



Sustainability  
report



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# CEO review

## Dear reader,

The year 2021 was an important watershed in Evac's history. We managed to largely complete our operational improvement program of the past two years and started to witness the post-Covid recovery across our business portfolio. Moreover, we launched a new purpose, vision, and strategy for Evac – all intimately revolving around sustainability leadership. Concrete evidence of that is our first-ever sustainability report, which outlines our new strategic direction and ambition to become the beacon of sustainability within our industry.

At Evac, we develop technologies that drive sustainability. Our broad portfolio of water and waste-related technologies is already helping our customers to minimize their overall environmental footprint. Evac's new purpose of existence calls us to do even more: unleash our ingenuity to enable a future with no waste.

## A step-change in demand for sustainable solutions

In the past couple of years, we have seen a clear step-change in how our customers seek solutions that enable superior sustainability performance beyond compliance with regulations. It is our duty and opportunity to deploy our technology insights and R&D knowledge and work with our channel partners and customers to raise the sustainability performance of our offering to new heights.

Our ambition is crystallized in our new brand promise of 'nothing to waste'. In everything we do, we focus on eliminating waste, conserving water, mitigating emissions, and creating the foundation for our customers' profitable and sustainable business.

## Focused and ready for the journey ahead

In 2021, we introduced two sustainability focus areas where we can make the most significant difference: the circular economy and marine life protection. Turning waste into something valuable and keeping it out of our oceans is what we do. A hallmark example of this is our novel Evac HydroTreat product. We utilize hydrothermal carbonization technology to revolutionize organic waste treatment on ships. We describe this groundbreaking method in detail in this report.

We all at Evac are excited for the journey ahead. In 2022 and beyond, we will markedly increase our R&D investments to improve the performance of our existing solutions and explore future opportunities for sustainable innovations. The sustainability program we launched in 2021 gives us a clear direction for developing our priority topics further. In addition to our two focus areas, we will monitor and improve employee engagement, occupational health and safety, climate and energy actions, and responsible sourcing. All of this will be systematically led as part of our new sustainability governance framework.

I am personally inspired by our new strategy, sustainability program, and the exciting opportunities ahead of us. I want to give special thanks to all our employees who have passionately joined the mission of enabling a future with no waste.

Tapio Kolunsarka  
CEO, Evac Group

# purpose vision promise

Evac renewed its purpose, vision, and brand promise in 2021, all revolving around sustainability leadership. Our purpose calls us to unleash the potential of Evac ingenuity to enable a future with no waste. The key lever to achieve this is to continuously improve the environmental performance of our solutions through product and service innovation. At the same time, we will minimize waste in our own operations.

Our vision is to become the beacon of sustainability in innovative water and waste technologies on both land and sea. The vision provides a strong foundation for our way of doing business and exceeding our customers' expectations.

Driven by the global need for solutions that address critical issues, such as dealing with waste and conserving water, Evac also announced its new strategic objective: a future with no waste. The level of ambition is crystallized in the company's new brand promise, 'Nothing to waste'.



# Highlights 2021

**A robust sustainability approach.** We built a solid program and governance model to guide Evac's sustainability work.

**A brand that calls to action.** Our new, ambitious brand promise 'Nothing to waste' is a call to action for us and for our customers and partners – and for everyone on this planet.

**Circular innovation.** Our first revolutionary Evac HydroTreat product was delivered to a customer's vessel and taken into use.

**A responsible supplier for our customers.** We received Silver-level recognition in EcoVadis' sustainable supplier rating.

**Certifiably sustainable.** Three new sites were included in our multi-site certification for environmental and safety management under ISO 14001 and ISO 45001.

**Baseline set for culture development.** We conducted our first employee engagement survey.



# About Evac

For decades, Evac has been a pioneer in sustainable technologies and solutions. Today we are the world's leading provider of integrated water and waste management technologies and corrosion-protection systems for the marine, offshore, and building industries. We have systematically expanded our offering from vacuum technology to all significant water and waste-related technologies. Our goal is to minimize the environmental footprint of our customers on land and sea.

Our headquarters is located in Espoo, Finland, but with offices in 13 countries across four continents and representatives in more than 70 countries, we are close to our customers wherever they are. Our innovative approach is demonstrated by more than 130 existing or pending patents. The company employs almost 500 people, and its turnover was EUR 141 million in 2021. Evac is owned by the leading private equity company, Bridgepoint.

Our technologies address the increasing need for innovative solutions, driven by the megatrends of climate change, circularity, and increasingly scarce freshwater resources. We contribute to a better environment and cleaner seas by helping our customers eliminate waste, conserve water, and mitigate emissions.



# Sustainability at Evac

Life on our planet is undergoing a significant upheaval, and as the leader in its industry, Evac is determined to meet the challenges head-on.

Evac took several major leaps in developing its sustainability approach in 2021. We established a formal governance model for sustainability in the company, identified our material topics, and defined our sustainability program for the coming years. We also finalized our ESG policy which outlines Evac's principles on environmental, social, and governance (ESG) topics.

Sustainability is the cornerstone of Evac's research and product development activities. We continuously look for ways to ensure that our products help reduce our customers' environmental footprint while also improving our own operations. Most of our operations are ISO 9001, ISO 14001, and ISO 45001-certified for quality, environmental, and occupational health and safety (OHS) management, respectively. The ISO 14001 and ISO 45001 certificates were expanded in 2021 to cover our sites in Norway, Germany, and France.

Evac took several major leaps in developing its sustainability approach in 2021.

## Sustainability governance

Sustainability is embedded in all Evac's activities, and it is consistently enforced across the company and its value chain.

The Board of Directors (BoD) of Evac Group approves the company's fundamental sustainability principles and targets, aligns actions with the targets and agenda of the Group's owners, and follows up on progress semiannually. Sustainability-related matters are on the BoD's agenda quarterly, and potential critical concerns are communicated to the BoD immediately.

Sustainability is embedded in all Evac's activities.

The overall strategic responsibility for Evac's sustainability performance lies with the CEO. Sustainability-related information, metrics, and actions are discussed in the Group Leadership Team on a quarterly basis.

The operational implementation of Evac's sustainability ambitions is led by Head of Marketing, Communications, and Sustainability, who reports to the CEO. These responsibilities include coordinating sustainability matters, providing guidance and advice, collecting information for reporting, and chairing Evac's internal sustainability core team (ESG Team) as ESG Manager.

The ESG team comprises representatives of several functions, such as quality and supply chain management, research, finance, and product line management, and provides substance matter expertise on relevant sustainability topics. The team, which convenes bi-monthly, reviews and monitors trends and Evac's sustainability-related targets and performance. All Evac employees share the everyday execution of sustainability-related activities.

Board of Directors

Decides on ESG principles and targets



CEO

Strategic overall responsibility

Group Leadership Team

Engaged as instructed by CEO



ESG Manager

Operational responsibility and coordination of all stakeholders' involvement and inputs

ESG Team

Collaboration, information gathering, monitoring and communication



## Our key policies

Evac has a comprehensive set of sustainability-related policies that provide guidance on how to drive sustainability in practice. They function as comprehensive instructions for our management and employees when, for example, planning new projects, developing existing processes, recruiting new employees and making everyday decisions at work.

- **ESG policy:** Describes Evac's approach to planning, managing, and implementing sustainability work at Evac.
- **Code of Conduct:** Introduces Evac's principles related to ethical business conduct.
- **Supplier Code of Conduct:** Presents Evac's sustainability and compliance requirements for suppliers.
- **Diversity and Inclusion policy:** Outlines Evac's approach to diversity and inclusion.
- **Health and Safety policy:** Underlines the importance of occupational health and safety at Evac.
- **Recruitment policy:** Outlines recruitment practices for Evac Group to promote consistency, transparency, and compliance with labor laws and legislation.
- Various policies related to compliance topics, such as **whistleblowing, cyber security, military compliance, and trade sanction compliance**, that describe Evac's approach to ethical business conduct and good governance.
- **Information Security policy:** Ensures the confidentiality, integrity, and availability of the information resources belonging to Evac.

## Sustainability reporting

Evac communicates regularly and transparently on its progress in sustainability and provides practical examples of activities carried out. We also provide relevant information and data to our external stakeholders, such as customers, suppliers, and research institutions.

Evac publishes a Sustainability report annually. The first report was published in 2022, covering the fiscal year of 2021 of Evac Group.

We aim to contribute to  
a future with no waste  
with our new sustainability  
program.



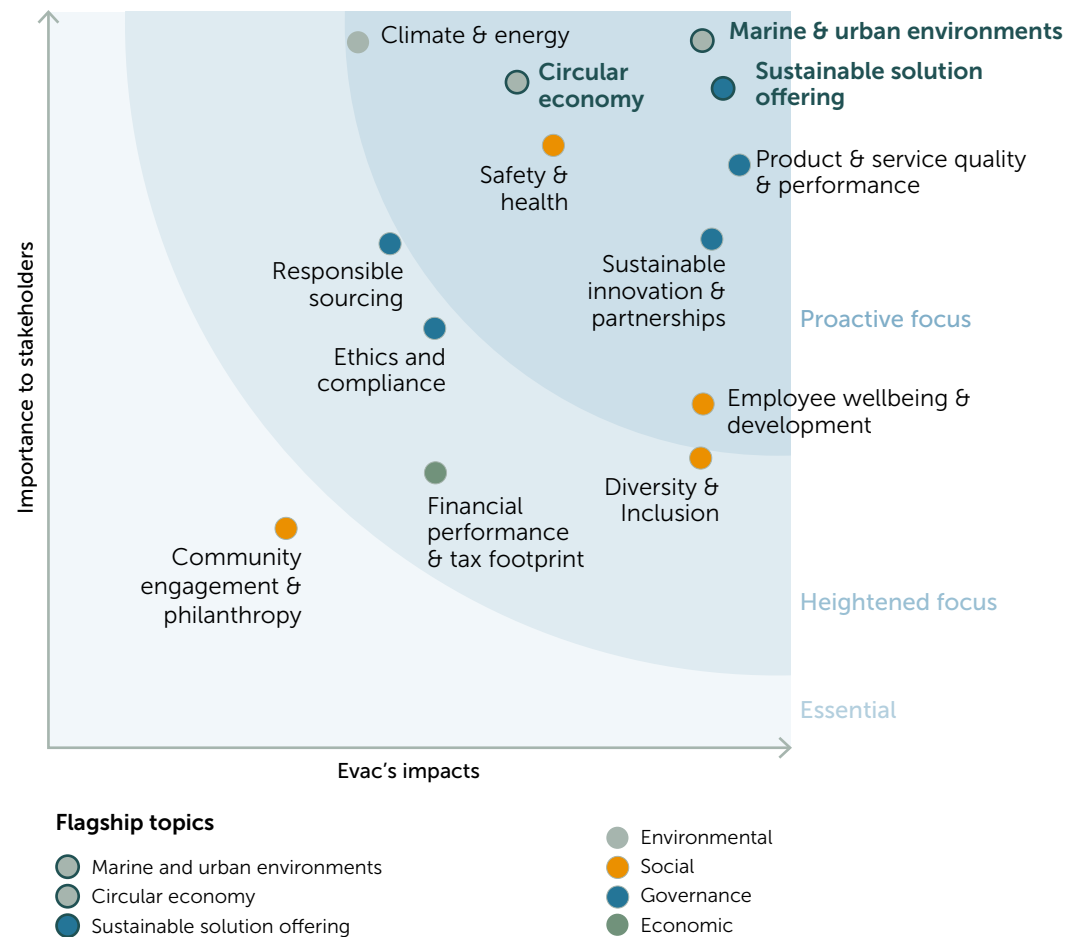
## Materiality assessment

Evac completed its first materiality assessment in 2021. To identify our material topics, we mapped global trends, the interests of both internal and external stakeholders, and the impact of our business throughout the value chain.

The materiality assessment confirmed that Evac's most relevant sustainability topics include advancing the circular economy and offering sustainable solutions for both marine and urban environments. At the same time, we must ensure that our products contribute to climate action and that our own operations are managed in a responsible manner, including respecting the human rights of anyone impacted by our business or value chain.

Evac completed its first materiality assessment in 2021.

## Evac's materiality matrix





## Stakeholder engagement throughout the value chain

Evac is a technology and solution provider. We assemble our systems using materials and components produced by our suppliers and install the systems in customer vessels or facilities for end-use purposes. As we continuously strive to improve the sustainability of our solutions, we consider it increasingly crucial to co-innovate and co-create sustainable solutions with our stakeholders.

Evac's most significant stakeholders include:

- Employees
- Customers
- Suppliers
- Academia
- Research institutes
- Owners
- Industry associations and regulatory bodies
- Authorities
- Media
- NGOs

To understand the needs of our customers, the requirements of potential and upcoming regulations, and rising global trends, we engage with our stakeholders regularly and in various ways. We work together within innovation platforms, exchange views in regular meetings, and share our news and insights through various communication channels, such as [evac.com](#), social media, and industry organizations.

We also engage with our stakeholders in several research projects. For example, Evac is a member of a project called SusCon that seeks to understand what the sustainable ship of the future will look like. The project is a collaboration between Evac, the Royal Caribbean Group, the Turku Meyer shipyard, VTT Technical Research Centre of Finland, and several other companies operating in the marine industry.

We work closely with our stakeholders to co-create solutions that enable a future with no waste.



## Our sustainability program

Based on the identified material topics, we established Evac's first sustainability program in 2021. The program's ambition is to contribute to a future with no waste, on land and sea, by offering sustainable solutions that advance the circular economy and safeguard life below water. Evac can significantly impact these themes through innovation and partnerships.

Our work is founded on responsible business practices. To be a credible beacon of sustainability in innovative water and waste technologies, we must ensure that we care for people, contribute to climate action, operate ethically, and manage our supply chain responsibly.

We strive to ensure that Evac's positive impacts on people, the environment, and the economy are maximized, while negative ones are minimized. We work towards this goal in our own operations and throughout our value chain.





# Evac's key performance indicators (KPIs)

Each theme of Evac's sustainability program is measured using a key performance indicator (KPI), which were defined in 2021.

We will report on our progress in our annual Sustainability report. We will also have a set of targets for each KPI that will determine our ambition level and help us continuously develop our strategy and activities. We will further refine our target setting in 2022.

THEME	KPI	TARGET
<b>Sustainable solutions</b>		
Advancing the circular economy	Order intake of sustainability spearhead products	+20% growth in 2022
Safeguarding life below water	Environmental footprint and handprint of our solutions	To be defined in 2022
<b>Responsible business practices:</b>		
People	Employee Engagement Index	65 by end of 2022 (57 in 2021)
Safety	Lost-Time Incident Frequency (LTIF) rate	Less than 3 by end of 2022 (9.5 in 2021)
Climate and energy	Carbon footprint	To be defined in 2022
Ethics and compliance	Ethics awareness	Code of Conduct training coverage 100%
Sourcing	Supplier Code of Conduct coverage	85% by end of 2022 (51% in 2021)

## Evac's contribution to the UN Sustainable Development Goals

Evac fully agrees with the goal of the United Nations' Agenda 2030 for Sustainable Development to bring peace and prosperity for people and the planet. At its heart are the 17 Sustainable Development Goals (SDGs), which are an urgent call for action by governments, business, NGOs, other organizations, and individuals.

We have identified five SDGs most relevant to our business and where Evac can have the most significant impact. These SDGs are well aligned with our sustainability program, and they will have a crucial role in finalizing our sustainability targets.



We have identified five SDGs where Evac can have the most significant impact.





## The SDGs most relevant for Evac



### SDG 6: Clean water and sanitation

Evac technologies provide customers with solutions for water purification, reducing water consumption, generating fresh water from seawater, and ensuring efficient and hygienic sanitation.

Our products serve tens of thousands of people at sea and on land every year. For more information on how we work towards SDG 6, see Sustainable solutions.

Relevant sub-targets for Evac: SDG 6.3-SDG 6.5.



### SDG 12: Responsible consumption and production

Circularity is a key element in Evac's product development and offering. Our solutions help customers recycle waste, clean wastewater, and create value from discarded materials, such as biosludge.

We also provide maintenance services and retrofits to ensure that our technologies stay in use for extended periods of time.

At the same time, we are constantly improving circularity in our own operations. Read more about how we work towards SDG 12 in Sustainable solutions.

Relevant sub-targets for Evac: SDG 12.2, 12.4-12.6, and 12.8.



### SDG 13: Climate action

Our water and waste management systems are highly energy-efficient, which helps customers reduce their greenhouse gas emissions.

In addition, our innovative hydrothermal carbonization (HTC) process turns wet organic waste into biochar, which can be used to create carbon storage in the soil. We also actively look for ways to reduce emissions from our own operations. For more information, see Climate and energy.

Relevant sub-targets for Evac: SDG 13.1 and 13.3.



### SDG 14: Life below water

Evac's solutions enable customers to significantly reduce the amount of discharge into the ocean. They also remove nutrients during water purification, which prevents eutrophication.

Protecting marine life is one of the key motivators for developing Evac's business. Read more about how we contribute to achieving SDG 14 in Sustainable solutions.

Relevant sub-targets for Evac: SDG 14.1, 14.3, and 14.a.



### SDG 17: Partnerships for the goals

Partnering with like-minded actors across and even outside our industry increases the positive impact of our actions, manifold.

We proactively seek opportunities to cooperate with customers, suppliers, academia, and other actors who are committed to sustainable development.

For more information about how we work with our stakeholders, see Stakeholder engagement throughout the value chain.

Relevant sub-targets for Evac: 17.6 and 17.7.

# Sustainable solutions

Advancing the circular economy and safeguarding life below water are crucial motivators for our business and defining factors in our product management strategy. Both themes are carefully considered in our decision-making when innovating new sustainable products and solutions and developing the current ones.

Through co-innovation with our customers and suppliers, we have the latest know-how on what would best support our customers in reaching their sustainability goals.





## Safeguarding life below water

Protecting marine life is a crucial motivator for our business and product development. Our wastewater systems minimize cruise passengers' dry and organic waste and nutrient loads to the marine environment. They also ensure that untreated waste is not dumped at sea.

We measure our progress in safeguarding life below water with a key performance indicator (KPI) for the environmental handprint of the solutions we offer. The handprint is calculated using metrics such as climate change, acidification, marine, and terrestrial eutrophication, and fossil fuel use. The baseline and targets for this KPI will be set in 2022.

## Advancing the circular economy

Circularity is a core element of Evac's business model. Our products stay in use for decades, they significantly reduce waste and improve the recycling of materials when installed, they are repaired regularly, and they are recyclable when removed from use.

We measure our progress in advancing the circular economy with a key performance indicator (KPI) for the order intake of sustainability spearhead products. Our target is to increase the Order Intake of sustainability spearhead products by 20 % in 2022. The method for indexing our products is described in detail on page 19 of this report.

## Our offering safeguards life below water and advances the circular economy



Fresh water generation	Vacuum systems	Wastewater treatment	Wet waste treatment	Dry waste treatment	Marine growth prevention systems	Corrosion protection
SUSTAINABILITY BENEFIT						
Turns seawater into drinking water with low energy consumption and small CO <sub>2</sub> footprint.	Collects waste in a future-proof way with minimal energy and water consumption.	Treated wastewater produces no waste. Close to zero impact in aquatic ecosystem or ground when discharged.	Treatment of organic waste produces no waste or even turns the waste for valuable material.	Enables efficient material processing, recovery and recycling onboard.	Eliminates the settlement of macro biofouling organisms on the ship's interior piping systems, thus creating less waste due to the longer lifecycle of the pipes.	Lengthens the lifecycle of vessels by preventing corrosion of the hull and propulsion system.

### Evac's Total Concept helps achieve the goals of sustainable shipping

The ambitious sustainability targets of shipping companies and their willingness to reduce the environmental footprint of their vessels have increased interest in the development of waste management systems. Instead of buying individual pieces of equipment, the focus has shifted to total solutions that reduce interfaces between equipment suppliers and optimize systems into larger entities.

As the market leader in integrated environmental solutions, Evac has met its customers' needs and developed Total Solutions that can be tailored for each type of vessel. These solutions enable the optimization of large-scale freshwater, wastewater, and waste treatment systems individually while still considering the overall efficiency and environmental impact.

The systems of each vessel are planned according to its passenger capacity or size, taking both energy and material efficiency into account. Once the systems are installed, they make optimizing, managing, and maintaining them more effortless, efficient, and – sustainable.



## Evac's Sustainability Index helps customers select the most sustainable solutions

Evac has recently implemented a Sustainability Index – a novel tool that helps our customers select the products that best advance their operations and reduce their environmental footprint the most.

The Sustainability Index of all our main products has been measured based on carefully selected criteria that cover:

1. Environmental impact and circular economy
2. Onboard health and safety impact
3. Operational energy consumption
4. Production and end of life

The example on page 20 presents one of Evac's sustainability spearhead products.





## Evac MBR – Our sustainability spearhead product

The Evac Membrane Bioreactor (MBR), one of the Evac's Sustainability spearhead products, is an advanced wastewater treatment process that can treat all wastewater streams to current standards – and beyond.

Evac MBR allows vessels to operate in environmentally sensitive areas, treating and discharging all wastewater generated by passengers and crew without threat to human health or the marine environment. It is based on proven membrane bioreactor technology, which can filter out nutrients and even microplastic particles.



### Evac MBR

#### Environmental impact and circular economy

- The best possible treatment results, also in nutrient removal.
- The technology is comparable with and even exceeding land-based solutions for wastewater treatment.
- MBR is considered the best available technology for microplastic removal.

#### Onboard health and safety impact

- High-level of automation decreases health and safety risks.
- In the latest model, maintenance need has been minimized.

#### Operational energy consumption

- Low energy consumption per treated cubic meter of wastewater.
- Minimal chemical consumption, no polymers in use.

#### Production and end of life

- Relatively easy to recycle after use despite the high technology level of the product.
- Robust design enables long lifecycle of the product.



## The revolutionary Evac HydroTreat

# From organic waste to valuable material

Passenger vessels are facing increasing regulation and stakeholder interest related to environmental issues, such as eutrophication and water pollution in general. Evac has harnessed the process of hydrothermal carbonization to solve wet waste management issues.

Evac HydroTreat is an innovation that revolutionizes handling of organic wet waste onboard vessels, from small expedition ships to large cruise ships.





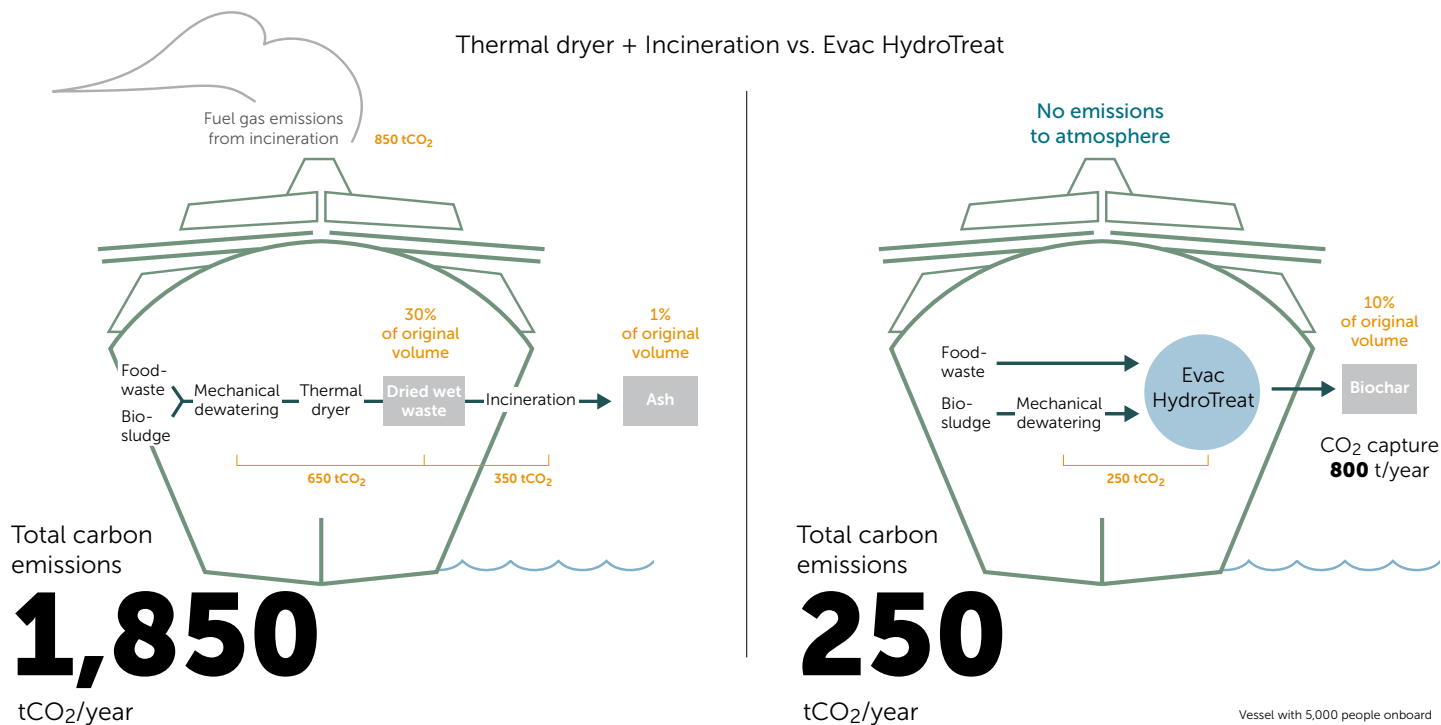
## Old process, new technology

The process of hydrothermal carbonization is unique: when wet organic material, such as food waste or biosludge, is exposed to heat, it breaks down into carbon molecules and loses water. This water and carbon mixture can easily be dried, resulting in two streams: reject water that is treatable in a wastewater treatment system and dry, solid hydrochar, which is more commonly known as biochar.

The hydrothermal carbonization process is similar to the formation of brown coal, but with a very important distinction: brown coal takes hundreds of thousands of years to form, whereas the carbonization in HTC takes just hours. For the ship operators, this means that the biochar, which is up to 90% smaller compared to the original waste volume, can be easily stored and handled onboard in dry form. It can also easily be taken onshore, where the biochar has several possible uses. In the future it can, for example, be added into soil where it functions as a soil improver and carbon storage.

"HTC is an extremely cost-effective way to process wet waste, and it uses only a fraction of the energy compared to traditional waste management solutions," says **Lasse Kapanen**, Product Line Manager at Evac. "Essentially, the process takes in waste and transforms it into something that has value."

## Evac HydroTreat enables a remarkable reduction in carbon emissions



## Positive feedback from customers

Currently, Evac's HTC process is targeted at passenger ships of all sizes, where the solution has significant value in terms of sustainable waste management. When using HydroTreat, ships no longer need to release waste into the sea, incinerate it or pay high fees for landing it at port. Evac's testing site in Tuusula, Finland, has carried out HTC-related research for years. The research focuses on validating the technology and optimizing the process. Evac collaborates with universities and other research institutions as part of this research.

Feedback from customers has so far been encouraging. The solution is innovative in its approach of not only removing waste-related emissions but producing something sustainable.

"Our solution is very well suited for companies that seek a more environmentally friendly approach to waste," says Kapanen. "When we're done, all that's left is clean water and reusable char."



# Research and innovation drive sustainability at Evac

Evac is known for its high-quality products that help customers reduce their environmental footprint beyond regulatory requirements. Research and innovation play key roles in unleashing all the ingenuity existing in our company.

For over 40 years, Evac's mission has been to modernize waste and wastewater management. Research and development (R&D) is a fundamental enabler of this mission.

"At Evac, we have always been motivated by protecting the marine environment, and research helps us better understand how our technologies could do this," says **Jari Jokela**, Head of Research at Evac.

"Wastewater management, for example, has evolved a lot over the years. Nowadays, the water that comes out of our systems is often cleaner than the seawater it's released into. Due to this development, our focus has shifted from wastewater to handling the wet organic waste, or biosludge, that is removed from wastewater during purification."

And here we come to one of Evac's most significant innovations: hydrothermal carbonization, HTC. The novel technology turns biosludge into biochar that can be added into soil. All this contributes to regenerative farming, a crucial element in climate action.

## Understanding the needs of the future

As Evac continues to transform from a technology provider into an expert in environmental protection, research activities play a crucial role.

"The way we see it, research is a prerequisite for offering solutions that drive sustainable development, now and in the future," says Jokela. "In addition to supporting product development, the information received through research helps us understand, for example, what type of substances will need to be removed from purified water in the future. Or how legislation develops, or how we can keep improving circularity in everything we do."

Evac's research is founded on proactive and continuous collaboration with partners. Constant co-creation and re-innovation are must-dos, as both vessels and buildings now under construction will be in use for decades.

"In one project, we completely emptied several cruise ships of their waste to understand what type of materials it actually consists of and how much of it can really be recovered," says Jokela. "The project has helped us to make recycling and recovery a source of income for ships that they can use to cover some of the expenses of their waste management"

Building on the results of this project, Evac is part of another ongoing project that aims to shed light on how the sustainable ship of the future will look. This project, called SustainValue, is a collaboration between Evac, the Royal Caribbean Group, the Turku Meyer shipyard, and VTT Technical Research Centre of Finland. Part of this work is to understand what type of technologies ships would need to have the smallest possible negative impact on the environment.

## EVAC RESEARCH CENTERS

Evac has a dedicated research center in Tuusula, Finland, and another one focusing on R&D for corrosion protection and freshwater generation in Chesterfield, UK.

In Tuusula, Evac's research center with more than 1,000 square meters of space enables the testing of full-size process systems in our own facilities and ensures quality in various areas of technological development. Testing is also essential for generating new information on Evac's environmental solutions for existing and future ships and buildings to keep advancing the sustainability of our technologies.

# Repairs and retrofitting ensure long-lived systems

In addition to offering first-class waste and water management technologies, we provide support and services to ensure the long lifecycle of delivered equipment. Our offering ranges from long-term service agreements to individual service products, such as spare parts, training, maintenance, and retrofits. In 2021 the services and spare parts sales accounted for 47% of Evac's turnover.

Our retrofit services help customers update their systems quickly and cost-efficiently instead of discarding the old system and installing a new one. By retrofitting or modernizing existing systems, customers can benefit from the latest technological developments that improve the energy efficiency and overall sustainability of the system.

Some IT and automation components may pose a challenge during maintenance, as they become outdated quickly due to technology advancements and can be difficult to replace. To minimize this issue, we pay special attention to choosing repairable components for our products.

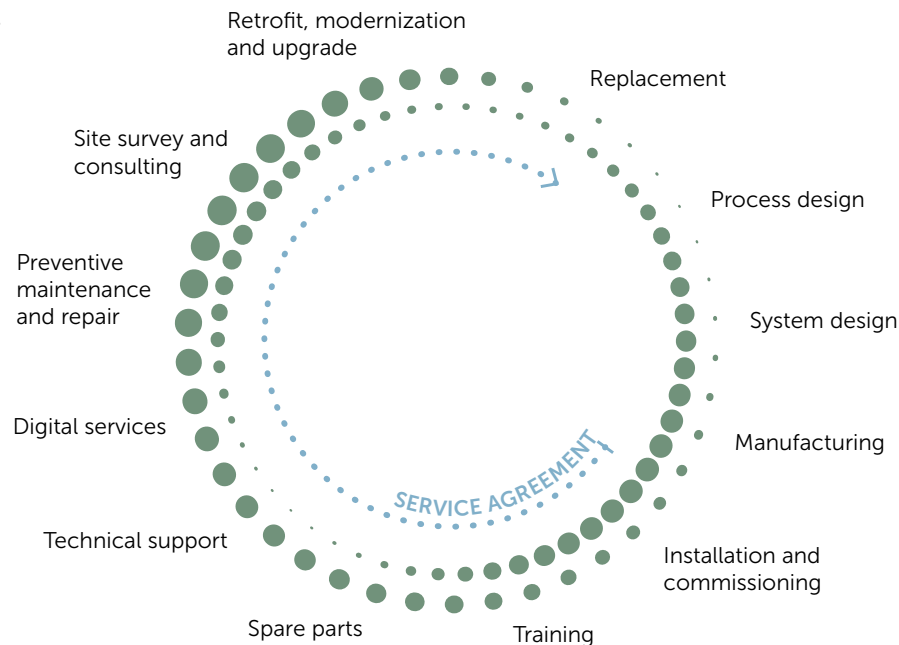
## A recyclable system

Evac's technologies are designed to stay in use for decades. Nevertheless, ensuring that they can be recycled after being removed from use is a top priority for us, and we pay attention to this from the design phase onwards.

As our systems are made with over 90% metal parts and components, they are already highly recyclable. Metal is one of the most valued materials in the world, as it can be recycled infinitely without loss of quality. The metal in our products is rarely a mix of different metal types, which further improves its recyclability.

The remaining materials used in our systems consist of, for example, automation components and porcelain for toilet bowls. Porcelain is an excellent material for toilet bowls, as it is very hygienic and scratch-resistant, but it is not recyclable. Evac is actively following the development of more sustainable alternatives to porcelain that fulfill our strict requirements for hygiene and durability. Similarly, we are continuously on the lookout for automation components that are well recyclable and repairable.

## Lifecycle services





# Responsible business practices

Our sustainable solutions help achieve a future with no waste, but we are also conscious of how we run our own operations.

Evac's sustainability approach is founded on responsible business practices. To be a credible beacon of sustainability in innovative water and waste technologies, we must ensure that we care for people, contribute to climate action, operate ethically, and manage our supply chain responsibly.

A future with no waste,  
on land and sea

Sustainable solutions that

Advance the circular  
economy

Safeguard life  
below water

Responsible business practices

People

Safety

Climate and  
energy

Ethics and  
compliance

Sourcing

## People

As a workplace, Evac fosters an inclusive and safe culture where colleagues know and trust each other. Our recently renewed, highly ambitious, and inspirational purpose of existence motivates employees and drives us towards our ultimate goal: a future with no waste.

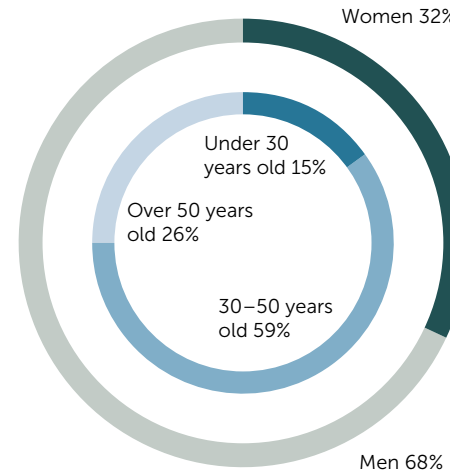
Innovation, commitment to customer satisfaction, and cross-functional collaboration across the organization are crucial for our success. Our employees value the clean technologies we offer and are committed to supporting customers, and the entire industry, in sustainably developing their business.

At the end of 2021, Evac had 461 employees (494 in 2020), of which 15% were new hires, and our employee turnover was 20%. 33% of our employees were in Finland, 20% in the UK and 12% in the US. Women accounted for 32% of all employees (36% of new hires), 17% of Evac managers, and 20% of the Group Leadership Team. Currently 1 out of 8 members of Evac's Board of Directors is female.

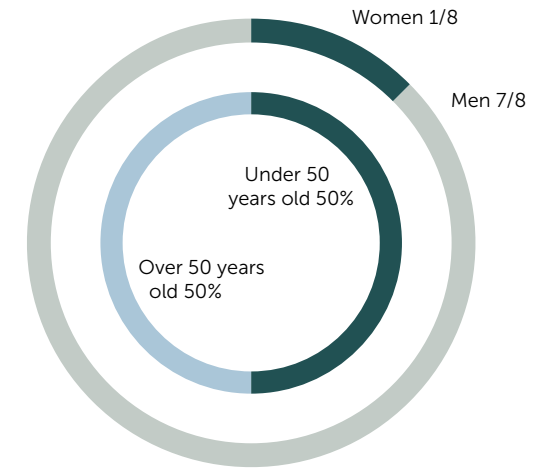
90% of Evac's employment contracts were permanent and full-time in 2021. 5% of the contracts were fixed term of which 36% were made with female employees. 44% of all fixed-term contracts were made in China, 36% in Finland, and the remaining 20% in the UK and France. The remaining 5% of the contracts were for part-time employment, of which 63% were made with female employees.

In addition to its own employees, Evac's external, temporary workforce amounted to 60 people. The most common title for the external workforce was Documentation Engineer.

**Employees by gender**  
**Employees by age**



**Board of Directors by gender**  
**Board of Directors by age**



**Number of employees per country (31/12/2021)**

Brazil	2
China	26
Finland	161
France	44
Germany	32
India	8
Norway	7
Singapore	8
South Korea	13
Spain	9
UAE	9
UK	94
USA	50





## Employee engagement

We conducted our first global employee engagement survey in 2021. The response rate of the survey was high at 88%. We measure our progress within the People theme of our sustainability program with an Employee Engagement Index calculated based on our employee survey responses.

In 2021, the engagement index was 57. More than two-thirds of the respondents felt their manager cares about their wellbeing, and also 'I know what I need to be successful in my role' scored high. One of the key improvement areas in the survey was collaboration between teams and departments. The low score has already been addressed by introducing new ways of working, joint targets across the organization, and increased focus on internal communication.

Evac's major transformation and restructuring program during 2020-2021 and the Covid-19 pandemic have impacted the communality and the feeling of inclusion in the workplace. Evac will continue to invest in Group-wide collaboration and community building to strengthen an inclusive culture.

The 2022 target for the Employee Engagement Index, which is also included in the targets of Evac's Group Leadership Team, is 65. We will continue to advance our People plan and implement our renewed strategy, vision, and purpose.

We will also prioritize leadership development and training, which will enable us to drive our sustainability agenda further. In 2021, we conducted leadership workshops for all managers, either physically on-site or virtually. The roll-out of Evac leadership principles, which were co-created in 2021, will continue in 2022.

To enhance Evac's ingenuity and innovativeness, we strive to attract and retain talented employees who share our vision. We conduct annual performance reviews to ensure the systematic development of our personnel and their skill sets. 2021 performance evaluation was completed for 73% of Evac employees. In addition, all Evac employees will be eligible for short-term incentive plans based on common, aligned targets from 2022 onwards.

## Diversity and inclusion

Evac is committed to fostering, cultivating, and preserving a culture of diversity and inclusion. We strongly believe that embracing diversity enhances our work culture and drives our business success. Diversity initiatives are integrated into, for example, recruitment, compensation and benefits, professional development, and promotions. Our Diversity and Inclusion policy will be integrated into our Talent Strategy, which will be finalized during 2022.



## Safety

As a company whose employees work in many different environments, such as offices, shipyards, on-board ships, and construction sites, health and safety is a top priority at Evac. Most of our sites are ISO 45001-certified for managing occupational health and safety.

Our key performance indicator (KPI) for health and safety is the Lost Time Injury Frequency (LTIF) rate. In 2021, our LTIF for our own personnel was 9.5. Our target for 2022 is less than 3. The target is included in the targets of Evac's Group Leadership Team. In 2021, no severe safety incidents were recorded, while eight incidents resulting in absence were reported.

We have introduced new safety training and tools to improve occupational safety and increased preventative measures such as reporting of all incidents and safety walks at our sites. We will continue to build a plan to improve our safety culture and implement it as part of our leadership development initiatives. Planned actions for 2022 include organizing safety training for the whole personnel.





## Health and safety are a top priority at Evac's Chesterfield site

Evac's factory in Chesterfield is stepping up health and safety awareness in the workplace.

Evac's site in Chesterfield, UK, brings together a range of Evac professionals. Approximately 95 employees work together at the site to provide equipment for ships and offshore installations, such as systems for anti-fouling, anti-corrosion, reverse osmosis, hot water, and ballast water treatment. Health and safety are prioritized throughout the site's operations, from engaging management and visitors in safety protocols to the reporting and proactive prevention of accidents.

"For me, safety means coming to work safe, working in safe conditions, and going back home safely to your loved ones," says **Ese Okorare**, Health and Safety Officer at the Chesterfield site.

"At Chesterfield, safety is always integrated into our operations as a priority. We have a safety culture in place, and the journey to improve is ongoing. It is a combination of individual and group-level values, attitudes and behaviors."

### Prevention and training are key

The proactive prevention of accidents guides all safety improvements at Chesterfield, and employees are encouraged to report safety concerns before accidents occur. A regular stream of reports means that employees are always alert. Management acts on reports as quickly as possible.

Training and awareness-raising are other vital elements in ensuring a safety culture at Chesterfield. Employees are trained in, for example, risk assessments and safe working procedures, and the training is often supported by supervision and monitoring – in an encouraging atmosphere.

"It is important to provide people with the right tools and continually refresh their memory on certain topics," Okorare notes. "This applies to everyone working at the site, including management. We all need to be on the same page."

Visitors are also educated on safety at Chesterfield to ensure a safe visit, both for them and Evac employees. "We want visitors to be safe while on-site, and this also sends a message to them that we are a safety-centric company," says Okorare.

### Management in the driver's seat

The Chesterfield site operates Health and Safety Committees, and management has also introduced Toolbox talks and walks that feature discussion on a range of health and safety topics across the site. In addition, Evac Group will implement Group-wide safety training during 2022. The training will share important safety and risk information with employees in an e-learning format.

"It's important that management sets an example in leading health and safety," Okorare concludes.



Ese Okorare

"Driving safety culture with a top-down approach showcases that safety is a true priority for the company, which, in turn, increases employee motivation."

## Climate and energy

Evac's products help customers reach their climate targets through energy efficiency and innovative waste treatment solutions. Our waste and water management technologies are highly energy-efficient, especially our vacuum collection system EcoVac and the reverse osmosis (RO) technology used for water desalination.

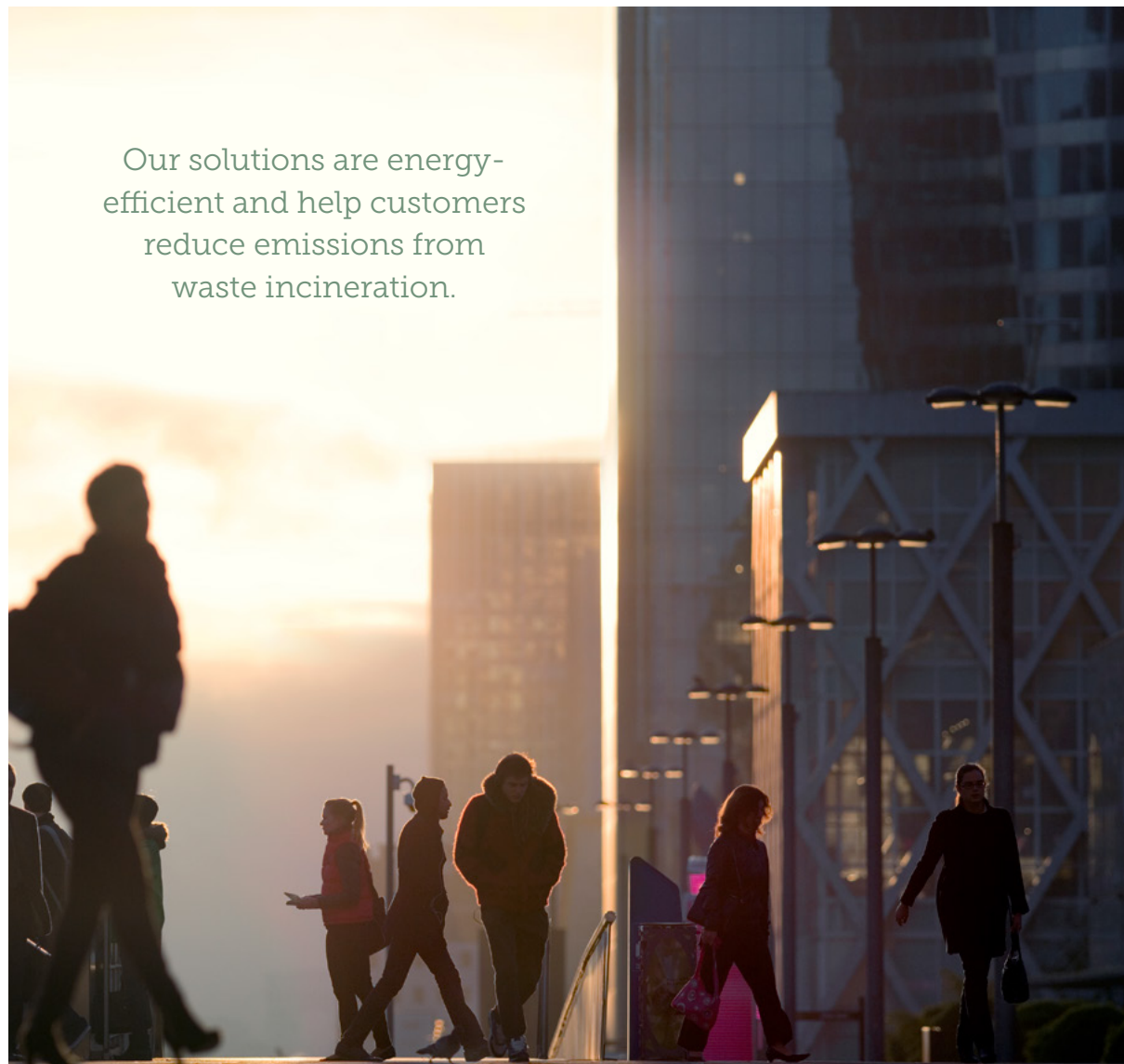
Hydrothermal carbonization (HTC) treats wet organic waste, or biosludge, without drying and burning. The technology effectively eliminates greenhouse gas emissions, such as carbon dioxide (CO<sub>2</sub>), from the process. Compared to a traditional process, HTC decreases the carbon emissions by almost 90%. The end-product of HTC is biochar which stores the carbon of the treated biosludge. The biochar, including the carbon, can be added into the soil where it functions as a carbon sink.

Using Evac systems to collect and recycle dry waste also contributes to our customers' climate ambitions. When materials, such as plastic, paper, and cardboard, are recycled, they continue to store carbon in their polymers and fibers instead of releasing it into the atmosphere during incineration.

### Greenhouse gas emissions from Evac's operations

We will calculate the carbon footprint of Evac's operations in 2022, which will also be our key performance indicator for measuring our progress in climate work. The footprint will be used as a baseline for future target setting.

Our solutions are energy-efficient and help customers reduce emissions from waste incineration.





# Evac's new European distribution center integrates sustainability and efficiency

Evac introduced a new distribution center in Germany in late 2021. The European distribution center has streamlined Evac's warehousing and distribution, with sustainability at the core.

Evac is constantly looking for ways to produce and deliver solutions to customers sustainably. In 2021, Evac evaluated its warehousing network and had a clear goal: to optimize warehousing and distribution and find a suitable location and partner for its distribution center. Sustainability was one of the critical criteria for this new distribution center.

In the early fall of 2021, Evac decided to cooperate with DSV Solutions, one of the world's leading logistics companies, to establish its distribution center at DSV's state-of-the-art warehouse nearing completion. The facility met all Evac's needs and is situated ideally in Duisberg, Germany, with close links to transportation networks. At the new distribution center, which has been fully operational since December 2021, Evac distributes its own spare parts and consolidates products arriving from different suppliers.

## Sustainability as a deciding factor

The distribution center provides several sustainability benefits. For example, the building is partially made with low-carbon and recycled materials. A solar power system is planned for the roof, and façade greening adds another environmental element to the location.

"We include sustainability and environmental factors in the planning and implementation of all our logistics projects," says **Hannu Jokinen**, Head of Logistics and Development at Evac Group. "They are an important evaluation criterion in our decision making."

Electricity is also a focus area at the new distribution center. The site only uses green electricity and has set goals for electricity consumption. The site's current goal is to be a KfW Efficiency House 55, meaning that it would use 45% less energy than the standard new building, as determined by the Energy Saving Ordinance (EnEV) of Germany.

The site has also been granted a DGNB Gold Certificate for sustainability. The certification process focuses on different areas, including ecological and technological aspects of the building.

## Efficient logistics in mind

The distribution center is located in Central Europe, where many of Evac's customers and suppliers operate, and within a short distance from the airport and freight terminals. This provides significant efficiency and accessibility.

"The center is a true logistics hub. Because of its location, it will decrease the need for additional transportation and product transfers," Jokinen states. "For example, moving freight containers long distances by truck is a thing of the past – now they arrive by ships that are unloaded next to the site."

Evac will further develop the distribution center in 2022. Sustainability aspects will also be reviewed regularly.

"We look forward to having our distribution center and logistics network support our business in greener ways," Jokinen concludes.



Hannu Jokinen

"The new distribution center increases our transportation efficiency up to 40%, thus markedly decreasing our carbon footprint."

# Ethics and compliance

Evac is committed to conducting business with integrity and in an ethical manner. We comply with all applicable laws and regulations, but we always seek to go beyond compliance. In 2021, we underwent a comprehensive centralization of our compliance policies and practices. Through this harmonization, we can better ensure that every employee of the Group and its subsidiaries understands our approach to ethical and compliant business.

We measure our progress in ethics and compliance with a key performance indicator (KPI) that monitors the awareness of our employees of these topics. We strive to ensure that our employees are familiar with Evac's Code of Conduct, and the KPI measures the completion percentage of the Code of Conduct training. In 2021, we initiated comprehensive employee training on compliance topics, such as Evac's Code of Conduct, corruption and anti-money laundering, trade compliance, competition law, and cyber security. The trainings, which will continue in 2022, are tailored for our employees.

During the year, we also developed and launched multiple compliance-related policies that will guide our work in areas, such as whistleblowing, cyber security, military compliance, and trade sanction compliance.

## Reporting on misconduct

We encourage all employees and external stakeholders to report any suspected non-compliance of applicable regulation or Evac's Code of Conduct, such as corruption, harassment, or misconduct related to environmental protection. Employees are encouraged to report suspected cases primarily to their manager, another member of management, an occupational safety and health representative, or Human Resources.

Concerns can also be reported anonymously through [Evac's whistleblowing channel](#). The channel is separate from company's IT environment, and is administrated by an external service provider, Whistle B. All reports are processed confidentially. The CFO and the Deputy Member of the Board of Directors process all received reports, collect further information as needed, and present the cases to the CEO and the Board of Directors, who decide on possible further investigation.

Proven misconduct may lead to, for example, corrective actions, contractual matters, damage claims, or even criminal proceedings. Evac does not tolerate retaliation against anyone who reports a concern in good faith. In 2021, no reports were submitted through our whistleblowing or other channel.



# Sourcing



Evac's supply chain is central to ensuring the efficiency of our operations. Our Supplier Code of Conduct presents requirements for our suppliers and enables us to ensure sustainability throughout our supply chain.

Evac has a framework for ensuring that our sourcing follows both the relevant legislation and our internal policies. To effectively manage the flow of various materials and services in large volumes, we have centralized our sourcing practices.

Physical items account for 66% of Evac's sourcing, while services and contractors make up 34%. Sourced items include, for example, machine parts and control panels, whereas services cover categories, such as engineering and mechanical work.

## Legislation and Supplier Code of Conduct

Evac follows all applicable legislation related to its sourcing processes, such as regulation on exportation, taxation, international trade, and health and safety. Evac complies with sanctions and related regulations. In 2022 Evac ceased all its sales to Russia and Belarus in response to Russia's attack to Ukraine.

We require exact compliance with legislation from our suppliers. Evac's Supplier Code of Conduct sets clear

guidelines for all suppliers and defines the values by which Evac operates globally. In addition to requiring compliance with legal requirements, it sets supplier expectations on anti-corruption, human rights, and a range of environmental aspects.

The environmental requirements of the Supplier Code of Conduct focus on areas, such as recycling, pollutants, and energy efficiency. Evac expects its suppliers to have a systematic approach to managing their environmental responsibilities and continuously reduce their operations' carbon footprint. Our suppliers must also respect internationally recognized human rights and shall not use any forced or child labor under any circumstances.

## Monitoring our suppliers

All new potential suppliers are required to sign Evac's Supplier Code of Conduct before beginning collaboration. Relevant regulations regarding sourcing are included in the frame agreement and appendices.

Evac has a supplier relationship management system in place. This includes regular meetings, annual risk assessments, and audits. Possible infringements identified in audits or during supplier visits are corrected with the supplier. Evac may suspend or terminate the agreement if the infringement is not sufficiently corrected.



# GRI index

Evac's Sustainability Report 2021 has been prepared with reference to the GRI 2021 Standards. In this table you will find references to specific sections of the report with the corresponding links. This report has not been externally assured. However, we are committed to continuously improving our annual sustainability reporting.

GRI Standards Disclosure	Description	Reference
GRI 2 General Disclosures		
2-1	Organizational details	Our company: About Evac and backcover
2-2	Entities included in the organization's sustainability reporting	Our approach: Sustainability reporting
2-3	Reporting period, frequency and contact point	Our approach: Sustainability reporting
2-4	Restatements of information	<i>As this is Evac's first annual Sustainability Report, restatements of information are not relevant.</i>
2-6	Activities, value chain and other business relationships	Our company: About Evac
2-7	Employees	Responsible business: People
2-8	Workers who are not employees	Responsible business: People
2-12	Role of the highest governance body in overseeing the management of impacts	Our approach: Sustainability governance
2-13	Delegation of responsibility for managing impacts	Our approach: Sustainability governance
2-14	Role of the highest governance body in sustainability reporting	Our approach: Sustainability governance
2-16	Communication of critical concerns	Our approach: Sustainability governance
2-22	Statement on sustainable development strategy	Our company: CEO review
2-26	Mechanisms for seeking advice and raising concerns	Responsible business: Ethics and compliance
2-27	Compliance with laws and regulations	Responsible business: Ethics and compliance
2-29	Approach to stakeholder engagement	Our approach: Stakeholder engagement
GRI 3 Material Topics		
3-1	Process to determine material topics	Our approach: Materiality assessment
3-2	List of material topics	Our approach: Materiality assessment



# GRI index

GRI Standards Disclosure	Description	Reference
Topic standards		
205-2	Communication and training about anti-corruption policies and procedures	<i>Training program ongoing</i>
205-3	Confirmed incidents of corruption and actions taken	<i>No incidents reported in 2021</i>
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	<i>No legal actions regarding anti-competitive behavior, anti-trust, or monopoly practices in 2021.</i>
401-1	New employee hires and employee turnover	Responsible business: People
401-3	Parental leave	<i>Evac complies with legislation in its operating countries</i>
403-1	Occupational health and safety management system	Responsible business: Safety
403-6	Promotion of worker health	<i>Evac complies with legislation in its operating countries</i>
403-8	Workers covered by an occupational health and safety management system	Responsible business: Safety
403-9	Work-related injuries	Responsible business: Safety
404-3	Percentage of employees receiving regular performance and career development reviews	Responsible business: People
405-1	Diversity of governance bodies and employees	Responsible business: People
406-1	Incidents of discrimination and corrective actions taken	<i>No incidents reported in 2021</i>
411-1	Incidents of violations involving rights of indigenous peoples	<i>No incidents reported in 2021</i>
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	<i>No incidents reported in 2021</i>
417-2	Incidents of non-compliance concerning product and service information and labeling	<i>No incidents reported in 2021</i>
417-3	Incidents of non-compliance concerning marketing communications	<i>No incidents reported in 2021</i>
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	<i>No incidents reported in 2021</i>

## Nothing to waste

Evac is the world's leading provider of integrated water and waste management systems, as well as corrosion-protection systems for the marine, offshore, and building industries.

With offices in 13 countries across four continents and representatives in more than 70 countries, we are close to our customers wherever they are.

We contribute to a better environment and cleaner seas by helping our customers eliminate waste, conserve water, and mitigate emissions. Our ambitious target is to enable a future with no waste.



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