

Sievi is a Finnish safety footwear manufacturer known for high quality, innovation and local production. The company operates in North Ostrobothnia and employs more than 450 people. Sustainability is a key part of Sievi's strategy, reflected in our product design, choice of materials and supply chain management . Below is a summary of Sievi's sustainability report 2023–2024, including key sustainability actions and trends for 2025. The sustainability report was prepared in accordance with the VSME framework.

During the reporting period, we launched a new strategy for 2024–2028 focused on strengthening our brand and market position, maintaining and developing our position as product leaders, ensuring the health and motivation of our employees, improving the quality and efficiency of our production and making sustainability a competitive advantage. To achieve these goals, we have established the new position of Quality and Sustainability Manager. We took big steps forward in our sustainability work in 2024, when Sievi was awarded the coveted EcoVadis silver medal for the first time. EcoVadis is a globally recognised sustainability assessor that evaluates companies in accordance with the principles of sustainable development.

### **Carbon footprint**

We have drawn up a roadmap to reduce our emissions and aim to be carbon neutral in our operations by 2035. We are also developing a roadmap to reduce Scope 3 emissions.

We updated our emission factor for leather during the reporting period, determined by combining the life-cycle calculations provided by our leather suppliers, the Higg index MSI score and the results of studies on leather production and scientific publications. The new emission factor is just under half of the old emission factor. We updated our emission factor for leather to align with that of the European standard EN 16887: 2017, which sets the product category rules for the carbon footprint of leather. The emission factor that we used previously attributed a significantly larger share of primary production to leather than the standard. In connection with updating the emission factor, we recalculated our emissions for 2021–2022 with the updated emission factor to ensure comparability. Leather accounts for about 25–28% of our total emissions.

Our investment in a new heat recovery system at the Sievi plant has led to a significant reduction in our consumption of heating oil: in 2024, we used approximately 7,800 litres of oil, whereas between 2010 and 2021, before the system was installed, we used an average of about 52,700 litres a year. In 2024, our oil consumption was 85% lower than the average annual consumption before the system was introduced. We expect our consumption of heating oil to continue to decrease as system adjustments are optimised.

We have calculated the product-specific carbon footprint for 23 models of footwear we produce. The product-specific carbon footprint calculation is based on the GHG Protocol product standard, which ensures transparency and comparability. These calculations help us to understand and identify the significance of material choices in a product's carbon footprint and choose more climate-friendly materials. In 2023, we launched the Racer EcoTech® range, which maximises the use of recycled materials. The carbon footprint calculations for our products can be found here: https://www.sievi.com/sustainability/calculation-of-the-products-carbon-footprint/

#### Materials

Material development is a significant part of our efforts to ensure sustainability, as the greatest environmental impact of our operations

comes from the raw materials used in the manufacture of footwear. We have increased the proportion of recycled materials in our footwear production to 12%. Our use of recycled materials has increased by almost 80% from the previous reporting period. By increasing the use of recycled materials, we decreased our material emissions by 14% between 2022 and 2023.

As many as 85% of our leather suppliers have joined the Leather Working Group, an organisation that provides and maintains audit protocols for the environmental performance of leather manufacturers and promotes sustainable practices. Sievi is also a member of the Leather Working Group, which is a way for us to reinforce our commitment to responsible practices throughout the footwear manufacturing value chain and ensure we receive up-to-date information on the key impact areas of the leather supply chain.

#### **Customer satisfaction**

We maintain customer satisfaction by guaranteeing high product quality and adhering to relevant standards for safety and occupational footwear, and we meet the expectations of stakeholders, including customers, through active product development and innovation. In 2024, we conducted an extensive retailer survey to assess elements such as purchasing processes and factors affecting purchasing decisions. Respondents considered it important that partners adhere to sustainable operating principles and regulations. Retailers and end users expect concrete measures on environmental issues. According to the survey, Sievi is seen as a forerunner in sustainability in the occupational and safety footwear sector, with 32% of respondents considering Sievi to be more responsible than other operators in the sector.

## Social responsibility

Key areas of our corporate social responsibility include health and safety, employee well-being, responsible procurement and product safety. Sievi's most important resources are its own employees, and those of companies throughout the value chain, and its customers. Employee health and safety is a key factor for business continuity. Employee well-being, coping at work and job satisfaction are important competitive and success factors in the manufacturing industry. Our goal is to be a safe workplace, and this is what we strive for by running our operations in accordance with the ISO 45001 standard.

Through the use of a separate auditing plan, we ensure that our partners adhere to international and national agreements concerning human and labour rights. The key measures during the reporting period were:

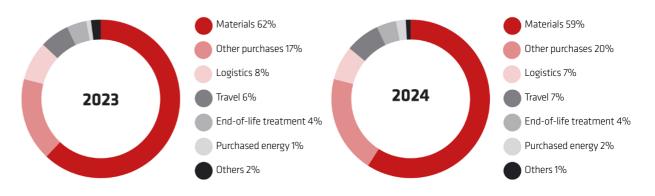
- supplier audits in 2024, 94% of our purchases were from audited suppliers
- · supplier audit training
- development programmes for IT projects

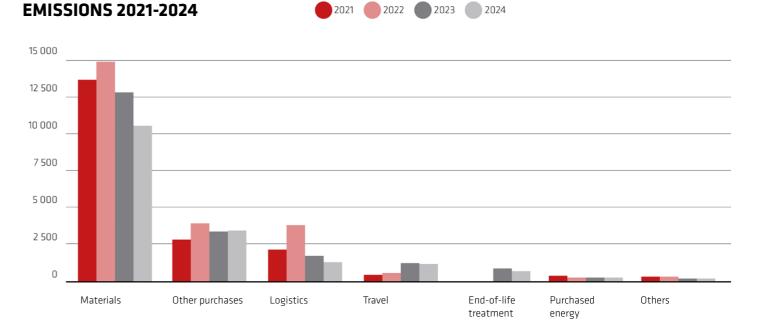
The new EN 20345 standard for safety footwear was published in 2022 and entered into force in June 2022. All Sievi products certified after 1 January 2023 have been tested in accordance with the new EN ISO 20345:2022 standard. We require the relevant certificate for all materials covered by EN standards, which is why we ensure that the raw materials we use also meet quality and safety requirements. We have new raw materials tested and update expiring certificates every year. Our production materials are regularly tested at the German test and research institute PFI (Prüf- und Forschungsinstitut Pirmasens) in accordance with an agreed plan.

# RESULTS OF CARBON FOOTPRINT CALCULATIONS (TCo,e)

|                                    | 2021   | 2022   | 2023   | 2024   |  |
|------------------------------------|--------|--------|--------|--------|--|
| Scope 1 emissions                  | 224    | 205    | 145    | 138    | Energy generated on site, vehicles controlled by the company |
| Scope 2 emissions (location-based) | 438    | 316    | 170    | 162    | Purchased energy   |
| Scope 3 emissions                  | 19 323 | 23 330 | 20 179 | 17 360 | Other indirect emissions such as purchases and travel        |
| Total greenhouse<br>gas emissions  | 19 986 | 23 851 | 20 494 | 17 669 | Location-based calculation                                   |
| Emission intensity (tCO,e/MEUR)    | 227    | 251    | 230    | 210    |  |

#### **CARBON FOOTPRINT BY EMISSION SOURCE**





The content of this report was compiled by Sievin Jalkine Oy in collaboration with Third Rock Finland Oy.



