is based on the following three qualitative and quantitative methods for data analysis:

1. We have identified major global trends and development affecting the organisation and its risks and opportunities.
2. An analysis of existing strategies, policies and structures have been conducted to understand Protan's business today and tomorrow, in order to understand the sustainability risks and opportunities.
3. Internal and external stakeholders are key to identify which topics are material to them, and what they believe Protan should focus on going forward.



Protan's material topics

- Environmental
- Social
- Governance

1. Climate change - mitigation
2. Climate change - adaptation
3. Energy management
4. Pollution to air and water
5. Resource use and circular economy
6. Health and safety
7. Decent working conditions
8. Workers in the value chain
9. Diversity, equality and inclusion
10. Training and development
11. Innovation and product development
12. Supply chain management and procurement
13. Business conduct
14. Business culture



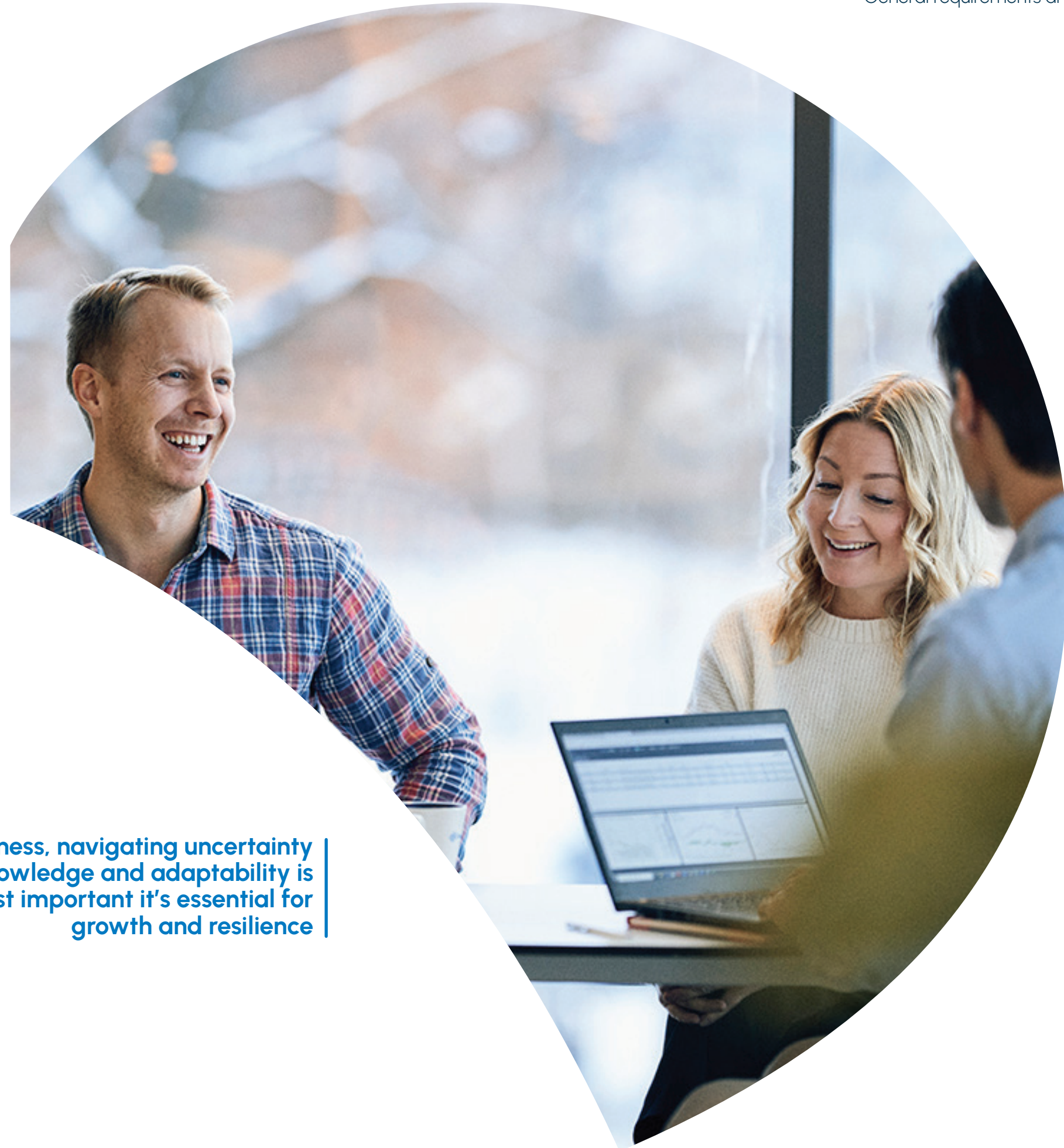
This assessment provides the foundation for our strategic work with sustainability going forward. Based on the materiality matrix four topics are identified as critical based on both financial and impact materiality:

- Climate adaptation
- Resource use and circular economy
- Training and development
- Innovation and product development

The assessment is used as a guide for prioritisation. This is crucial both for operationalisation and reporting. Emphasizing on the right material topic at the right time is key to create change and contribute to the overall green transition.

Material topics may alter over time and the assessment will be subject to change. We will continuously monitor our impact, and a full review is scheduled in 2026.

**In business, navigating uncertainty
with knowledge and adaptability is
not just important it's essential for
growth and resilience**



A brief description of each topic and Protan 's understanding

1. Climate change – mitigation

Ensuring sufficient reduction of emissions in own operations and value chain in line with the Paris Agreement. Reporting on present and future efforts to mitigate climate change.

2. Climate change – adaptation

Ensuring sufficient actions and plans to adopt the current strategy and business model in line with the Paris Agreement (e.g., climate accounting of all scopes).

3. Energy management

Ensuring limited use and reliability on fossil fuels. Focusing on energy efficiency is a vital and cost effective way of reducing emissions and combating climate change.

4. Pollution to air and water

Ensure adoption of pollution related targets and develop a system for consistent monitoring over time. Pollution refers to substances and byproducts in air and water, substances of high concern, microplastics etc.

5. Resource use and circular economy

Ensuring optimisation in production, from cradle to cradle and adopting a "closed loop" mindset for an adjusted business model (resource use, waste, resource inflow and outflow).

6. Health and safety

Ensuring the health (physical and mental) and safety of workers. Refers to actions taken to reduce workplace accidents, unsafe conditions and other hazards that may negatively affect workers.

7. Decent working conditions

Ensuring decent working conditions for all employees. Refers to decent salaries, unionizing, the right to collective bargaining etc.

8. Workers in the value chain

Ensuring the rights of workers in the value chain to avoid human rights violations (e.g., forced labour, child labour etc). Refers to ensuring a living wage and other decent work agenda topics. In addition it refers to how Protan takes concrete social actions in conducting due diligence, thus mitigating risks.

9. Diversity, equality and inclusion

Ensuring a working environment free of harassment of any kind (ethnicity, gender, sexual preferences, religion etc.). Refers to the actions taken by Protan to make sure that all employees are treated equally and feel included, in the workplace, in recruitment practices, retirement and if/when deciding to leave the company.

10. Training and development

Ensuring a skilled and competent workforce across the company.

11. Innovation and product development

Ensuring sufficient allocation (time and money) to innovate new products and developing new sustainable products to cater for change in customer demand and preferences, as well as reducing future uncertainty and risk in access to raw materials.

12. Supply chain management and procurement

Ensuring the robust management of Protan's supply chain and procurement practices. This includes how Protan sets out requirements and follow-up suppliers through contractual terms, audits, screening mechanisms etc. in all aspects of ESG.

13. Business conduct

Ensuring ethical conduct within all operations (e.g., anti-corruption, governance, routines, procedures, guidelines, protection of whistleblowers, and ensuring compliance with regulatory requirements in each specific project).

14. Business culture

Ensuring "one company - one culture", working together for the same goals, equal implementation of guidelines, procedures, and policies in the whole company. Be global, act local.

Sustainability strategy

At Protan, our dedication to sustainability spans over many years. Our 14 material topics form the basis of our sustainability strategy starting with our three sustainability commitments:



Our Sustainability Commitments



Environment

We are dedicated to offer carbon-friendly solutions benefiting our customers and society. By optimizing production, energy efficiency, and circularity we minimize our environmental impact. We are committed to reduce emissions in our operations and value chain.



Social

We embrace diversity and an inclusive workplace. We are committed to develop our people and ensure safe and decent working conditions.




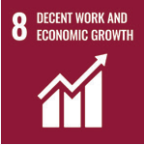
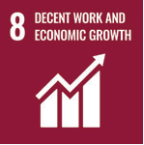



Governance

We are committed to conduct our operations aligned with ethical business standards and to ensure a resilient supply chain complying with ESG standards.

Protan's Sustainability Goals Towards 2030

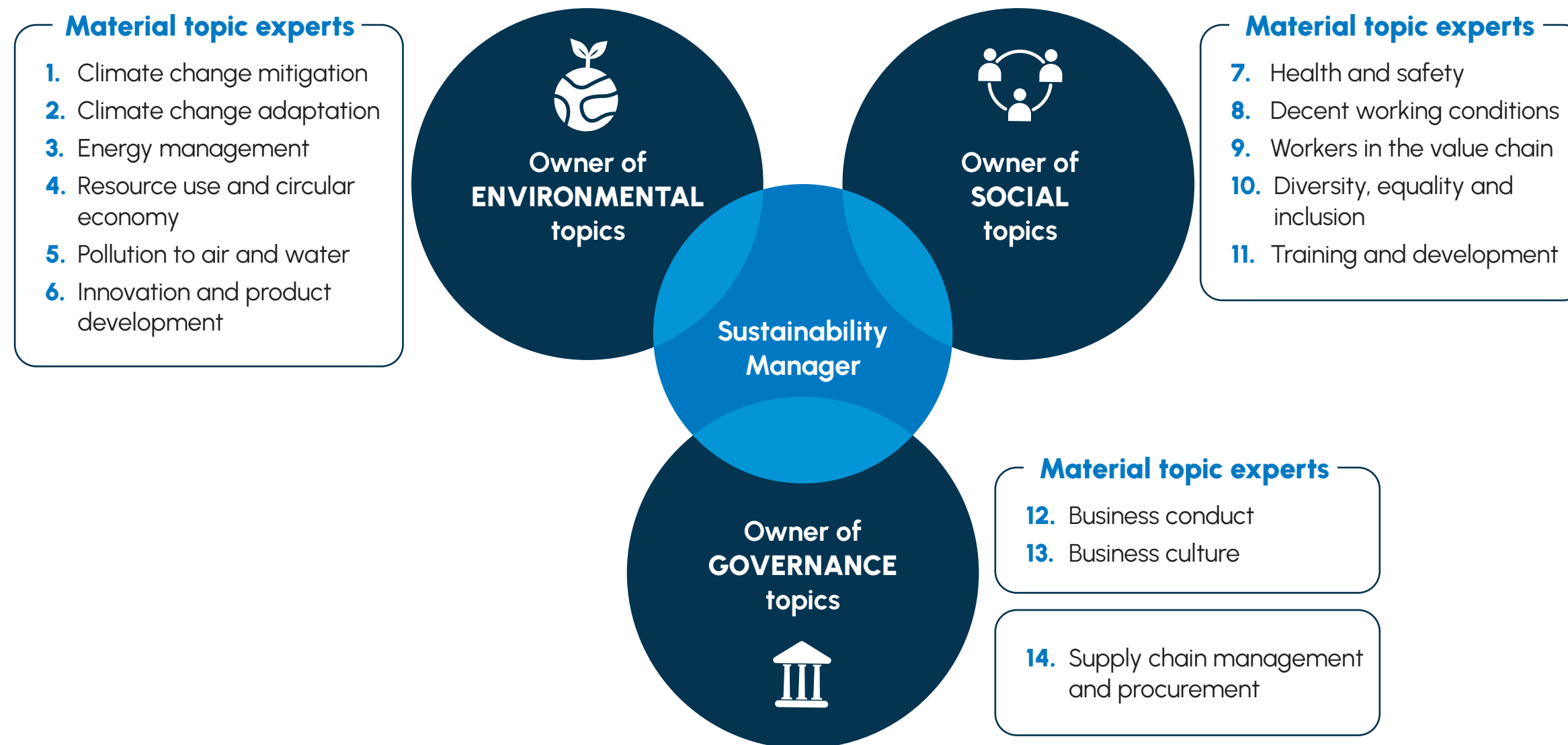
To effectively track our progress and ensure significant results, we have established ambitious goals. Our overarching objective is to become a net zero contributor by 2050, aligning with the Science Based Targets initiative. We have outlined short-term goals extending to 2030, which are detailed in the table below.

Environment		Social		Governance
Net zero emissions within 2050, and goals for 2030	20 % reduction in scope 1	Empower diversity	Achieve improved gender balance with 18 % female leaders	Evaluate 80 % of Tier 1 and Tier 2 suppliers
	20 % reduction in electricity use per sqm in production facilities			
	10 % of sold roofing based on biobased or recycled raw materials			
	Identify low carbon alternatives to raw materials			
Reuse or recycle	75 % of tunnel ventilation	Zero serious work-related injuries and 10 % yearly reduction of lost time related injuries (LTI)		100 % of employees trained in anti-corruption
	10 % of flat roofs			
	10 % of halls			
Reduce PVC waste and 100 % source separation rate		Engagement index >80 %		Collaboration to reach the goals
Linked to UN's sustainability goals	 	Linked to UN's sustainability goals	 	Linked to UN's sustainability goals  

Sustainability Key Stakeholders

All employees at Protan play a role in shaping a more sustainable future.

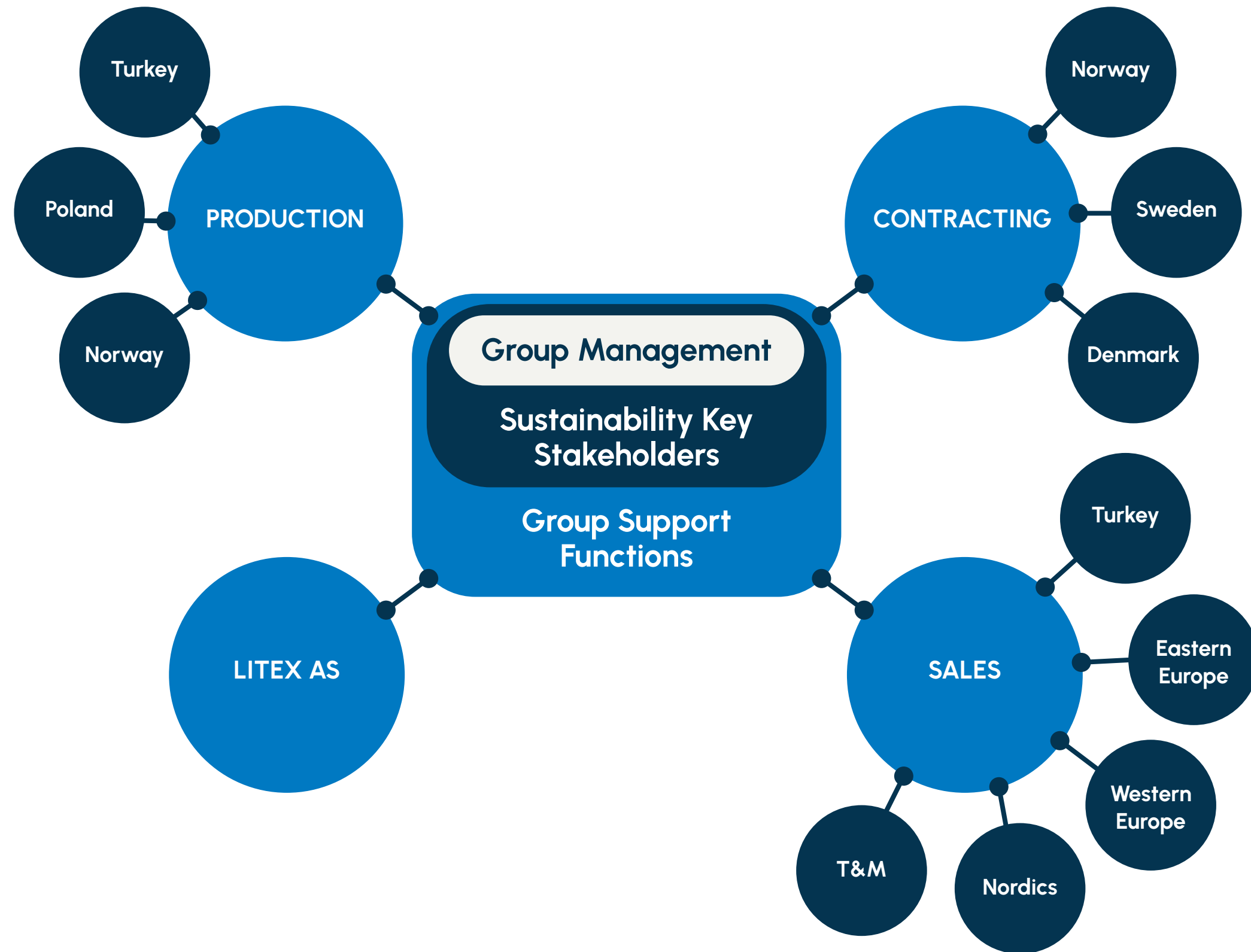
To optimize our activities and ensure maximum impact, sustainability efforts are structured around four key stakeholders who take ownership of specific areas and delegate responsibilities to subject matter experts.



Our Sustainability Network

As we are a global company, with local presence, we need to share relevant initiatives, information and news internally across departments and business functions.

We have established a sustainability network to make sure this is organized in the most efficient way. The appointed agents are to inform their organization / department.





03

Environment

- Climate change mitigation
- Climate change adaptation
- Energy management
- Pollution to air and water
- Resource use and circular economy
- Innovation and product development

Environment

Protan is committed to undertake climate change mitigation actions in its own operations and supply chain with the objective of achieving net zero by 2050. With 2022 being the base year of our accounting, an important step in 2023 was to establish processes and improve data quality.

We have disclosed our greenhouse gas (GHG) emissions across scopes 1, 2, and 3. Currently, we are identifying and implementing actions and objectives across the Group. In addition to our environmental guidelines and routines, continuous efforts to improve climate mitigation and adaptation will further strengthen our environmental and climate contributions.

By optimizing production, energy efficiency, and circularity we minimize our environmental impact. We are committed to reduce emissions in our operations and value chain.

Climate change mitigation

Protan has a fully integrated supply chain, except for the production of raw materials. Emissions from our facilities in Norway, Poland and Turkey, and contracting services are included in scopes 1, 2 and 3.

We are committed to reduce our GHG emissions by implementing reduction measures within offices and production facilities, such as increasing energy efficiency and electrified transportation solutions. The organisation can influence further efficiencies by imposing sustainability requirements on its suppliers, particularly in sourcing raw materials with lower carbon footprints.

The carbon intensity across Protan's value chain increases the significance of this issue, underscoring the need for concerted action. By fostering circular solutions, as identified within our material topics, Protan can actively contribute to reducing carbon emissions.

We have calculated the GHG emissions on our product portfolio for many years and documented it in certified environmental production declarations (EPD's). The requirement for investment and escalating raw material prices pose further challenges. In addition, failing to meet industry standards, governmental regulations, and evolving consumer expectations poses a risk to our long-term viability and reputation.

Scope 1

Scope 1 emissions comes from using fossil fuels in operations, 39 %, and fossil fuels from cars and equipment, 61 %. In total, there was a slight decrease of 1.8 % in emissions in 2023 compared to 2022.

The use of fossil energy used in operations decreased by 37 % in 2023 compared to 2022. Emissions decreased by 36 % for the same period.

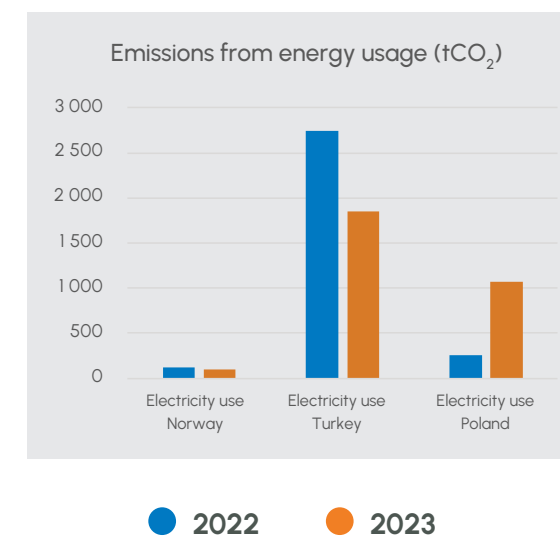
Most of the scope 1 emissions come from Protan's contracting services. Emissions from car use increased in 2023 with 10.7 %. This is linked to an increase in distances traveled resulting from the merging of departments.

Scope 2

Scope 2 emissions from electricity use come mainly from our production facilities in Norway, Turkey, and Poland. In total, emissions from electricity use have decreased by 3 % in 2023 compared to 2022, and the energy use (kWh) has decreased by 13.8 %. This is mainly

due to a decrease in production output. There has been a volume decrease both in Norway and Turkey, but an increase in Poland due to the opening of a new production line in Poland in 2023.

In 2023, kWh per sqm produced was 1.06 for Protan Group. This is a slight increase from 2022 when the kWh/produced sqm was 1.01.



Scope 3

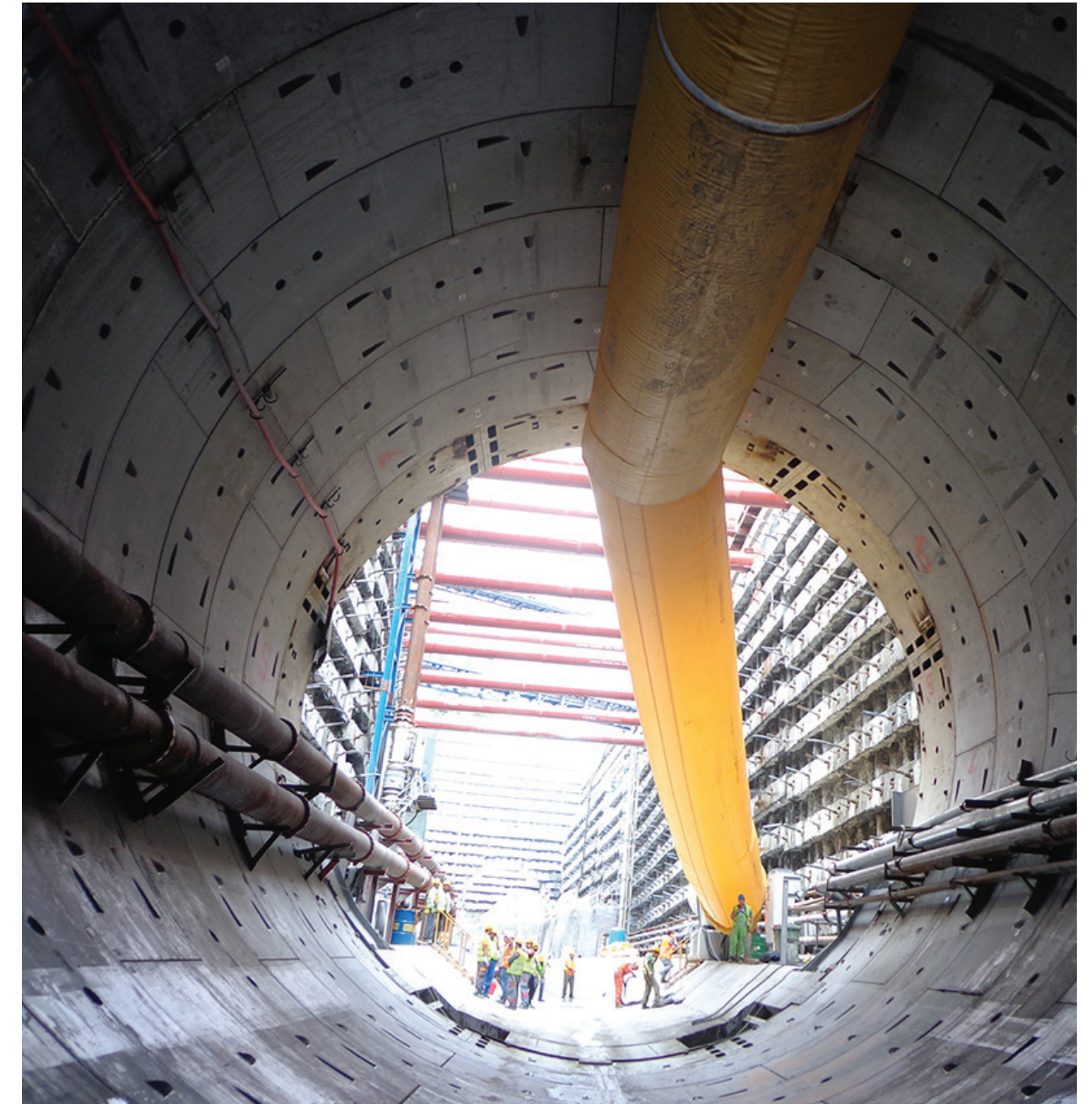
Our scope 3 emissions account for 95.6 % of our emissions. Scope 3 emissions arise from various sources such as purchased goods and services, transportation both up- and downstream, waste management, and business travel.

Purchase of goods and services accounts for 84.6 % of our emissions and is the largest category in our accounting. This is a decrease from 2022 where 91 % came from scope 3. This is due to lower productions.

The average carbon emission intensity for our entire production amounts to 5.37 kg CO₂eq per produced square meter. This is a decrease from 2022 when it was 5.54.

Protan's Carbon Accounting

Greenhouse gas emission ^{1, 2)}	2023	2022
Emission source	tCO ₂ e	tCO ₂ e
Scope 1 - Direct emissions	1 500	1 672
Fossil energy use in operations	366	681
Petrol use in cars and equipment	205	144
Diesel use in cars and equipment	929	847
Scope 2 - Indirect emissions	3 018	3 111
Electricity use Norway	103	115
Electricity use Turkey	1 846	2 741
Electricity use Poland	1 070	255
Scope 3 - Indirect emissions	99 291	125 003
Total purchased goods and services	87 851	112 270
Purchased PVC	29 977	34 261
Purchased metals	12 297	11 809
Purchased chemicals	16 563	30 121
Purchased textiles	6 539	9 061
Purchased plasticisers	22 277	26 661
Other purchased goods and services	198	325
Capital goods	0	966
Upstream transportation and distribution	2 233	2 216
Waste generated in operations	2 496	1 006
Business travel	436	84
Downstream transportation and distribution	6 275	8 460
Total*	103 810	129 786



* Due to changes in calculation method, our total emissions from 2022 differ from the published sustainability report 2022 (145 073 CO₂eq)

1) The figures in the table have been calculated in accordance with the GHG Protocol and show emissions using the location-based method of calculations. In 2023, total emissions using the marked-based method, which corrects for the sales of guarantees of origin, amounted to 111 240 tonnes of CO₂e.

2) Emission factors are from EPDs and acknowledged sources such as Defra. The Norwegian emissions from business travel is estimated by the travel agent Berg Hansen.

Going forward

To increase the effectiveness of our GHG reporting, we will continue to improve our reporting processes to provide more comprehensive and actionable insights for all personnel involved.

Currently, we are developing reduction targets and strategies for key emission sources across our operations. These involve energy and electricity consumption, purchase of raw materials, transportation both upstream and downstream, waste management, and business travel. For a detailed overview of our goals and corresponding Key Performance Indicators (KPIs), please refer to [Appendix 1](#).

We will integrate climate objectives into our management system, ensuring that policies, guidelines, and operational routines are aligned with our commitment to mitigating climate impact. This initiative will be systematically rolled out across the organisation to ensure consistency and effectiveness.

Moreover, we are dedicated to raising the level of climate awareness within our workforce. We aim to foster a culture of sustainability and empower our employees to actively contribute to our climate objectives through targeted initiatives and educational programs.



Climate change adaptation

Protan faces both physical and transitional climate risks, ranging from potential facility damage due to extreme weather events to the impact of stricter climate policies.

All of Protan's existing products and solutions can be tailored to adapt to changing environmental conditions, thus providing climate resilient solutions for future scenarios characterised by heightened downpours, floods, and heatwaves. Protan can make an impact across the entire value chain through active engagement and influence on key stakeholders such as contractors, architects, and customers.

Failure to initiate climate adaptation efforts poses significant risks, both in terms of complying with existing and future regulations, as well as retaining current employees and attracting new talent.

RESILIENT SOLUTIONS

More extreme and frequent heatwaves, and severe downpours create demand for resilient and durable roofing and other outdoor products. Protan has for several years developed a portfolio of resilient and long-lasting products customised to withstand both heatwaves and severe downpours.

Protan's roofing solutions will fill the needs of construction projects that emphasise sustainability. That includes our successful water attenuation system BlueProof as well as roofs that are customised for the installation of green roofs and solar panels.

The latter enables the building's own production of energy. Together with local energy production, this has a positive effect on the global ambitions on energy efficiency and renewable energy production. Protan's BlueProof is an innovative roofing solution slowing down the flow of water from the roof and thereby reducing the risk of surface flooding during severe downpours. In areas with a warm climate, Protan offers solar reflective roofs, which reduce a building's energy requirement for cooling.

We are dedicated to offer carbon-friendly solutions benefiting our customers and society.

Going forward

We aim to increase the market for energy efficient and long-lasting roofing, by raising the awareness in our group and especially in our sale staff promoting them.

We aspire to develop more functional products aimed at addressing emerging environmental challenges. This entails the creation of new product lines designed to confront environmental issues expected to manifest within the next 2 to 10 years. Such as our TPO membrane systems introduced in 2023.

We acknowledge the significance of being aware of geopolitical shifts and their potential impacts on our operations. This involves evaluating and responding to geopolitical developments, such as conflicts, elections in the USA, and other global events. By proactively comprehending and adjusting to these changes, we strive to protect our business interests and uphold operational stability in a constantly changing global environment.

Protan is committed to continue to monitor and comply with EU regulations relevant to our industry. This entails conducting thorough assessments to identify regulations directly impacting our operations and to ensure compliance.

Energy management

Energy management is a critical topic because it directly addresses one of the significant contributors to environmental degradation and climate change, namely energy consumption.

Parts of our value chain are highly energy intensive and require high temperatures, such as producing and welding of the products. By 2030, our goal is to have a 20 % reduction in electricity use per sqm in production facilities in Norway, Turkey, and Poland.

USE OF ENERGY IN PRODUCTION

At Protan, we address the energy management topic differently from country to country. For example, Norway has witnessed significant fluctuations in energy prices in recent years. In Norway, hydropower typically contributes over 90% of total power production, with a small fraction supplied by thermal and wind sources. Conversely, in Turkey and Poland, fossil fuels play a more dominant role in the energy mix.

We are tracking the development with KPIs based on kWh and produced sqm:

	2023	2022
	kWh/sqm produced	kWh/sqm produced
Protan Group	1.06	1.01
Norway	1.21	1.21
Turkey	0.76	0.69
Poland	1.01	-

USE OF ELECTRICITY WHEN WELDING PRODUCTS

We enhance energy efficiency of our products and solutions, through measures such as improved insulation and utilisation of solar power.

Electricity is used when welding our products during the installation process. The use of electric welding machines on roofs brings several environmental benefits. These machines do not emit harmful gases or particles, thus help to reduce air pollution and preserve local air quality.

When utilised near flammable materials, electric welding machines effectively reduce the risk of fire. Additionally, their enhanced energy efficiency results in decreased energy consumption, consequently reducing the environmental impact of construction activities.

Going forward

We will conduct an energy assessment across our production facilities. This assessment will provide us with valuable insights into our current energy consumption patterns and identify areas where we can improve efficiency and reduce energy waste.

Building on the findings of this assessment, we will implement targeted energy-saving measures designed to minimise our energy usage. These measures may include upgrading to energy-efficient equipment and optimising production processes.

We recognise the importance of fostering a culture of energy management within our organisation. To this end, we will launch awareness campaigns to promote energysaving behaviours in the workplace. By encouraging simple actions such as turning off lights and equipment when not in use and practicing efficient heating and cooling habits, we can empower our employees to play an active role in our sustainability efforts.

Pollution to air and water

Our production processes involve high volume of raw materials, such as polyvinyl chloride (PVC), plasticisers and filler materials. Addressing pollution, both to air and water, is a material topic for Protan as these materials represent a high proportion of our carbon accounting. We anticipate stricter regulations and have proactively taken measures to mitigate this risk. For instance, one of our primary PVC suppliers has implemented a zero-waste system that effectively prevents any PVC raw material pollution.

We have a zero-pollution vision, which means that we are committed to reducing the risk of pollution in all our production facilities and our value chain. All our facilities have implemented environmental guidelines and routines according to requirements from national authorities. This is controlled locally by the production management and considered when planning for next year's production.

We report annually to national authorities to fulfil our emission permissions, for our production site in Lier, see table below.

Substance	Unit	2023	2022	2021
Water consumption	Cubic meters	692	1 035	1 564
Organic plasticisers	Kilograms	0.04	0.04	0.073
Organic compounds, total	Tonnes	0.08	0.087	0.087
Carbon dioxide, fossil	1000 tonnes	0.3	0.4	0.4
Nitrogen oxides (NOx)	Tonnes	0.005	0.005	0.005
Nitrogen dioxide	Tonnes	0.4	0.4	0.4



PRODUCTION RELATED POLLUTION

WATER

Water is not directly utilised in our products in the production process. Water serves primarily within closed systems to facilitate the cooling of specific processes by absorbing heat. It is important to note that the water employed in these systems is deemed non-contaminated.

To clean our production equipment, the primary component utilised is low aromatic paraffin. All equipment cleaning and washing activities occur within a dedicated room, supplied with ventilation and other equipment, ensuring compliance with health, safety, and environmental regulations. Any residues and particles amenable to sorting are gathered within an Intermediate Bulk Container (IBC) and subsequently dispatched to specialised waste stations.

Water is mainly used for floor cleaning, and goes through a separate system into an IBC, which is then sent to special waste stations for proper treatment. Our systems and routines for water consumption and the cleaning facility ensure compliance with relevant waste treatment protocols and strive to minimise our environmental impact.

PARAFFIN

Used paraffin, is circulated through a closed system, and directed back to a storage tank. Paraffin is temporarily stored, facilitating the settling of any contaminants to the bottom of the tank. The paraffin is filtered before being reintroduced into a usage tank for continued utilisation. In instances where contaminants have settled at the bottom of the paraffin storage tank, regular removal procedures are enacted as necessary. These contaminants are then dispatched to special waste stations.

SMOKE AND DUST

During our production stages, some smoke is generated. To ensure safety and compliance, our HSE department conducts assessments of the smoke levels twice a year.

Dust poses a significant challenge in our production facilities, particularly in Norway where our facilities are older compared to those in Poland and Turkey. To address this issue, our HSE department assessed the pollution levels. The assessment showed that the pollution level of dust was at a significant level. Subsequently, substantial measures were implemented, including the reconstruction of areas surrounding our mixer stations, which are primary sources of dust emission.

PRODUCT POLLUTION - MICROPLASTICS

Microplastics are plastic particles smaller than 5 mm. The release of microplastics is a global challenge, and Protan has actively participated in collaborative industry investigations on this issue. The findings suggest that our products experience weight loss due to the release of microplastics, which amounts to less than 0.02 % over their entire service life.

Going forward

In the upcoming year, we aim to enhance our focus on using more environmentally-friendly chemicals, conducting research and collaborating with suppliers to find suitable options. We will prioritise fostering awareness and implementing effective waste management practices to mitigate pollution.

When it comes to air pollution, further research is required. It appears necessary to implement additional ventilation, especially at mixing stations, and to introduce more closed ventilation systems overheat cabinets.

Resource use and circular economy

The construction industry is responsible for the largest single source of waste in Norway (Source: Statistics Norway). Protan addresses this challenge through its waste management strategies, aiming to minimise waste generation both in the production phase and throughout the lifespan of its products.

Driven by initiatives such as the EU's commitment to sustainable development and forthcoming ISO standards, the demand for circular solutions is on the rise. By expanding our impact beyond direct operations, Protan can contribute to foster reuse and promote sustainable consumption patterns.

Protan has established procedures across all of its production facilities to recycle surplus materials into new products. In 2023, our roofing products consisted of 4.5-6.5 % recycled surplus material, depending on product and production site.



PRODUCTION WASTE

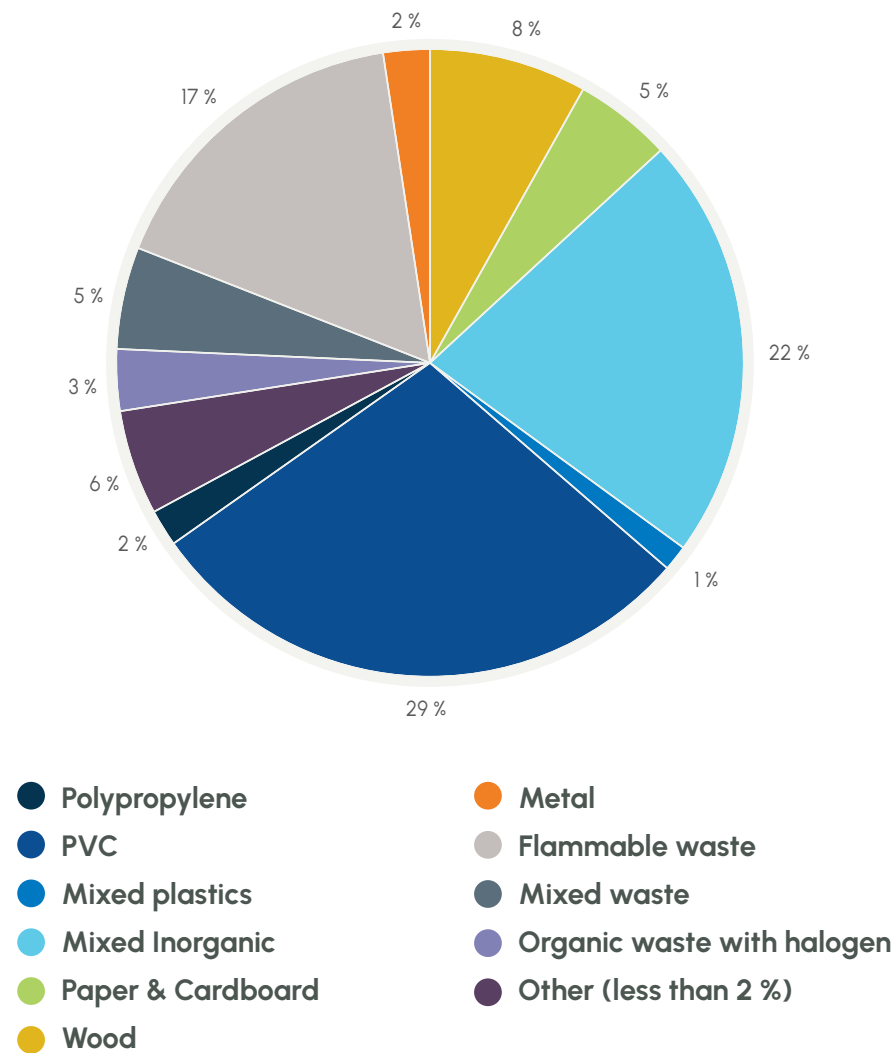
All waste generated during operations undergoes classification and proper handling by third party waste management companies. Production facilities reports annual waste fractions and quantities to national authorities, adhering to the standards outlined in NS9431.

Protan has established procedures across all of its production facilities to recycle surplus materials into new products. Annually we estimate reusing 300 tonnes of surplus materials in Lier.

In 2023, we included several waste fractions to better sort our waste and increase our separation rate. Therefore, PVC waste per produced square meter decreased from 0.031 in 2022 to 0.009 in 2023. However, overall waste per produced square meter in the Protan Group increased by 13.8 % from 2022 to 2023..

In the figure to the right, we have illustrated the different waste fractions in Lier.

Waste fractions in Lier for 2023



We are tracking the development of total waste in Protan with our KPI based on kg waste and produced sqm, excluding what we are recycling.

	2023	2022
	kg total waste/ produced sqm	kg total waste/ produced sqm
Total Protan Group	0.049	0.047
Norway	0.05	0.05
Turkey	0.048	0.041
Poland	0.045	NA

	2023	2022	2021
Source separation rate (in Lier)	77.41	94.65	95.83

PRODUCT RECYCLING AND REUSE OF MATERIALS

For many years, we have been issuing Environmental Product Declarations (EPDs) that encompass the end-of-life stage for our primary products. These EPDs demonstrate the positive climate impact achieved through the recycling of post-industrial PVC waste and the reuse of recycled materials in new products, alongside other sustainable and economic benefits.

To optimise the recycling and reuse of materials in our products, we prioritise designing them for easy disassembly after ended service life by using mechanically fastened systems. This approach aligns for example with the Norwegian government's national strategy for a green, circular economy, which revolves around four core pillars:

- Sustainable production and design
- Promoting eco-conscious consumption
- Establishing non-toxic circular value chains
- Fostering innovation and job opportunities within the circular economy

We aim to make our facilities more adaptable to facilitate the recycling of roofing and ventilation ducting systems, effectively diverting these resources from incineration plants or landfills after ended service life.



Going forward

In the upcoming year, Protan will undertake initiatives across production facilities and contracting business to enhance circularity.

Additionally, assessment will be made of our waste management processes. To enhance waste sorting efficiency, solutions will be sought to better segregate waste fractions.

To reduce product waste, we will assess recycling solutions from the offcuts and unused materials. Furthermore, dismantling services for roofing systems will be investigated to enable the efficient recycling and reuse of these materials.

Innovation and product development

The impact of innovation and product development holds critical importance for Protan, particularly as we operate in a carbon intensive industry. To mitigate environmental risks and adopt a “do no harm” approach, it is important that we innovate and create more sustainable products and services. Fortunately, our products and services are adaptable, allowing for a shift to more climate-friendly alternatives, such as more sustainable raw materials and increased use of recycled materials.

Innovation and product development are pivotal for Protan. Furthermore, it is essential to proactively align our product portfolio and services with impending regulations, ensuring our readiness for evolving industry standards.

BALANCING INNOVATION, SUSTAINABILITY, AND REGULATION

Staying up to date with the latest developments in raw materials and manufacturing methods is essential. However, adopting new technologies often requires significant investments.

Protan is entering an important phase in deciding how to allocate future Research & Development spending. The scope is vast, ranging from innovating at the product level to transforming our entire business model.

In terms of innovation and sustainability, we anticipate greater diversity in the types of products we produce. Both PVC-based and TPO-based products are expected to play a crucial role in Protan’s future. We see opportunities to upgrade our current machinery to accommodate this and improve productivity.

Additionally, we are facing increasing laws and regulations that will steer our focus towards a more circular business model.

Innovation and product development are crucial for driving the green transition, reducing environmental impact and promoting sustainability.

Going forward

We will focus on further development of our Environmental Product Declarations (EPDs):

- Update our existing EPDs to a new standard applicable for the latest environmental certification systems for buildings.
- Make new EPDs within all our business areas and for all production locations.
- Make a range of new EPDs according to the Dutch EPD system.

We will continue focusing on substituting chemicals and raw materials with more sustainable alternatives.

We are planning to increase our capacity on recycling, enabling us to utilise both post-industrial and post-consumer waste as raw materials in our products.

Case

Mitigating the Urban Heat Island effect with our TPO roofing membrane

In our production located in Gebze, we have developed a next generation TPO-based roofing membrane. An important part of the project was to introduce white TPO roofing. White TPO membranes are known to be ideal for cool roof constructions as these membranes maintain the high-reflective top surface very well during their entire service life.

This not only lowers energy use and cooling costs for buildings, but also helps mitigate the Urban Heat Island effect (UHI). This refers to the phenomenon where urban areas experience higher temperatures than their surrounding rural areas.

Urban Heat Island effect underscores the complex interactions between human activities, the built environment and natural systems, highlighting the need for sustainable urban planning and mitigation strategies to address its impacts. We believe that roofs are a part of the solution and will continue our work to provide innovative products and resilient products.





04

Social

- Health and safety
- Decent working conditions
- Training and development
- Diversity, equality and inclusion
- Workers in the value chain

Social

Protan is committed to ensuring safe and decent working conditions in our own operations, through our business partners and in our supply chain.

At Protan, we have increased our focus on social sustainability, and it serves as an integrated part of our operations. Our people are the backbone of our organisation, enabling us to provide high-quality, durable products for our clients. Protan employs roofers, operators in our production facilities and administrative employees. We strive every day to make Protan a good, safe and stimulating work environment in all parts of our organisation. To the right, is a summary of the number of employees in each country we operate.

Working with social aspects is an important part of Protan's sustainability journey. By collectively addressing areas that need attention, we can ensure a workplace where everyone thrives.

NUMBER OF EMPLOYEES AT PROTAN

Country	Employees (FTEs) 2023	Employees (FTEs) 2022
Norway	487	531
Poland	239	204
Turkey	55	69
UK	16	13
Sweden	50	66
Denmark	45	53
Finland	0	3
Spain	1	1
Germany	1	1
Total	894	941

Health and safety

Protan puts safety first. We prioritise the well-being of our employees by fostering a healthy and safe work environment. This dedication extends beyond our own workforce, as we monitor and uphold health, safety and working environment (HSE) standards among our suppliers and contractors.

Our commitment to safety means more than just compliance; it's about actively protecting our employees throughout their workday. We strive not only to mitigate risks but also to promote overall well-being, aiming for no work injuries. This commitment underscores our belief that safety is not negotiable — it's a fundamental aspect of our company culture.

Continuous improvement is at the core of our HSE strategy. We are dedicated to drive progress in HSE performance across all facets of our operations. By regularly reviewing and enhancing our safety protocols, implementing comprehensive training programs, and fostering a culture of awareness and accountability. This commitment to continuous improvement ensures that safety remains integrated in every aspect of our operations, empowering our workforce to thrive in a secure and supportive environment.

IMPACT OF PROTAN'S OPERATIONS

Unsafe work practices, injuries and serious accidents are reported in our management system. Findings from audits and inspections are regularly followed up by line management and corrective actions implemented to avoid recurrence. Due to the nature of our operations, potential findings from supervisory authorities may result in fines, if they conclude that Protan has breached its obligations. This may cause

delays and stop of work in our projects or production sites. Failure to follow up in such incidents may also have negative consequences to Protan's reputation.

Our health and safety goals for 2030 are zero serious work-related injuries and yearly reduction of 10 % lost time related injuries (LTI). Protan's systematic health and safety efforts have showed positive results with a reduction in Protan's group Lost Time Injury Frequency (LTIF) from 3.7 in 2022 to 3.4 in 2023. A solid safety performance ensures a safe working environment for all staff, boost productivity, and strengthens Protan's trust and reputation.

HSE PERFORMANCE

On page 37 are our key performance indicators relating to HSE and on page 38 is our summary of injuries in the last 12 months.

All Protan's staff and contractors should enjoy proper and decent working conditions and a positive working environment in which individuals feel safe and respected.

HSE POLICY & MANAGEMENT SYSTEM

Protan is committed to zero serious injuries in the workplace and works every day to ensure the health and safety of our employees. This is embedded in our HSE policy. To us, health and safety refers to both the physical aspects and a psychologically safe working environment. Implemented in 2013, Protan's HSE management system is built on ISO standards and encompasses all employees within our organisation. This system includes our policies, key operational processes, and action plans.

Our HSE policy undergoes annual revision and is signed by our CEO to signify its importance. Additionally, our HSE action plans are reviewed quarterly to evaluate our performance in maintaining health and safety standards. Moreover, we have established safety procedures and provide HSE training to empower our employees to conduct all operations safely. At Protan, every employee has the authority to stop work if they identify any imminent danger to life or health.

Health and safety (HSE)

HEALTH

We will be a health-promoting workplace where no one gets ill from working with us.

SAFETY

We must be a safe workplace where no one is injured at work

HSE programs and initiatives

PROTAN'S HSE-WEEK

As part of our commitment to a safety-first culture, we organised our annual HSE week with focus on risk awareness and planning. In 2023, the scope of this initiative was broadened to encompass the entire Nordic region, building upon its initial focus which was limited to Norway in 2022.

To ensure that Protan's HSE week is relevant to different parts of the organisation, we have tailored three different programmes: one for our roofers, one for our operators and one for our office staff. All HSE-week programmes are also available in different languages. Additionally, we have placed a particular emphasis on addressing psychosocial aspects of HSE, recognising the importance of mental well-being in the workplace.

HSE TRAINING AND DEVELOPMENT

In line with our focus on continuous improvement, we launched Protan's Basic HSE training course for all our employees working on roofs. This course consists of 31 different modules plus an exam. To achieve the certificate of completion it is required a score of minimum 90 %. This e-learning course is available in multiple languages to ensure understanding of our HSE procedures and work practices. Furthermore, we have also

integrated an HSE training section into our digital onboarding program. This underscores our commitment to equipping our employees with the knowledge and necessary skills to prioritise safety.

INTERNAL AUDITS, REVIEWS AND INSPECTIONS

As part of our systematic approach, we run a comprehensive internal audit plan with the purpose of controlling delivery of HSE standards and routines in our operations. During 2023, we conducted 73 project inspections, 560 safety rounds and 10 HSE system audits.

We are committed with continuous improvement of HSE processes and findings from the internal audits, safety rounds and inspections provides us with valuable insights and improvement opportunities.

EXTERNAL AUDITS AND CERTIFICATIONS

In 2023, we achieved a milestone in Poland. Our new production site in Stezew, obtained certification in accordance with ISO standards (45001, 9001 & 14001). Additionally, we established a robust HSE Management System, laying the groundwork for sustained excellence in HSE management.

Going forward

Next year, our focus will be on establishing local HSE action plans aligned with Protan's strategic objectives in Norway, Poland, Turkey, Sweden and Denmark. This will ensure that all our locations have a common way of working and understanding of HSE objectives. We will also further develop our HSE global network, this will enable us to share learnings and best practices across our company.

We will continue to focus on risk management and develop our approach to risk in the different areas of operation. We will raise awareness and understanding into the importance of mental health and having a meaningful and psychological safe working environment.

Furthermore, we will continue to put safety first and give an extra focus to Safety in all of our areas of operation, therefore we plan to expand Protan's HSE week to a global initiative in 2024. Regular audits, safety inspections, and project inspections will continue to be conducted at all levels of the organisation.

Another important item on the agenda is to conduct annual conferences for our safety representatives. We also aim to build a robust system for compliance assessments and enhancement of risk assessments in our production sites. Furthermore, we plan to launch Protan's Basic HSE training for our production teams.

One of our goals for 2024 is to celebrate 365 days without any serious injuries in our production and contracting locations, reflecting our commitment to a safe and secure working environment. Health and safety remain a focus area moving forward, it is a fundamental part of our company culture. This commitment is reflected in the way we work and the way we do business in Protan.

HSE Key Performance Indicators

Total Protan Group	2023	2022	2021
Lost Time Injuries (LTI)	6	5	1
Total Recordable Injuries (TRI)	7	9	2
Fatalities	0	1	0
High Potential Incident (HiPo 's)	1	1	2
First Aid Cases (FAC)	27	19	8
Safety rounds	590	292	117
HSE Training (# hours)	733	444	320
HSE Training (# courses)	12	10	8
HSE briefs	10 700	1 133	0
International audits & inspections	73	64	12
External audits & inspections	20	22	16
Safety Alerts	5	7	7
HSE week (# locations)	18	12	0

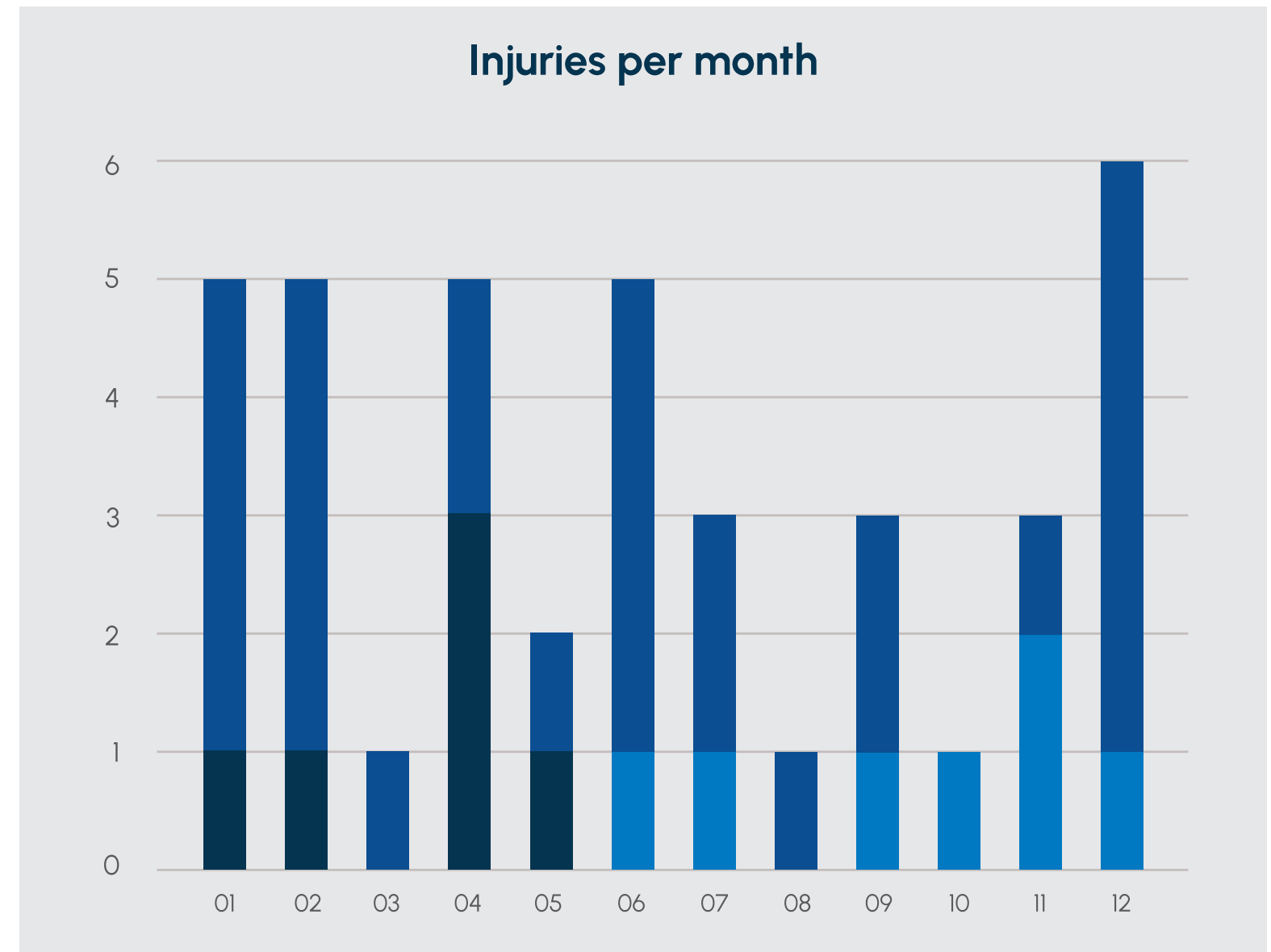
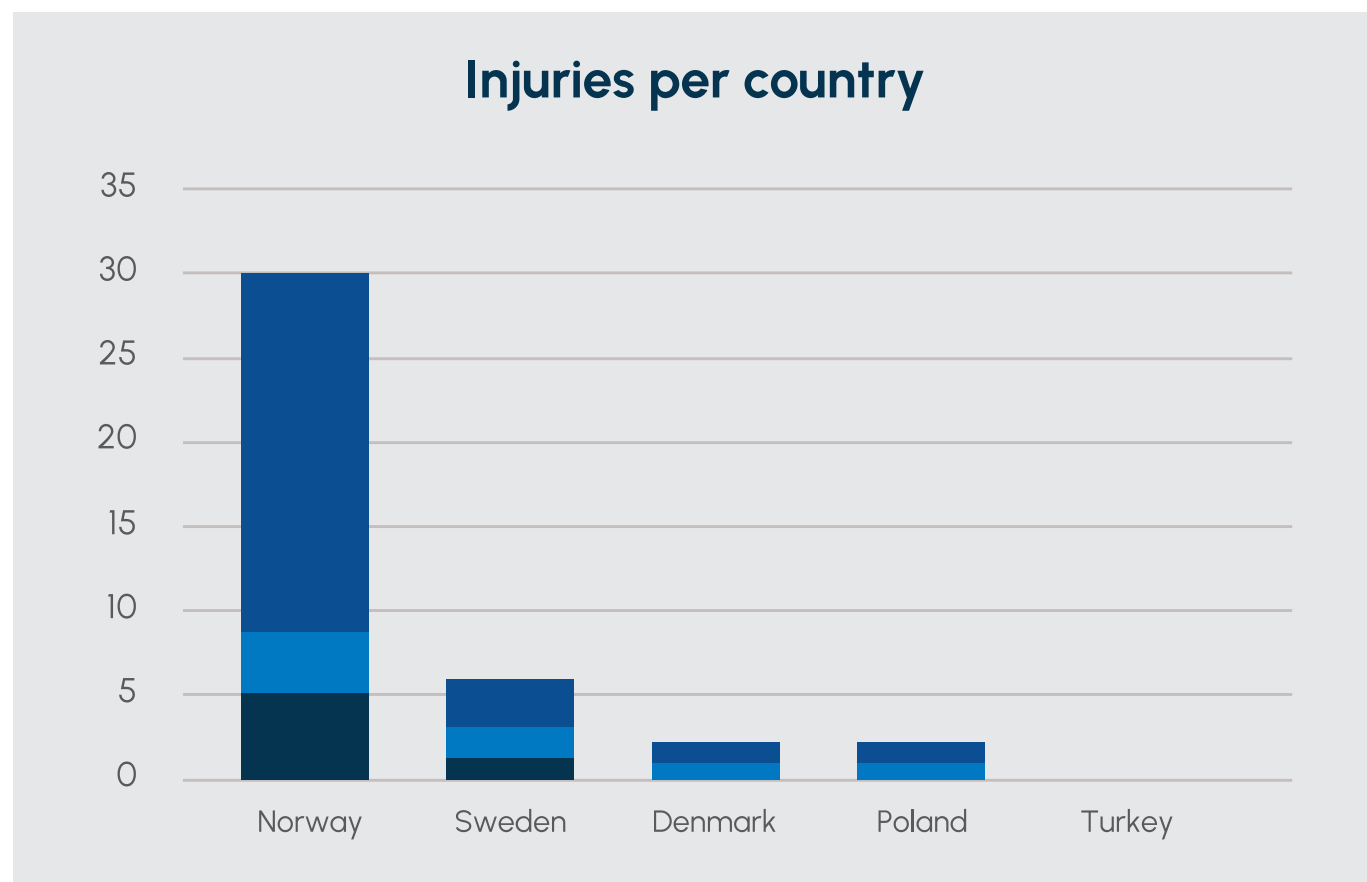
As of 31st December 2023

Summary of injuries 2023

Total Protan	2021	2022	2023
LTIF %	1.2	3.7	3.4
TRCF %	3.6	10.3	7.4

LTIF: The number of injuries resulting in more than 1 day of absence, loss of productive work time per 1.000.000 work hours.

TRCF: The number of fatalities, lost time injuries, cases restricted from work and medical treatment cases per 1.000.000 work hours.



● Lost time injury ● Recordable injury ● First aid cases

Decent working conditions

All employees at Protan can expect and have the right to decent working conditions. This includes having secure employment, decent and compensated working hours, adequate wages and freedom of association.

Protan's European presence and production capacity have been strengthened with our production facilities in Poland and Turkey. This has contributed to job creation and safe workplaces.

The actual and potential financial risks and opportunities are closely connected to whether Protan retain their employees and recruit the right people. Investing in improving working conditions and having the best people, especially roofers and factory workers, is important as there is expected to be a shortage of talents in the years to come.

A GLOBAL HR NETWORK

As a global company we have a great impact and responsibility in ensuring these rights for employees. We have established an internal global HR network to ensure a similar approach across Protan and adjust global HR processes to local conditions.

DIALOGUE WITH UNION REPRESENTATIVES

We follow the rules and regulations regarding workers' rights and social dialogue in the countries where we operate. In 2023, we have conducted regular meetings with union representatives. These meetings are formally documented meetings where we discuss and engage employee perspectives in decision-making, for instance on wages, working time, health and safety etc.

At Protan we see dialogue with union representatives as a prerequisite for cooperation, employee wellbeing and customer satisfaction. Union representatives are involved and consulted in all significant changes that may impact employees, and we place big emphasis on perspectives raised.

Going forward

Within the upcoming year, Protan will take proactive steps regarding working conditions.

The implementation of global HR policies will ensure consistent standards across all locations, promoting fairness and equity in employment practices in our global operations.

To stay ahead of evolving regulations and best practices, Protan will further develop the Global HR Network, facilitating collaboration among HR professionals to remain informed and compliant with laws and regulations in various regions. This initiative will enhance the company's ability to adapt to changing legal landscapes and uphold ethical standards in its operations globally.

Furthermore, Protan will undertake a thorough review of its HR processes. By optimising HR processes, Protan aims to improve employee experiences and better support the needs of its workforce.

Training and development

The construction industry is consistently faced with the challenge of attracting and retaining skilled labour. The demand for competent workers consistently outpaces the available workforce, resulting in escalated labour costs and potential project setbacks.

Recognising the critical role of training and development, Protan places a significant emphasis on this aspect of operations. With a workforce of 894 employees, the importance of this initiative cannot be overstated. The potential impacts of insufficient training, particularly concerning leadership development, health and safety protocols, highlights the criticality of this focus area.

Ensuring that Protan maintains a competitive edge in the market and remains abreast of technological advancements relies upon cultivating the requisite expertise within our workforce. The financial incentives associated with investing in employee training and development are substantial. By equipping our staff with the necessary skills, we not only enhance the quality of our products and bolster our market position but also cultivate greater client satisfaction.

Equally, neglecting to prioritise training and development carries inherent financial risks. Higher turnover rates and diminished employee retention can translate into substantial financial liabilities. Thus, the imperative to invest in training and development initiatives is not merely a strategic choice but a fundamental necessity for Protan's sustained growth and success in the dynamic construction industry landscape.

Our goal is that all employees have an individual development goal by 2030.

We use the following indicators to measure progress.

Indicator	2023
Percentage of employees receiving individual performance reviews	87 %
Number of training courses developed by Protan	13
Number of employees participated in e-learning (Norway)	295

EMPLOYEE PERFORMANCE APPRAISALS

Every year, we conduct performance appraisals for all employees to review the business goals, establish personal development goals, create a skill development plan, and discuss workplace well-being and how our employees embody the company values. Individual goals in the workplace serve to provide clarity, motivation, and accountability. They ensure employees understand expectations, remain focused, and enhance performance.

Aligned with organisational objectives, individual goals are integral to overall success and professional growth.

LEADERSHIP PROGRAMME

In 2022, we developed an internal leadership training programme, the Protan Leadership Journey. It is a fundamental global leadership programme and provides participants with the required, foundational leadership skills to be able to lead their teams effectively.

The programme consists of a number of virtual sessions as well as a face-to-face session over a four-month period. We use the same practical approach regardless of management level and emphasise the desired leadership behaviour and values we represent at Protan.

In 2023, 22 of our leaders participated in this training. The feedback has been very positive, and the programme provides a robust learning experience and a rich toolbox for the participants to carry out the leadership role.

PROJECT MANAGEMENT SCHOOL

In 2023, we launched the "Project Management School" programme specifically for our contracting department. The program is designed to enhance Protan Contractor's ability to deliver profitable and sustainable high-quality roofing solutions. Through the programme, project managers will gain access to essential tools and strategies to ensure efficient project execution from contract to completion. By applying the tools in a quality-assured manner, project managers will be supported in growing their role and increasing both efficiency and profitability by optimising resource use. In its first year, we recorded 5 participants, and we intend to expand its curriculum into 2024, to include more participants.

Going forward

We have and continue to develop internal courses within the categories: business skills, professional skills and people skills. We will encourage employees to participate in the training.

Additionally, we will introduce a structured succession planning process to identify and nurture future leaders within the organisation, ensuring continuity and talent retention.

Our existing onboarding program for new colleagues will be translated to local languages, providing new employees with the necessary resources and support for a smooth transition into their new roles.

Case

The Protan Leadership Journey

The Learning Journey Approach coexists with the established 70-20-10 approach due to its focus on application in the workplace. What this means is that participants will be required to apply their learning as part of their ongoing operational work rather than as additional homework assignments that relate largely only to the completion of a program. The journey is geared towards supporting participants to carry out assignments within their roles.

We believe that there are several reasons why this approach benefit leaders. To really be skilled at leading a team, there are several integrated and inter-dependent sub-skills required and these should be applied in a range of settings and scenarios. To build these sub-skills we need to provide a learning environment in which the participants are supported over time, not just in the acquisition of knowledge but in the application and development of daily work. Further benefit of having a longer journey approach is that we are

able to introduce iterations of practice and feedback, which lead to an increased competence and confidence when it comes to their application following PLJ (Protan Leadership Journey).

Skilled leadership is one of the key attributes of any successful company, and the application of leadership must relate to the business requirements across Protan. As such, our intention is to relate the specific leadership skills with performance outcomes that connect with Protan's strategic objectives. The skilled leader must have a clear understanding of why the effective application of leadership skills leads to increased performance, and why it is in their interest to lead accordingly and through their teams.



Diversity, equality and inclusion

As a multinational corporation, we embrace diversity. With operations spanning across eleven countries, our products and solutions reach global markets. This means that our products and solutions must fit these markets.

The significance of diversity, equality, and inclusion (DEI) in Protan is essential. We believe that a diverse workforce can enhance profitability, attract talent, and foster innovation necessary for addressing challenges like circularity and climate adaptation.

Understanding the materiality of these aspects is crucial, as failure to ensure equal treatment and opportunities for all can have deep negative consequences. We are well-positioned to address these issues, variations between locations may necessitate tailored approaches and ongoing monitoring.

PROMOTING DEI IN PROTAN

Last year, we strengthened our efforts towards promoting diversity, equality and inclusion within our organisation. A key initiative was the establishment of a clear diversity goal. Our aim is to foster a culture of inclusivity and empowerment,

with a specific target of achieving greater gender balance by 2030. We aspire to have 18 % female leaders, demonstrating our commitment to fostering diversity and gender equality within our company.

We upheld our commitment to treating all individuals fairly and respectfully, irrespective of their gender, nationality, ethnicity, religion, sexual orientation, or political views. In 2023, there were no documented incidents of discrimination or harassment within our workplace through our whistleblowing channel.

To recognise the importance of equality in our male-dominated industry, we conducted a thorough materiality assessment. This assessment provided insight how to promote diversity and inclusion in all parts of our organisation. As a result, we reviewed our gender balance, managed temporary employment, facilitated parental leave, accommodated part-time work arrangements, and addressed issues related to involuntary part-time employment.

Our commitment to fostering an inclusive environment remains unwavering, and we are dedicated to continuing our efforts to ensure that every individual feels valued and respected at Protan.

Going forward

In the upcoming year, our focus will be:

- General Diversity and Inclusion Measures
- Equality Measures.

Under General Diversity and Inclusion Measures, we aim to enhance the inclusivity of our workplace through various initiatives. Firstly, in job advertisements, we will ensure that the language and content appeal to a diverse pool of candidates, reflecting our commitment to inclusion. We will focus on showcasing different employees and career paths at Protan.

Our HR processes, especially recruitment procedures, will be reviewed to ensure they are inclusive and provide equal opportunities to all applicants. Furthermore, we will explore partnerships that align with our diversity and inclusion goals, extending our impact beyond our organisation. Marking international days pertinent to diversity issues will also be prioritised to strengthen our message of inclusion.

To promote an inclusive working environment we will plan workshops regarding unconscious bias for employees during the HSE week in 2024. In line with our commitment to Equality Measures, we will undertake specific actions to address gender equality within our organisation and the broader industry. Recognising the importance of fostering gender equality from an early age, we will explore different initiatives aimed at young women, particularly within the construction industry.

Workers in the value chain

In 2022, the Norwegian Transparency Act came into effect in Norway. This holds particular significance for our company due to our ownership of production facilities in Norway, Poland and Turkey. At Protan, we see human rights as an integral part of our business operations, and “workers in the value chain” has been identified as a material topic.

The potential impact on breaches of workers' rights in the value chain are present for Protan, and is considered important due to the scope, scale and potential lack of remendability. Although the due diligence processes indicate that Protan has limited high-risk suppliers, the value chain is global and affecting many people. Moreover, the potential risk for the individual may be severe – potentially irreversible.

The financial materiality relates to both the costs of ensuring the rights of workers in the value chain and potentially managing negative impacts that might occur (grievance and remedy etc). Moreover, the inherent vulnerability of suppliers for Protan, strengthens the financial materiality as potential human rights violations in the value chain, may result in difficult changes of suppliers, implementing corrective action plans etc.

GUIDELINES AND PROCEDURES

Protan seeks to respect and uphold internationally recognised human rights, as stated in the UN Declaration of Human Rights, the ILO core conventions and the ILO Declaration on the Fundamental Principles of Work. In our work, we embed the OECD MNE Guidelines and the UN Guiding Principles on Business and Human Rights (UNGP).

At Protan, we have developed our own procedures for how we anchor our work on human rights and decent working conditions. These procedures include the company's work to meet the requirements set out in the Transparency Act. The procedures are anchored and adopted by the company's board of directors and these describe how the company conducts its due diligence assessment and assessment of measures. See more in the chapter business conduct.

We have several guidelines applicable to all employees, and procedures especially for our procurement department:

- Supplier Code of Conduct
- Code of Conduct
- Employee handbook
- Procurement procedures
- Procedure for conducting due diligence assessment according to the Transparency Act
- Procedure if a breach is discovered

Over the past year, we have revised our guidelines and procedures to incorporate due diligence into our management systems. Notably, this initiative involved updating our Code of Ethics and launching comprehensive Anti-corruption training programs.

Ensuring compliance with regulations and equipping our employees with the necessary training are priorities for us. That is why we have integrated these aspects into our onboarding program. These guidelines are available online through our intranet and several are also available on our external website.

GOVERNANCE

We have a central purchasing department that handles the largest and most central suppliers to our business. The central purchasing department uses a standardized purchasing process that documents and sets requirements for the selection of suppliers, which everyone in the department is trained in. Local management and contract owners follow up their local suppliers and business partners, in close cooperation with the central purchasing department.

Protan's Chief Supply Chain Officer (CSCO) has the overall responsibility for monitoring the implementation and effects of implemented measures in the supply chain. Protan has the following routines for monitoring implementation:

- We monitor the implementation and effect of the company's internal obligations, activities and goals for due diligence assessments.
- We conduct regular internal assessments of the results achieved and communicate the results.
- We receive regular feedback from our suppliers to confirm that risk mitigation measures are being followed, and/or to confirm that damage has actually been prevented or reduced.
- We receive regular feedback from representatives and trade unions of the affected workers.
- We include experience and feedback the company has acquired in the due diligence assessments. This is to improve the process and results for the future. Based on these measures, we have a progress plan for the recovery work that we keep updated. The progress plan follows the system on the coming pages.

In 2023, we focused on increasing internal competence to ensure all relevant personnel understood their obligations under the Act.

Furthermore, we focused on better understanding potential risks and how to mitigate any potential risks associated with our supplier chain based on our own operations. We implemented regular controls of our suppliers, utilising a risk-based approach to prioritise areas of focus. This proactive approach enabled us to identify and address any compliance issues or ethical concerns in a timely manner.

RISK ASSESSMENT OF WORKERS IN THE VALUE CHAIN

Protan uses a digital platform developed by Ignite Procurement AS to evaluate and analyse tier 1 and tier 2 suppliers, business partners and other well-known subcontractors. Suppliers are evaluated based on:

- The company's operational context
- The company's business model
- Position in the supply chain

The steps in this assessment are described below:

1. Based on supplier data obtained from order confirmations and ERP systems, a complete overview of the company's first-tier suppliers is created. Through the platform, the overview of the company's suppliers is updated continuously.
2. In the platform, supplier information is enriched through third-party collaboration with ENIN. Through the platform, information and financial information is collected about the company's suppliers such as industry codes (NACE) and company structure.

3. Through steps 1 and 2, the company gets an overview of suppliers and business partners with associated supplier information.
4. The tool in the platform has made an initial risk classification of the company's suppliers and business partners based on rules (geography, industry, type of product and service) created in the platform as well as prioritisation of strategically important suppliers. Suppliers that meet defined risk parameters have been classified according to high, medium and low risk of negative impact on fundamental human rights and decent working conditions.
5. As part of the risk mapping, the company has, through the platform, sent out custom questionnaires to all suppliers to obtain additional information.
6. Based on the findings in points 4 and 5, the company has assessed what measures should be implemented to investigate potential negative consequences for violations of fundamental human rights and decent working conditions. The company have implemented measures where the severity and likelihood of damage are greatest and where the company has the greatest influence on a positive development. The prioritisation is linked to the company's connection to and responsibility for the risk, and must be proportionate to the size, nature and context of the enterprise.

In Protan, we produce construction materials and provide installation services of our product. This means that we control many steps of the value chain except from the extraction of raw material and component of raw materials we purchase.

Producing PVC products has risks relating to HSE, decent working conditions, training and development, and diversity, equality and inclusion. As to how we managed risks from producing our products to installation, please read the dedicated chapters in this report.

As purchase of raw materials is a considerable part of our business, we have identified risks relating to extraction and processing. These risks relate to raw material extraction, the countries we operate in, our industry, and production of products. This risk assessment is based on Norwegian Agency for Public and Financial Management's high risk list for other products in the construction industry.

The goal of this assessment is to identify the issues that poses the highest risk of negative impact on human rights and decent working conditions. The mapping and assessment follows the Transparency Act § 4 first paragraph letter b. Note that we are talking about risk to people in and around the business, not risk to the business itself.

WORKING CONDITIONS

PVC, plasticizers and flame retardants are purchased from suppliers located in Europe. However, refining crude oil marks the initial stage of our supply chain, which can be conducted in regions where the risks of forced labour and substandard working conditions exist.

Moreover, the heavy dependence on contract workers, who often lack robust labour rights and adequate protective gear, intensifies the frequency of workplace accidents within this demographic. HSE is a priority area for Protan, and we also encourage our suppliers to focus on this.

The production of plastic is chemical-intensive and can lead to health risks for workers in case of a lack of protective equipment and safety measures. Emissions and waste from plastic production can cause major damage to the environment and the local population if it is not handled correctly.

The plastics industry generally has a high carbon footprint, which comes from an energy-intensive production process with the use of fossil fuels and carbon dioxide emissions from factory operations.

China, Germany, the USA and Italy are major plastic producers. China is the world's largest plastic producer, and is at risk of weak HSE practices and a lack of protective equipment, long working hours, unreasonable wages and a lack of job security.

Two of our suppliers are located in China, six in Germany and none in the US. For the suppliers in the high-risk industries located in these countries, we continuously monitored in relation to geopolitical developments which is not exhaustive. We plan to visit our suppliers in China in 2024 focusing on HSE.





CHILD AND FORCED LABOUR

Protan will not use any form of child or forced labour and will not tolerate working conditions or treatment that conflict with international laws and practices. Protan shall ensure that the company, through its operations, does not cause any infringement of human and labour rights.

Certain raw materials originate from countries where the prevalence of child and forced labour can pose a concern. This issue is explicitly addressed within our supplier code of conduct and is a primary focus during our supplier assessments in the Asia region. It's important to note that while our direct suppliers may not directly contribute to this risk, there's a possibility of it existing within their supply chains. Therefore, we prioritise evaluating and mitigating this risk throughout their operations.

We expect our suppliers to implement robust procedures aimed at reducing the likelihood of such occurrences within their own facilities and across their value chains. This expectation is consistent with the stringent standards we uphold within our own operations. Notably, there were no reported incidents in 2023.

FREEDOM TO JOIN AND FORM TRADE UNIONS

We support and respect internationally proclaimed human and labour rights. Protan acknowledges all employees' right to form and join trade unions of their own choice. We have a long tradition of including and involving employ-

ees and their unions and believe this improves decision-making processes. According to the ITUC Global Rights Index, we operate in countries with high risk relating to unionising, which is why we take actions in Turkey to remedy for this risk.

We encourage our suppliers to provide the same for their employees as the absence of unionisation can leave employees vulnerable to exploitation, limit their ability to negotiate fair terms of employment, and hinder their capacity to address workplace grievances effectively.

Three out of ten members of the Board of Directors are employee representatives selected by our Norwegian employees.

GRIEVANCE MECHANISMS

We offer a whistleblowing channel on our website, accessible to both internal and external stakeholders. Managed by a third-party (legal firm), this channel ensures the confidentiality of all concerns raised. Furthermore, we strongly encourage our suppliers to establish their own whistleblowing channels and systems, prioritising confidentiality and non-replication of concerns.

Findings according to the Transparency Act

There were no reported incidents from our suppliers concerning human rights violations or breaches of decent working conditions in 2023. We acknowledge the potential for such issues to exist within our value chain despite no reports. To address this risk proactively, we have developed guidelines to effectively manage and mitigate these challenges should they arise and also know that the need to perform on-site due diligence is there.

Based on our experiences, it is evident that many companies are still in the early stages of their human rights journey. This often involves laying down the groundwork by establishing policies, routines, and guidelines to integrate human rights considerations into their operations.

Alongside this, we have noticed an increase in awareness among our suppliers and partners regarding issues related to initiatives like the Transparency Act. This heightened awareness indicates a positive shift towards prioritising transparency and accountability in addressing human rights issues within corporate practices.

In our interactions, we have found that some larger players choose not to respond

directly to questionnaires but instead prefer to direct stakeholders to available information on their company websites. This demonstrates a strategic approach to leveraging existing resources to communicate their commitment to human rights standards and transparency.

However, despite these advancements, there's a considerable variation in the quality of responses we receive from the questionnaires distributed. This variance highlights the diverse approaches and levels of readiness among companies in addressing human rights concerns. It underscores the importance of ongoing engagement and support to help companies navigate and improve their efforts in this area.

Currently, we are preparing a list of relevant suppliers, while at the same time continuously developing our methodology to cover requirements that affect the business. We will start from the probability of the damage occurring and the severity of the negative impact or damage to people, society and the environment based on the scale, extent and possibility of recovery.



"Source: OECD Due Diligence Guidance for Responsible Business Conduct"

Going forward

Enhancing decent working conditions and human rights in the supply chain is continuous work. Our primary focus has been identifying risks in the supply chain to determine which suppliers require follow-up inspections based on set criteria. Currently, we're in the process of identifying relevant suppliers and refining our inspection methodology. Based on our findings we will implement necessary measure to correct negative consequences beyond the areas related to documentation improvement.

In order for the measures to be suitable for correcting negative consequences, we will look at it case-by-case, but follow the principles of scale, extent and possibility of recovery.

CONDUCT ON-SITE INSPECTIONS

In 2024, we will perform several on-site human rights due diligences. Suppliers will be selected based on our initial risk assessment.

IMPROVEMENT OF GUIDELINES

Our guidelines play a crucial role, and we update them on a regular basis to reflect current standards. It is essential that our employees receive thorough training on these guidelines and that the guidelines are effectively communicated and the implications of what they mean

to relevant personnel. For example, in Turkey, our focus may be on unionising efforts and enhancing communication in this regard.

As we conduct onsite due diligence assessment, we will also ensure that we train our personnel for conducting assessments to ensure broader coverage and capability. By ensuring a diverse range of personnel are capable of conducting these assessments, we also mitigate risks when selecting new suppliers.

INVOLVEMENT OF STAKEHOLDERS

One fundamental aspect of due diligence assessments is their reinforcement through stakeholder engagement. In-depth inspections of our chosen suppliers, particularly those exhibiting the highest risks of human rights violations and inadequate working conditions, we will strive to include stakeholder dialogue.

We will identify relevant stakeholders based on the risk of the supplier. This might include employee representatives, union representatives, vulnerable communities, NGOs, local leaders, and others who know the local scene well. We will strive to include stakeholders who understand the social and cultural aspects tied to the risks we are addressing.





05

Governance

Business conduct
Business culture
Supply chain management
and procurement

Governance

Given the nature of our industry we are exposed to several risks across our company. To mitigate risks and prevent misconduct of any sort, we have several policies and guidelines that comprise our governance system.

Protan AS, Protan Turkey Yalitim, Protan's department in Izmir, Protan Polska Sp.z.o.o and Protan Entreprenør AS are certified according to the ISO 14001:2015 (Environmental Management Systems) and ISO 9001:2015 (Quality Management Systems) standards. Furthermore, Protan Polska Sp.z.o.o and Protan Turkey holds certification in compliance with the ISO 45001:2018 (Occupational Health and Safety) standard. Driven by our mission and values, we remain committed to the ongoing integration of sustainability within our operations.

Our ISO certifications and product accreditations form an integral aspect of our operations, and we aim to achieve re-certification across the group.

Business Conduct

Business conduct and high integrity is at the core of the company corporate culture. Protan believes that sustainable and successful business performance is an effect of acting in compliance with laws and regulations. Failure to uphold these standards poses risks, potentially compromising Protan's reputation and our stakeholder relationships. The impact of business conduct extends to various stakeholders, including employees, suppliers, clients, and participants within the value chain.

Furthermore, robust business conduct presents opportunities, such as fostering enhanced employee retention rates, strengthening supplier relationships, and mitigating risks in regions where the company operates.

During 2023, major compliance initiatives took place, including:

- Revision of Protan's Code of Conduct (CoC)
- Launching of Protan's Suppliers Code of Conduct (SCoC)
- Introduction of compliance training across the organisation (anti-corruption e-learning)

MANAGEMENT SYSTEM AND GLOBAL ORGANISATION

Protan operates a group-wide management system, covering the main compliance pillars. Protan pursues a holistic approach to compliance and engages the whole organisation through all functions and geographical areas.

Compliance, internal control, risk management and HSEQ are organised within the HR and HSEQ support functions, which reports to the executive management team.

COMPLIANCE FRAMEWORK

With clear frameworks, it is easier to make the right decisions and act uniformly. Our Code of Conduct applies to all employees, hired personell, board members and others who act on behalf of Protan.

In 2023, we revised our Code of Conduct (CoC) to ensure its alignment with evolving business practices, ethical expectations and made it available in three languages (Norwegian, English and Polish). This revision process reflects our dedication to fostering a culture of integrity and accountability within our organisation.

Furthermore, building upon our sustainability initiatives, we successfully launched our sustainability strategy in 2023. This strategic framework emphasise our pledge to environmental stewardship, social responsibility, and economic resilience.

Additionally, demonstrating our unwavering commitment to excellence, we underwent comprehensive audits conducted by DNV to revise and validate our ISO 14001, 9001 and 45001

certifications. These audits signify our dedication to upholding the highest standards of quality, environmental management and occupational health and safety across global operations.

WHISTLEBLOWING CHANNEL

In today's corporate environment, access to whistleblowing channels are fundamental for ensuring transparency and accountability. Every employee has both the right and responsibility to report any suspicious activities or misconduct within the organisation. This includes reporting violations of laws, company guidelines, financial wrongdoing, corruption, harassment, or situations that threaten life and health.

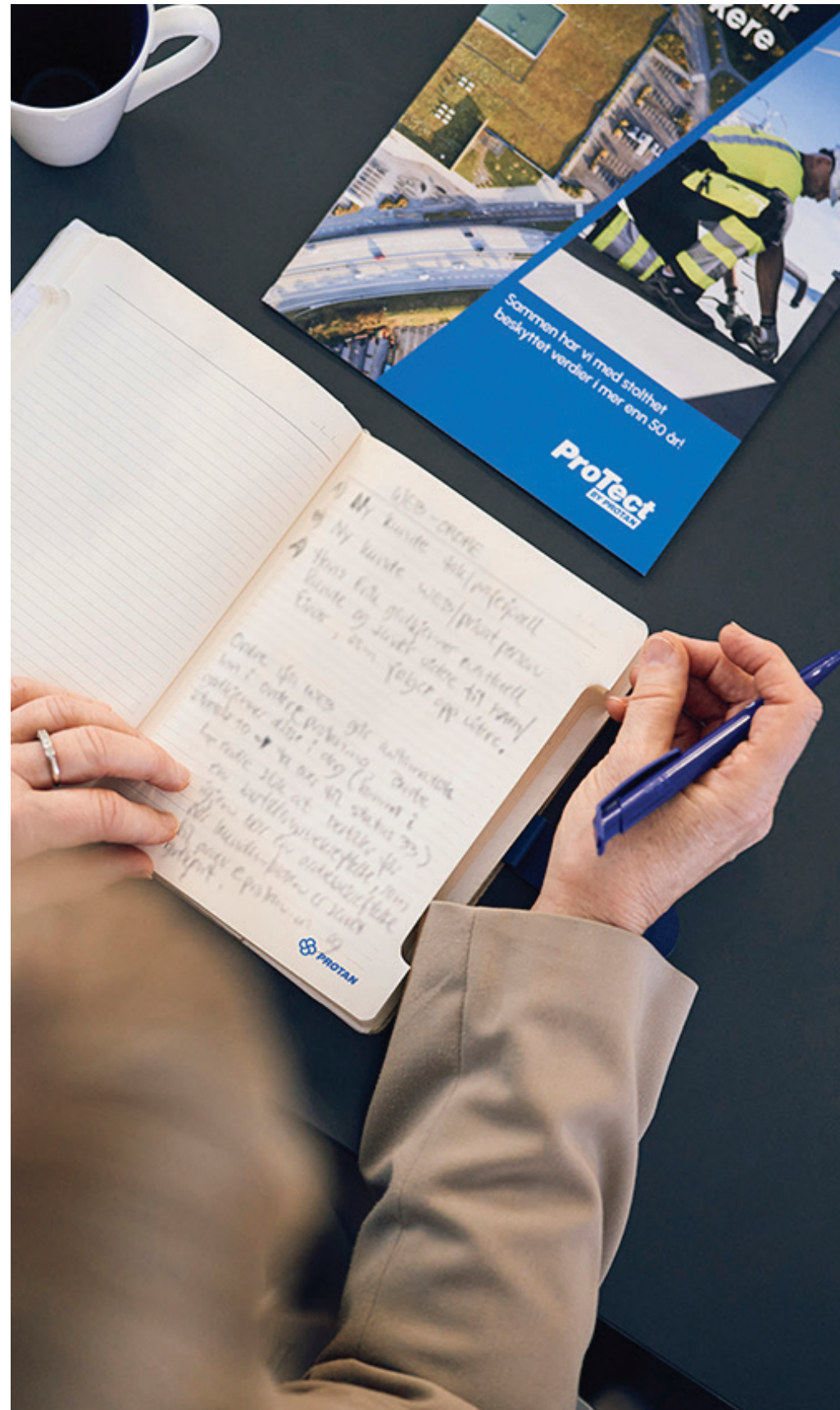
If an employee becomes aware of such misconduct, they should promptly inform their immediate supervisor. If this isn't feasible, Protan provides an external whistleblowing channel where individuals can report concerns anonymously. Whistleblowers are not subject to any form of reprisal, discrimination, or disciplinary action associated with their whistleblowing activities.

This whistleblowing mechanism is accessible in multiple languages, ensuring that employees can report issues securely and confidentially. [Please find link to our whistleblowing channel here.](#)

ANTI-CORRUPTION AND BRIBERY

Protan enforces a policy of zero tolerance for corruption. All transactions must adhere to legal, contractual, and commercial principles. Protan and its employees are prohibited from seeking or accepting any form of personal advantage or favouritism in business dealings, whether for themselves or others. On the same way, none of Protan employees offer, promise, or provide such advantages to suppliers, customers, or business partners.

Additionally, agreements with consultants, brokers, agents, or intermediaries are not utilised to funnel payments or benefits. In 2023, our anti-corruption training was launched inviting all employees to participate. Our goal is that 100 % of Protan's employees are trained in anticorruption in 2024.



Going forward

Going forward, updating our global policies and guidelines, including implementing a policy for environmental management and people related topics is a priority area for 2024.

We also plan to enhance our Key Performance Indicators (KPIs) to encompass ethical business practices. This will strengthen our processes for compliance monitoring and follow-up internally.

Our ISO certifications and other product accreditations form an integral aspect of our operations, and we aim to achieve re-certification across the group.

Business culture

A positive culture fosters employee engagement, productivity, and development, ultimately driving organisational success and attracting and retaining talent. As a global company we strive to ensure that “the Protan way” is similar regardless of location. We are working together towards the same goals, equal implementation of guidelines, procedures, and policies in all parts of the company. Be global, act local.

The material impact of business culture is important for Protan. Organisational culture influences employee well-being, fostering trust, motivation, and a sense of belonging. Having a strong corporate culture is crucial, especially when it comes to effectively implementing ESG initiatives across our workforce. A strong corporate culture promotes innovation, efficiency, employee satisfaction, trust, and growth. As a company, it’s our responsibility to continuously nurture and maintain a positive culture to create a pleasant and productive work environment.

INTERNAL COMMUNICATION

At Protan, we strive for an open and honest communication, internally and externally with our stakeholders. In 2023 we revised our internal communications efforts to ensure effectiveness, openness and inclusion. Some initiatives have been implemented in 2023, such as improving the all-hands meetings with our CEO to better engage and involve the employees.

ENGAGEMENT

MyVoice is the tool we use to measure different aspects of the employee satisfaction and engagement. Our goal is 80 % engagement rate by 2030.

Engagement survey	2023	2022
Participation rate	85 %	76 %
Engagement Index	64 %	68 %

There is a decline in the engagement index from the previous year and the results vary across the organisation. We have identified areas of improvement for the entire organisation and department specific areas. Managers on all levels are committed to communicate the results to their teams and create action plans.

EMPLOYER BRANDING

Employer branding plays a vital role in shaping the business culture and the overall success. In 2023, Protan focused on developing our employer brand by identifying our strengths and weaknesses, and creating a new employer branding strategy along with an employee value proposition (EVP).

Fostering positive workplace relationships is crucial. Several years ago, the concept People & Passion was established. The goal is to involve employees in a diverse range of activities to support employees in building new relationships. In 2023, we established a SPARC-team to broaden the scope of People & Passion and ensure a local presence across the organisation. In addition to the social events and sporting activities, we also included initiatives such as charity and family events. We believe this is important to strengthen the sense of community within the company.

Going forward

We will focus on our internal communication channels and further develop these to ensure an optimal user experience. For example, a project has been initiated to develop and refine the company intranet. We will re-launch internal platforms to promote sharing and collaboration across borders and regions.

Protan recognises the importance of aligning its strategies and fostering a strong organisational culture. To this end, we will host “Beyond 2024” leadership gathering in the beginning of 2024. The purpose is to anchor the strategy and promote a cohesive culture.

Protan is taking proactive steps to enhance the effectiveness of follow-up procedures and boost participation in the MyVoice survey. These measures involve providing support to managers following discussions to ensure successful implementation of action plans. Additionally, Protan is implementing targeted strategies in regions and departments with lower participation rates and/or low engagement.

In 2024, Protan will implement our employer branding strategy and launch the employee value proposition (EVP). The EVP aims to clearly articulate the advantages and value of working at Protan for all employees.

Supply chain management and procurement

Improving supplier management is important for Protan. Human rights violations and environmental damage can have serious and lasting effects, highlighting the importance of this issue.

While most of Protan's suppliers are in Europe, which poses lower risks, those outside Europe require closer monitoring. Protan can promote ethical standards by enforcing human and labour rights throughout its supply chain, making positive contributions.

With a multitude of suppliers, ensuring alignment with Protan's environmental, social, and ethical ambitions carries financial implications. The implementation of measures and thorough oversight requires significant investments in terms of time and resources. There are risks relating to violating ESG regulations (e.g., the CSDDD or the Norwegian Transparency Act) and reputational harm resulting from instances of human rights violations or non-compliance with sustainable practices.

RESPONSIBLE SUPPLY CHAIN PRACTICES

To ensure responsible supply chain and procurement practices across the Group, we have several policies and procedures in place:

- Supplier Code of Conduct
- Protan's general terms and conditions for buyer of goods and services
- Procedure for purchasing products and services
- Supplier Audit Checklist
- Procedure for supplier assessment
- Supplier Evaluation form

SUPPLIER RISK ASSESSMENTS

Our goal by 2030 is that 80 % of our tier 1 and 2 suppliers are risk assessed. To conduct risk assessments of our suppliers in 2023, we use a digital classification tool. With over 400 suppliers in our value chain, we focused on our tier 1 suppliers.

In total, we assessed 94 suppliers in 2023 (94 suppliers also in 2022), mostly based on total purchase order size. The mapping shows that goods mainly derives from suppliers in the Nordics and Europe, with a few suppliers from Asia.

Based on the ITUC index, we identified 5 suppliers with high risk, 19 suppliers with moderate risk, and the remaining suppliers with low risk of actual or potential negative consequences for risks of human rights violations and indecent working conditions.

Based on the risk assessment carried out, the following measures were implemented for all suppliers:

1. All suppliers must accept Protan's Supplier Code of Conduct.
2. All suppliers are pre-qualified based by a risk assessment before being contracted. Various criteria are assessed in the process, including HSE, quality, tax, etc.
3. Suppliers whom pose a particular risk are screened against social criteria and on-site visits may also be carried out when assessing certain new suppliers.
4. We continuously review our suppliers with a risk-based approach.
5. When we uncover errors, deficiencies or breaches of laws, rules and/or ethical guidelines, the suppliers are required to rectify the situation within a certain time.

Going forward

We are enhancing our dedication to ethical sourcing practices. In addition to evaluating our tier 1 and tier 2 suppliers, we will implement comprehensive human rights due diligence, significantly broadening our scope. Our supplier selection process will be guided by a risk-based approach.

Furthermore, we will conduct multiple on-site visits and integrate supplier inspections into our management procedures to ensure adherence to standards.

Additionally, we are exploring environmentally sustainable transportation methods to further mitigate our environmental impact.

Case

Working with our supplier to create a portfolio of greener products

The majority of our emissions are a result of the procurement of raw materials, which significantly influences our product's environmental impact. In efforts to minimize these emissions, our procurement teams have partnered with multiple suppliers to develop a supply chain prioritizing raw materials with lower emissions.

For instance, we have sourced a textile made from recycled yarn derived from plastic waste collected from the ocean, as well as a bio-attributed PVC derived entirely from renewable feedstock (without competing with the food chain). These components are integral within our products and will contribute significantly to achieving a final product with improved Environmental Product Declaration (EPD) values compared to similar offerings in the market.





Appendices

Appendix 1 | Overview of goals and KPIs across ESG

Appendix 2 | Double materiality methodology
and long list materiality topics

Appendix 1 | Overview of goals and KPIs across ESG

Environmental

Topic	Goals by 2030	KPIs	2023 results	2022 results
Climate mitigation	Net zero group in compliance with the SBTi-principles by 2050	Total GHG emissions Protan Group tonnes CO ₂ e	103 801	129 786
Climate mitigation	20 % reduction in scope 1	KPI Protan Group: kg CO ₂ e / produced sqm	5.37	5.54
	20 % reduction in electricity use per sqm in production facilities in Norway, Turkey and Poland	Protan Entreprenør: grammes CO ₂ / km	59.9	60.9
	10 % of sold roofing based on biobased and recycled raw materials	Protan Norway: electric cars / cars in total	8.9	8.4
	Work with suppliers to identify low carbon alternatives to raw materials	Protan Norway: kWh / produced sqm	1.206	1.208
		Protan Group: kWh / produced sqm	1.06	1.01
Circular economy	75 % of tunnel ventilation reused or recycled after decommissioning	We aim to include KPIs measuring the percent of tunnel ventilation, flat roofing and plastic halls decommissioned		
	10 % of flat roofing reused or recycled after decommissioning			
	10 % of plastic halls reused or recycled after decommissioning			
Waste	100 % source separation rate at Protan Group	Protan Group: Source separation rate	77.41	94.65
		Protan Group: kg PVC waste / produced sqm	0.009	0.031
		Protan Lier: kg PVC waste / produced sqm	0.014	0.037
	Reduce PVC waste	Protan Lier: kg wood waste / produced sqm	0.0042	0.045
		Protan Lier: kg paper and cardboard waste / produced sqm	0.0025	0.0023
		Protan Lier: kg metal waste / produced sqm	0.0012	0.0008
		Protan Lier: kg residual waste / produced sqm	0.0026	0.0027

Social

Topic	Goals by 2030	KPIs	2023 results	2022 results
Health and safety	Zero serious work-related injuries	Total Recordable Injury Frequency rate (TRIF)	7.4	10.3
	10 % yearly reduction of lost time related injuries (LTI)	Lost Time Injury Frequency rate (LTIF)	3.4	3.7
Diversity and inclusion	Achieve more gender balance with 18 % of leader being female	Number of female employees in management positions (females in % of all leaders)	17.9 %	14.8 %
Training and development	All employees must have at least one yearly development goal	Number of performance reviews conducted	87 %	-

Governance

Topic	Goals by 2030	KPIs	2023 results	2022 results
Supply chain management and procurement	80 % of Tier 1 and 2 suppliers are assessed	Number of supplier assessments conducted	95 %	95 %
Business conduct	100 % of employees trained in anti-corruption	Number of employees who have completed anti-corruption training	Not mandatory to complete until 2024	
Business culture	Increase engagement index to 80 %	Engagement index %	64 %	68 %
	All employees invited to participate in the yearly employee survey	Percentage of employees participating in the employee survey	76.5 %	68 %
		Response rate	85 %	76 %

Appendix 2 | Double materiality methodology and long list materiality topics

Double materiality methodology

Materiality impact is evaluated based on the underlying actual and potential, negative and positive impacts on the people, planet and society. The evaluation scores topics on a scale of 5 (from 1 minimal to 5 critical) based on scale, scope and remediability.

Financially materiality is evaluated based on actual and potential, financial risks and opportunities. The topic is financial material if it triggers financial effects on undertakings. The evaluation scores topics on a scale of 5 (from 1 minimal to 5 critical) based on financial effect and likelihood.

Long list materiality topics

From our first double materiality assessment we ended up with the long list of material topics below.

These topics are gathered from the three separate data inputs referred to earlier in the report and consequently bundled and prioritized concluding with 14 material topics.

DOUBLE MATERIALITY METHODOLOGY

1. Innovation
2. Research
3. From fossil to renewable products
4. Replacement of PVC
5. New industries
6. More diverse product portfolio
7. Documentation
8. Circularity
9. Green growth
10. Social responsibility
11. Increased sustainability competence

FROM BUSINESS

12. Internal sustainability communication
13. Attracting the right people with the right competence
14. Diversity, equality and inclusion
15. Increased need for documentation and evidence
16. Human rights and social responsibility
17. Business model resilience
18. Circular economy and emissions
19. Harmonizing and optimising internal IT-systems
20. Innovation capability
21. R&D allocation

FROM TRENDS AND DEVELOPMENT

22. R&D allocation
23. Increased sustainability competence
24. Diversity is both a challenge and a strength
25. Digitalisation
26. Increased focus on social responsibility and human rights
27. The role of politics in the green transition
28. Increased climate focus in the construction sector
29. War, energy crisis, inflation and anti-globalization

Board signatures

June 30th 2024

Chairman of the board

Lars Ivar Røiri

Board member

Elisabeth Basedow Ameln

Board member

Morten Christian Ameln

Board member

Vidar Grindal

Board member

Julie Basedow Ameln

Board member

Victor Ameln

Board member

Jens-Fredrik Jalland

Board member

Sabine Ameln

Board member

Egil André Solheim

Board member

Diana Lopez Paulsen

CEO

Erik Øyno

Questions

Send your questions directly to
hrsupport@protan.no

