2024

Sustainability Statement

PROTAN

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Message from the CEO

The purpose of our third sustainability statement is to transparently disclose our sustainability impacts and try to serve as an example in the construction industry in preparing to comply with the European Sustainability Reporting Standards (ESRS). At Protan, we are dedicated to continuously enhancing our efforts in line with our vision of Futureproofing Waterproofing. This statement is a significant step in emphasising that vision.

Protan's solutions stand the test of time, remain innovative, modern and digital, are profitable, and contribute to a sustainable future.

2024 has been a challenging year for the construction industry in many countries, with a decline in building activity, high interest rates and rising costs, all of which have affected demand. The Group management team has faced difficult decisions, and necessary measures have been taken to ensure Protan's long-term profitability and operations.

Despite the challenges in 2024, we have also had several victories and achievements that we can be proud of.

The year began with the launch of our new vision, "Futureproofing Waterproofing". We will work to ensure that Protan's solutions stand the test of time, remain innovative, modern and digital, are profitable, and contribute to a sustainable future. This will lay the foundation for us to be well-prepared for 2025 and beyond.

A tangible example of Futureproofing Waterproofing is the launch of PROcycle. Through this initiative, we offer customers in Scandinavia free collection of surplus materials from construction sites, which are then recycled into new products. Additionally, we guarantee the return of our roofing membrane after its lifespan. This is an important measure that reduces both climate emissions and the consumption of non-renewable natural resources. We plan to expand this initiative to additional markets in 2025.

In 2024, we consolidated two factories and the administration in Türkiye into new premises in Gebze. This was a comprehensive project that required significant effort from everyone involved, and I am incredibly proud of how successful it has been. It is also gratifying that Protan Poland and the factory in Stęszew have delivered good results in their first year after moving to new production facilities in the autumn of 2023.

The area of health, safety and environment (HSE) is always a priority and is emphasised with our slogan, "Always safe". In 2024, we celebrated more than a year without any injuries in production in Poland. This is the result of the thorough work being done within HSE. However, we must not become complacent with these positive results, as even a moment of inattention can lead to serious consequences. A safe workplace requires continuous focus on HSE in everything we do.

We have made significant strides in innovation and product development, which has resulted in several exciting launches in 2024, such as SE 1.8 and FPO/TPO. Protan SE 1.8 is formulated without biocides and fluorides, helping us to achieve our goal of delivering environmentally safe products. This is especially important for green roof systems, where the use of sustainable materials is increasingly prioritised.

In 2024, we laid the groundwork for enhancing our efforts in diversity, equality and inclusion. In 2025, we will implement measures to foster a more inclusive culture. Additionally, we will introduce more initiatives to develop our workplaces, including measures to improve the working environment, and an increased focus on personal development and recognition.

Our vision, "Futureproofing Waterproofing", demands that we adapt and think innovatively across all areas. We must identify opportunities and be open to changing ourselves and the way we work. In 2025, we will bring to life the ideas and plans that we've long discussed. Our strategy, with its eight focus areas, will guide us in achieving our goals.

Despite the challenges in the market, we have achieved a lot, and it is thanks to all of Protan's dedicated employees and the good collaboration with our stakeholders. Thank you for your ongoing commitment to sustainability and for your contribution to making our company better.

Warm regards,
Roar Lunde
Acting CEO

Sustainability Highlights 2024

Reduction of total emission from base year (2022): 13.4 %

Total emissions: 120 066 tCO_2eq

Launching our recycling initiative PROcycle

5

on-site supplier inspections conducted

480kg

of recycled materials collected from customers

17,2%

female employees

02

ESRS 2
General information

Basis for preparation

Sustainability governance

Due diligence

Sustainability risk management

Strategy and business model

Our stakeholders

Materiality assessment process

Basis for preparation

This statement includes a sustainability statement and has been guided by the requirements of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS).

BP-1 | General basis for preparation of the sustainability statement

Information in the sustainability statement includes Protan Group and all of its subsidiaries. See all companies in the illustration to the right.

The 2024 statement covers the period 1. January 2024 to 31. December 2024. Critical or material events occurring on or after 1. January 2025 and up until the publication date are also covered in this statement.

The double materiality assessment process described in IRO-1 includes impacts, risks and opportunities that extend to our upstream and downstream value chain. The extent to which Protan Group's policies, actions, targets and metrics extend to our value chain is described in the sections relating to the topical standards.

No information corresponding to intellectual property, know-how or the results of innovation has been omitted from the sustainability statement. Nor has Protan Group exempted from disclosure any impending developments or matters that are currently in the course of negotiation.

Protan Group

- **Protan companies**
- **Protan production facilities**

NORWAY
Protan AS
Protan Entreprenør AS
Litex AS

SWEDEN
Protan AB
Protan Entreprenad AB
Litex Sverige AB

DENMARK
Protan Entreprenør A/S

POLAND, BALTICS & EASTERN EUROPE
Protan Elmark
Protan Polska SPZOO

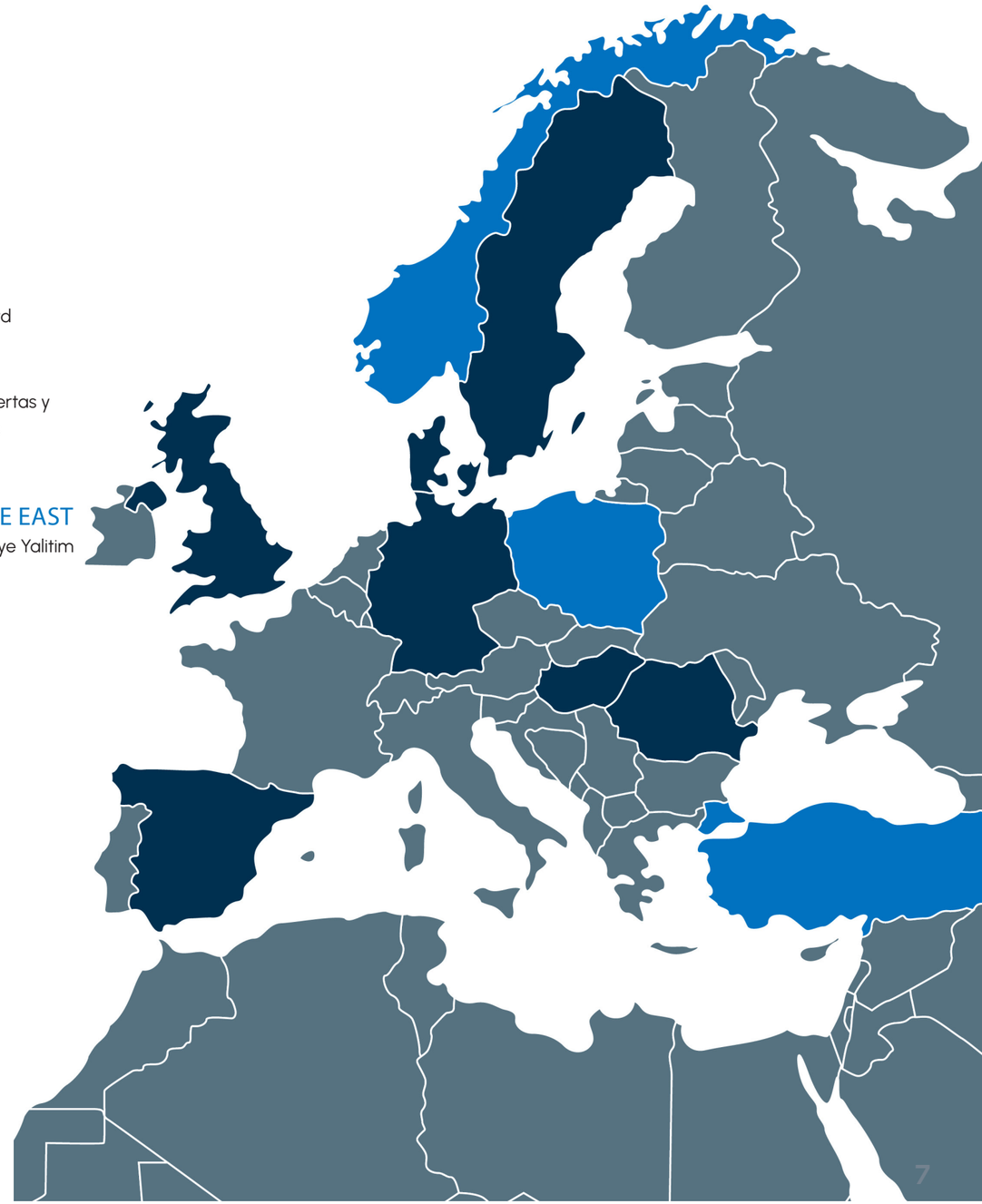
GERMANY
Protan Deutschland Gmbh

SOUTH EASTERN EUROPE
Protan South-East ZRT

UK
Protan UK Ltd

SPAIN
Protan Cubiertas y Membranas

TÜRKIYE & MIDDLE EAST
Protan Türkiye Yalitim



BP-2 | Disclosures in relation to specific circumstances

CHANGES IN THE PREPARATION OR PRESENTATION OF SUSTAINABILITY INFORMATION

For the 2024 reporting period, Protan has structured its sustainability disclosures to prepare for compliance with the CSRD, implemented by the ESRS.

These changes include:

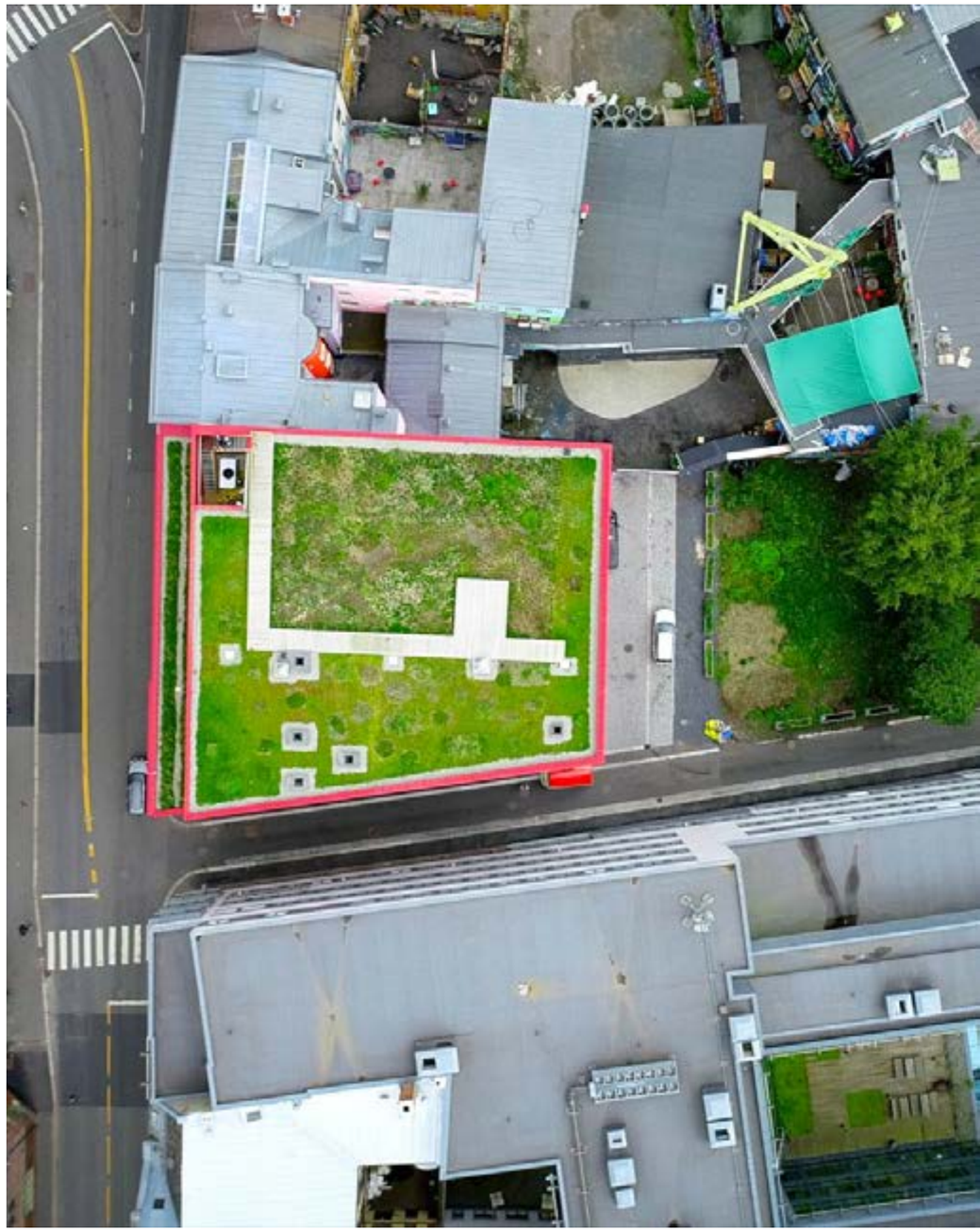
- Updating the double materiality assessment in accordance with the requirements of the ESRS to identify material impacts, risks and opportunities across Protan's own operations, and the upstream and downstream value chain. The update includes merging the material topics 'Innovation and product development' and 'Business culture' into the relevant ESRS-defined material topics already identified in our analysis.
- New disclosures and metrics as required by the ESRS, including descriptions of material impacts, risks and opportunities, and policies, actions, metrics and targets to address them.
- The model used to calculate GHG emissions was updated in 2024, due to the use of a system for calculating the emissions that contributed to the re-calculation. See E1 Climate change for further details.

DISCLOSURES STEMMING FROM OTHER LEGISLATION OR OTHER SUSTAINABILITY REPORTING STANDARDS

This statement includes information presented in reference to the Norwegian Transparency Act. Disclosures stemming from other legislation are clearly signposted throughout the statement.

UPDATING DISCLOSURES ABOUT EVENTS AFTER THE END OF THE REPORTING PERIOD

Where relevant, some key information or material events occurring on or after 1. January 2025, and up until the publication date have been included in the sustainability statement.



Sustainability governance

GOV-1 | The role of the administrative, management and supervisory bodies

GOV-2 | Information provided to, and sustainability matters addressed by, the undertaking's administrative, management and supervisory bodies

Responsibility for ESG matters at Protan sits with the Board of Directors, which has delegated authority to the CEO. The Board receives updates on ESG matters from the CEO and has approved this statement.

BOARD OF DIRECTORS:
- Provides oversight of sustainability matters
- Approves the annual sustainability statement

GROUP MANAGEMENT:
- CEO has delegated responsibility for sustainability matters to the CHRO People and Sustainability
- Group management team reviews sustainability approach and performance

SUSTAINABILITY MANAGER:
- As of 2024, sustainability manager reports to the CHRO People and Sustainability on sustainability matters
- Coordinates sustainability reporting activities
- Engages stakeholders on the material sustainability topics
- Project manager for sustainability-related projects

SUSTAINABILITY STAKEHOLDERS:
- To optimise activities and ensure maximum impact, sustainability efforts are structured around three key stakeholders who take ownership of specific areas (E, S and G) and delegate responsibilities to subject matter experts (one subject matter expert per material topic).

SUSTAINABILITY NETWORK:
- As a global company with a local presence, it is necessary to share relevant initiatives, information and news internally across departments and business functions. A sustainability network has been established to ensure this is organised in the most efficient way. The appointed agents are responsible for informing their organisation or department.

GOV-3 | Integration of sustainability-related performance in incentive schemes

Protan does not currently integrate sustainability-related performance in its incentive schemes.

Due diligence

GOV-4 | Statement on due diligence

The following table provides a mapping of how Protan applies the core elements of due diligence for people and the environment and where they are presented in this sustainability statement.

	Core elements of due diligence	Pages in the sustainability statement	Does the disclosure relate to people and/or the environment?
a	Embedding due dili-gence in governance, strategy and business model	ESRS 2 GOV-2 and ESRS 2 GOV-3, page 9 ESRS 2 SBM-3, page 21	Environment, people and governance
		ESRS 2 SBM-3-E1, page 31 ESRS 2 SBM-3-E2, page 41 ESRS 2 SBM-3-E5, page 44	Environment
		ESRS 2 SBM-3-S1, page 51 ESRS 2 SBM-3-S1, page 56 ESRS 2 SBM-3-S1, page 59 ESRS 2 SBM-3-S1, page 66 ESRS 2 SBM-3-S2, page 69	People
		ESRS 2 SBM-3-G1, page 77 ESRS 2 SBM-3-G1, page 80	Governance
b	Engaging with affected stakeholders	ESRS 2 GOV-2, page 9 ESRS 2 SBM-2, page 18 ESRS 2 IRO-1, page 19	Environment, people and governance
		ESRS 2 MDR-P, page 33, 42, and 45 ESRS 2 MDR-A, page 47	Environment
		ESRS 2 MDR-P, page 52, 57, 60 and 67	People
		ESRS 2 MDR-P, page 71 and 81	Governance
c	Identifying and assessing adverse impact	ESRS 2 IRO-1, page 19, 51, 56, 59, 66, 69, 77, 80	Environment, people and governance
		ESRS 2 SBM-3-E1, page 31 ESRS 2 SBM-3-E2, page 41 ESRS 2 SBM-3-E5, page 44	Environment
		ESRS 2 SBM-3-S1, page 51 ESRS 2 SBM-3-S1, page 56 ESRS 2 SBM-3-S1, page 59 ESRS 2 SBM-3-S1, page 66 ESRS 2 SBM-3-S2, page 69	People
		ESRS 2 SBM-3-G1, page 77 ESRS 2 SBM-3-G1, page 80	Governance
d	Taking actions to address those adverse impacts	E1-1, page 30 ESRS 2 MDR-A, E1-3, page 34 ESRS 2 MDR-A, E2-2, page 42 ESRS 2 MDR-A, E5-2, page 46	Environment
		ESRS 2 MDR-A, S1-4, page 53, 57, 61 and 67 ESRS 2 MDR-A, S2-4, page 72	Social
		ESRS 2 MDR-A , G1-3, page 79	Governance
e	Tracking effectiveness of these efforts and communicating	ESRS 2 MDR-T, E1-4, page 36	Environment
		ESRS 2 MDR-T, S1-5, page 54 ESRS 2 MDR-T, S2-5, page 75	People
		ESRS 2 MDR-M, E1-5, page 36 ESRS 2 MDR-M, E1-6, page 37 ESRS 2 MDR-M, E1-7, page 39 ESRS 2 MDR-M, E1-8, page 39 ESRS 2 MDR-M, E2-4, page 43 ESRS 2 MDR-M, E5-4, page 48 ESRS 2 MDR-M, E5-4, page 48	Environment
		ESRS 2 MDR-M, S1-9, page 58 ESRS 2 MDR-M, S1-10, page 55 ESRS 2 MDR-M, S1-11, page 55 ESRS 2 MDR-M, S1-13, page 68 ESRS 2 MDR-M, S1-14, page 63 ESRS 2 MDR-M, S1-15, page 55 ESRS 2 MDR-M, S1-16, page 58 ESRS 2 MDR-M, S1-17, page 55	People

Sustainability risk management

GOV-5 | Risk management and internal controls over sustainability reporting

Protan's sustainability reporting is exposed to the risk of material misstatement due to human error or incomplete data. This risk is magnified by Protan's growth and having moved to new production facilities during the year. Protan has implemented a number of processes to manage this risk.

To minimise reporting errors, Protan uses software that oversees a unified data framework for the entire business, which standardises definitions, calculations and critical metrics such as emission factors. This process provides transparency and traceability of the data and ensures the standardisation of terms, formulas and key variables such as emission factors in compliance with the GHG Protocol. This centralised approach to reporting allows the Sustainability Manager to verify data input into the software platform and to identify and rectify inconsistencies or errors in data submitted by the business units.

Strategy and business model

SBM-1 | Strategy, business model and value chain

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

Protan's presence spans across diverse market sectors, including roofing, tunnelling and mining, technical textiles and more. A comprehensive range of products is offered, such as thermoplastic roofing and tunnel membranes, advanced ventilation ducting systems and other technical textile solutions. In addition to producing these products, Protan takes pride in professional installation services, ensuring the quality and performance of its offerings.

Protan believes that innovation-driven practices and more environmentally friendly solutions are the keys to addressing the needs of a rapidly changing world, and remains dedicated to advances that make a positive impact on both local and global scales. Read more about the specific climate adaptation solutions offered in chapter E1 Climate change.

The company's strategy has a clear sustainability focus, with the goal of achieving net zero emissions by 2050. This is further cascaded into our sustainability commitments, objectives, and organizational structure.

85+

years of experience, expertise and innovation

Global presence with 11 offices around the world

835

employees and a global distribution network

Developing futureproof solutions for achieving ambitious sustainability goals

PRODUCT FACILITIES IN

Norway
Lier, Nesbyen and Sandefjord

Poland
Stezcew

Türkiye
Gebze

Revenues of NOK 2 270 million (2024)

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 footprint - global cooperation with customers
- Seize opportunities - invest in CO_2-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.

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

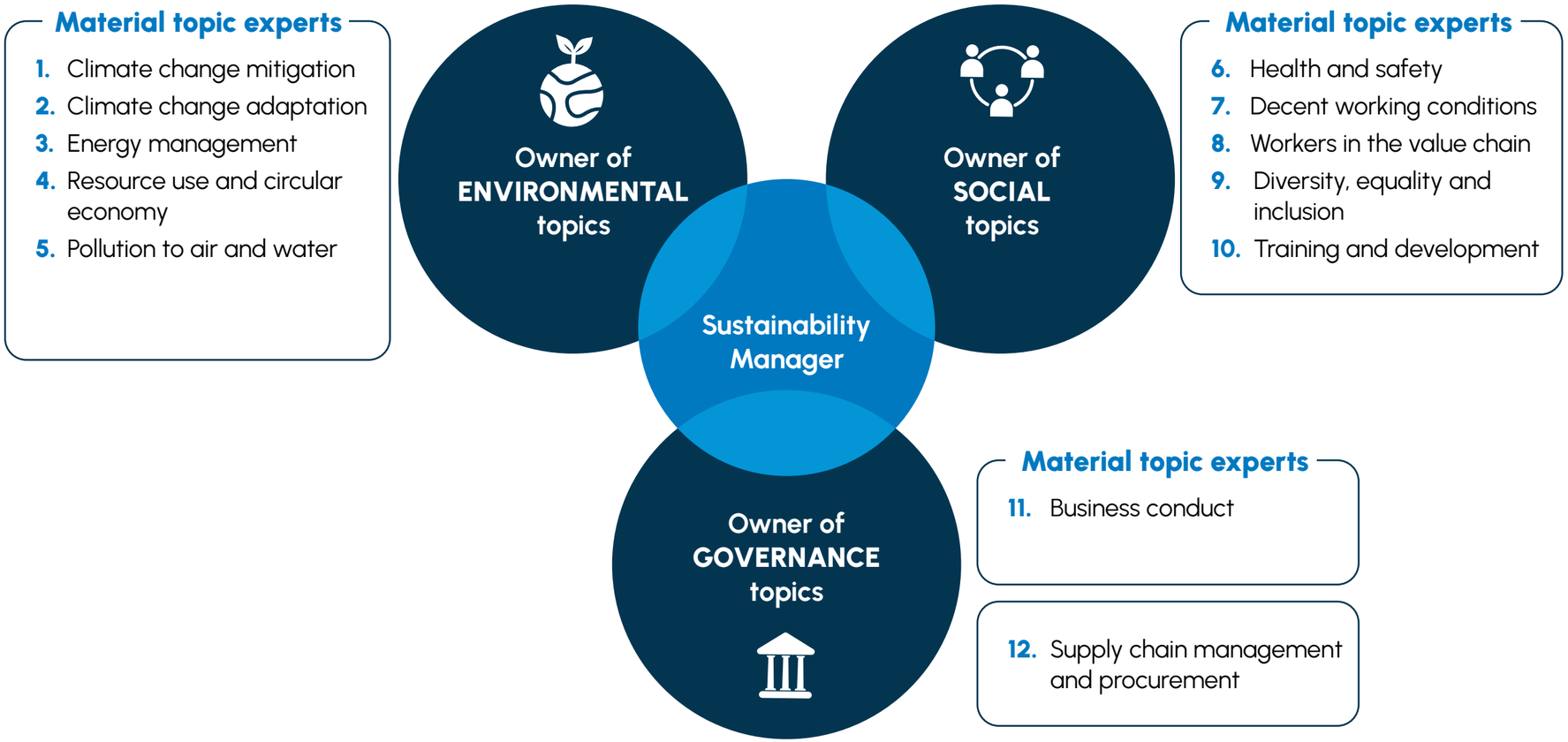
To effectively track our progress and ensure significant results, we have established ambitious goals. Our overarching objective is to become a net zero contributor by 2050, aligning with the Science Based Targets initiative. We have outlined short-term goals extending to 2030, which are detailed in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

<table>
<tr><th colspan="2">Environment</th><th colspan="2">Social</th><th>Governance</th></tr>
<tr><td rowspan="3">Net zero emissions within 2050, and goals for 2030</td><td>20 % reduction in scope 1</td><td rowspan="3">Empower diversity</td><td rowspan="3">Achieve improved gender balance with 18 % female leaders</td><td rowspan="3">Evaluate 80 % of Tier 1 and Tier 2 suppliers</td></tr>
<tr><td>20 % reduction in electricity use per sqm produces in production facilities</td></tr>
<tr><td>10 % of sold roofing based on biobased or recycled raw materials
Identify low carbon alternatives to raw materials</td></tr>
<tr><td rowspan="3">Reuse or recycle</td><td>75 % of tunnel ventilation</td><td colspan="2" rowspan="3">Zero serious work-related injuries and 10 % yearly reduction of lost time related injuries (LTI)</td><td rowspan="3">100 % of employees trained in anti-corruption</td></tr>
<tr><td>10 % of flat roofs</td></tr>
<tr><td>10 % of halls</td></tr>
<tr><td colspan="2">Reduce PVC waste and 100 % source separation rate</td><td colspan="2">Engagement index >80 %</td><td>Collaboration to reach the goals</td></tr>
<tr><td>Linked to UN`s sustainability goals</td><td>   </td><td>Linked to UN`s sustainability goals</td><td>   </td><td>Linked to UN`s sustainability goals</td><td>   </td></tr>
</table>

Sustainability Key Stakeholders

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

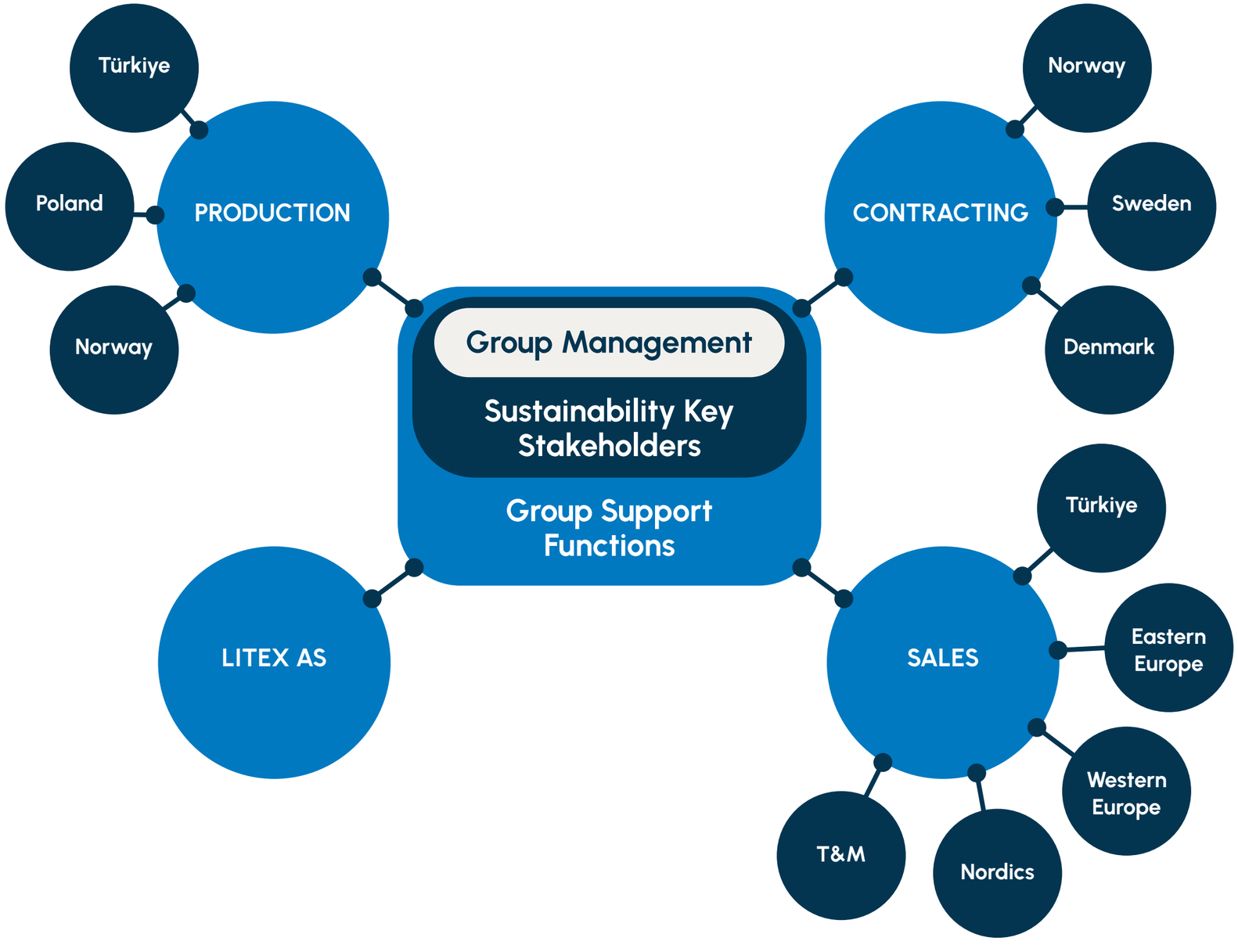
To optimize our activities and ensure maximum impact, sustainability efforts are structured around four key stakeholders who take ownership of specific areas and delegate responsibilities to subject matter experts.



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.



Our stakeholders

SBM-2 | Interests and views of stakeholders

Involving stakeholders both inside and outside of the company is an important part of creating value and long-term success.

Engagement with stakeholders on material sustainability matters typically involves the Sales representative, Sustainability team, Human Resources, Finance and Group Management.

The following table summarises how we engage with our key stakeholders, the purpose of those engagements and their outcomes. The views of stakeholders inform our due diligence process and the materiality assessment, which is described in more detail in IRO-1.

Key stakeholders	Engagement and purpose	Outcome
Customers	• The sales team is in contact with the customers daily • Specialists in Protan's products, solutions and services • Customer satisfaction survey and feedback • Meetings, conferences and events • Social media	• Reduction of customer emissions and other negative impacts • Acceleration of customer sustainability journeys and positive impacts
Employees	• Global all-hands meetings, with Q&A sessions • Intranet • Employee surveys • Regular engagement with unions • Training and development • Performance appraisal • Onboarding	• Inclusion of views and perspectives of employees in actions taken by Protan to address material impacts, risks and opportunities • Engagement index • Building a culture that lives up to Protan's values
Finance	• Communication via presentations and briefings, the annual and sustainability statement. • Covenants reporting each quarter based on equity rate and net interest-bearing debt/EBITDA • Meetings • Focus on sustainable production, which can result in lower interest expenses	• Meeting the information needs of financial stakeholders for sustainability data • Securing financing
Industry organisations and partners	• Active partnerships • Included in committees • Updated on regulatory changes and public authorities where we operate	• Widespread enablement of knowledge and tools related to sustainability • Updated on regulatory requirements
Suppliers	• Strategic collaborations • On-site meetings • Social inspections • Risk assessment	• Adherence to Protan's business conduct standards
Unions	• Regular meetings • Open communication • Joint working groups • Negotiations • Training and development • Conflict resolutions • Shared goals • Health and safety	• Improved working conditions • Increased job satisfaction • Reduced conflicts • Strengthen health and safety • Stronger employee relations
Governmental bodies	• Engage with various organisations within operating industries – e.g., NHO Byggenæringen and through events, webinars or industry initiatives	• Integration of the latest expertise into products and services, ensuring that value is delivered to customers

Materiality assessment process

IRO-1 | Description of the processes to identify and assess material impacts, risks and opportunities

Protan undertook its first double materiality assessment (DMA) in preparation for the 2022 sustainability statement. This included identifying and objectively scoring impacts, risks and opportunities (IROs), as a basis for deciding the materiality of each topic.

The DMA has since been updated to reflect knowledge gained from working with the ESRS and implementation guidance from EFRAG. The process described below reflects the initial DMA and the subsequent update.

IDENTIFYING SUSTAINABILITY MATTERS

The DMA identified how the business (Protan) affects the outside world (people, planet and society) and how the outside world affects the business. This included Protan's activities and business relationships, value chain and affected stakeholders.

The analysis identifies topics where the impact, positive or negative, is the most material. Topics outlined in ESRS 1 paragraph AR16 have been evaluated based on "impact materiality" and "financial materiality".

STAKEHOLDER ENGAGEMENT

Protan's employees with deep knowledge of affected stakeholders and users of sustainability statements were designated as stakeholder representatives. Their role was to provide insights concerning sustainability matters and to identify and score the IROs. This was a key assumption in the DMA process.

IRO-1 | Description of the processes to identify and assess material climate, social and governance-related impacts, risks and opportunities

Climate-related impacts, risks and opportunities were considered as part of the DMA process related to sustainability matters climate change mitigation, climate change adaptation, pollution, resource use and circular economy, own workforce, workers in the value chain and business conduct. The identification of IROs involved a consideration of Protan's upstream value chain, own operation and downstream value chain. This related to all parts of the production of Protan's products and solutions.

The process included the following three qualitative and quantitative methods for data analysis:

1. Major global trends and developments affecting the organisation and its risks and opportunities have been identified.

2. An analysis of existing strategies, policies and structures has been conducted to understand Protan's business today and tomorrow, in order to comprehend the sustainability risks and opportunities.

3. Internal and external stakeholders are key to identifying which topics are material to them and what they believe Protan should focus on going forward.

MATERIALITY SCORING APPROACH

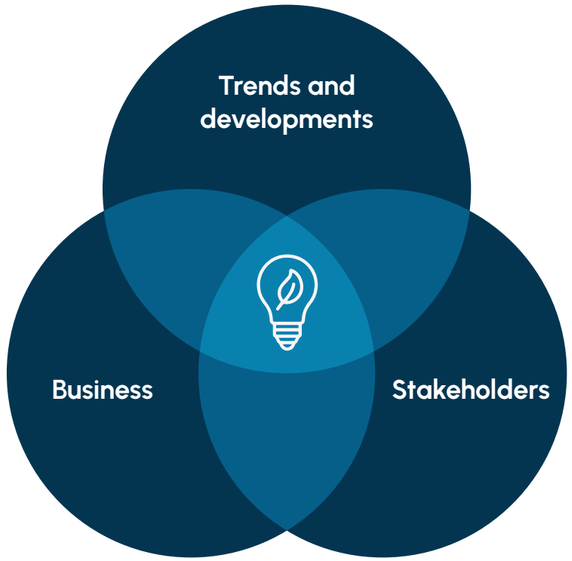
The materiality assessment's scoring methodology and criteria were determined in accordance with the requirements in ESRS 1, applying the principle of double materiality, which comprises:

Impact materiality: Scale, scope, irremediability and likelihood of impacts (based on whether an impact is positive/negative and actual/potential).

Financial materiality: Financial magnitude of risk/opportunity, likelihood and the nature of the financial effect.

DECISION-MAKING AND INTERNAL CONTROLS

Key decisions taken in the process involved the selection of stakeholder representatives, the scoring of each IRO by the stakeholder representative who identified the sustainability matter and the final evaluation of sustainability matters during the workshop.



FUTURE STEPS: INTEGRATION, MONITORING AND REVIEW

Currently, there is no process to integrate the DMA results into Protan's management systems, but this will be considered for implementation.

Protan commits to annually revisiting the DMA process for identifying, assessing and prioritising IROs, taking into account evolving trends, underlying assumptions, context and regulatory changes. A comprehensive review of the DMA will be conducted periodically to ensure its efficacy and relevance.

OUTPUT FROM THE MATERIALITY ASSESSMENT

In total, 29 topics were identified and evaluated during the DMA. Of those, 12 were deemed material. 15 risks and opportunities were consolidated and mapped to the relevant sustainability matters.

See Appendix 2 for the complete list of material topics from initial analysis.

SBM-3 | Material impacts, risks and opportunities and their interaction with strategy and business model

The material impacts, risks and opportunities identified during the materiality assessment are described below and are also presented together with ESRS E1 Climate change, E2 Pollution, E5 Resource use and circular economy, S1 Own workforce, S2 Workers in the supply chain and G1 Business conduct in this sustainability statement.

E1 CLIMATE CHANGE

Description	Potential or actual impact	Value chain location			Time horizon		
		Up-stream	Own operations	Down-stream	Short term (0–1 years)	Medium term (2–5 years)	Long term (6–30 years)
Value chain emissions: Emissions from own operations (production, offices, energy use, fossil fuel) and suppliers (raw materials, transportation, finished and half-finished goods).	Actual negative impact	●	●	●	●	●	●
Higher prices of raw materials: Reducing CO2 emissions will require investments, raw material prices will increase.	Risk	●	●		●	●	●
Offer solutions fit for climate change: Impact the downstream value chain by providing contractors, entrepreneurs, architects, and customers with solutions for extreme weather events (heavy downpours, floods, heatwaves, and windy weather) and to mitigate environmental impact (restore biodiversity, install solar panels, and more).	Actual positive impact			●	●	●	●
Greener raw materials: Protan operates in a carbon-intensive industry and needs to innovate and develop new products and services that are more sustainable to remediate some of our previous harm and work towards a "do no harm" mindset. Fortunately, most of the products and services can be adapted to be more climate-friendly, and can switch to more sustainable raw materials fairly easily, by including more recycled material, etc.	Potential positive impact	●	●	●		●	●
Change in industry standards, governmental regulations and customer expectations: The wave of new industry standards, EU governmental regulations and evolving consumer expectations poses a risk to long-term viability and reputation.	Risk		●	●	●	●	●
Energy consumption: High reliance on electricity in production, and in Türkiye and Poland there is a limited access for renewable energy.	Actual negative impact		●			●	●

E2 POLLUTION TO AIR AND WATER

Description	Potential or actual impact	Value chain location			Time horizon		
		Up-stream	Own operations	Down-stream	Short term (0–1 years)	Medium term (2–5 years)	Long term (6–30 years)
Value chain pollution to air and water: Non-GHG pollutants are emitted by our value chain, contributing to air and water quality degradation.	Actual negative impact	●	●		●	●	●

E5 RESOURCE USE AND CIRCULAR ECONOMY

Description	Potential or actual impact	Value chain location			Time horizon		
		Up-stream	Own operations	Down-stream	Short term (0–1 years)	Medium term (2–5 years)	Long term (6–30 years)
Increased demand for recycling: Protan may have big opportunities in enabling solutions that make circularity preferable, for both suppliers and customers. Protan may have impact by extending the direct operations, and thus increasing the scope of this topic. Protan may stimulate reuse and more sustainable consumption through consumption patterns. Similarly, Protan may be an integrator for circular solutions and product-service systems (e.g., pay-per-use and pay-per-function) from a business perspective. This may initiate innovation, including among smaller businesses and partners.	Opportunity	●	●	●	●	●	●

S1 OWN WORKFORCE

Description	Potential or actual impact	Value chain location			Time horizon		
		Up-stream	Own operations	Down-stream	Short term (0–1 years)	Medium term (2–5 years)	Long term (6–30 years)
Incidents, injuries and fatalities (warehouse, production facilities and construction sites): The potential consequences of an accident, either in production or at the construction site, may be (and have been) fatal. Both the scope and scale of this topic are therefore considered significant. Health and safety includes both physical and mental topics and is intrinsically linked to the wellbeing of Protan staff.	Potential negative impact		●		●	●	●
Impact on secure employment, working time and wages: The consequences of working under working conditions that are not fair, safe or dignified are severe for the affected people. To secure employment, working time and wages in Türkiye and Poland have been highlighted as especially relevant to consider when evaluating the scale of this topic.	Potential negative impact		●		●	●	●
Impact on adequate training: With a workforce of over 800 employees, providing the adequate training is crucial.	Potential negative impact		●		●	●	●
Impact on geographical diversity and provision of equal treatment and opportunities for all employees: Evaluating the scale of this topic, the consequences for those affected are significant, especially the negative effects if Protan fails to secure equal treatment and opportunities for all. Protan is well-positioned to impact this topic but needs to be aware that individual differences between the locations are likely to arise and will require follow-up.	Potential negative impact		●		●	●	●

S2 WORKERS IN THE VALUE CHAIN

Description	Potential or actual impact	Value chain location			Time horizon		
		Up-stream	Own operations	Down-stream	Short term (0–1 years)	Medium term (2–5 years)	Long term (6–30 years)
Impact on breaches of workers' rights in the value chain: The potential impact on breaches of workers' rights in the value chain 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 affects our suppliers' employees.	Potential negative impact	●	●		●	●	●

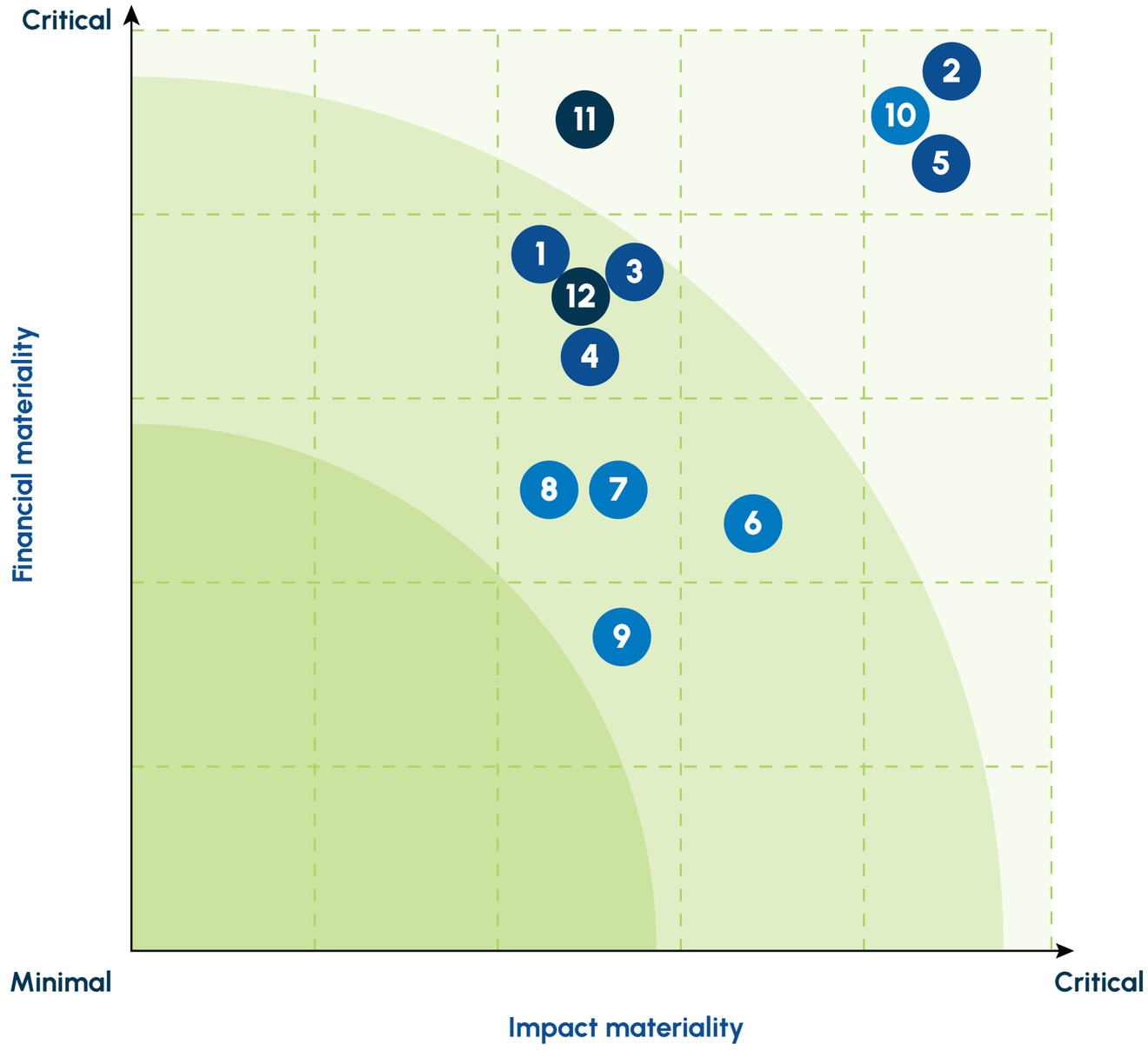
G1 BUSINESS CONDUCT

Description	Potential or actual impact	Value chain location			Time horizon		
		Up-stream	Own operations	Down-stream	Short term (0–1 years)	Medium term (2–5 years)	Long term (6–30 years)
Impact on ethical behaviour: As a company, Protan has great impact on how its employees act around the world, and ethical behaviour should be uniformly regardless of location, position, gender, etc. The impact of corporate conduct will impact affected third parties – such as employees, suppliers, clients and workers in the value chain.	Potential negative impact	●	●	●	●	●	●
Impact on upholding human rights and ethical standards in the supply chain: Most of Protan's suppliers are in the Nordics and Europe, thus posing a relatively low threat. However, suppliers outside Europe pose a higher risk and are monitored closely. Protan can contribute positively with ethical re-quirements to ensure and uphold human rights, including labour rights, in the supply chain.	Potential negative impact	●			●	●	●

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. Supply chain management and procurement
12. Business conduct

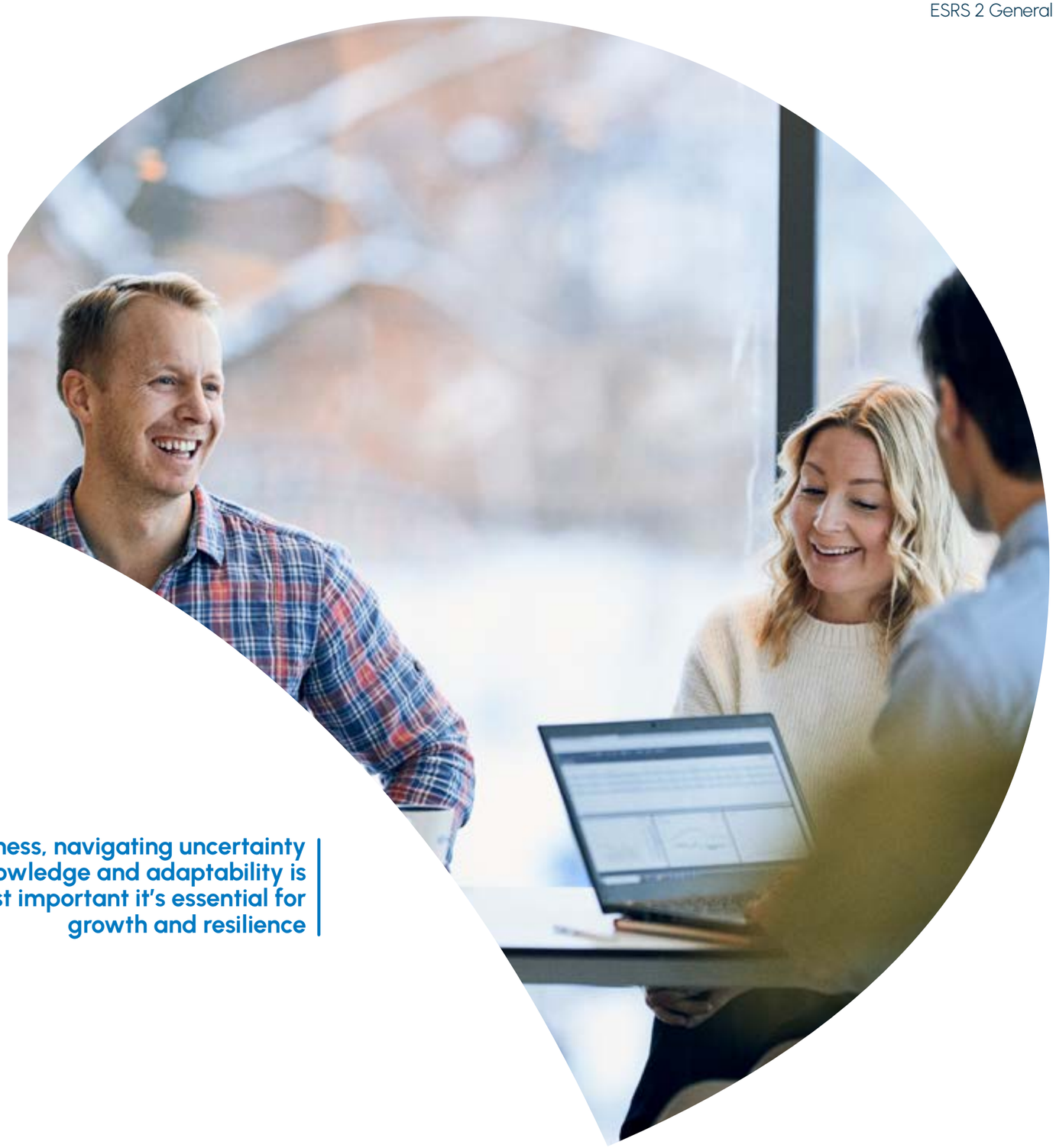


This assessment provides the foundation for our strategic work with sustainability going forward. Based on the materiality matrix three topics are identified as critical based on both financial and impact materiality:

- Climate adaptation
- Resource use and circular economy
- Training and 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 biproducts 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. 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.

12. 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).

03

Environmental information

E1 Climate change

E2 Pollution

E5 Resource use and circular economy

Environmental Information

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 and 2024 was to establish processes and improve data quality.

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

E1 Climate change

Protan is dedicated to offering carbon-friendly solutions that benefit customers and society. By optimising production, energy efficiency and circularity, environmental impact is minimised. Protan is committed to reducing emissions in its operations and value chain.

E1-1 | Transition plan for climate change mitigation

The objective is to achieve net zero status by 2050, in line with SBTi principles. 94.9 % of emissions are scope 3 (indirect emissions) that arise from the upstream value chain, mainly due to the procurement of raw materials and waste. These emissions also contribute to the customers' scope 3 emissions.

DECARBONISATION LEVERS

Protan's ability to significantly reduce emissions is constrained by the high proportion of scope 3 emissions in our value chain. Achieving substantial reductions will require close collaboration with suppliers and customers, as well as technological and regulatory developments. Our transition plan prioritizes scope 3 decarbonization through the following measures:

1. Develop and promote climate-resilient solutions, acknowledging the trade-offs between sustainability, cost, and performance.
2. Expand circular solutions to reduce waste, recognizing that infrastructure and market readiness vary.
3. Increase transparency by providing environmental product declarations (EPDs) for all products, despite data availability challenges.
4. Work towards our 2030 targets for scope 1, 2, and 3, while recognizing that significant reductions in scope 3 require systemic change.
5. Engage with suppliers to explore biobased raw materials, understanding that scalability and feasibility remain key hurdles.
6. Identify realistic opportunities to reduce energy consumption in production and operations.
7. Continue refining our environmental goals to align with evolving regulatory and market demands.

Further details concerning Protan's decarbonisation levers and the climate change mitigation actions undertaken in 2024 are provided in E1-3.

These solutions are integral to everyday business operations. Sustainability serves as a strategic enabler for growth and success. The ambition and approach align with commitments to SDG 12 Responsible Consumption, SDG 13 Climate Action and SDG 17 Partnerships for the Goals.

EMBEDDED IN STRATEGY

The transition plan is embedded in Protan's dual strategy, which focuses on accelerating by achieving net zero and expanding by seizing opportunities to invest in CO_2-friendly waterproofing.

Group management team is responsible for ensuring that the ESG strategy is implemented, including the transition plan. Protan is not excluded from Paris-aligned benchmarks.

IMPACT, RISKS AND OPPORTUNITIES

ESRS 2 SBM-2

ESRS	Impact	Potential or actual impact	Value chain location			Time horizon		
			Up-stream	Own operations	Down-stream	Short term (0–1 years)	Medium term (2–5 years)	Long term (6–30 years)
E1: Climate change mitigation	Value chain emissions	Actual negative impact	●	●	●	●	●	●
E1: Climate change mitigation	Higher prices on raw materials	Risk	●	●		●	●	●
E1: Climate change adaptation	Offer solutions fit for climate change	Actual positive impact			●	●	●	●
E1: Climate change adaptation	Greener raw materials	Potential positive impact	●	●	●		●	●
E1: Climate change adaptation	Change in industry standards, governmental regulations and customer expectations	Risk		●	●	●	●	●
E1: Energy management	Energy consumption	Actual negative impact		●			●	●

Climate change impacts

The materiality assessment described in the disclosure requirement identified the following material impacts:

VALUE CHAIN EMISSIONS

Greenhouse gas (GHG) emissions that contribute to climate change are generated by own operations (production, offices, energy use, fossil fuel, waste) and suppliers (raw materials, transportation, finished and half-finished goods). This actual negative impact occurs upstream and in our own operations in our value chain. It is considered systemic to the industry and has short, medium and long-term effects on the environment. The consequences of this are experienced locally and globally.

ENERGY CONSUMPTION

Part of our production process is energy intensive. In Norway renewable energy is abundant, but in Türkiye and Poland there is limited access to renewable energy sources. This actual negative impact occurs in our own operations and has short, medium and long-term effects on the environment. The consequences of this are experienced locally at each production site.

OFFER SOLUTIONS FIT FOR CLIMATE CHANGE

Protan's existing products and solutions are designed to adapt to changing environmental conditions, ensuring climate resilience for future scenarios marked by increased downpours, floods and heatwaves. By actively engaging and influencing key stakeholders such as contractors, architects and customers, Protan can make a significant impact. This actual positive impact extends throughout the downstream value chain, offering tailored solutions for climate change challenges, such as heavy rainfall, flooding, extreme heat and windy conditions, and to mitigate environmental impact (restore biodiversity, install solar panels, and more). This has short, medium and long-term effects on the environment.

GREENER RAW MATERIALS

Operating in a carbon-intensive industry necessitates innovation and the development of more sustainable products and services to mitigate past environmental impacts and to adopt a "do no harm" approach. Fortunately, most products and services can be made more climate-friendly by switching to sustainable raw materials, incorporating more recycled materials and implementing other eco-friendly practices. This potential positive impact extends throughout the value chain – upstream by positively affecting our suppliers, changing our own operations, and downstream as it will affect the customers. This has medium and long-term effects on the environment, and it requires transitioning from our suppliers, our own operations and our customers. The consequences of this are felt locally at each production site.

CLIMATE CHANGE RISKS

HIGHER PRICES OF RAW MATERIALS

The production process faces the risk of increased raw material costs and requires investment to decarbonise in order to meet the emissions requirements of the EU and of other developed nations. This risk impacts both upstream and internal operations within the value chain, and is present in the short, medium and long term.

CHANGE IN INDUSTRY STANDARDS, GOVERNMENTAL REGULATIONS AND CUSTOMER EXPECTATIONS

The wave of new industry standards, EU governmental regulations and evolving consumer expectations poses a risk to long-term viability and reputation. This risk affects both own operations and downstream within the value chain and is present in the medium and long term.

E1-2 | Policies related to climate change mitigation and adaptation

Protan's environmental policy outlines the six environmental priority areas:

- **Climate Change Mitigation:** Reducing emissions in operations and the value chain, aligned with the Paris Agreement.
- **Climate Change Adaptation:** Enhancing the resilience of buildings and infrastructure to withstand climate impacts.
- **Energy Management:** Reducing reliance on fossil fuels and prioritising energy efficiency.
- **Air and Water Pollution:** Minimising emissions throughout the product lifecycle.
- **Resource Use and Circular Economy:** Transitioning to a circular economy with efficient resource use and waste reduction.
- **Innovation and Product Development:** Advancing innovations to meet market demands and capitalise on the green transition.

The policy is distributed via Protan's management system. The policy applies to all employees and operations within Protan Group, emphasising a collective commitment to sustainable practices.

The policy outlines that Protan is certified in accordance with ISO 14001:2015 and complies with relevant environmental regulations.

The CEO has overall responsibility for the policy, while the CHRO People & Sustainability has the operational responsibility, and regional managing directors are responsible for implementing it within their countries as heads of their respective legal entities. The policy is reviewed annually.

E1-3 | Actions and resources in relation to climate change policies

Protan addresses emissions through the following actions:

OFFER CLIMATE-RESILIENT SOLUTIONS

Protan has a portfolio of resilient, long-lasting products that are designed to withstand heatwaves and downpours while also meeting construction needs and new regulations. Protan's solutions include:

- **BlueProof:** With the increase in heavy rainfall, there is a need to relieve the water and sewage systems. The solution lies in utilising rooftops. BlueProof's technology slows down water drainage, allowing controlled release into the sewage system and thereby reducing the risk of flooding. Most roofs can handle the weight of accumulated water, which makes this a viable solution. For example, a 1,000 m² roof can manage 50 mm of rain in an hour, equating to 50 cubic metres of water. Protan BlueProof ensures this water is released over approximately 24 hours, preventing system overload. This technology provides effective water retention and safe stormwater management, mitigating flood damage.

- **Green Roof:** A green roof is covered with vegetation, such as grass or sedum. This vegetation absorbs rainfall, reducing the load on drainage systems, and acts as natural insulation, lowering energy costs. Green roofs protect the underlying structure from weather, extending the roof's lifespan. Additionally, the vegetation absorbs CO2 emissions and bind dust, improving air quality. Green roofs enhance urban spaces and contribute to biodiversity in cities.

- **Vacuum Roofs:** Protan vacuum roofs are systems that do not require fasteners. Wind creates negative pressure between the membrane and an airtight, load-bearing substrate, securing the roof. This makes them suitable for harsh weather conditions.

- **Ballasted Roofs**: Covered waterproof membranes in roof constructions, known as ballasted roofs, offer significant benefits in the context of climate and environmental changes. The membrane is protected from direct exposure to climate and temperature fluctuations, tears, punctures and other mechanical damage, ensuring durability and longevity. The ballast material, which can be concrete slabs, gravel or soil, serves as the substrate for green vegetation and plants on the roof.

- **Cool Roofs:** A white roof with high solar reflection properties lowers the temperature in a compact roof structure compared to the use of darker colours. Protan Cool Roof, a white roofing membrane with a high Solar Reflectance Index (SRI), offers several benefits. It enhances roof durability, reduces cooling energy consumption, and mitigates the urban heat island effect. In cooler climates, installing white roofing in front of air intake systems can lower temperatures by several degrees. Protan Cool Roof has been tested according to ASTM C 1549-04 and ASTM C 1371-04a, following Cool Roof Rating Council (CRRC) methods.

- **Flood Protection System:** In September 2024, Poland experienced severe flooding due to record heavy rainfall from Storm Boris. To prevent flooding in the city of Wroclaw, Protan Elmark assisted the government with the Flood Protection System, which is an alternative to traditional methods such as using sand-filled bags, and is mobile and designed to act as a flood barrier.

- **The Next Generation of Roofing Membranes:** The transition from Protan SE Titanium+ to Protan SE 1.8 for extensive green roofs is driven by a commitment to environmental responsibility. Protan SE 1.8 is free from biocides and fluorides, making it fully recyclable and compliant with the Substitution Obligation principle, replacing hazardous substances with safer alternatives. It delivers optimal waterproofing performance with a durable membrane that is designed to meet both current and future demands. It ensures consistent quality while also harmonising the product range across all production facilities.

OFFER CIRCULAR SOLUTIONS TO REDUCE OWN AND CUSTOMERS' WASTE

Protan aims to take responsibility, in collaboration with customers, to reduce waste in the industry. This led to the launch of PROcycle in 2024. With this initiative, all customers in Scandinavia can return SE offcuts and surplus material from new roofing projects free of charge. Additionally, a guarantee is provided to take back all roofs produced in 2024 at the end of their life.

Aligned with the vision of recycling everything produced, continuous efforts are made to develop and enhance the recycling scheme. This commitment drives ongoing improvements to the recycling programme. Read more in chapter E5-2.

PROVIDE ENVIRONMENTAL PRODUCT DECLARATIONS (EPDS) FOR ALL PRODUCTS

EPDs provide detailed information about the environmental impacts of a product, such as greenhouse gas emissions, and help stakeholders to make informed decisions. The EPDs will help our customers to make conscious choices and obtain information about the emissions associated with our products. EPDs provide data and a basis for further emission reductions at the product level, enabling informed decisions related to emission reduction.

Protan uses LCA.no's tool, which complies with European standards for approved EPDs. The EPDs are published on the EPD-Norge.no webpage and are available for all.

Protan has a dedicated team that works to improve EPD results and to set concrete actions to reduce CO_2 emissions based on these EPDs.

As more than 90 % of Protan's emissions come from scope 3, efforts are underway to generate several new EPDs and to obtain EPDs from suppliers. This will allow us to improve our input data.

As a global group, there is a focus on meeting the requirements of the markets in Europe. In 2024, Protan joined the Dutch National Environmental Database (NMD), which generates EPDs according to the Dutch standard and includes an additional square-metre price based on emissions. This was ready in 2024.

WORK TOWARDS NEAR-TERM TARGETS FOR 2030, REDUCE VALUE CHAIN EMISSIONS (SCOPE 1, 2 AND 3)

Scope 1: The transition to electricity is crucial to achieve a reduction of scope 1 emissions. For example, the company had two electric vehicles in 2024. This represents a decrease from 2023, when there were nine electric cars. Due to the driving patterns, the driving range is not suitable for the contracting business. To work with this problem, the focus will be on efficient driving. Another initiative focusing on reducing fossil fuel usage is an internal campaign in the contractor business targeting Protan's employees. The aim is to make employees more aware of how to drive economically, in terms of both cost and emissions.

Scope 2: Electricity usage is primarily related to production processes. In 2024, energy streams at the production facilities in Lier were assessed, leading to actions aimed at tracking energy usage more efficiently by acquiring live measurement equipment. The results of these actions will be measured in 2025.

Scope 3: Most of Protan's CO_2 emissions stem from purchased raw materials. Efforts are underway in collaboration with suppliers to reduce these emissions by gathering EPDs with accurate data and developing new solutions. More details can be found in the section "Work with suppliers on biobased raw materials". Additionally, work has been done on recycling products to minimise the use of raw materials. Further information is available in the section "Offer circular solutions to reduce own and customers' waste".

WORK WITH SUPPLIERS ON GREENER RAW MATERIALS

We strive to transition to greener raw materials by phasing out hazardous chemicals. By adhering to the substitution obligation principle, we have replaced hazardous substances, like biocides and fluorides, in 2024. This approach has been crucial for green roof systems, where the demand for eco-friendly materials continues to grow. Our efforts have aligned with market expectations and regulatory developments, ensuring that our products contribute to biodiversity, water management, and long-term environmental safety.

REDUCE ENERGY CONSUMPTION

Parts of Protan's production process require high temperatures to melt the product onto the textile reinforcement. In 2024, an energy assessment was initiated in Lier, and data regarding energy use will continue to be analysed using specialist software.

FURTHER DEVELOP OUR ENVIRONMENTAL GOALS

In 2023, Protan committed to near and long-term environmental targets. More information on emissions reduction targets is provided in E1-4. In 2024, the focus was on implementing these targets in the management system and assessing appropriate actions. As the business develops, there is a need to evolve the transition plan in line with UN Global Compact's guidelines on transition plans.

E1-4 | Targets related to climate change mitigation and adaptation

Protan is committed to the goals of the Paris Agreement in alignment with our strategy and having established a baseline for our GHG emissions.

The long-term target is to become a net zero group in accordance with SBTi-principles by 2050. The targets for 2030 are:

- 20 % reduction in scope 1
- 20 % reduction in electricity use per sqm in production facilities in Norway, Türkiye and Poland
- 10 % of sold roofing to include biobased and recycled raw materials
- Work with suppliers to identify low-carbon alternatives to raw materials

See our goals and achievements in appendix 1.

E1-5 | Energy consumption and mix

Our energy consumption mainly consists of electricity. In 2024, the Group's energy consumption was 22,765,134 kWh. This consumption stems from the use of electricity and heating in internal operations.

We are tracking the development with KPIs based on kWh/produced square metre:

kWh/produced square metre	2024	2023	2022
Protan Group	1.17	1.06	1.01
Norway	1.37	1.21	1.21
Türkiye	1.00	0.76	0.69
Poland	0.80	1.01	-

E1-6 | Gross scopes 1, 2, 3 and total GHG emissions

The methodologies and significant assumptions and emissions factors used to calculate or measure GHG emissions are provided in the accounting policies section on page 39-40.

Scope 1

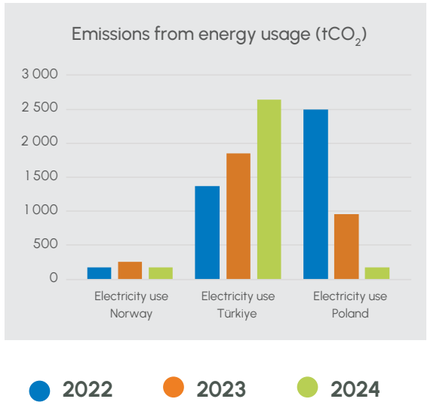
Scope 1 emissions come from the use of fossil fuels in operations (17%) and fossil fuels in cars and equipment (83 %). In total, there was a increase of 31.6 % in emissions in 2024 compared to 2023. The use of fossil energy used in operations decreased by 4.5 % in 2024 compared to 2023.

Most of the scope 1 emissions come from Protan's contracting services. Emissions from car use increased by 42.7 % in 2024. This is linked to an increase in distances travelled as a result of the merging of departments.

Scope 2

Scope 2 emissions from electricity use come mainly from our production facilities in Norway, Türkiye and Poland. In total, emissions from electricity use increased by 35.1 % in 2024 compared to 2023, and energy consumption (kWh) increased by 11.1 %.

In 2024, kWh per sqm produced was 1.17 for Protan Group. This is an increase from 2023 when the kWh/produced sqm was 1.06.

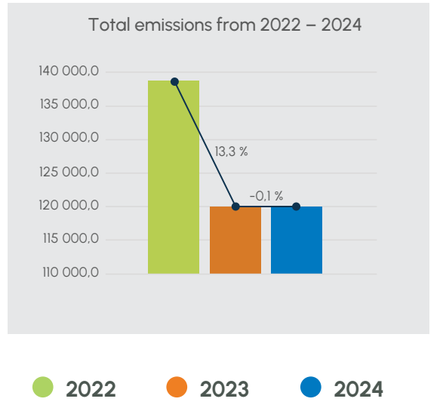


Scope 3

The scope 3 emissions account for 94.9 % of Protan's emissions. Scope 3 emissions arise from various sources, such as purchased goods and services, transportation both up- and downstream, waste management and business travel.

The purchase of goods and services accounts for 81.4 % of our emissions and is the largest category in our accounting. This is a decrease from 2023, where 84.6 % came from scope 3. This reduction is due to a decrease in production.

The average carbon emission intensity for our entire production amounted to 6.15 kg CO_2-eq per produced square metre in 2024. This is a decrease from 2023 when it was 6.22.



Protan's Carbon Accounting

Greenhouse gas emission[1)]	2024	2023	2022
Emission source	tCO_2e	tCO_2e	tCO_2e
Scope 1 - Direct emissions	**2 059**	**1 578**	**1 631**
Fossil energy use in operations	350	336	641
Petrol use in cars and equipment	251	207	846
Diesel use in cars and equipment	1 458	990	144
Scope 2 - Indirect emissions	4 102	**3 037**	**3 055**
Electricity use Norway	220	282	181
Electricity use Türkiye	1 352	1 833	2 633
Electricity use Poland	2 527	919	211
Scope 3 - Indirect emissions	113 904	**115 561**	**133 951**
Total purchased goods and services	98 068	98 611	118 394
Purchased PVC	28 657	27 498	31 973
Purchased metals	21 789	8 877	15 039
Purchased chemicals	16 067	19 202	29 240
Purchased textiles	11 095	14 100	6 413
Purchased plasticisers	14 849	22 276	26 702
Other purchased goods and services	5 608	6 656	9 024
Capital goods	0	0	300
Upstream transportation and distribution	10 159	9 629	5 958
Waste generated in operations	178	625	609
Business travel	245	251	139
Downstream transportation and distribution	5 207	6 644	8 550
Upstream leased assets	44	0	0
Total	120 065	**120 163**	**138 639**

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 2024, total emissions using the marked-based method, which corrects for the sales of guarantees of origin, amounted to 129 348 tonnes of CO_2e.

E1-7 | GHG removals and GHG mitigation projects financed through carbon credits

Protan does not have any GHG removals or GHG mitigation projects financed through carbon credits.

E1-8 | Internal carbon pricing

Protan does not apply internal carbon pricing schemes in its business.

ACCOUNTING POLICIES – ENVIRONMENT

The pro forma reporting covers the period from 1 January 2024 to 31 December 2024.

The accounting includes data from all companies where Protan Group has more than 80% ownership. Companies with only one employee have been excluded. See companies on page 11 in this statement.

The input data is based on information from both internal and external data sources and then converted into tonnes CO_2-eq. The analysis is based on the international standard; A Corporate Accounting and Reporting Standard, developed by the Greenhouse Gas Protocol Initiative (GHG protocol). This is the most important standard for measuring greenhouse gas emissions and was the basis for the ISO standard 14064-I.

The Greenhouse Gas Protocol Initiative (GHG protocol) is developed by the World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD). This analysis is according to A Corporate Accounting and Reporting Standard Revised edition, currently one of four GHG Protocol accounting standards explaining how to calculate and report GHG emissions. The reporting considers the following greenhouse gases, all converted into CO_2 equivalents: CO_2, CH4 (methane), N_2O (laughing gas), SF6, HFCs and PFCs.

This analysis is based on the operational control aspect that defines what should be included in the carbon inventory, as well as in the different scopes. When using the control approach to consolidate GHG emissions, companies shall choose between either the operational control or financial control criteria. Under the control approach, a company accounts for the GHG emissions from operations over which it has control. It does not account for GHG emissions from operations in which it owns an interest but has no control.

The carbon inventory is divided into three main scopes of direct and indirect emissions.

Restatement
Recalculations are undertaken when significant changes occur to our data. Structural changes, changes in calculation methodology or improvements in the accuracy of emission factors or activity data as well as discovery of errors that are significant are defined as triggers for recalculation. We have restated 2022 and 2023 numbers because of the new methods of calculation, improved data quality and data extraction processes.

Scope 1
Mandatory reporting includes all direct emission sources where the organisation has operational control. This includes all use of fossil fuels for stationary combustion or transportation, in owned, leased or rented assets. It also includes any process emissions, from e.g. chemical processes, industrial gases, direct methane emissions etc.

Scope 1 restatement
For scope 1 both 2022 and 2023 the emission factor applied have been updated and has now been restated to be aligned with the method used in 2024. This resulted in a decrease of -41 tCO_2e in 2022 (-2.5 %) and increase of 78 tCO_2e in 2023 (+5.2 %).

Scope 2

Mandatory reporting includes indirect emissions related to purchased energy; electricity or heating/cooling where the organisation has operational control. The electricity emissions factors used in CEMAsys is based on national gross electricity production mixes on a 3 years rolling average (IEA Stat). The Nordic electricity mix covers the weighted production in Sweden, Norway, Finland and Denmark, which reflects the common Nord Pool market area. Emission factors per fuel type are based on assumption in the IEA methodological framework. Factors for district heating/cooling are either based on actual (local) production mixes, or average IEA stat.

In January 2015, the GHG Protocol published new guidelines for calculating emissions from electricity consumption.

Primarily two methods are used to "allocate" the GHG emissions created by electricity generation to the end consumers of a given grid. These are the location-based and the market-based method. The location-based method reflects the average emissions intensity of grids on which energy consumption occurs, while the market-based method reflects emissions from electricity that companies have purposefully chosen (or their lack of choice).

Businesses who report on their GHG emissions will now have to disclose both location-based emissions from the production of electricity and the marked-based emissions related to the potential purchase of Guaranties of Origin (GoO).

The purpose of this amendment in the reporting method is on one hand to show the impact of energy efficiency and saving measures, and on the other hand to display how the acquisition of GoOs affect the GHG-emissions. Using both methods in the emission reporting highlights the effect of all measures regarding electricity consumption.

The location-based method: The location-based method is based on statistical emissions information and electricity output aggregated and averaged within a defined geographic boundary and during a defined time period. Within this boundary, the different energy producers utilize a mix of energy resources, where the use of fossil fuels (coal, oil and gas) result in direct GHG-emissions. These emissions are reflected in the location-based emission factor.

The market-based method: The choice of emission factor using this method is determined by whether the business acquires GoOs or not. When selling GoOs, the supplier certify that the electricity is produced by only renewable sources, which has an emission factor of 0 grams of CO2e per kWh. However, for electricity without the guarantee of origin, the emission factor is based on the remaining electricity production after all GoOs for renewable energy are sold. This is called a residual mix, which is normally substantially higher than the location-based factor. As an example, the market-based Norwegian residual mix factor is approximately 7 times higher than the location-based Nordic mix factor. The reason for this high factor is due to Norway's large export of GoOs to foreign consumers. In a market perspective, this implies that Norwegian hydropower is largely substituted with an electricity mix including fossil fuels.

Scope 2 restatement

For scope 2, both 2022 and 2023, data on electricity and heat have been updated in accordance with the methodology for 2024. The change is due to updates in the emission factor applied and has now been restated to be aligned with the method used in 2024. This resulted in a decrease of -56 tCO_2e in 2022 (-1.8 %) and increase of 19 tCO_2e in 2023 (+0.6 %).

Scope 3

Voluntary reporting of indirect emissions from purchased products or services in the value chain. The scope 3 emissions are a result of the company's different activities, which are not controlled by the company, i.e. they're indirect. Examples are business travel, goods transportation, waste handling, consumption of products etc. In general, the GHG report should include information that users, both internal and external to the company need for their decision making. An important aspect of relevance is the selection of an appropriate inventory boundary that reflects the substance and economic reality of the company's business relationships.

Scope 3 restatement

For scope 3, we have restated the 2022 and 2023 figures due to improved data quality and optimization in data processes performed in 2024 for all three reporting years (2022, 2023 and 2024). In addition, we have updated the emission factor applied and has now been restated to be aligned with the method used in 2024. Overall, this resulted in a increase of 16 270 tCO_2e in 2022 (+16.4 %) and increase of 8 948 tCO_2e in 2023 (+7.2 %).

E2 Pollution

Protan has a zero-pollution vision, demonstrating a commitment to reducing the risk of pollution across all production facilities and the entire value chain.

IMPACTS, RISKS AND OPPORTUNITIES

ESRS 2 SBM-2

Production processes at Protan involve high volumes of raw materials, such as polyvinyl chloride (PVC), plasticisers and filler materials. Addressing pollution, both to air and water, is a material topic, as these materials represent a significant proportion of the carbon accounting. The release of pollution relates to upstream and own operations.

The double materiality assessment described in IRO-1 identified the following pollution-related aspect as having material impact:

VALUE CHAIN POLLUTION TO AIR AND WATER

Reducing pollution to air and water will require alternative products, methods and facilities, and a shift to more sustainable raw materials. Future regulations pose a risk, as it is possible that today's products may no longer be approved, thereby impacting the entire value chain.

Although current products last for over 30 years, planning for their return or disposal is essential. This can be addressed by introducing more circular products and increasing innovation spending, as outlined in chapter E5 in this report.

As industry and government knowledge grows, regulations tighten due to the actual negative impact on the planet. With the approaching fulfilment of current limits, stricter pollution regulations are likely, which will significantly impact Protan's operations in the long term.

This potential negative impact is concentrated in upstream and own operations, and occurs in the short, medium and long term.

ESRS	Impact	Potential or actual impact	Value chain location			Time horizon		
			Up-stream	Own operations	Down-stream	Short term (0–1 years)	Medium term (2–5 years)	Long term (6–30 years)
E2: Pollution to air and water	Value chain pollution to air and water	Actual negative impact	●	●		●	●	●

E2-1 | Policies related to pollution

Protan's Environmental Policy defines and communicates how we work with our environmental performance.

The policy entails commitments for Protan to minimise emissions throughout the product lifecycle, and to comply with applicable laws, regulations and legislation covering areas within air and water pollution. The policy is binding for all employees in all countries that we operate in. Further information on the scope and implementation of the Environmental Policy is described in E1-2.

Protan also expects suppliers to take necessary account of the environment, and they are expected to comply with relevant national and international laws and environmental standards. Suppliers must have effective routines to reduce negative effects on the environment, to promote sustainable resource use and to minimise greenhouse gas emissions. See more in chapter G1 and the Supplier Code of Conduct.

E2-2 | Actions and resources related to pollution

All facilities have implemented environmental guidelines and routines according to national authority requirements. These are controlled locally by production management and are considered in planning for the next year's production.

The largest non-GHG emissions are organic plasticisers, organic compounds, and nitrogen oxide (NOx). NOx emissions to air are primarily from the melting process.

Protan monitors and reports on various material emissions to air and water from its operations. These emissions, potential pollutants, are typically subject to regulatory controls such as emission limits and monitoring. These regulations are reflected in operational licences and vary depending on the type of activity and applicable regulatory frameworks.

WATER

In the production process, water is primarily used within closed systems to cool down specific processes by absorbing heat. This water is considered non-contaminated.

Water used for floor cleaning passes through a separate system into an intermediate bulk container (IBC) and is then sent to special waste stations for proper treatment. Systems and routines ensure compliance with waste treatment protocols.

PARAFFIN

Low-aromatic paraffin is used to clean production equipment in a dedicated, ventilated room, ensuring compliance with health, safety and environmental regulations. Residues and particles are collected in an IBC and sent to specialised waste stations.

Used paraffin circulates through a closed system back to a storage tank, where contaminants settle at the bottom. The paraffin is then filtered and reintroduced into a usage tank. Contaminants are regularly removed and dispatched to specialised waste stations.

SMOKE AND DUST

During production, some smoke is generated. To ensure safety and regulatory compliance, the HSE department conducts biannual assessments of smoke levels. Dust poses a significant challenge, especially in older facilities in Norway compared to those in Poland and Türkiye. The HSE department assessed pollution levels and found dust pollution to be significant. Consequently, substantial measures were implemented, including the reconstruction of areas around mixer stations, which are primary sources of dust emission.

SUPPLIERS

A primary PVC supplier has implemented a zero-waste system that effectively prevents any PVC raw material 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.

USE OF ELECTRICITY WHEN WELDING PRODUCTS

Electric welding machines used during product installation offer several environmental benefits. Emitting no harmful gases or particles, these machines do not contribute to air pollution and preserve air quality. Additionally, the risk of fire close to flammable materials is lowered, and enhanced energy efficiency decreases both energy consumption and the environmental impact of construction activities.

METRICS AND TARGETS

E2-3 | Targets related to pollution

Protan's targets to reduce scope 3 emissions will achieve a corresponding reduction in pollution to air from its upstream value chain. An explanation of Protan's emission reduction targets is provided in E1-4.

Protan continues to prioritise and emphasise the importance of our environmental impact by reducing our emissions to achieve the corresponding reduction in pollution.

E2-4 | Pollution to air

Annual reports are submitted to national authorities to fulfil emission permissions for the production site in Lier. See the table below.

Substance	Unit	2024	2023	2022
Organic compounds, total	Tonnes	0.93	0.08	0.087
Carbon dioxide, fossil	1 000 tonnes	0.23	0.3	0.4
Nitrogen oxides (NOx)	Tonnes	0.049	0.005	0.005
Nitrogen dioxide	Tonnes	0.4	0.4	0.4

In Poland, pollution is reported in terms of emissions from car usage and waste management (see chapter E1-6 for emissions in climate accounting). Reporting carbon dioxide emissions from the factory is not required.

E2-5 | Substances of high concern

At Protan, we do not have any substances of high concern.

E5 Resource use and circular economy

The European construction industry generates a significant amount of waste, with construction and demolition activities accounting for over 37% of all waste produced in the EU in 2022 (Source: Eurostat). 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.

ESRS 2 SBM-2

Protan has an opportunity to promote circularity, benefiting both suppliers and customers. By extending its impact beyond direct operations, Protan can broaden the scope of sustainable practices. Protan can encourage reuse and more sustainable consumption patterns, acting as an integrator for circular solutions and product-service systems (e.g., pay-per-use and pay-per-function). This approach can drive innovation, particularly among smaller businesses and partners.

With the increasing demand for circular solutions, Protan has the potential to significantly influence sustainable practices. By extending its impact beyond direct operations, Protan can foster reuse and promote more sustainable consumption patterns. This approach can also position Protan as a key integrator for circular solutions and product-service systems, driving innovation across the industry.

The double materiality assessment described in IRO-1 determined the following related material impact:

INCREASED DEMAND FOR RECYCLING

The adoption of circular principles can contribute to a positive environmental impact by reducing carbon emissions, promoting resource efficiency and supporting the transition to a low-carbon economy.

This opportunity is concentrated in upstream, own operations and downstream value chain, and occurs in the short, medium and long term.

ESRS	Impact	Potential or actual impact	Value chain location			Time horizon		
			Up-stream	Own operations	Down-stream	Short term (0–1 years)	Medium term (2–5 years)	Long term (6–30 years)
E5: Resource use and circular economy	Increased demand for recycling	Opportunity	●	●	●	●	●	●

E5-1 | Policy

Protan's Environmental Policy commits Protan and all employees to transition to a circular economy by optimising production through a 'closed-loop' approach, adopting an adjusted business model that emphasises efficient resource use, waste reduction and effective resource management.

The policy commits Protan to complying with applicable laws, regulations and legislation covering areas within waste management. Further information on the scope and implementation of the Environmental Policy is provided in E1-2.

Protan also expects suppliers to take necessary account of the environment, and they are expected to comply with relevant national and international laws and environmental standards. Suppliers must have effective routines to reduce negative effects on the environment, promote sustainable resource use and minimise greenhouse gas emissions. For more information, see chapter G1 and the Supplier Code of Conduct.

E5-2 | Actions and resources in relation to resource use and circular economy

PRODUCTION WASTE

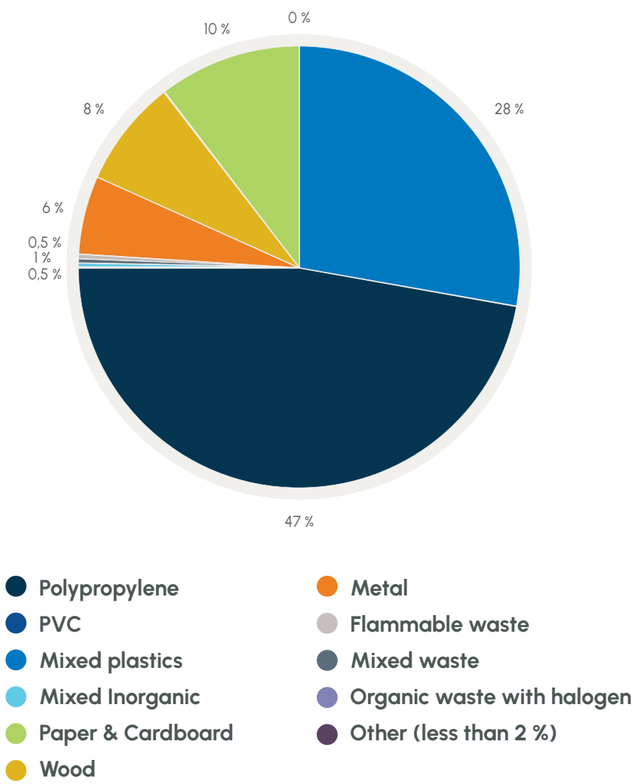
All waste generated during production undergoes classification and proper handling by third party waste management companies. Production facilities report annual waste fractions and quantities to national authorities. The Norwegian production facilities comply with the standards outlined in NS9431. Information about waste fractions in the group is provided in the illustration "Waste fractions 2024":

In 2024, the Lier production site improved its waste management by sorting waste into three categories instead of one mixed category. This change made waste handling more efficient and accurate. Waste is now divided into three types: non-hazardous materials for landfill, a mix of non-hazardous and some hazardous materials for incineration, and non-hazardous materials for recycling.

As part of the production process, product waste is generated due to cutting of products or the production of surplus materials. Protan has recycling procedures across its production facilities to transform surplus materials into new products. Each month, over 50 tonnes of PVC are recycled in Lier, approximately 30 tonnes in Poland and 35–40 tonnes in Türkiye. In Lier, a dedicated machine grinds the production waste for reuse in new products. In Poland and Türkiye, external providers handle the grinding of production waste. The roofing products consist of 4.5–6.5 % recycled materials.

In Lier, collaboration with a company producing fenders enables the use of their production waste. This clean PVC, which would otherwise be discarded, has been incorporated into Protan's production. In 2024, this amounted to 78,000 kg.

Waste fractions in Lier for 2024



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.

	2024	2023	2022
	kg total waste/ produced sqm	kg total waste/ produced sqm	kg total waste/ produced sqm
Total Protan Group	0.057	0.049	0.047
Norway	0.072	0.05	0.05
Türkiye	0.073	0.048	0.041
Poland	0.013	0.045	NA

	2024	2023	2022
Source separation rate (in Lier)	62.83	77.41	94.65

PRODUCT RECYCLING AND REUSE OF MATERIALS

Protan issues environmental product declarations (EPDs) that include the end-of-life stage for primary products. The 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 products, Protan designs them for easy disassembly at the end of their service life by using mechanically fastened systems. This approach aligns 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

In 2024, Protan introduced PROcycle, which aims to recycle all materials produced by the company. With the launch of this initiative at the end of August, all customers in Scandinavia can return SE offcuts and surplus material from new roofing projects free of charge. By 31 December 2024, customers had returned 480 kg of offcuts and surplus materials, which were then used in the production of new products.

With PROcycle, Protan also guarantees to take back all roofs produced in 2024 at the end of their life. In 2024, Protan began testing the return of a 16-year-old roof, regrinding it and reusing it in production. So far, the process of disassembly, return to the production facility, regrinding and producing the new roof has been satisfactory. In 2025, the newly produced roof will undergo strict product and quality tests.

PRODUCT PACKAGING

To optimise product packaging, roofing products are packed on wooden pallets that are customised to fit the product dimensions. To ensure the products are not damaged during transportation, they are wrapped in plastic film.

In 2024, efforts were made to reduce the use of plastic film. On one of the machines, changing the film will decrease total plastic film usage by 73 % and lower the CO_2 emissions of packaging by approximately 8,000 kg. The film used for packaging is recyclable as plastic waste.

In 2025, Protan will continue these efforts to optimise film usage in product packaging.

COLLABORATIONS WITH SUPPLIERS

In the contracting business, insulation is a key element. In 2024, a partnership with a supplier was established to reduce insulation waste. Instead of classifying surplus materials as waste, roofers collected them during a test project. These materials were then sent to the supplier's production site for recycling.

E5-3 | Targets

By 2030, Protan has committed to achieving the following goals:

- 100 % source separation rate at Protan Group
- Reduce PVC waste
- 75 % of tunnel ventilation reused or recycled after decommissioning
- 10 % of flat roofing reused or recycled after decommissioning
- 10 % of plastic halls reused or recycled after decommissioning

See our goals and achievements in appendix 1.

As the recycling process only began in 2024, sufficient data for the reuse and recycling process has not yet been gathered. For more information about PROcycle and the test projects, refer to chapter E-2, "Product recycling and reuse of materials".

E5-4 | Resource inflow

Resource inflows are the key raw materials used in the process of producing the thermoplastic membrane and finished products.

	2024	2023	2022
Material inflow for production	(Thousand tonnes)	(Thousand tonnes)	(Thousand tonnes)
PVC	14.0	14.4	16.1
Metals	3.3	1.1	2.6
Plasticiser	7.8	10.1	11.9
Chemicals	5.7	5.1	13.7
Textiles	2.8	2.8	2.0
Post-industrial material inflow			
Post-industrial PVC	0.08		

See E5-2 for the proportion of recycled materials included in products.

Products are packaged using wooden pallets, film and (for some products) surplus material from the ventilation membrane.

E5-5 | Resource outflow

All roofing products are designed for durability, with an expected service life of 30 years or more. Tunnel products typically have a lifespan exceeding 100 years, while ventilation systems for tunnels and mines are designed to last up to 20 years. The service life of technical textiles generally ranges from 5 to 20 years, depending on the application.

Regular inspections and maintenance are crucial to avoid costly roof issues. Roofs are often neglected in the daily upkeep of buildings. Active roof management and periodic checks can prevent leaks and moisture problems, saving property owners significant expenses. According to Sintef Byggforsk, the expected lifespan of flat roofs in Norway is 30 years. With simple maintenance and preventive measures, this lifespan can be significantly extended.

During the production process, waste is generated.

WASTE (LIER)

Kg	2024	2023	2022
Hazardous waste	47 304	29 075	37 295
Non-hazardous waste	796 902	593 304	692 393
Total waste	844 206	622 379	729 688

The data is extracted from our internal system and the external provider of waste services.

04

Social information

S1 Own workforce

Decent working conditions

Equal treatment and opportunities

Health and safety

Training and development

S2 Workers in the value chain

Social information

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 customers. We strive every day to make Protan a great, 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.

Own workforce

Protan is committed to ensuring safe and decent working conditions in its operations, through business partners and within the supply chain.

DECENT WORKING CONDITIONS

ESRS 2 SBM-3 S1

Protan employs people as roofers and operators in production facilities, and in administrative roles. Every day, efforts are made to create a good, safe and stimulating work environment in all parts of the organisation.

All employees at Protan can expect and are entitled 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 Türkiye. This has contributed to job creation.

Our double materiality assessment identified the following potential negative impact on our workforce:

IMPACT OF SECURE EMPLOYMENT, WORKING TIME AND WAGES

For our workforce, the consequences of working in unfair, unsafe or undignified conditions would be severe. In Türkiye and Poland, we have highlighted secure employment, working hours and wages as especially relevant to consider when evaluating the scale of this topic and the risk of human rights impact in these countries.

The pace and scale of Protan's global expansion has required greater focus on higher-risk countries. This potential negative impact is concentrated in own operations for all employees and occurs in the short, medium and long term.

ESRS	Impact	Potential or actual impact	Value chain location			Time horizon		
			Up-stream	Own operations	Down-stream	Short term (0–1 years)	Medium term (2–5 years)	Long term (6–30 years)
S1: Own workforce	Impact of secure employment, working time and wages	Potential negative impact		●		●	●	●

S1-1 | Policies related to own workforce

Protan's Code of Conduct governs working conditions for own workforce.

The objective of the Code of Conduct is to provide a clear framework and guidelines for all employees, ensuring operations are conducted in an ethical and socially responsible manner. This code outlines the responsibilities of both employees and managers, core values, Protan's commitments and the procedures for whistleblowing. It also details the consequences of breaching the code, and covers important topics such as health and safety, the working environment, substance use, environmental stewardship, diversity, equality, inclusion, human rights and acting with integrity.

All employees, temporary personnel and others acting on behalf of Protan are required to familiarise themselves with and sign the Code of Conduct. The code is accessed through the e-learning platform, and signing the Code of Conduct is also part of the onboarding process.
The Supplier Code of Conduct outlines expectations for suppliers, covering human rights such as fair and equal treatment, privacy and confidentiality. It also addresses employee rights, including the prohibition of forced and child labour, terms of employment, working hours, compensation, freedom of association, collective bargaining, and health and safety. These standards align with the ten principles of the UN Global Compact and relevant conventions and declarations (see S2-1).

The CEO is the most senior level with responsibility for the implementation of the Code of Conduct and the HSE Policy. The CHRO People & Sustainabilitymonitors compliance with policies to provide guidance for managers and employees.

S1-2 | Processes for engaging with own workforce and workers' representatives about impacts

Regular engagement with employees is a core part of operations at Protan. The employee survey, named MyVoice, is anonymous and distributed three times a year: one comprehensive annual survey and two shorter pulse surveys. The surveys provide valuable insights into the collective work experience, highlighting both strengths and areas for improvement. The feedback guides strategic priorities and practices, helping to measure progress towards organisational goals.

The CHRO People & Sustainabilityhave the operational responsibility for the MyVoice survey, ensuring feedback from the survey is shared and acted upon at both executive and team levels. The survey delivers an engagement score on a 100-point scale, which is used as a leading business indicator alongside financial KPIs. Results and targets can be found in chapter S1-4.

In response to the 2024 MyVoice survey results, managers with five or more direct reporting employees, along with their team, were asked to work on their individual team results, creating actions to address specific areas for improvement. Additionally, Group management team have created actions that affect the entire organisation in response to the 2024 survey results. Key focus areas include improving communication within teams and at a group level, integrating recognition into the feedback culture and ensuring that all employees have opportunities for growth and development.

The action plan for 2025 will focus on indicators from the 2024 score that need management attention in order to increase engagement.

There are various platforms where information and news are shared with employees. The intranet is the main platform where employees have access through their mobile phone, PC or information kiosk. In our contracting offices and on production sites, information is also shared on boards and screens.

Four times a year, employees are invited to a digital all-hands meeting for business updates. Employees are encouraged to ask questions before and during the meeting.

Managers play a crucial role in internal communication and fostering two-way dialogue. Consequently, a feedback culture is promoted throughout the organisation. Leaders hold one-on-one and departmental meetings to facilitate this.

In Norway, regular meetings are also held with the Working Environment Committee (AMU) and safety representatives, where work environment, health and safety are important topics of discussion (see more in the chapter about "Health & Safety").

S1-3 | Processes to remediate negative impacts and channels for own workforce to raise concerns

Protan has established a whistleblowing channel that is available for all employees and external stakeholders. All employees have the right and duty to report suspicious conditions or any misconduct in the business. Examples of matters that are to be reported include violations of laws and regulations or company guidelines, financial infidelity, corruption, harassment, or risk to life and wellbeing.

Any misconduct that is known or causes concern, must be reported to the line manager. If this is not possible, the whistleblowing channel can be used for anonymous or non-anonymous reporting. The whistleblowing channel is available in different languages and is described in chapter G1.

S1-4 | Taking action on material impacts on own workforce, and approaches to managing risks and pursuing opportunities related to own workforce, and effectiveness of those activities

GLOBAL HR NETWORK

The internal global HR network meets once a month and plays an important role in ensuring consistency across Protan, while also adapting global HR processes to local needs. HR representatives provide regular updates on HR KPIs and ongoing processes in each country, and discuss plans and projects for the upcoming period. The network explores key topics and strategies to support global implementation, while staying ahead of evolving regulations and best practices to foster greater collaboration across the organisation.

UNION MEETINGS

Rules and regulations regarding workers' rights and social dialogue are strictly followed in the countries where operations take place. Dialogue with union representatives is seen as a prerequisite for cooperation, employee wellbeing and customer satisfaction at Protan. Union representatives are involved and consulted in all significant changes that may impact employees, with a strong emphasis placed on the perspectives raised. Several meetings with union representatives were conducted in 2024. These meetings are formally documented and involve discussing and engaging employee perspectives in decision-making with regard to topics such as wages, working time, and health and safety. In Norway, regular meetings are held throughout the year with union representatives to discuss § 9-3 of the main agreement between LO and NHO. These meetings primarily focus on the company's ongoing operations.

REVIEW OF HR PROCESSES

HR regularly updates processes to improve them and to comply with labour laws. By optimising HR procedures, Protan aims to enhance employee experience and support workforce needs. SuccessFactors is used as the HR system, and has been customised for local requirements and laws.

New procedures for hiring underage workers for summer jobs have been established, including a clear application process and job postings, ensuring transparency.

WORKING TIME

In the contracting business, a new system for working time registration has been implemented to enhance efficiency and accuracy. This system allows for precise tracking of working hours, ensuring that all time spent on projects is accurately recorded and that employees are paid correctly according to the working hours. In addition, this has an important safety aspect, to be able to have a comprehensive overview of where our employees are working and located in case of emergency.

MENTAL HEALTH AND WELLBEING

Mental health and wellbeing are key areas of focus for Protan. Efforts to improve flexibility and job security will fall short if employees feel unsupported or stressed. Awareness campaigns on mental health and training in stress management are prioritised to equip employees with the tools to cope with personal or work-related challenges. The occupational health service offers employees the opportunity to speak with a therapist if needed, and crisis counselling is also provided.

Family days are arranged to strengthen the bond between employees and their families, fostering a sense of community. These initiatives aim to create a more resilient and engaged workforce.

S1-5 | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

MyVoice is the primary method by which Protan assesses and monitors its progress in all areas relating to employee experience and wellbeing. Protan set itself a target to achieve an engagement score of 80 % by 2030. In 2024, the engagement score was 63 % (64 % in 2023) and the participation rate was 87 % (85 % in 2023). MyVoice is discussed in more detail in S1-2.

See our goals and achievements in appendix 1.

S1-6 | Characteristics of employees

Protan's headquarters is located in Lier. There are three production sites in Norway, two in Poland and one in Türkiye. Sales representatives are present in Norway, Poland, Türkiye, Sweden, Denmark, the UK, Spain, Germany and Dubai. The contracting business has 9 offices in Norway, Sweden and Denmark.

In 2024, the turnover rate was 17.4 %. In 2024, there has been downsizing due to the economic situation in the market.

Gender	Number of employees (Headcount)
Male	691
Female	144
Other	0
Not reported	0
Total employees	**835**

	Number of full-time employees	Number of part-time employees	Number of temporary employees
Male	666	3	19
Female	324	8	2

Location	Number of employees (Headcount)
Norway	416
Poland	246
Türkiye	61
Sweden	43
Denmark	41
UK	17
Spain	1
Germany	1
United Arab Emirates	1
Hungary	5
Total employees	**835**

	Employees by business area
Production (factory workers)	275
Administrative (office workers)	322
Roofers	246

The figures are reported for the end of reporting period (31 December 2024).

S1-10 | Adequate wages

All employees are paid according to the laws and regulations in the country where they operate. Protan incorporates national benchmarks when determining wages for all employees.

S1-11 | Social protection

At Protan, our employees' welfare is a top priority. We provide extensive social protection measures, such as healthcare, retirement plans, paid leave and workplace safety. These are customised to local regulations and market needs, and all of our employees are protected following major life events.

S1-15 | Work-life balance metrics

In 2024, eligible employees took a total of 337.8 weeks of parental leave, with men taking 186.2 weeks and women taking 151.6 weeks.

S1-17 | Incidents, complaints and severe human rights impact

In 2024, a total of 1 grievance cases were raised. This was substantiated, leading to actions and remediation plans.

The number of cases raised through the whistleblowing system is detailed in G1-1. No cases of severe human rights incidents (e.g., forced labour, human trafficking or child labour) were identified during 2024.

Equal treatment and opportunities for all

At Protan, great importance is placed on diversity, equality and inclusion (DEI). All employees should be treated with fairness, respect and dignity, regardless of gender, age, language, religion, ethnicity, sexual orientation, functional ability or any other characteristic.

IMPACT, RISKS AND OPPORTUNITIES

ESRS 2 SBM-2

The significance of diversity, equality and inclusion (DEI) at Protan is incalculable. A diverse workforce can enhance engagement, attract talent and foster the innovation necessary for addressing challenges such as circularity and climate adaptation.

The double materiality assessment identified the impact of the following aspect of our commitment to equal treatment & opportunities for all to be material for Protan:

IMPACT OF EMBRACING GEOGRAPHICAL DIVER-SITY AND ENSURING EQUAL OPPORTUNITIES AND OPPORTUNITIES FOR ALL EMPLOYEES

With operations spanning eleven countries, our products and solutions reach global markets, which means that they must fit these markets. Failing to ensure equal treatment and opportunities can have significant negative consequences, including reduced engagement, difficulty attracting top talent and a slower pace of innovation. It can also hinder the ability to expand into new markets and connect with customers and suppliers from diverse backgrounds. This affects all of Protan's employees.

The potential negative impacts on the Protan Group's employees can occur in the short, medium and long term. To address this, Protan aims to foster a culture that emphasises the positive effects of diversity, equality and inclusion.

ESRS	Impact	Potential or actual impact	Value chain location			Time horizon		
			Up-stream	Own operations	Down-stream	Short term (0–1 years)	Medium term (2–5 years)	Long term (6–30 years)
S1: Own workforce	Impact on geographical diversity and provision of equal treatment and opportunities for all employees	Potential negative impact		●		●	●	●

S1-1 | Policies related to own workforce

The Code of Conduct outlines specific grounds for discrimination. Protan values diversity and does not tolerate any type of discrimination, harassment, bullying or threats of any kind by our colleagues, customers, suppliers or partners. Actions that could reasonably be perceived as offensive or intimidating, including any form of unwanted sexual attention, are not tolerated.

The CEO has overall responsibility for the policy and the CHRO People & Sustainability is responsible for the processes and organisational development that are necessary to support and maintain diversity, equality and inclusion in the workplace.

All employees are informed about Protan's commitment to diversity, equality and inclusion via the Code of Conduct, which they are required to sign. This is described in detail in section S1-1 Working conditions.

S1-4 | Taking action on material impacts on own workforce

In 2024, the Group management team initiated a structured approach to diversity, equality and inclusion. A set of goals and KPIs were established and a DEI working group was formed and made responsible for creating and implementing actions to achieve these goals.

The working group consists of employees who are representative of the company's diverse workforce. Its composition includes individuals from production, contracting and administration, as well as representing different genders, various age groups and different backgrounds.

A MyVoice survey focusing on DEI was conducted to understand the current situation, along with other DEI metrics to identify areas for improvement at Protan. Based on this analysis, four focus areas were selected:

- Diversity: Everyone is treated fairly, regardless of background and identity.
- Life stages: Protan aims to be an attractive employer for employees in all stages of life.
- Inclusive culture: A culture is fostered where everyone can be themselves, regardless of background and identity.
- Gender balance: Efforts are made to achieve a good gender balance in groups and among managers.

Measurement of these goals and KPIs will commence in 2025.

S1-5 | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Gender diversity must be reflected at all levels of the organisation. Currently, the goal is to achieve greater gender balance, with 18 % of leaders being female. In 2024, this figure was 17.1 %, compared to 17.9 % in 2023.

DEI performance is tracked through periodic reviews in the MyVoice survey. The MyVoice targets and results are detailed in S1-5 Decent working conditions.

S1-9 | Diversity metrics

Throughout the year, Protan upheld its commitment to fostering a more gender-diverse workforce in a traditionally male-dominated industry, with 82.8 % male employees and 17.2 % female employees across our global organisation.

Gender diversity	2024
Women in top management positions*	11.1 %
Women in management positions with employee responsibilities	17.1 %
Women in management positions without employee responsibilities	31.5 %
Women working as operators	7.3 %
Women working as roofers	1.6 %

**Top management is referred to as the Group management team*

Distribution of employees by age group	2024	
	In numbers	*In percentages*
Under 30 years	115	13.8 %
30-50 %	484	58.0 %
51 years and above	236	28.2 %

S1-16 | Remuneration metrics (pay gap and total remuneration)

Closing the gender pay gap is another way for Protan to demonstrate its commitment to social responsibility, sustainability and fostering an inclusive work culture. For Norwegian employees, this is included as part of the "Aktivitets- og redegjørelsesplikten".

Health and safety

Protan prioritises safety and the wellbeing of employees by fostering a healthy and safe work environment. This dedication extends beyond the internal workforce, as health, safety and working environment (HSE) standards are also monitored and upheld among suppliers and contractors.

Commitment to safety means more than just compliance; it involves actively protecting employees throughout their workday. The goal is not only to mitigate risks but also to promote overall wellbeing, aiming for a total eradication of work injuries. This commitment underscores the belief that safety is non-negotiable — this is a fundamental aspect of the company culture.

IMPACTS, RISKS AND OPPORTUNITIES

ESRS 2 SBM-2

Protan is exposed to safety issues, with the main exposure lying with production facilities (including warehouses) and the contracting business. In the production facilities, there are 275 employees working as operators, and there are 246 employees working as roofers in the contracting business.

The double materiality assessment identified the following potential negative impact as being material to the Protan Group.

INCIDENTS, INJURIES AND FATALITIES
(warehouse, production facilities and construction sites)
In the warehouses, there is a potential risk of physical harm from incidents due to the use of trucks and heavy loading. In the production facilities, there is a potential risk of physical harm due to the use of knives, heavy machinery, chemical mixing and truck driving. In the contracting business, roofers are exposed to the risk of working with knives, at heights and in sometimes demanding working conditions at construction sites. These incidents can lead to negative consequences for those affected, which in the worst case are fatal.

These negative impacts are concentrated in certain areas of Protan Group's own operations, and occur in the short, medium and long term. Protan is addressing these impacts by implementing its health and safety management system across its operations.

ESRS	Impact	Potential or actual impact	Value chain location			Time horizon		
			Up-stream	Own operations	Down-stream	Short term (0–1 years)	Medium term (2–5 years)	Long term (6–30 years)
S1: Own workforce	Incidents, injuries and fatalities (warehouse, production facilities and construction sites)	Potential negative impact		●		●	●	●

S1-1 | Policies related to own workforce

The Code of Conduct is reinforced by the Health, Safety and Environment (HSE) Policy, which aims to achieve the complete eradication of injuries and accidents through effective safety procedures and relevant training for all employees. Protan ensures a safe work environment and provides all employees with the necessary working equipment. The goal is to create a workplace where no one is injured or becomes ill as a result of working at Protan. At Protan, the term health and safety refers to both the physical aspects and a psychologically safe working environment. Protan undertakes to meet the requirements of ISO 45001 as well as relevant legislation, regulations and HSE requirements.

The HSE Policy emphasises the importance of employee health in achieving objectives, making the continuous improvement of HSE processes a priority. Employees have the right to stop work if there is imminent danger and must immediately notify their line managers. Every employee is responsible for HSE, which includes acting safely and promoting health, and is therefore responsible for knowing the content of the HSE Policy, which is available to all on the intranet.

The HSE Policy undergoes annual revision and is signed by the CEO to signify its importance. The CEO holds ultimate responsibility, with strategic responsibility lying with the CHRO People & Sustainabilityand operational responsibility with local production and contracting management.

Protan's HSE management system, which is based on ISO standards, encompasses all employees within the organisation. The system includes regular reviews of policies, procedures and action plans, thorough risk assessments, and detailed incident-reporting mechanisms. All employees, as well as complaining customers, can register improvement suggestions, deviations, incidents or identified risks through digital tools. The Global HSE Manager and local HSE resources are responsible for implementing and following the system.

Incidents are investigated thoroughly by the HSE department, and continuous improvement is pursued based on incident mapping. Continuous improvement is at the core of the HSE strategy. This commitment ensures that safety remains integrated into every aspect of operations, empowering the workforce to thrive in a secure and supportive environment. The process owner is actively involved in these efforts to ensure effective implementation and the ongoing enhancement of health, safety and environmental practices.

Unsafe work practices, injuries and serious accidents are reported in the management system. Findings from audits and inspections are regularly followed up by line management, and corrective actions are implemented to avoid recurrence.

Due to the nature of operations, potential findings from supervisory authorities may result in fines if they conclude that Protan has breached its obligations. This may cause delays and stoppages in projects or at production sites. Failure to follow up on such incidents may also have negative consequences.

S1-2 | Engagement with workforce and employee representatives

In Norway, the Working Environment Committee (AMU) and safety representatives play a critical role in ensuring a safe and healthy workplace. Safety representatives monitor the workplace for potential hazards and actively work to prevent accidents and injuries. This preventive work is essential in order to protect employees from harm and health risks. The AMU helps to promote health and wellbeing among employees by identifying and resolving workplace issues. The AMU provides employees with a voice in decisions that affect their work environment, fostering collaboration and engagement. This participatory body ensures that all employees can take part in discussions and decisions regarding their safety and wellbeing. The CHRO People & Sustainabilityhas operational responsibility.

Safety representatives are elected for a period of two years, with one safety representative in each department and a chief safety representative. The safety representatives participate in the AMU, which includes representatives from the employer, employees and the external occupational health service. The external occupational health service provides regular health check-ups for our employees, especially focusing on those employees with exposure to physical risks.

Both safety representative meetings and AMU meetings are to be held quarterly as digital meetings, in accordance with Norwegian law. Each meeting follows a fixed agenda where HSE and working conditions are always included.

PROGRESS IN 2024

S1-4 | Taking action on material impacts on own workforce, and approaches to managing risks and pursuing opportunities related to own workforce, and effectiveness of those actions

HSE TRAINING

HSE training is integrated into the digital onboarding programme. This underscores a commitment to equipping employees with the necessary knowledge and skills to prioritise safety.

Mandatory courses include 13 different training sessions aimed at preventing accidents related to working at heights, crush and cut injuries, forklift accidents, fire, chemical handling and falling objects. This helps to upskill and educate employees to perform their tasks safely and protects Protan Group from potential disruptions due to work-related injuries.

In 2024, 606 employees undertook one or more health and safety training courses, comprising 73% of the global organisation.

PROTAN'S HSE WEEK

As part of a safety-first culture, the annual HSE week was organised. The focus areas were the five most important risk areas. Three tailored programmes were created for roofers, operators and office workers, and were made available in multiple languages.

Psychosocial aspects of HSE were also emphasised, focusing on stress management and unconscious biases. During the HSE week, it is crucial to address these factors to promote a supportive and healthy work environment. Stress can arise from various sources, such as workload, work–life balance and interpersonal relationships at work.

INTERNAL AUDITS, INSPECTIONS AND SAFETY ROUNDS

An internal audit plan is in place to control the delivery of HSE standards and routines in the Group. The internal HSE audit includes both a document audit and a physical audit of the production site by the Global HSE department. Project inspections include physical inspection of the construction site, ensuring compliance with HSE and quality measures. Safety rounds are performed at construction sites by the safety representative and roofer in charge. During 2024, eight HSE system audits, 13 project inspections and 480 safety rounds were conducted.

These physical inspections also include checks of personal safety equipment, ensuring that operators and roofers plan and use the equipment ergonomically. Projects are planned based on a safe job analysis, and thorough risk assessments are conducted.

To prepare for and respond to unintentional incidents and naturally occurring disasters, and to protect people and assets, appropriate measures are adapted and initiated. This is based on the evolving risk landscape. An emergency procedure has been established for all companies, outlining responsibilities and actions for all parties involved.

EXTERNAL AUDITS AND CERTIFICATIONS

In 2024, all production facilities and the Norwegian contracting business underwent audits and received ISO-certifications. The production facilities and contracting business in Norway were re-certified in accordance with ISO 9001 and 14001 in 2024. Poland and Türkiye are certified in accordance with ISO 9001, 14001 and 45001.

SAFETY ALERTS

A "safety alert" is a notification or warning that informs about an incident, risk or near-miss that has occurred in the workplace. The purpose of a safety alert is to raise awareness about safety issues, to share lessons learned from the incident, and to prevent similar situations from happening in the future. These alerts typically include details about what happened, the causes of the incident and the measures that were taken to improve safety. Safety alerts are communicated via the intranet and during all-hands meetings to all employees. In 2024, four safety alerts were issued.

PRODUCT SAFETY

Protan provides safety data sheets (SDSs) to ensure health and safety by providing necessary information about hazardous chemicals, enabling employees and customers to handle them safely and avoid health risks. SDSs are important tools for preventing accidents by stipulating the proper storage, usage and disposal of chemicals, thus mitigating potential hazards to both people and the environment. SDSs are available for all chemicals used and are also provided for the products produced.

In the event of an accident, the SDS offers clear instructions regarding first aid, fire-fighting measures and actions to take in case of accidental release, which can save lives and minimise damage. The provision of SDSs is also a legal requirement, ensuring that all employees have access to vital safety information.

PERFORMANCE, METRICS AND TARGETS

S1-5 | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Protan aims for the complete eradication of serious work-related injuries. In 2024, the total recordable injury frequency (TRIF) was 10.3, compared to 8.5 in 2023. This is an increase. Lost time injuries (LTIs) are injuries that result in more than one day of absence. Our target is a 10 % yearly reduction of injuries. In 2024, the Lost Time Injury Frequency (LTIF) was 5.7, which is an increase from 3.9 in 2023.

In 2024, Protan had zero fatalities.

SAFETY PERFORMANCE IN 2024

S1-14 | Health & safety metrics

The health, safety and environment (HSE) key performance indicators (KPIs), including lost time injuries (LTIs) and total recordable injuries (TRIs), are reviewed by the management group on a monthly basis. This review is based on data that is registered in the reporting tools for HSE incidents. The data encompasses all employees at Protan Group.

Total Protan Group	2024	2023	2022
Lost Time Injuries (LTI)	10	6	5
Recordable Injuries (TRI)	8	7	9
Fatalities	0	0	1
High Potential Incident (HiPo´s)	2	1	1
First Aid Cases (FAC)	12	27	19
Safety rounds	467	590	292
HSE Training (# hours)*	2 944	733	444
HSE Training (# courses)*	26	12	10
HSE briefs	8 748	10 700	1 133
International audits & inspections	25	73	64
External audits & inspections	23	20	22
Safety Alerts	4	5	7
HSE week (# locations)	16	18	12

As of 31st December 2024

* 2024 numbers include Türkiye, Scandinavia and Poland.

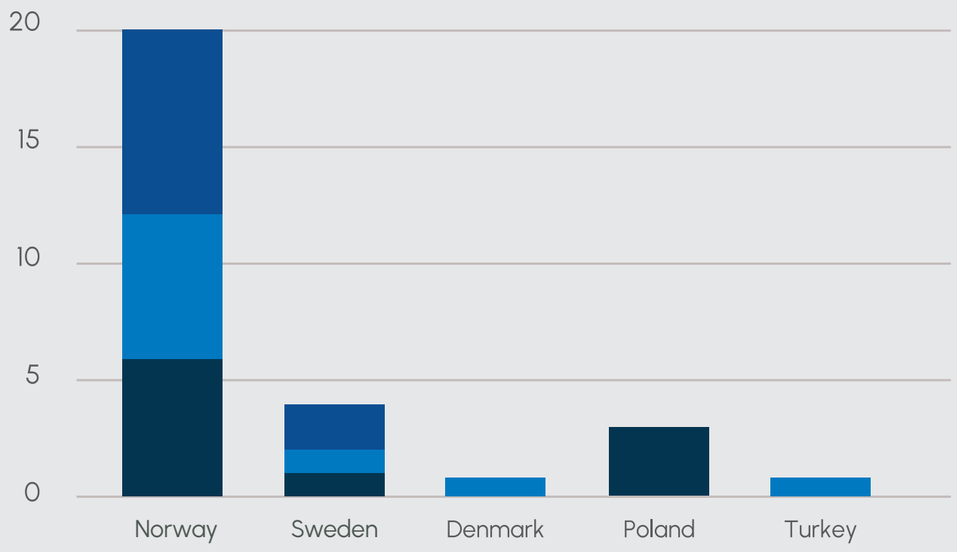
Summary of injuries

Total Protan	2024	2023	2022
LTIF	5.7	3.9	3.7
TRIF	10.3	8.5	10.3

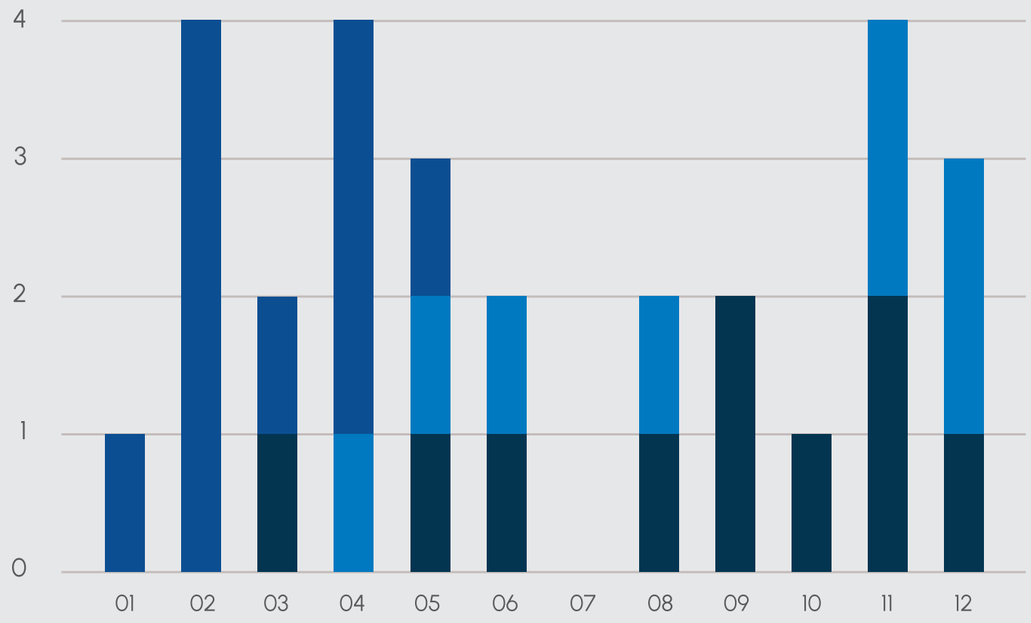
LTIF: The number of injuries resulting in more than 1 day of absence, loss of productive work time per 1.000.000 work hours.

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

Injuries per country 2024



Injuries per month 2024



Lost time injury (LTI) Recordable injury (TRI) First aid cases

Reporting principles:

Health and safety data are prepared and reported to Group management team on a monthly basis based on data registered in TQM (our management system). The data covers employees in Norway, Sweden, Denmark, Poland and Türkiye.

- LTIF (The number of injuries resulting in more than one day of absence, lost productive work time per 1,000,000 work hours.
- TRIF: The number of fatalities, lost time injuries, cases where employees are restricted from work and medical treatment cases per 1,000,000 work hours.
- Training hours: In contracting business, The total training time in hours is calculated by multiplying the number of employees by the number of courses, then multiplying by the average course length (45 minutes), and finally dividing by 60 to convert minutes to hours. In production, the number of employees multiplied by the number of courses multiplied by the course duration (number of hours).
- Training courses: Number of HSE courses available to all employees.

Training and development

ESRS 2 SBM-3 S1

The construction industry is consistently faced by the challenge of attracting and retaining skilled labour. The demand for competent workers often exceeds the available workforce, leading to increased labour costs and potential project delays.

Recognising the importance of training and development, Protan emphasises this aspect of operations. Staying competitive and keeping up with technological advancements depends on cultivating the necessary expertise within all roles of own workforce. By equipping employees with essential skills, employee engagement is fostered, product quality is enhanced, market position is strengthened and client satisfaction is improved.

IMPACT OF INADEQUATE TRAINING

The potential consequences of insufficient training, particularly in health and safety protocols and leadership development, highlights the critical importance of this focus area. Neglecting to prioritise training and development poses risks for employees, either directly through inadequate training or indirectly through poor leadership. This can result in higher turnover rates and reduced employee retention.

This actual impact is located in Protan's own operations, benefits all employees and occurs in the short, medium and long term.

The materiality assessment identified the following potential impact on own workforce:

ESRS	Impact	Potential or actual impact	Value chain location			Time horizon		
			Up-stream	Own operations	Down-stream	Short term (0–1 years)	Medium term (2–5 years)	Long term (6–30 years)
S1: Own workforce	Impact of adequate training	Potential negative impact		●		●	●	●

S1-1 | Policies related to own workforce

Training and development are guided by our employee and leadership handbooks, ensuring a consistent and structured approach to skill-building and growth.

The employee handbook outlines the guidelines for training and development. All training should be conducted systematically as part of a planned development of competencies. Training can occur through individual skill enhancement, group-level advancement and inter-group collaboration. The employee's leader is responsible for ensuring the department's overall competence is optimal, in both the short and the long term. Employees are expected to actively engage in their own training and development. The department head and employees should collaboratively assess the need for training. The department head should propose training initiatives for the next budget year, forming the basis for budgeting and planning.

The leadership handbook states that all employees should have the opportunity to develop their knowledge and skills. This also includes the development of leadership potential among employees. Performance reviews are an important tool in this process, where the leader and employee in a dialog walkthrough the company's goals, requirements and expectations, and also addresses the employee's individual development goals.

S1-3 | Process to remediate negative impacts and channels for own workforce to raise concerns

Protan has established a whistleblowing channel, which is available for all employees and external stakeholders. See more in chapter G1.

S1-4 | Taking action on material impacts on own workforce, and approaches to managing risks and pursuing opportunities related to own workforce, and effectiveness of those activities

ONBOARDING PROGRAMME

As a part of the onboarding process, new office workers in the Nordic region and roofers in Norway participate in the digital onboarding programme. The purpose of this programme includes providing new employees with the necessary resources and support for a smooth transition into their new roles.

In addition to the digital onboarding, the employee's leader is responsible for a local onboarding process adapted to the employee's position.

COURSES

In 2024, internal courses were further developed as part of the training programme, focusing on working methods, business skills, professional skills and people skills. During the year, employees completed a total of 4486,5 hours of training through internal courses.

Additionally, employees engage in external courses relevant to their roles, such as project leadership, sustainability, recruitment, leadership and digital tools. However, there are no available statistics on the number of participants or the total hours spent on these courses.

LEADERSHIP PROGRAMME

In 2022, an internal leadership training programme called the Protan Leadership Journey was developed. This fundamental global leadership programme equips participants with essential leadership skills to enable them to lead their teams effectively. Over a period of four months, the programme includes several virtual sessions and a face-to-face session. A consistent practical approach is applied across all management levels, emphasising the leadership behaviour and values that are expected at Protan.

In 2024, 10 leaders participated in this training (2023: 11). Feedback has been very positive, highlighting the programme's robust learning experience and the toolbox it provides to enable participants to improve in their leadership roles.

Additionally, a structured succession planning process was introduced in 2024 to identify and nurture future leaders within the organisation, ensuring continuity and talent retention.

PROJECT MANAGEMENT SCHOOL

In 2023, the "Project Management School" programme was launched specifically for the contracting business to enhance the ability to deliver profitable and sustainable high-quality roofing solutions. Project managers gain access to essential tools and strategies to ensure efficient project execution, from contract to completion. By applying these tools in a quality-assured manner, project managers are supported in growing their roles and increasing both efficiency and profitability by optimising resource use.

In 2024, 8 employees participated (2023: 5). This initiative will be further developed and will continue in 2025.

S1-5 | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Every year, performance reviews are conducted for all employees to review business goals, establish personal development goals, create skill development plans, and discuss workplace wellbeing and how employees shall embody company values. Individual development goals in the workplace provide clarity, motivation and accountability. The goals ensure that employees understand expectations and remain focused, and enhance performance. Aligned with organisational objectives, individual goals are integral to overall success and professional growth.

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

S1-13 | Training and skills development metrics

In 2024, 73.8 % of all employees participated in regular performance and career development reviews. This is a decrease compared to 2023, when 87 % of all employees participated.

Employees who participated in regular performance and career development reviews, by business area	2024
	Percentage
Office workers	79 %
Factory workers	71 %
Roofers	68 %

During 2024, a total of 1,000 employees participated in training, successfully completing 4,486.5 training hours. This amounted to an average of 5 hours of training per employee (all employees).

Workers in the value chain

In 2022, the Transparency Act came into effect in Norway. This legislation is of particular significance for Protan due to the global supply chain and ownership of production facilities in Norway, Poland and Türkiye. At Protan, human rights are seen as an integral part of business operations, and 'workers in the value chain' has been identified as a material topic.

IMPACT, RISKS AND OPPORTUNITIES

ESRS 2 SBM-2

The production of thermoplastic products entails various risks, including those related to health, safety and environment (HSE), ensuring decent working conditions, providing training and development opportunities, and promoting diversity, equality and inclusion. For details on managing risks regarding our own operations from production to installation, please refer to chapter S1.

Protan manufactures materials and provides installation services, overseeing various stages of the value chain. However, the company does not extract raw materials. Due to the importance of raw material purchases, risks associated with extraction and processing have been identified. These risks relate to the extraction process, the countries where operations occur, the industry and the product production.

The potential impact of breaches of workers' rights in the value chain is significant for Protan, given the scope, scale and potential lack of remendability. Although due diligence shows that high-risk suppliers are few, Protan relies on a global network of partners and suppliers to manage access to raw materials, finished goods and transportation.

The materiality assessment identified potential negative impacts as material to Protan Group.

BREACHES OF WORKERS' RIGHTS IN THE VALUE CHAIN

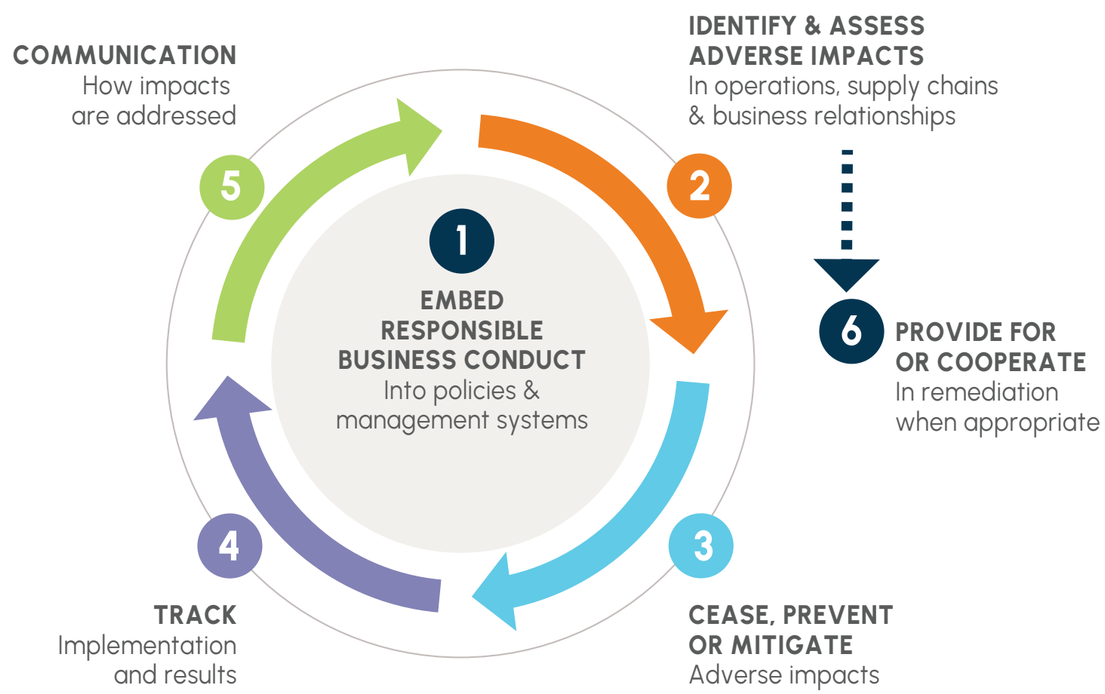
This situation may significantly impact workers who are employed by suppliers and sub-suppliers, exposing them to risks such as poor working conditions, child and forced labour, lack of union rights, and absence of grievance mechanisms. These risks can have severe short, medium and long-term consequences for individual workers.

ESRS	Impact	Potential or actual impact	Value chain location			Time horizon		
			Up-stream	Own operations	Down-stream	Short term (0–1 years)	Medium term (2–5 years)	Long term (6–30 years)
S2: Workers in the value chain	Impact on breaches of workers' rights in the value chain	Potential negative impact	●	●		●	●	●

To mitigate these impacts and to protect workers, the Protan Group has implemented policies, procedures, training and on-site inspections to ensure that business partners and suppliers maintain high standards with regard to human rights and working conditions.

These negative impacts are in Protan's upstream value chain, and occur in the short, medium and long term. Protan is addressing these impacts by implementing a due diligence approach according to the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct.

Protan's solution to human rights management is a six-step approach based on the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct:



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

S2-1 | Policies related to value chain workers

The first step in managing human rights is to establish clear policies and procedures.

Protan's Supplier Code of Conduct establishes standards for human rights, employee rights, anti-corruption and ESG (environmental, social and governance) practices throughout the value chain. These guidelines, based on the principles of the UN Global Compact, set the minimum requirements for suppliers in areas such as human rights, labour standards, environmental impact, occupational health and safety, and anti-corruption. Suppliers are responsible for ensuring that their supply chains comply with these standards.

In addition to the Supplier Code of Conduct, specific procedures have been developed to support the commitment to human rights and decent working conditions. These procedures, which include measures to meet the requirements of the Transparency Act, are endorsed by the Board of Directors. They detail how due diligence assessments and necessary measures are conducted. For more information, please refer to chapter G1, regarding business conduct.

Several guidelines are applicable to all employees, with specific procedures for the 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 (remedy procedure)

These guidelines are available for all employees through Protan's intranet, and several are available on our external website.

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

S2-2 | Processes for engaging with value chain workers about impacts

The second step involves establishing a process to engage with value chain workers regarding their impacts.

To manage the impact of breaches of workers' rights in the value chain, Protan follows the OECD's due diligence process. This includes performing a risk assessment of suppliers and conducting on-site visits. During on-site visits, suppliers are asked to involve employee representatives. This is important to ensure that the workforce's concerns are heard and addressed as part of the visit.

The central purchasing department manages the largest and most critical suppliers to the business. This department uses a standardised purchasing process that documents and sets requirements for the selection of suppliers, and all department members have received training in this process. Local management and contract owners follow up with local suppliers and business partners, working closely with the central purchasing department.

S2-3 | Processes to remediate negative impacts and channels for value chain workers to raise concerns

The third step involves setting up a process to address negative impacts and providing channels for value chain workers to voice their concerns.

Included in Protan's Supplier Code of Conduct is the encouragement for all suppliers to have reporting mechanisms for employees and stakeholders to raise any concerns or grievances, and to report breaches. Suppliers are responsible for ensuring that everyone within their operations can access these mechanisms without fear of reprisal. These channels should be clearly communicated to all employees in languages that they understand and should be easily accessible through various means.

Protan's whistleblowing channel is available to all internal and external stakeholders to raise concerns regarding value chain workers. Read more about Protan's whistleblowing process in chapter G1 Business conduct.

If Protan discovers any breach of the Supplier Code of Conduct, the supplier will undergo a thorough review. To address the situation and uphold Protan's commitment to ethical business conduct, appropriate corrective actions may be taken, including the potential termination of the contract. The process involves investigating the breach, agreeing on corrective actions with the supplier and following up on the implementation of these actions. Termination of the contract is considered a last resort.

S2-4 | Taking action on material impacts on value chain workers, and approaches to managing risks and pursuing opportunities related to value chain workers, and effectiveness of those actions

The fourth step focuses on addressing the impact on value chain workers and managing associated risks:

1. UPDATING GUIDELINES AND PROCEDURES

In 2024, the guidelines and procedures were revised to incorporate due diligence into the management systems. This involved updating the Supplier Code of Conduct to include a greater focus on ESG in the value chain, focusing on the freedom to join and form trade unions, and encouraging our suppliers to have grievance mechanisms in place for their workers.

2. TRANSPARENCY ACT TRAINING

Specialised training for purchase managers on human rights and decent working conditions has been introduced. This training focuses on identifying risks within Protan's value chain and enhancing dialogue with suppliers.

3. RAW MATERIAL IMPROVEMENTS

Product and chemical safety is crucial at Protan. Therefore, none of the raw materials used include chemicals on the REACH-substance list. For more information, refer to chapter E2 Pollution.

4. PERFORMING RISK ASSESSMENT OF WORKERS IN THE VALUE CHAIN

The goal of the risk assessment is to identify the issues that pose the highest risk of negative impact on human rights and decent working conditions. The mapping and assessment follow Section 4(1)b of the Transparency Act. Note that this assessment focuses on risks to people in and around the business, not the business itself.

To perform the first step of the risk assessment, 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
- The company's position in the supply chain

The steps in this assessment are described below:

- 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.
- In the platform, supplier information is enriched through third-party collaboration with ENIN. Information and financial information is collected about the company's suppliers, such as industry codes (NACE) and company structure.
- Through points 1 and 2, the company gains an overview of suppliers and business partners with associated supplier information.
- The tool in the platform performs 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 and the prioritisation of strategically important suppliers. Suppliers that meet defined risk parameters are classified according to high, medium and low risk of negative impact on fundamental human rights and decent working conditions.
- As part of the risk mapping, the company (through the platform) sends out custom questionnaires to all suppliers to obtain additional information.
- Based on the findings in points 4 and 5, the company decides which measures should be implemented to investigate the potential negative consequences of violations of fundamental human rights and decent working conditions. The company implements 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.

The next step of the risk assessment is to evaluate the suppliers in accordance with the Norwegian Agency for Public and Financial Management's high-risk list for other products in the construction industry. Based on Protan's business and supply chain, the following areas are considered to be the highest risk in the supply chain:

WORKING CONDITIONS

PVC, plasticisers and flame retardants are predominantly purchased from European suppliers. However, the initial stage of the value chain involves the refining of crude oil, which can occur in regions with risks of forced labour and poor working conditions.

Contract workers, who often lack strong labour rights and protective equipment, face higher rates of workplace accidents. HSE (health, safety and environment) is a priority, and suppliers are also encouraged to focus on this. Thermoplastic production is chemical-intensive and, without proper safety measures, can pose health risks to workers.

Emissions and waste from plastic production can harm the environment and local communities if not managed correctly. The plastics industry has a high carbon footprint due to its energy-intensive processes and fossil fuel use. Major plastic producers include China, Germany, the USA and Italy.

China, the world's largest plastic producer, involves risks of weak HSE practices, inadequate protective equipment, long working hours, low wages and job insecurity. Two suppliers are located in China, six in Germany and none in the USA. Suppliers in high-risk industries in these countries are continuously monitored for geopolitical developments, although this monitoring is not exhaustive. For detailed findings on on-site inspections in China, refer to the section entitled "Performing On-Site Supplier Inspections."

CHILD AND FORCED LABOUR

Protan strictly prohibits the use of child or forced labour and will not tolerate any working conditions or treatment that violate international laws and practices. Protan ensures that its operations do not infringe on human and labour rights. Some of the raw materials used in production come from countries where the use of child or forced labour is a concern. This issue is addressed in the Supplier Code of Conduct and is a key focus during supplier assessments in Asia. Although direct suppliers may not contribute to this risk, it could exist within their supply chains. Therefore, evaluating and mitigating this risk is a priority.

Suppliers are expected to implement strong procedures to reduce the likelihood of such issues featuring in their facilities and value chains. This expectation aligns with the high standards that are maintained within Protan's operations. Notably, there were no reported incidents in 2024 (2023: 0).

FREEDOM TO JOIN OR FORM TRADE UNIONS

Supporting and respecting internationally proclaimed human and labour rights is a priority. Protan acknowledges all employees' right to form or join trade unions of their choice. There is a long tradition of including and involving employees and their unions, which is believed to improve decision-making processes.

According to the ITUC Global Rights Index, operations are conducted in countries with high risks related to unionisation, which has prompted actions in Türkiye to address this risk. Suppliers are encouraged to provide the possibility to unionise 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 of the ten members of the Board of Directors are employee representatives selected by Norwegian employees.

GRIEVANCE MECHANISMS

Protan offers a whistleblowing channel that is available on the website and is accessible to both internal and external stakeholders. See chapter G1 Business conduct for more information.

Suppliers are strongly encouraged to establish their own whistleblowing channels and systems, prioritising confidentiality and non-replication of concerns. This is to ensure that workers have a way to report their concerns.

CONDUCTING ON-SITE SUPPLIER INSPECTIONS

Following the initial steps of the risk assessment, suppliers are selected for on-site inspections, prioritising suppliers that pose the highest risk. In 2024, Protan conducted five such inspections.

These on-site inspections took place in China, South Korea, Sweden and Norway, covering a diverse range of suppliers. This included those producing finished goods for production, suppliers of raw materials and manufacturers for the contracting business.

One finding was that how the suppliers work with regarding human rights and decent working conditions varies. Suppliers located in Scandinavia and those with a large number of customers in Europe were more familiar with topics relating to human rights and decent working conditions.

Supplier 1: A visit to a supplier of finished goods in China revealed that the supplier had formal HSE documents and processes in place, and was striving to uphold human rights and ensure decent working conditions. The supplier's commitment was underscored by their ISO certification. However, it became apparent that many of these processes were only documented and not implemented. This became evident during discussions, as the supplier had difficulties explaining and providing examples of how these processes were applied in practice. It was suggested that the supplier should take steps to assess human rights risks, ensure fair labour practices and verify decent working conditions. Documentation should be updated regularly, procedures clarified, and emphasis placed on living wages and protective equipment. Contract processes should be addressed, and a full supply chain overview provided. The supplier is still working on these points.

Supplier 2: A visit to a raw material supplier in China revealed that the supplier had formal HSE documents and processes in place, and was striving to uphold human rights and ensure decent working conditions. Discussions focused on the freedom of association and unions, aiming to understand how the supplier interacts with union representatives. It became apparent that the supplier did not have a formal union representative or inform employees about this right. Improvement suggestions included establishing a formal union representative and informing employees about their rights.

Supplier 3: A Swedish raw material supplier ensured HSE, audited sub-contractors for working conditions and human rights, maintained a whistleblowing system, supported unions and collaborated with the local community while also working towards CSRD compliance. Only minor improvements were suggested, mainly regarding the communication of their efforts to the local community.

Supplier 4: A supplier of finished products located in Norway had implemented several commendable measures to ensure excellent customer relations and HSE standards. The supplier had an adequate alert system, possessed deep insights into the value chain, actively collaborated with various parts of the local community and maintained active engagement with the company's owner. Recommendations for improvement included ensuring HSE walkthroughs at the beginning of all meetings, performing on-site inspections and fostering collaborative partnerships.

Supplier 5: A raw material supplier in South Korea had established processes and documentation, demonstrating their understanding of human rights and decent working conditions. However, they recognised the need to adapt to European requirements, as most of their customers are from Europe and compliance with different legislation is required.

FINDINGS ACCORDING TO THE TRANSPARENCY ACT

In 2024, no incidents were reported from suppliers concerning human rights violations or breaches of decent working conditions. Despite the absence of any reports, the potential for such issues within the value chain is acknowledged. To proactively address this risk, Protan conducted on-site inspections, which will remain essential to continue in 2025. The remainder of our findings can be found in the section on on-site inspections.

S2-5 | Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The target is to perform risk assessments for 80 % of tier 1 and tier 2 suppliers by 2030. This is an important first step. Gaining an understanding of suppliers is best achieved through on-site inspections.

The target for 2025 is to conduct five on-site inspections.

Suppliers metric	2024	2023
Total number of suppliers	121	108
Total spend on suppliers (NOK millions)	639	714

Suppliers due diligence	2024
Risk assessment for tier 1 and tier 2 suppliers	95
Total number of suppliers screened	96
Total number of high-risk suppliers	5
Supplier inspections conducted	5
Supplier inspections that led to a corrective action plan for the supplier	5
Supplier contracts terminated due to sustainability risks	0

The Norwegian Transparency Act

The section "S1 Own workforce" including all chapters, and section "Workers in the value chain" have been developed to comply with the legal requirements as stated in the Norwegian Transparency Act. This applies to all Protan companies listed in the "About Protan" chapter.

05

Governance information

G1 Business conduct

Supply chain management

Governance information

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 Türkiye 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 Türkiye 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.

G1 Business conduct

Protan is committed to conducting operations in alignment with ethical business standards and to ensuring a resilient supply chain complying with ESG standards.

ESRS 2 SBM-3 Ethical behaviour

Business conduct with a high level of integrity is at the core of Protan's corporate culture. Protan believes that sustainable and successful business performance is an effect of acting in compliance with laws and regulations.

The materiality assessment described in disclosure requirement IRO-2 identified the following potential positive impact:

PROMOTING ETHICAL BEHAVIOUR AND UPHOLDING HUMAN RIGHTS AND ETHICAL STANDARDS IN THE SUPPLY CHAIN

The impact of our 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. Failure to uphold these standards poses risks, potentially compromising Protan's reputation and our stakeholder relationships.

This potential negative impact is concentrated in own operations for all employees and occurs in the short, medium and long term.

ESRS	Impact	Potential or actual impact	Value chain location			Time horizon		
			Up-stream	Own operations	Down-stream	Short term (0–1 years)	Medium term (2–5 years)	Long term (6–30 years)
G1: Business conduct	Impact of ethical behaviour	Potential negative impact	●	●	●	●	●	●

G1-1 | Policies related to business conduct

Protan's compliance framework is anchored in the corporate values, Code of Conduct, Supplier Code of Conduct and the employee handbook, alongside specific policies and procedures that address HSEQ and environmental issues. These policies support the employees in making decisions that are in alignment with ethical standards.

The CEO is ultimately responsible for overseeing Protan's corporate culture and business conduct, and the Group management team is responsible for leading by example and driving a culture of business integrity.

Protan has a group-wide management system, which covers the main compliance pillars such as governance, risk assessment, policies and procedures, training and development, communication, monitoring and audit. 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 support functions, such as Finance, People and Sustainability, IT, Procurement and Logistics, which reports to the Group management team.

WHISTLEBLOWER SYSTEM

All employees have both the right and the responsibility to report any suspicious activities or misconduct within the organisation. This includes reporting violations of laws or company guidelines, financial wrongdoings, 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 channel is available in multiple languages, ensuring that employees can report issues securely and confidentially. The channel is also open to external parties, including customers, suppliers and business associates, allowing them to report concerns as well. Please find a link to our whistleblowing channel here.

All concerns reported through the whistleblowing channel are registered by an independent law firm. The law firm notifies the CHRO People & Sustainability(or CEO or the Chairman of the Board). An investigation may be conducted to establish relevant facts in order to assess the concern and potential actions. Once the facts are clarified, corrective measures are implemented to handle the situation and to prevent any recurrence.

In 2024, one concern raised through the whistleblower system was investigated, which has since been closed to the satisfaction of all concerned.

G1-3 | Prevention and detection of corruption and bribery

Protan has a zero-tolerance approach to corruption and bribery. 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.

Similarly, none of Protan's employees may 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, anti-corruption training was introduced for all employees via Protan's learning platform. The course covers anti-corruption topics and guidelines, aiming to increase awareness and provide risk identification tools. The goal is for all employees to be trained by 2030. In 2024, 32.3 % employees completed the training.

Protan encourages employees, suppliers, customers and other stakeholders to report any suspicions concerning corruption, bribery, fraud and all other matters of legal or financial wrongdoing through the whistleblowing channel (see G1-1 Whistleblowing system) or by contacting a manager in the company.

G1-4 | Incidents of corruption and bribery

In 2024, Protan identified a breach of the Code of Conduct, which was classified under the risk category of corruption. The incident was resolved within the reporting period, and disciplinary actions were taken as a result of the investigation. Preventive measures have been implemented across the company to ensure that such incidents do not occur in the future.

Protan did not receive any convictions or fines for violation of anticorruption or anti-bribery laws, nor was it subject to any legal actions relating to corruption or bribery in 2024.

SUPPLY CHAIN MANAGEMENT

ESRS 2 SBM-3 Supply chain management

Although 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.

The double materiality assessment described in disclosure requirement IRO-2 identified the following potential positive impact:

PROMOTING ETHICAL BEHAVIOUR AND UPHOLDING HUMAN RIGHTS AND ETHICAL STANDARDS IN THE SUPPLY CHAIN

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 the violation of 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.

Failure to uphold these standards poses risks of human rights violations and environmental damage, and can have serious and lasting effects for the people involved, which highlights the importance of this issue.

This potential negative impact is placed in upstream, own operations and downstream in the value chain, and occurs in the short, medium and long term.

ESRS	Impact	Potential or actual impact	Value chain location			Time horizon		
			Up-stream	Own operations	Down-stream	Short term (0–1 years)	Medium term (2–5 years)	Long term (6–30 years)
G1: Business conduct	Impact of upholding human rights and ethical standards in the supply chain	Potential negative impact	●			●	●	●

G1-1 | Policies related to supply chain management

To ensure responsible supply chain and procurement practices across the Group, several policies and procedures are 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 and Supplier Evaluation form

The Chief of Supply chain is responsible for supply chain management and correlated documents.

G1-2 | Management of relationships with suppliers

By 2030, the objective is to risk assess 80 % of tier 1 and 2 suppliers. A digital classification tool facilitates these assessments.

In 2024, 96 suppliers were assessed (2023: 94), based on total purchase order size and the importance of the product/service in the supply chain. The mapping shows that goods mainly derive from suppliers in the Nordics and Europe, with a few suppliers in Asia.

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

Based on the risk assessment, 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 on a risk assessment before being contracted. Various criteria are assessed in the process, including HSE, quality, tax, etc.
3. Suppliers that pose a particular risk are screened against social criteria, and on-site visits may also be carried out when assessing certain new suppliers. See chapter "Workers in the value chain".
4. Suppliers are continuously reviewed using a risk-based approach.
5. If errors, deficiencies or breaches of laws, rules or ethical guidelines are identified, suppliers must rectify the situation within a specified timeframe.

The Chief Supply Chain Officer oversees the global team of procurement managers, who are responsible for managing group-wide suppliers. To ensure efficient operations, local management is tasked with purchasing goods and services to meet local needs, following the same guidelines as those used for company-wide procurement. Additionally, local management must adhere to call-off procedures.

In 2024, Protan provided customised training on sustainable procurement for procurement managers.

Training	Percentage
Percentage of all procurement managers who received training on sustainable procurement	75 %

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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 2050	KPIs	2024 results	2023 results	2022 results
Climate mitigation	Net zero group in compliance with the SBTi-principles	Total GHG emissions Protan Group tonnes CO_2e	120 065	120 163	138 639
Climate mitigation	20 % reduction in scope 1	KPI Protan Group: kg CO_2e / produced sqm	6.15	6.22	5.91
	10 % of sold roofing based on biobased and recycled raw materials.	Protan Norway: electric cars / cars in total	6.2	8.9	8.4
		Protan Norway: kWh / produced sqm	1.37	1.206	1.208
	Work with suppliers to identify low carbon alternatives to raw materials	Protan Group: kWh / produced sqm	1.17	1.06	1.01
		Protan Norway: kg CO_2e from air travel / employer	293.4	280.7	363.7
Circular economy	75 % of tunnel ventilation reused or recycled after decomissioning	We aim to include KPIs measuring the percent of tunnel ventilation, flat roofing and plastic halls decomissioned			
	10 % of flat roofing reused or recycled after decomissioning				
	10 % of plastic halls reused or recycled after decomissioning				
Waste	100 % source separation rate at Protan Group	Protan Norway: Source separation rate	63.04	77.41	94.65
		Protan Group: kg waste / produced sqm	0.057	0.049	0.047
		Protan Poland: kg waste / produced sqm	0.013	0.045	N/A
	Reduce waste	Protan Norway: kg waste / produced sqm	0.072	0.05	0.05
		Protan Türkiye: kg waste / produced sqm	0.073	0.048	0.041

Social

Topic	Goals by 2050	KPIs	2024 results	2023 results	2022 results
Health and safety	Zero serious work-related injuries	Total Recordable Injury Frequency rate (TRIF)	9.1	7.4	10.3
	10 % yearly reduction of lost time related injuries (LTI)	Lost Time Injury Frequency rate (LTIF)	5.1	3.4	3.7
Diversity and inclusion	Achieve more gender balance with 18 % of leader being female	Percentage of females with employee responsibility	17.1 %	17.9 %	14.8 %
Training and development	All employees must have at least one yearly development goal	Percentage of performance reviews conducted	73.2 %	87 %	-

Governance

Topic	Goals by 2050	KPIs	2024 results	2023 results	2022 results
Supply chain management and procurement	20 % of Tier 1 and 2 suppliers are assessed	Number of supplier assessments conducted	95 %	95 %	95 %
Business conduct	100 % of employees trained in anti-corruption	Number of employees who have completed anti-corruption training	32.3 %	Not mandatory to complete until 2024	
Business culture	Increase engagement index to 80 %	Engagement index %	63 %	64 %	68 %
	All employees invited to participate in the yearly employee survey	Response rate	87 %	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

Questions

Send your questions directly to
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