



AURAJOKI

Sustainability Report 2024

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Aurajoki Oy

AURAJOKI

Aurajoki in Brief



Aurajoki Oy is a Finnish company founded in 1967 specializing in metal surface treatment and steel structures for infrastructure. It is the industry leader in Finland, serving also in the Nordics and Baltics.

In July 2024, Aurajoki opened the most environmentally friendly hot-dip galvanizing plant in Europe, located in Lieto, which uses the latest technology and significantly reduces energy, raw material, and water consumption.



In September, the MyAurajoki customer portal was launched, enhancing order management. Aurajoki also introduced a new freight service with trusted logistics partners.

At the end of 2024, the hot-dip galvanizing plants in Lievestuore and Mikkeli were closed.

Aurajoki in Brief



26

M€ Turnover (2024)



2 500

Active Customers



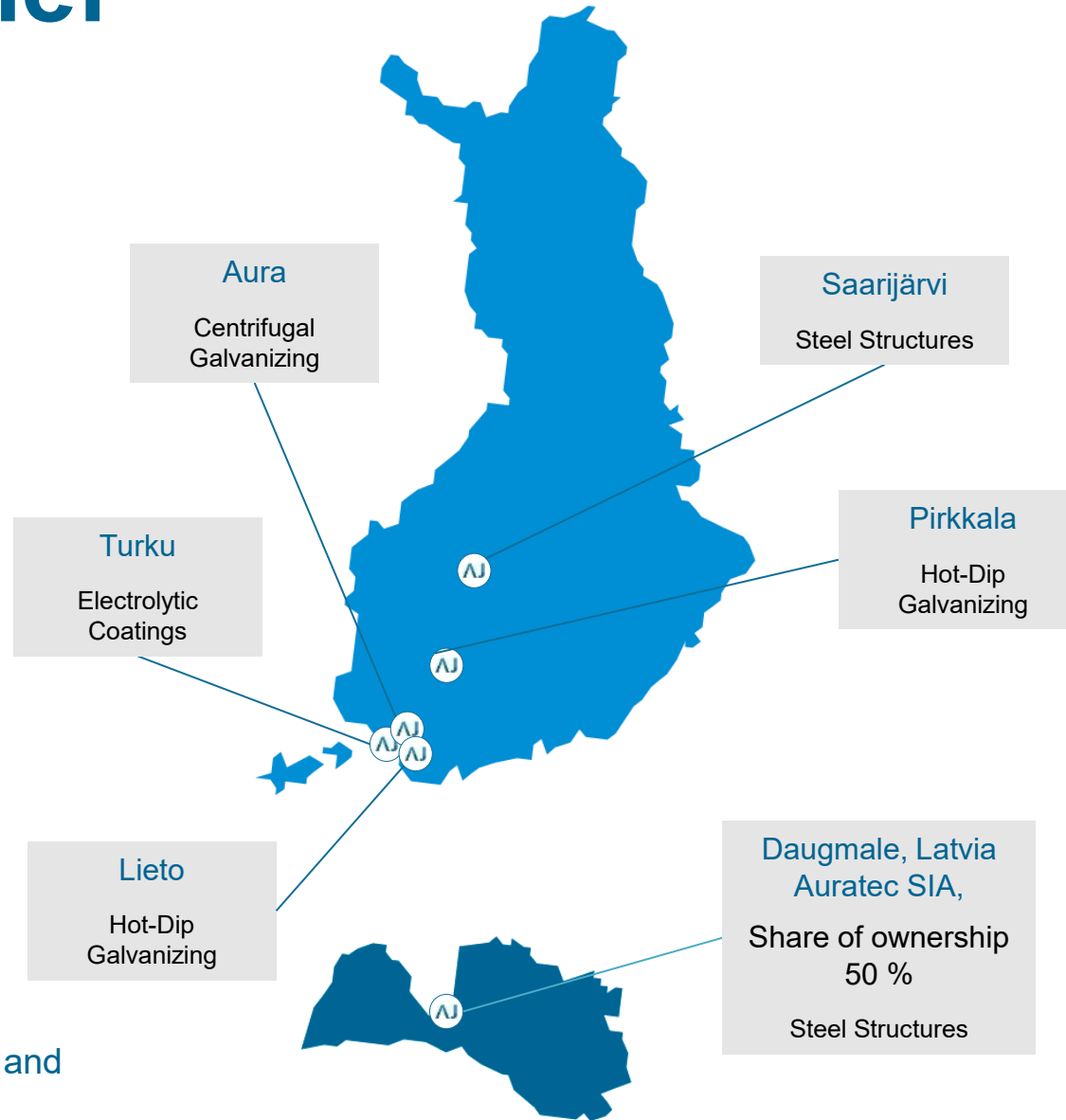
175

Employees

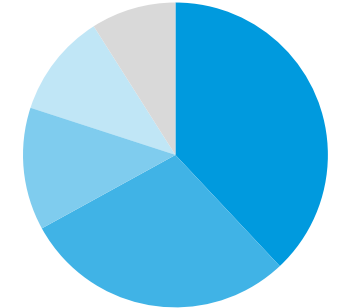


25 000

Tons of Delivered Steel and Coatings



Privately owned:



| | |
|--|------|
| Baltiska Handels / Peter Seligson | 38 % |
| Erkyte / Ilkka Brotherus | 29 % |
| Solvik International / Kenneth Lindström | 13 % |
| Verdane Capital AB | 11 % |
| Personnel etc. individual owners | 9 % |

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Our Services



Hot-Dip Galvanizing



Electrolytic Coatings



Steel Structures



Aurajoki Academy



MyAurajoki



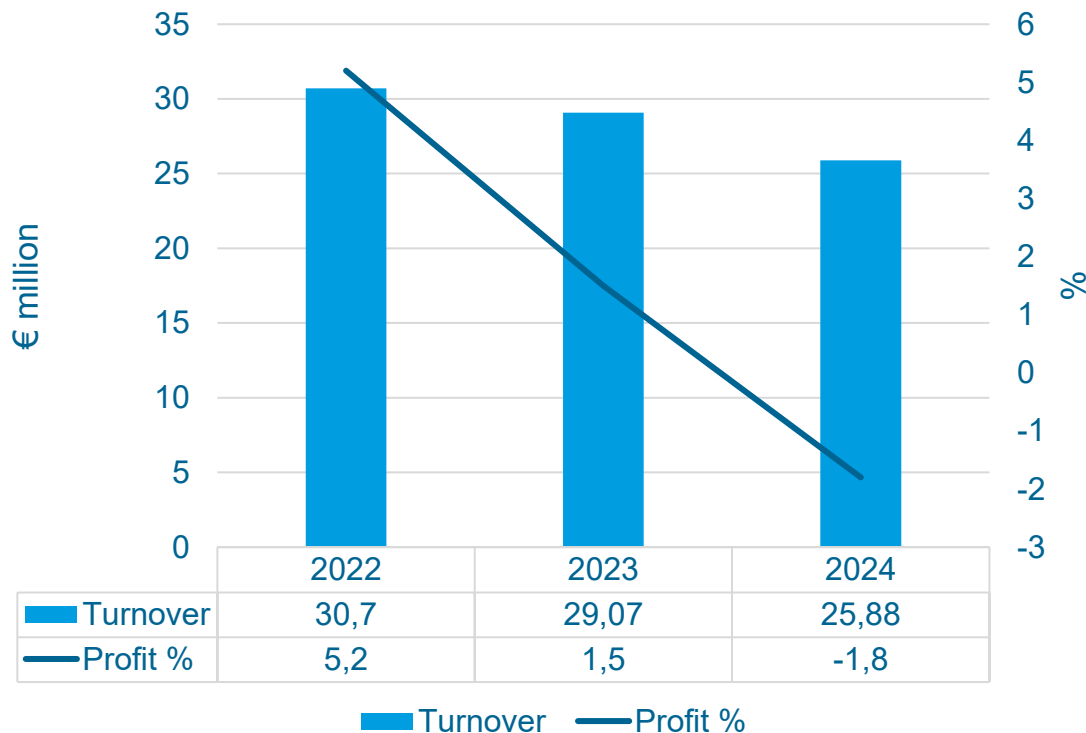
**MyAurajoki
Emission Reporting**



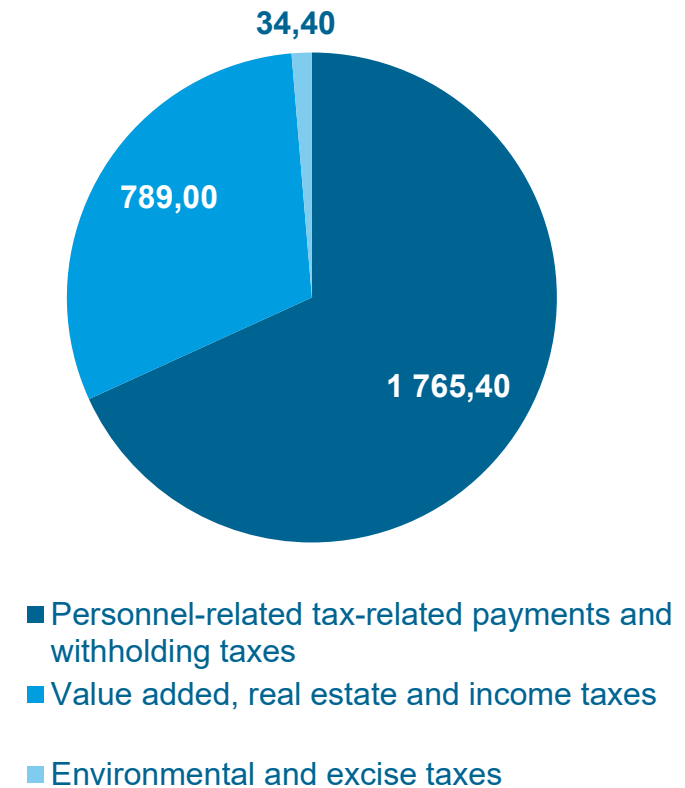
**MyAurajoki
Freight Service**

Finance

Development of Turnover (€ million) and Profit (%)



Tax Footprint 2024 (€ thousand)



Balance Sheet Total 2024: €34,41 million

Aurajoki's Strategy

OUR STRATEGY IS TO GROW AS A SUSTAINABLE SERVICE COMPANY

VALUE PROPOSITION

Your sustainable partner

VALUES

Reliable and renewable

MISSION

We provide
sustainable solutions

VISION

A leading pioneer in our
field in Northern Europe

OPERATING PRINCIPLE

We offer high-quality products with fast delivery and excellent customer service

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Sustainability Policy and Certificates



Safety and Quality

We constantly invest in occupational safety and quality.

- [ISO 9001](#) (quality)
- [ISO 45001](#) (occupational health and safety)
- [EN 1090-1](#) and [ISO 3834-2](#) (steel structures)
- [Nollis](#) ("Zero Accidents forum")



Ethics

Our operations are ethical, equal, people-oriented, transparent and corruption-free.

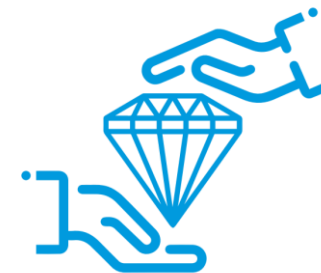
- We keep our customer promise
- We take care of the well-being of our customers, partners and staff



Environment

We are constantly developing and updating our operations to reduce our carbon footprint.

- [ISO 14001](#) (environment)
- [Energy efficiency agreements](#)
- Rinki (waste recycling)
- Recycling and purifying of used water
- Supporting activities to protect the Baltic Sea (Baltic Sea Action Group) and River Kokemäenjoki watershed areas.



People and Competence

We preserve our skilled, experienced and professional staff, and a positive work atmosphere.

- We operate according to our know-how and quality standards, which have been honed like diamonds over the decades

Sustainability Reporting

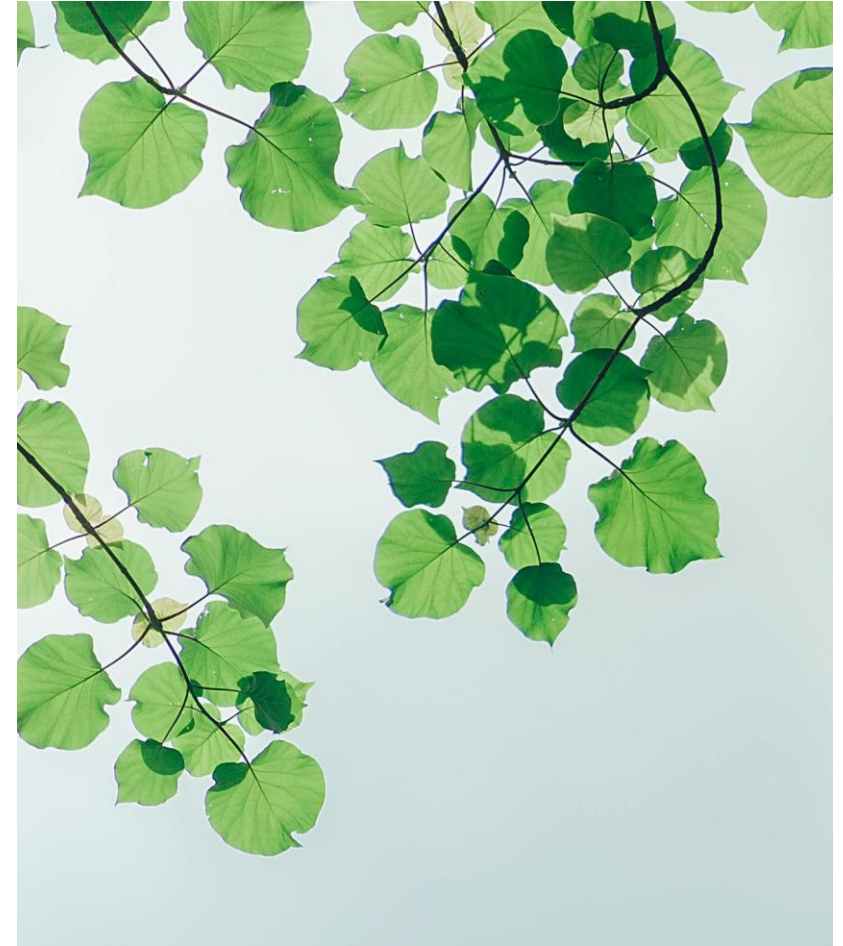
Purpose and Principles

- Aurajoki has defined in its strategy that it is a sustainable partner, and thus responsibility guides all our operations.
- The purpose of the sustainability report is to provide our stakeholders with a comprehensive overview of Aurajoki Oy's operations and their impacts on people, the environment, and society.
- The report is published annually and is based on the voluntary [VSME Reporting Standard](#) for small and medium-sized enterprises.
- The report covers information from the standard's Basic Module, to the extent that it is relevant to Aurajoki's operations and the data has been available.
- The report also partially includes content from the Comprehensive Module, such as Scope 3 carbon footprint calculation.



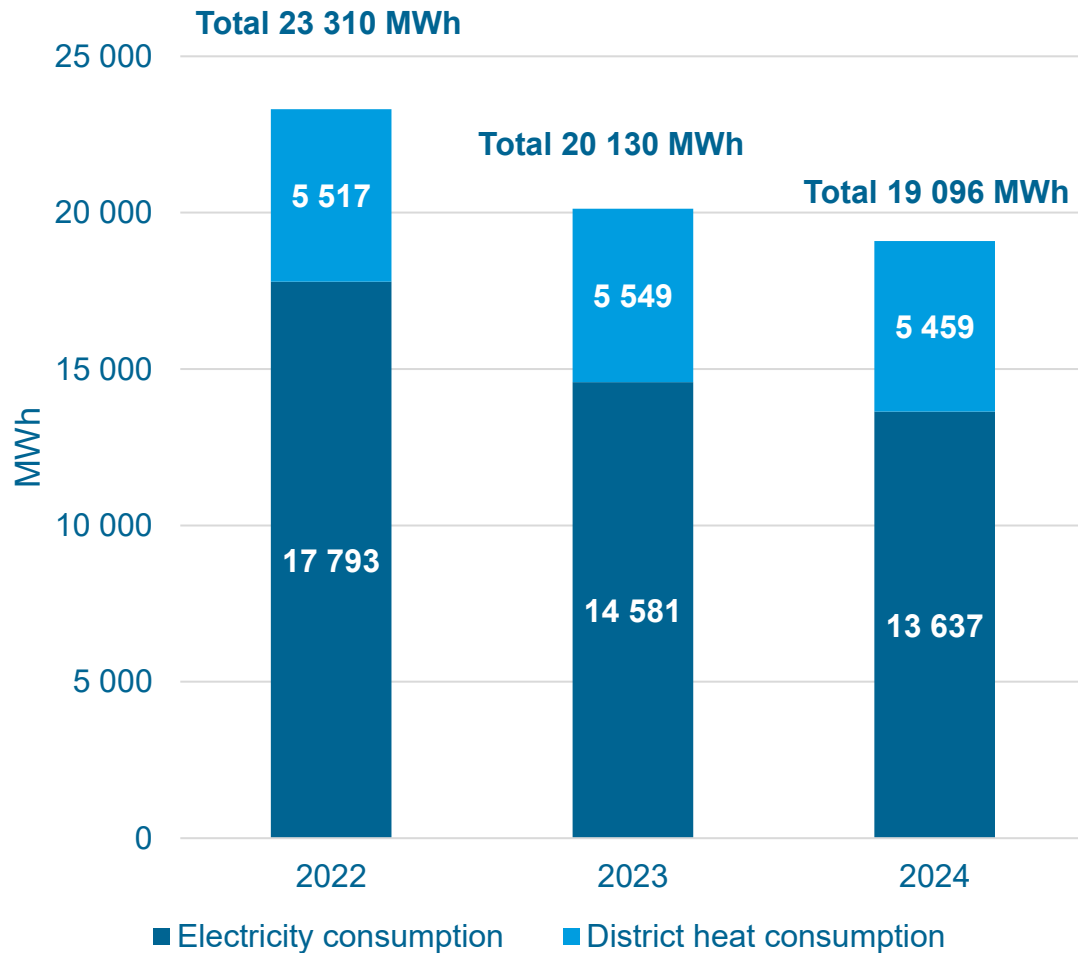
Reporting Methods

- In the carbon footprint calculation, in addition to Scope 1 and 2 emissions, Scope 3 emissions are also reported for the first time for the year 2024.
- The carbon footprint calculation has been verified for Scope 1 and 2 and carried out for Scope 3 by Greenstep Oy. The calculation is based on data provided by Aurajoki. [A verification certificate](#) has been obtained for the Scope 1 and 2 calculations.
- The emission calculation follows the GHG Protocol and is based on the GHG Protocol Corporate Standard (version 2004) and the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (version 2011).
- The calculation covers Aurajoki Oy's operations and sites. Emission data from the Mikkeli site has not been included, as production at that site was discontinued at the beginning of 2024. The construction of the new site in Lieto has also been excluded to ensure comparability with future reporting years.
- The Latvian workshop Auratec SIA, in which Aurajoki Oy holds a 50% ownership, has not been included in the reporting.



Environment

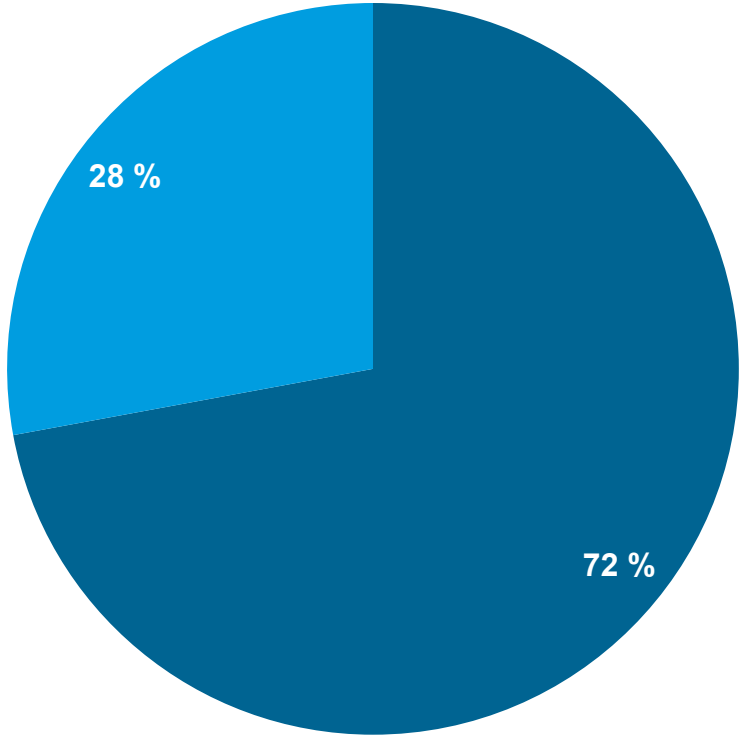
Energy Use and Sources



Aurajoki has invested in zero-emission purchased energy and its own energy production:

- 100% carbon-neutral purchased electricity
- 100% renewable district heating: [Turku Energia](#) [Ekotakuu Bio](#)
- 206 MWh from own solar panels
- 378 MWh of process heat recovered and sold in Lieto. Heat is additionally recovered for own use.

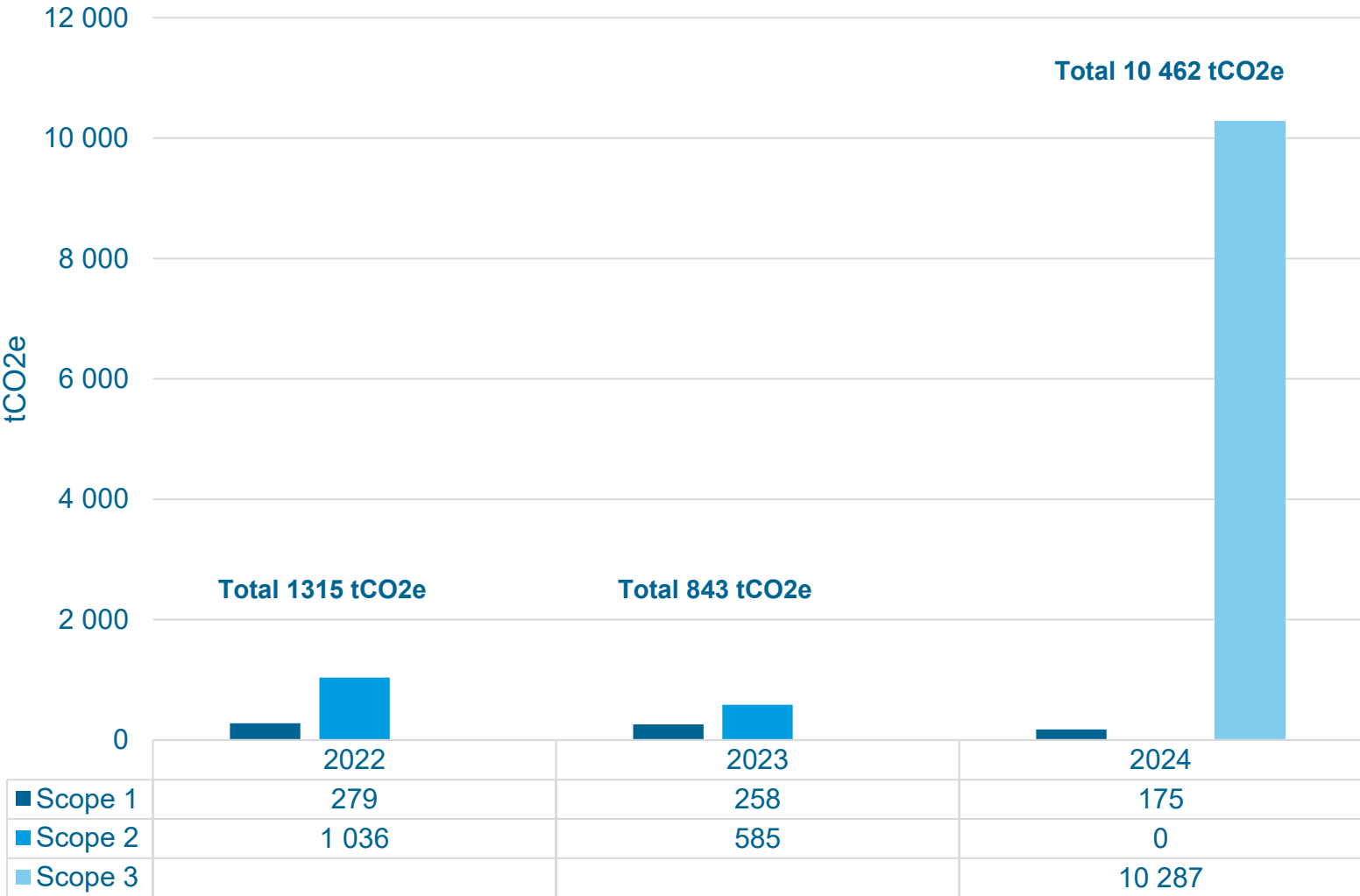
Energy Use and Sources 2024



| | Renewable, MWh | Non-renewable, MWh | Total, MWh |
|------------------|----------------|--------------------|---------------|
| Electricity | | 13 637 | 13 637 |
| District heating | 5 459 | | 5 459 |
| Fuels | | 478 | 478 |
| Total | 5 459 | 14 115 | 19 574 |

■ Non-renewable energy sources ■ Renewable energy sources

Greenhouse Gas Emissions



Scope 1 = Direct emissions

- Company vehicles and facilities
- Own energy production
- Fully compensated for 2024 with [VERRA-certified](#) credits.

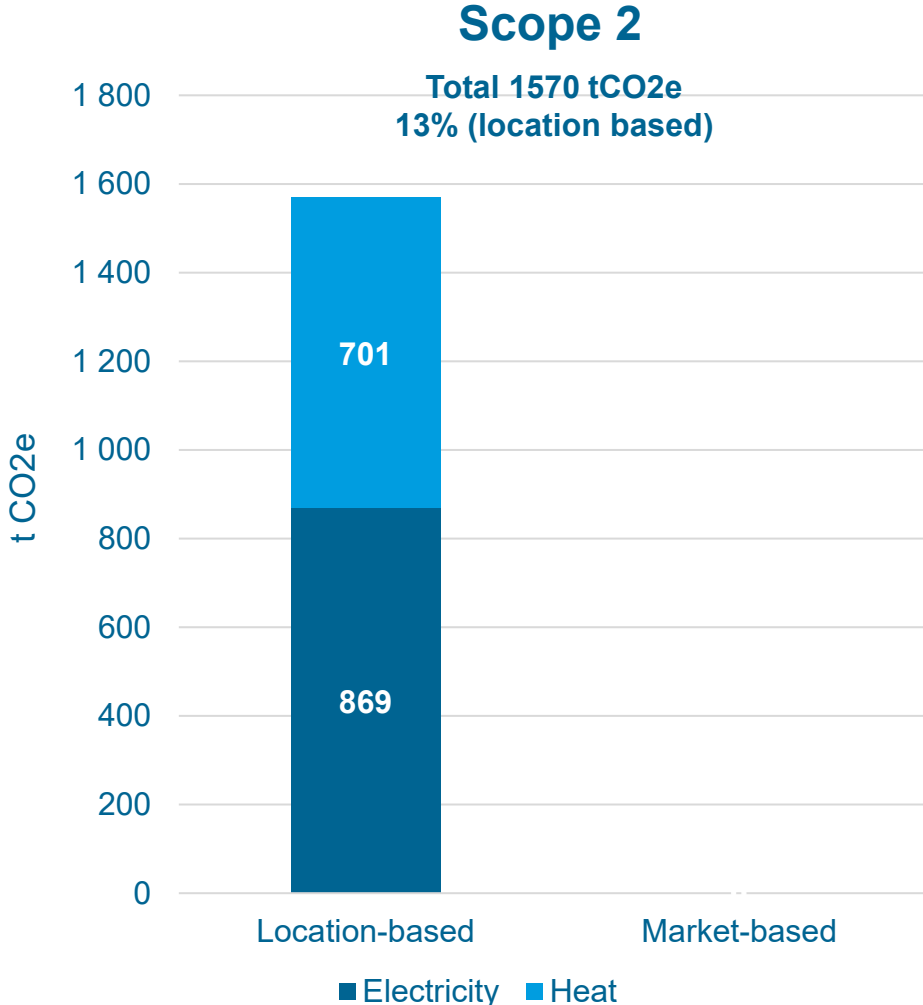
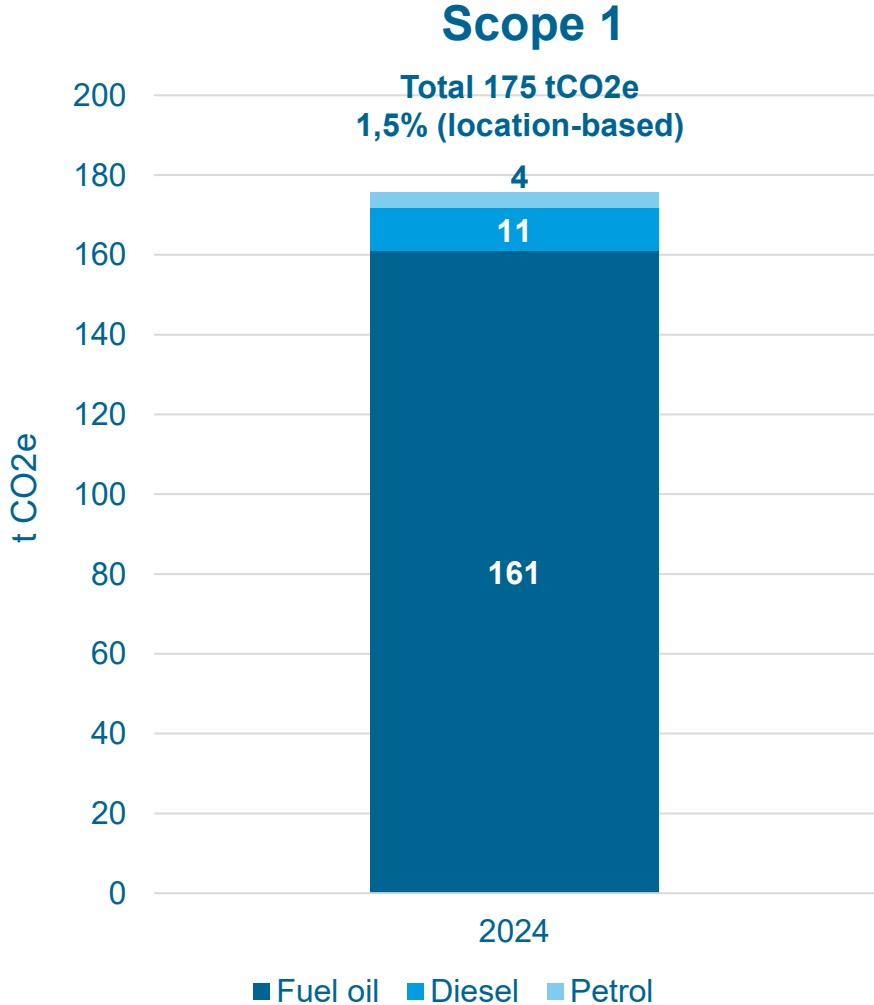
Scope 2 = Purchased energy (market-based)

- Purchased electricity, heat and cooling

Scope 3 = Indirect emissions (reported as of 2024)

- Purchased goods, capital goods, generated waste, transportation and travel

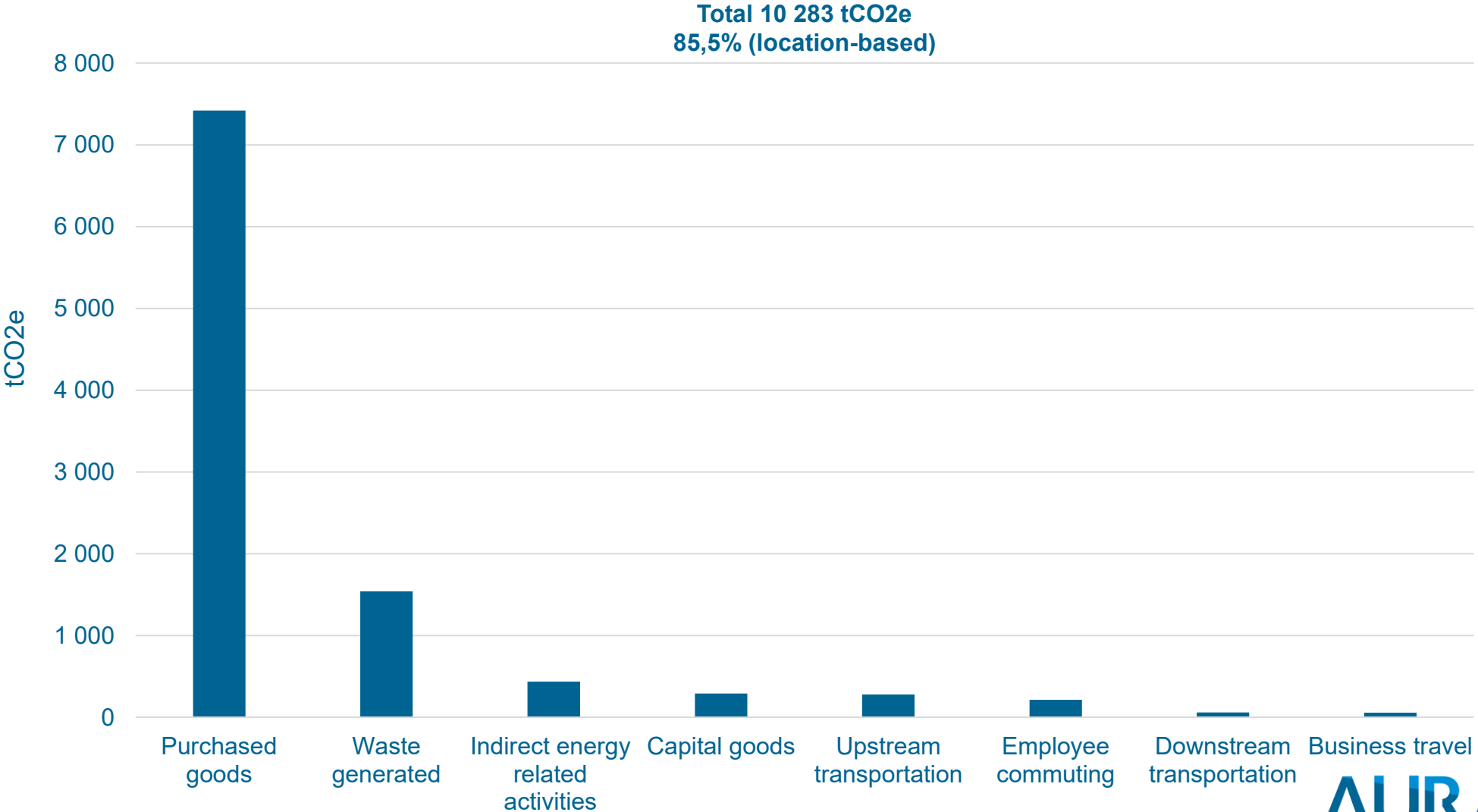
Greenhouse Gas Emissions 2024: scope 1 & 2



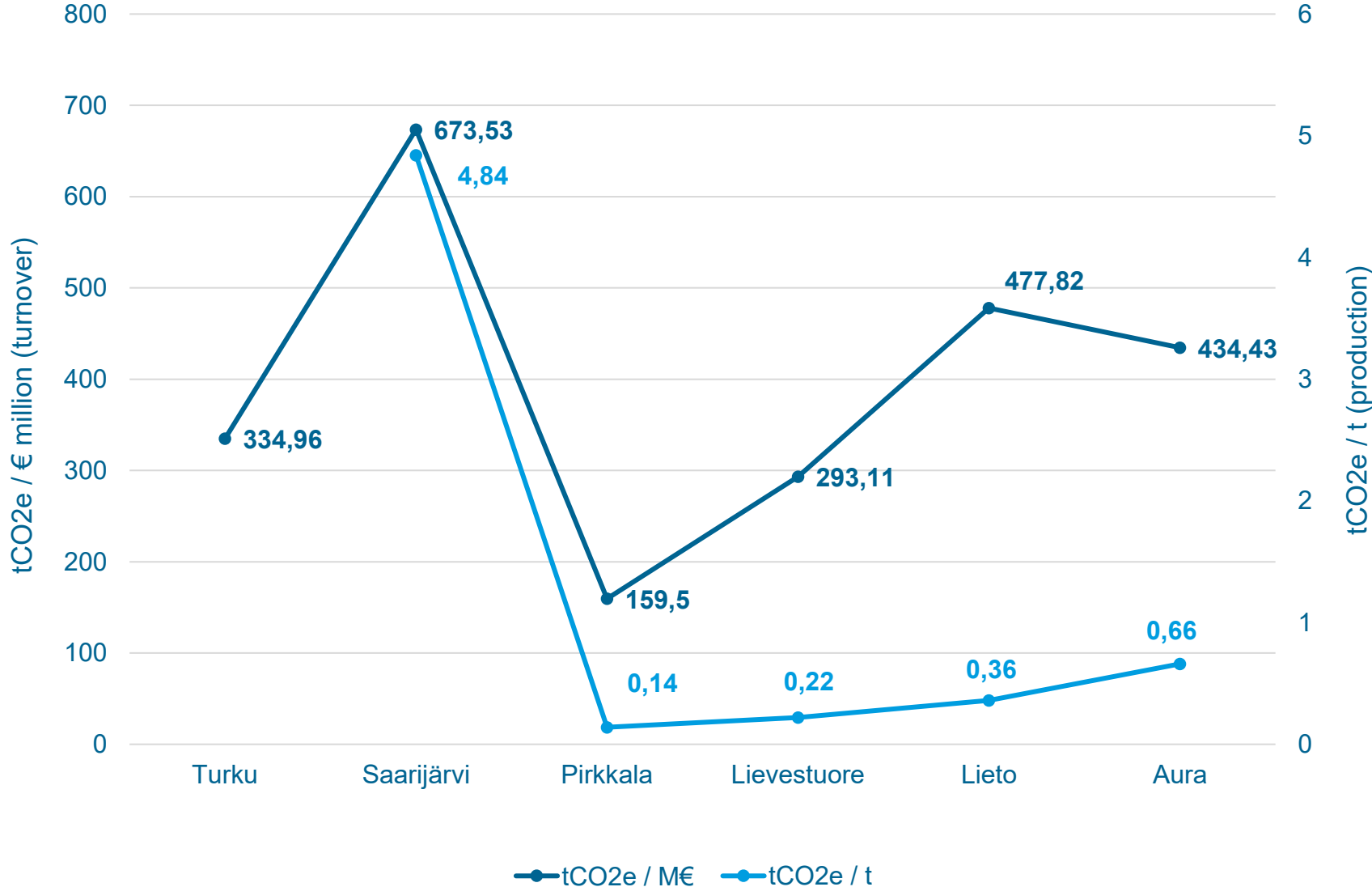
Market-based Scope 2 emissions are zero, as Aurajoki has purchased all its district heating and electricity as emission-free products.

Location-based emissions are calculated based on the regional average emission factor, without considering the purchased energy product.

Greenhouse Gas Emissions 2024: scope 3



Carbon Intensity 2024



Carbon intensity values are based on market-based greenhouse gas emissions.

For the Turku unit, carbon intensity per production volume (t) is not available.

The emissions per ton for the Lieto unit are elevated due to purchases related to the start-up of the plant, such as chemical acquisitions.

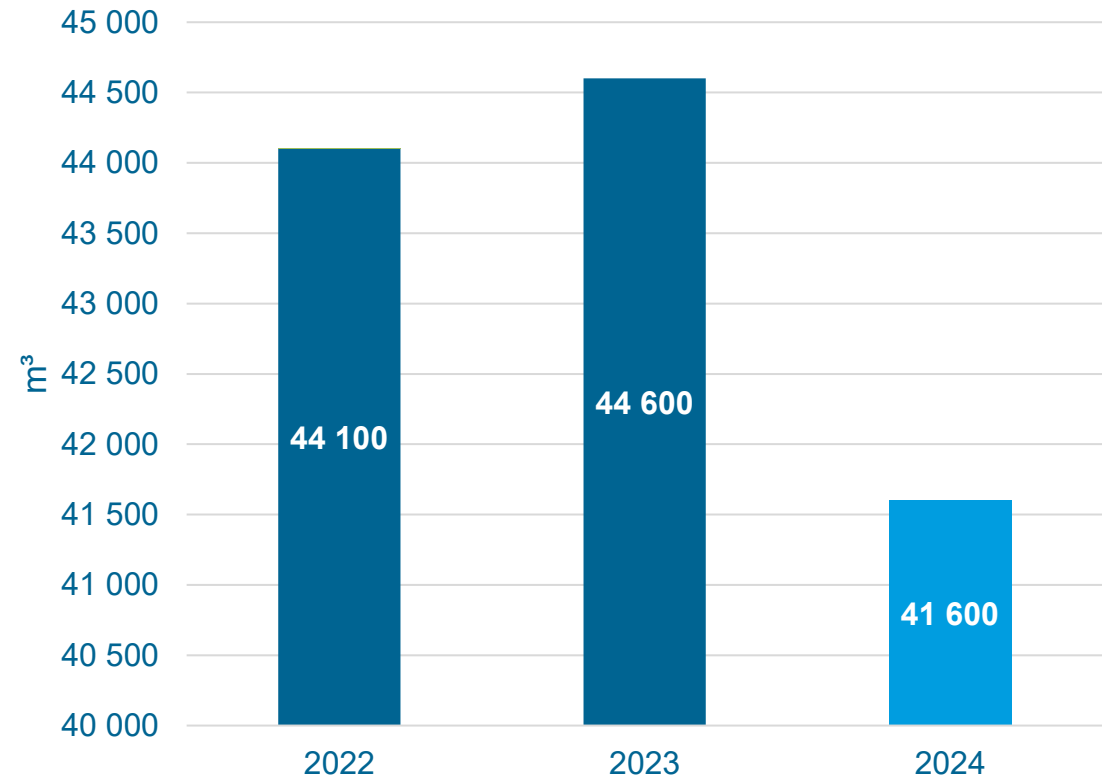
Use of Natural Resources

Land Use

| | Area (ha) |
|--------------|---------------|
| Aura | 6.770 |
| Lievestuore | 6.328 |
| Mikkeli | 4.953 |
| Pirkkala | 3.400 |
| Saarijärvi | 1.925 |
| Lieto | 1.899 |
| Turku | 1.182 |
| Total | 26.457 |

No land use near protected or biodiversity-sensitive areas.

Water Withdrawal



Waste and Material Flows

| | Waste (tons) 2024 (2023) | Recycling rate (%) 2024 (2023) |
|---------------------|-----------------------------|-----------------------------------|
| Liquids | 178 (365) | 100 (98) |
| Solid waste | 218 (262) | 100 (98) |
| Metals | 648 (677) | 100 (100) |
| Packaging materials | 39 (38) | 100 (100) |
| Total | 1 083 (1 342) | |

Comprehensive data on the quantities of materials purchased is currently not available for material flow reporting. We are working to improve material flow reporting going forward.

| | Waste (tons) | Share (%) |
|---------------------|--------------|-----------|
| Hazardous waste | 315 | 29 % |
| Non-hazardous waste | 768 | 71 % |

Circular Economy

- Aurajoki's coating services promote the circular economy by extending the lifespan of customers' products and reducing their maintenance needs.
- Hot-dip galvanizing provides long-lasting and climate-resistant corrosion protection, which typically does not require maintenance to last for the entire life cycle of the product. Galvanized structures often last 30–50 years or even longer.
- Hot-dip galvanized steel structures and components are ideal circular economy materials, as they are easy to dismantle and reuse.
- The zinc coating can remain with the steel structure through several usage cycles, and once the coating is worn out, the structure can be re-galvanized.
- Hot-dip galvanized steel is easy to recycle. In established steel recycling processes, zinc is recovered and returned to the galvanizing process without loss of properties.



Reference: [Galvanized steel and the circular economy – Nordic Galvanizers](#)

Picture: [EGGA: European General Galvanizers Association](#)

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Social Topics

Personnel

Employment Contract Types (headcount) 2024 (2023)



175
(183)

Total



167
(169)



Permanent



8
(14)

Temporary

Gender Distribution (headcount) and Average Age (years) 2024 (2023)

| |  M |  F | AGE |
|-----------------------|--|--|-------------------|
| Hot-dip galvanizing | 84 (91) | 9 (8) | 45 (43) |
| Electrolytic coatings | 42 (42) | 12 (12) | 43 (40) |
| Steel structures | 25 (25) | 3 (5) | 46 (44) |
| Total | 151 (158) | 24 (25) | 45 (42) |

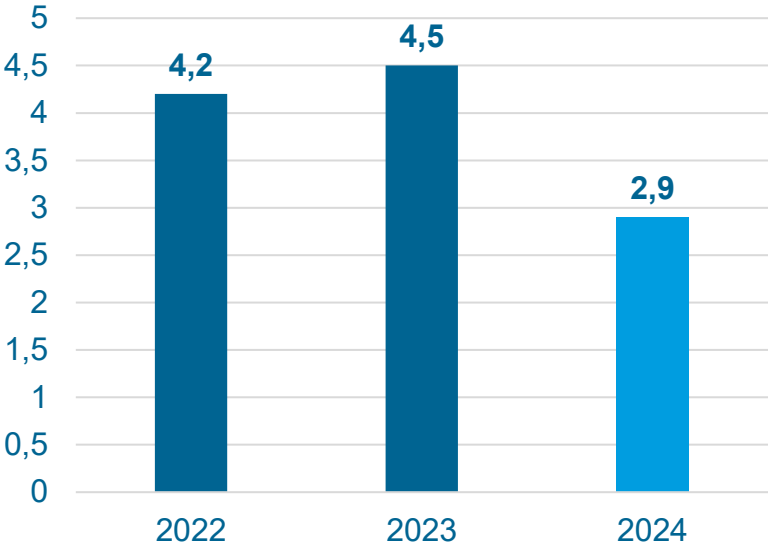
Employee Turnover Rate (%)

23,43

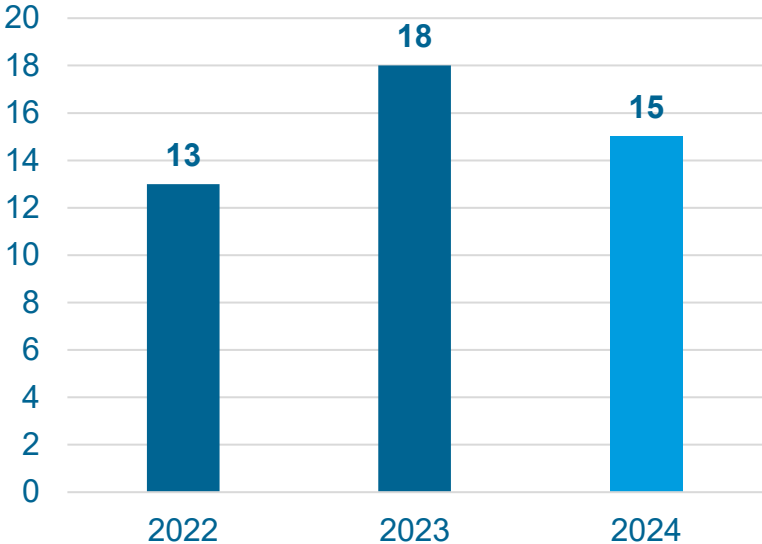
Number of employees who left /
average number of employees
x 100

Occupational Health and Safety

Absences Due to Illness
(average %)



Work Related Accidents (LTI)



Accident Frequency (LTIF)



Compensation and Equality

Average Training Hours
per Person (h)



M

13



F

11

Training hours
/ headcount 2024

Gender Pay Gap (%)

12,42

The difference in average gross
hourly pay levels between male and
female employees €
/ average gross hourly pay level of
male employees €
x 100

Employees Under
Collective Agreements
(%)

100

All employees except
executives are under collective
bargaining agreements.

Governance

Company Governance Model

- Aurajoki began its operations as a family-owned company and has a Finnish private ownership structure (owners listed on page 5).
- **Board of Directors**
 - Chair of the Board: Joni Lukkaroinen
 - Board Members: Lauri Järvinen, Thomas Kaulbars-Staudinger, Kenneth Lindström
 - Board Advisor: Peter Seligson
- **Executive Team**
 - CEO: Ralf Sohlström
 - Sales Director, Surface Treatments: Marko Rantala
 - Production Director, Surface Treatments: Mikko Mäkinen
 - Business Director, Steel Structures: Timo Tuominen
 - CFO: Risto Paavilainen
 - Employee Representative: Sami Tuominen

Ethical Principles

- Ethical, equal, people-oriented, transparent and corruption-free operations are an important part of our responsible operations.
- We keep our customer promise and take care of the well-being of our customers, partners and staff as best we can.
- Aurajoki uses the Finnish Chamber of Commerce's [notification channel](#) for reporting suspected misconduct. This service helps to gather signals of activities that may threaten the business or violate ethical values, and it complies with the legal requirements concerning whistleblower protection.
- Ethical principles are documented in Aurajoki [Code of Conduct](#).



Future Outlook

Conclusions

- Aurajoki has made the decision to become the first carbon-neutral company in its industry in Finland with respect to Scope 1 and 2 emissions. This goal was achieved at the beginning of 2024 by switching to emission-free electricity and district heating products, and by compensating for residual emissions.
- Aurajoki's management is committed to energy efficiency efforts, which have led to a downward trend in energy consumption. The new energy-efficient hot-dip galvanizing plant in Lieto and investments in self-produced emission-free energy will further enable reductions in purchased energy consumption.
- Aurajoki's most significant emission sources stem from Scope 3 emissions, which account for 85.5% of the company's total carbon footprint. The largest single category is steel purchases, which represent nearly half of the carbon footprint from goods, materials, and service procurement. Zinc, hydrochloric acid, and other chemicals are also major emission sources in procurement. Going forward, attention will be focused on reducing Scope 3 emissions.
- Currently, material flows cannot be comprehensively reported, so improvements in material procurement reporting are needed to refine Scope 3 calculations. Cooperation and interaction with material supplier partners are also essential.
- Aurajoki has achieved an excellent level in waste recycling—all generated waste is either recycled or reused. However, in Scope 3 emissions, waste is the second-largest emission category after purchases (12.8% of total emissions), primarily due to the treatment of hazardous waste.
- Occupational safety is a continuous development area at Aurajoki, and special attention will be given to improving it during 2025.

Future Goals and Plans

Goals

- The goal is to maintain carbon neutrality for Scope 1 and 2 emissions, with any residual emissions being compensated.
- The implementation of the energy efficiency agreement will continue, with the aim of reducing energy consumption per ton produced.
- The company aims to reduce Scope 3 emissions from the 2024 baseline. A specific target will be defined during 2025.
- Zero environmental incidents is also a key objective.

Key Actions to Achieve the Goals

- Expanding self-produced emission-free energy by installing solar panels on the roof of the Pirkkala plant.
- Intensifying dialogue with steel suppliers and other material and service providers to refine Scope 3 emissions calculations and identify lower-carbon solutions.
- Introducing low-carbon zinc by offering it as a lower-emission alternative to hot-dip galvanizing customers.



Environment

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Future Goals and Plans

- In addition to monitoring and reducing its own emissions, Aurajoki is committed to helping its customers reduce their carbon footprint.
- We offer coating services that extend the lifespan of products, reduce maintenance needs, and enable reuse and recyclability.
- We provide our customers with the option to use low-carbon zinc, low-emission or emission-free transportation, and order-specific emissions reporting.
- To ensure that hot-dip galvanizing protects steel products as effectively as possible, certain structural considerations must be designed in already in the product development phase. Through the Aurajoki Academy, we train our customers and stakeholders in smart design of steel structures and optimized use of raw materials.



Future Goals and Plans

Goals

- Zero accidents and consequently zero days of absence due to injuries
- One safety observation per person per month is recorded.
- Safety Walks (focused on cleanliness, order, and safety) are conducted monthly, with a target of 95% compliance.
- We keep our customer promises:
 - No complaints
 - Delivery reliability of at least 95%



Safety and Quality



Ethics



People and
Competence

Key Actions to Achieve the Goals

- A valid Occupational Safety Card is required for all employees, and first aid training is provided to those interested.
- The unit with the most recorded safety observations is rewarded monthly.
- Quality and customer satisfaction are improved by developing the product information management processes (including work instructions) and related information systems.

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Your Sustainable Partner

www.aurajoki.fi