

meconet

CARBON FOOTPRINT REPORT

2023

WHAT IS A CARBON FOOTPRINT?

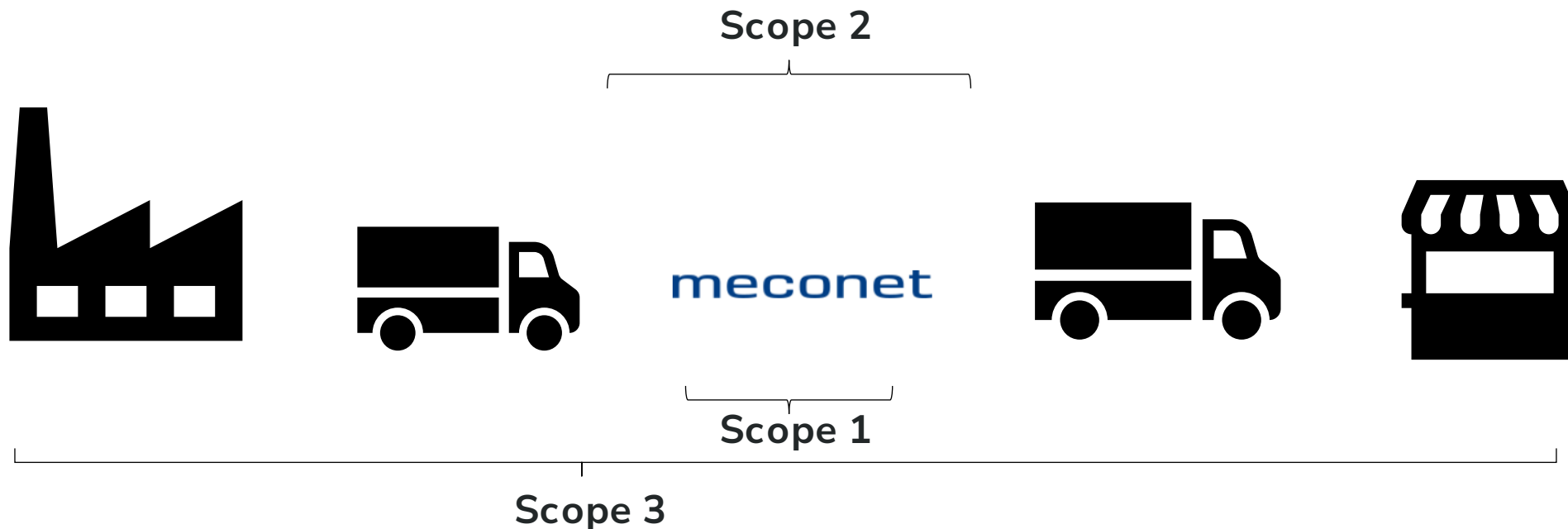
Calculating an organisation's carbon footprint means calculating the greenhouse gas emissions generated through its operations. The unit of carbon footprint is the carbon dioxide equivalent, which reflects the global warming effect of different greenhouse gases converted into the corresponding effect of carbon dioxide in the atmosphere. The carbon footprint measurement method for this calculation is based on GHG Protocol guidelines. The GHG Protocol is a standard published in 1998 by the World Business Council on Sustainable Development (WBCSD) and the World Resource Center (WRI) to help companies determine greenhouse gas emissions from their operations.

Greenhouse gas emissions generated in accordance with the guidelines are sorted into Scope 1, Scope 2 and Scope 3 emissions. The factors affecting a company's greenhouse gas emissions are divided into scopes 1-3.

Scope 1 – Direct emissions of the organization. Assets owned by an enterprise, including the company's own energy production and fuel consumption of its own vehicles or vehicles under its control.

Scope 2 Indirect emissions of the organization. Electricity and heat/cooling energy purchased by the company.

Scope 3 Upstream and downstream. Scope 3 includes a number of other business emissions from subcontracting all the way to the customer. Scope 3 includes, but is not limited to, business travel, waste, purchased transportation, packaging and commuting.



CALCULATION

Carbon footprint management starts with identifying emission sources and determining the amount of emissions caused by operations. With the help of carbon footprint calculations, it is possible to map the largest sources of emissions, which also allows measures to reduce emissions to be targeted correctly.

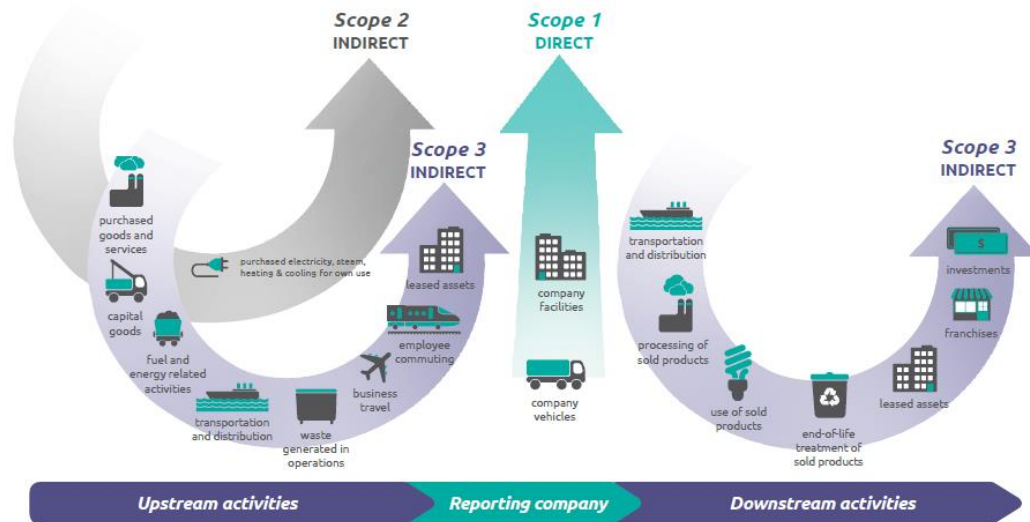
With the help of the calculation results, Meconet can develop its operations in an even lower-emission direction in the future. Based on the calculations, the amount of offsetting required for carbon neutrality can also be seen.

The report includes the carbon footprint of Meconet operations for the period 01.01.2022 – 31.12.2022, presented as carbon dioxide equivalents (CO₂e). The figures are compared to base year (2021) CO₂ emission calculation results.

The carbon footprint is calculated using the consumption figures of the company's various emission sources and site-specific emission factors for the period 01.01.2022 – 31.12.2022.

The logo for Meconet, consisting of the word "meconet" in a lowercase, blue, sans-serif font.

CALCULATION LIMITATIONS



The limitation of the carbon footprint calculation is based on the GHG Protocol standard, according to which direct greenhouse gas emissions (Scope 1) and indirect emissions (Scope 2) must be included in the calculation. Other indirect greenhouse gas emissions (Scope 3) can be included on a case-by-case basis.

The functional limitation of the calculation is based on the emissions caused by the activities controlled by the company, i.e. the emissions that the company can influence through its operations.

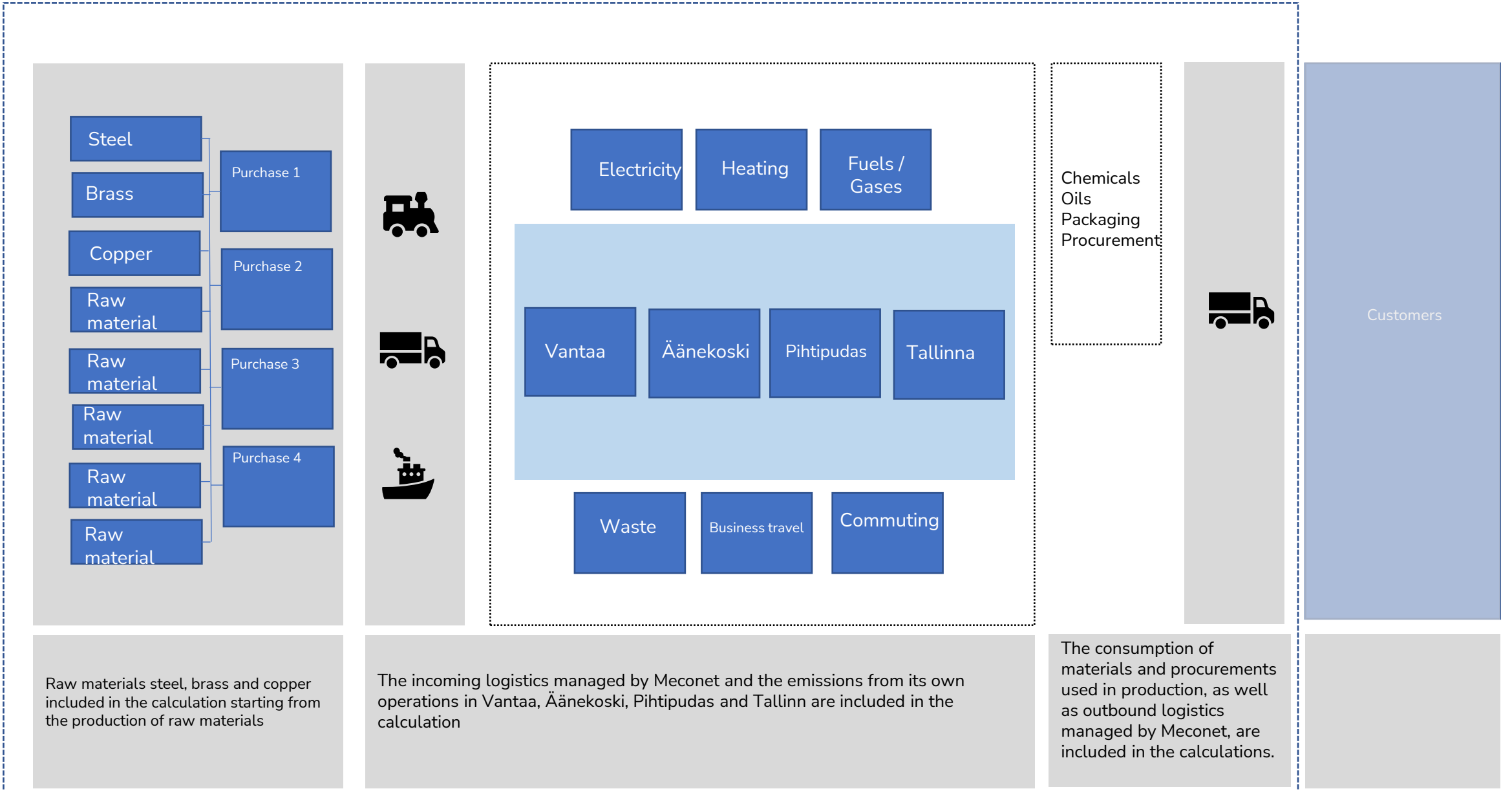
In addition to Scope 1 and 2 emission sources, the carbon footprint calculation includes logistics managed by Meconet, employee travel (travel between home and work), business travel, waste, water and purchased materials and raw materials.

In accordance with the Gradle – to – customer principle, the calculation was limited to ending when the ownership of the asset changes from the enterprise to the customer. Some of Scope 3 emissions have been divided between Meconet production units compared to production volume or number of employees working in entity.

EMISSION SOURCES INCLUDED IN THE CALCULATION

Scope category [t CO ₂ e]	Emission source	2021	2022
Scope 1.1	Scope 1.1 Heating with own fuel	88,79	54,38
Scope 1.2	Scope 1.2 Fuel of Meconet vehicles	60,95	83,9
Scope 1.4	Scope 1.4 Gas and fuel of production	74,68	153,95
Total [t]	Scope 1	224,41	292,22
Scope 2.1	Scope 2.1 Electricity	1034,39	1 044,65
	Scope 2.1 Central purchaces heating	289,28	243,71
Total [t]	Scope 2	1 323,68	1 288,36
Scope 3.1	Scope 3.1 Purchased metal RM	27 503,59	23 670,25
	Scope 3.1 Packing material	34,79	39,48
	Scope 3.1 IT purchases	5,58	6,56
	Scope 3.1 Oils and substances for production	73,11	100,64
Scope 3.5	Scope 3.5 Waste	41,29	70,33
	Scope 3.5 Water	3,22	2,43
Scope 3.6	Scope 3.6 Business trips	26,6	84,51
Scope 3.7	Scope 3.7 Commuting	269,36	288,22
Scope 3.9	Scope 3.9 Logistics and freight	1018	640,72
Total [t]	Scope 3	28 976	24 903
Total [t]	Total carbon footprint [t CO₂e]	30 524	26 484

SCOPE OF CALCULATION



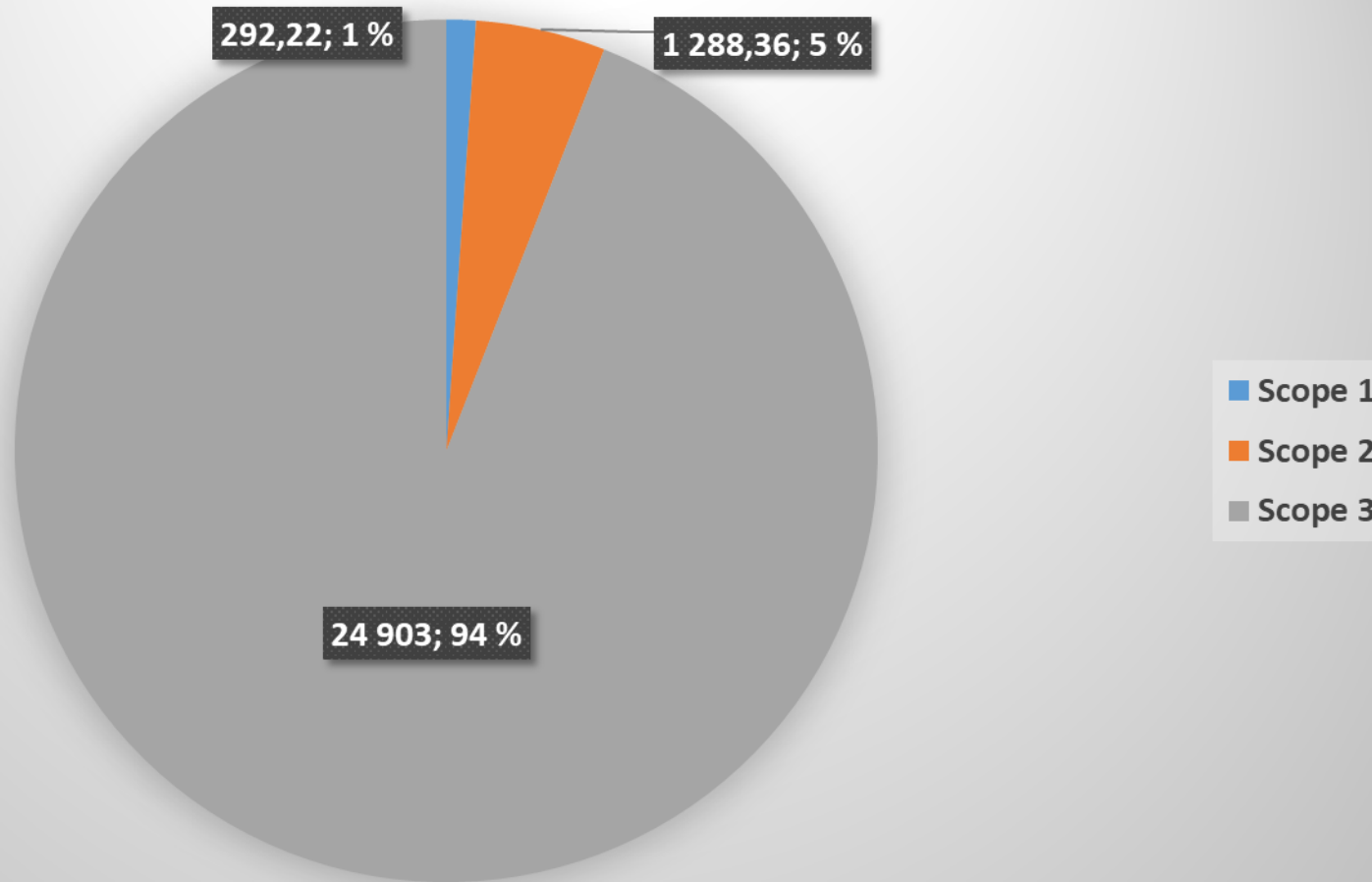
Raw materials steel, brass and copper included in the calculation starting from the production of raw materials

The incoming logistics managed by Meconet and the emissions from its own operations in Vantaa, Äänekoski, Pihtipudas and Tallinn are included in the calculation

The consumption of materials and procurements used in production, as well as outbound logistics managed by Meconet, are included in the calculations.

MECONET CARBON FOOTPRINT OF 2022

Total carbon footprint (t CO² e), Meconet by scopes

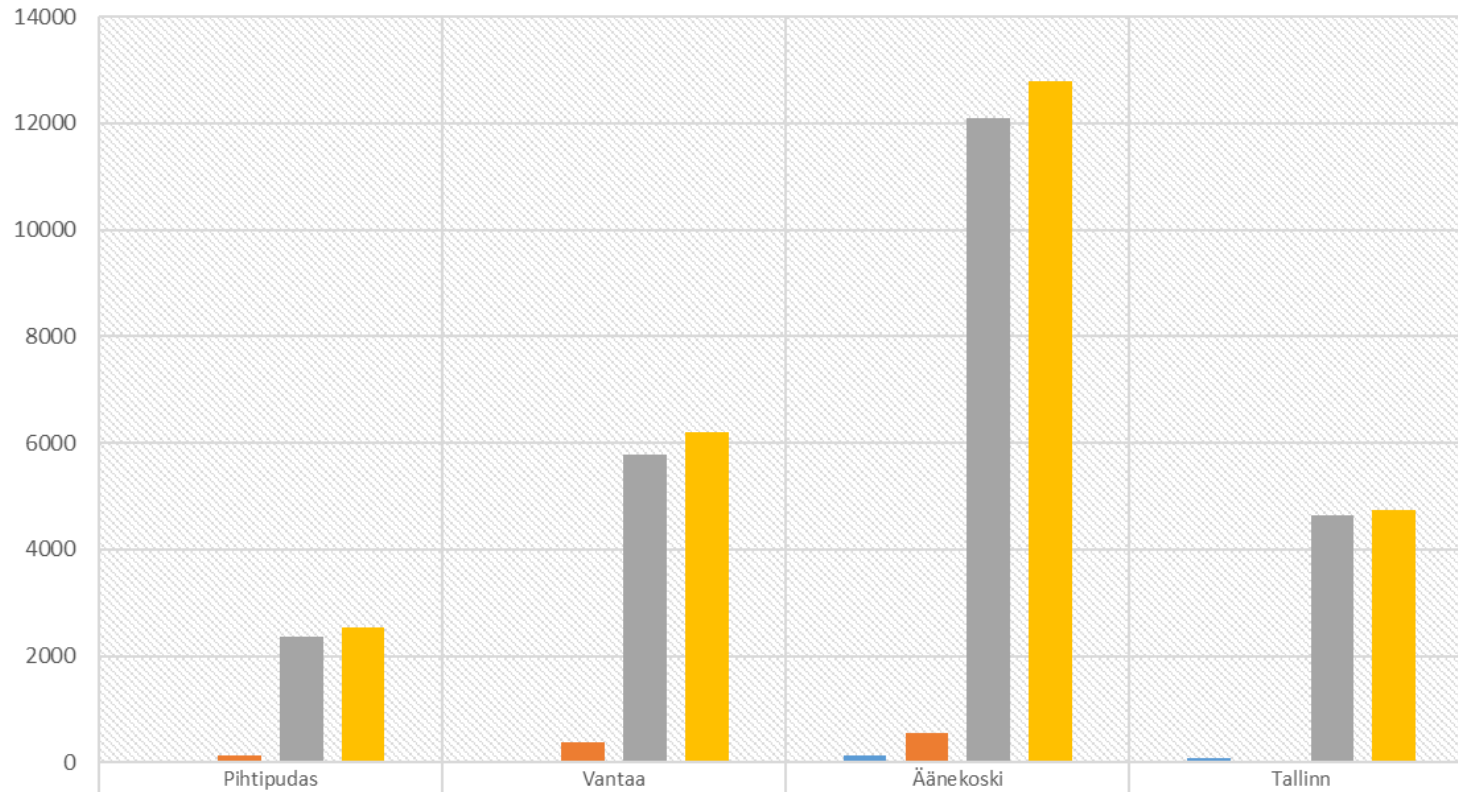


Total CO² equivalent emissions of Meconet in year 2022 were **26 484 t**.

From total emissions, the Scope 3 portion was **94%**, Scope 2 portion **5%** and Scope 1 portion only **1%**.

MECONET CARBON FOOTPRINT 2022 BY PRODUCTION UNITS

CO² emissions (t CO²e) 2022, by Meconet production unit

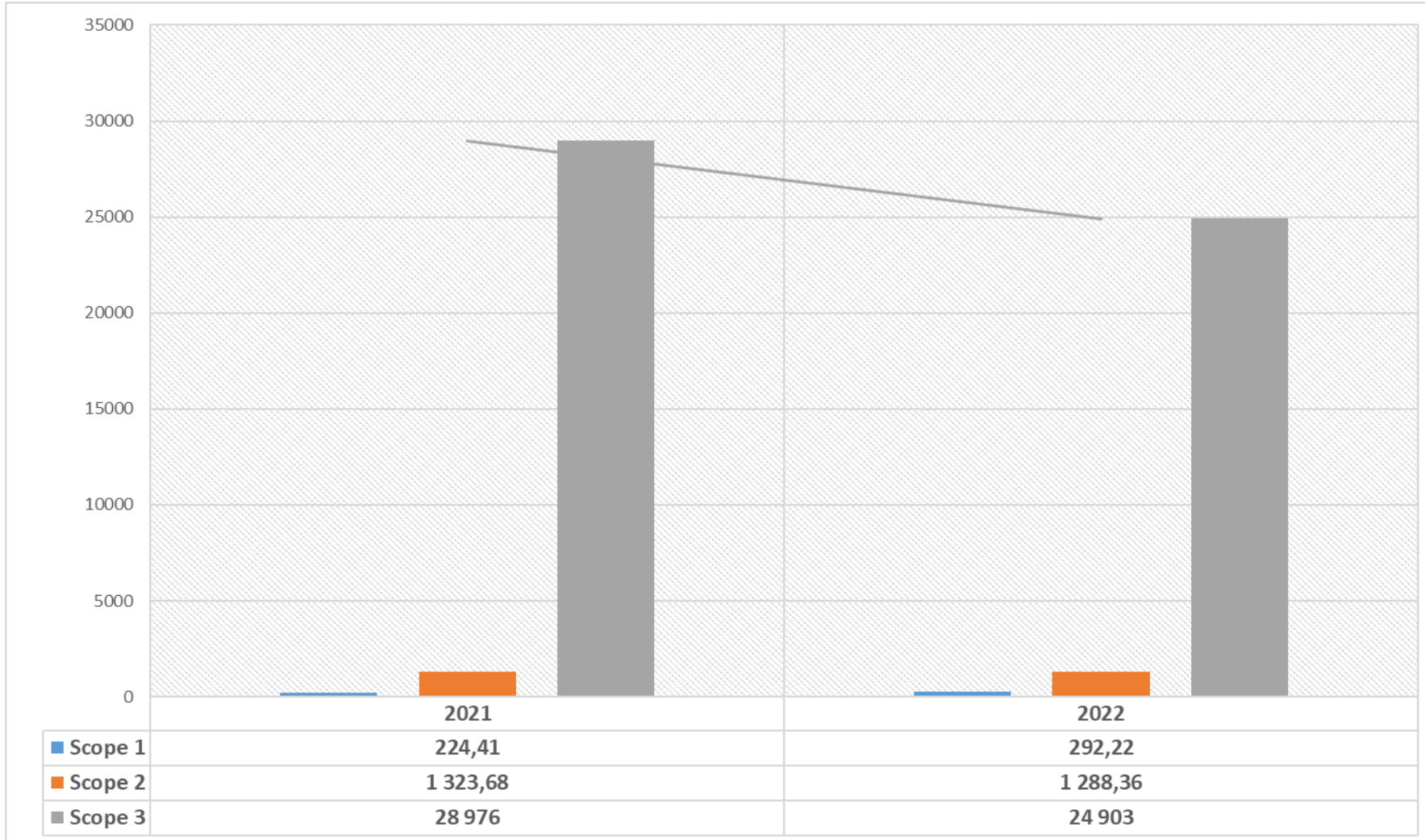


■ Scope 1	27,69	43,26	141,78	81,07
■ Scope 2	125,67	376,41	542,56	0
■ Scope 3	2 372	5 789	12 099	4 646
■ Total carbon footprint [t CO2e]	2 525	6 209	12 783	4 727

From Meconet's Total CO² equivalent emissions of 2022 (**26 484 t**), Äänekoski unit emissions were 12 783t, Vantaa 6 209t, Tallinn 4 727 and Pihtipudas 2 525t.

The percentual portion of scope 3 emissions was 90% or more in each production unit.

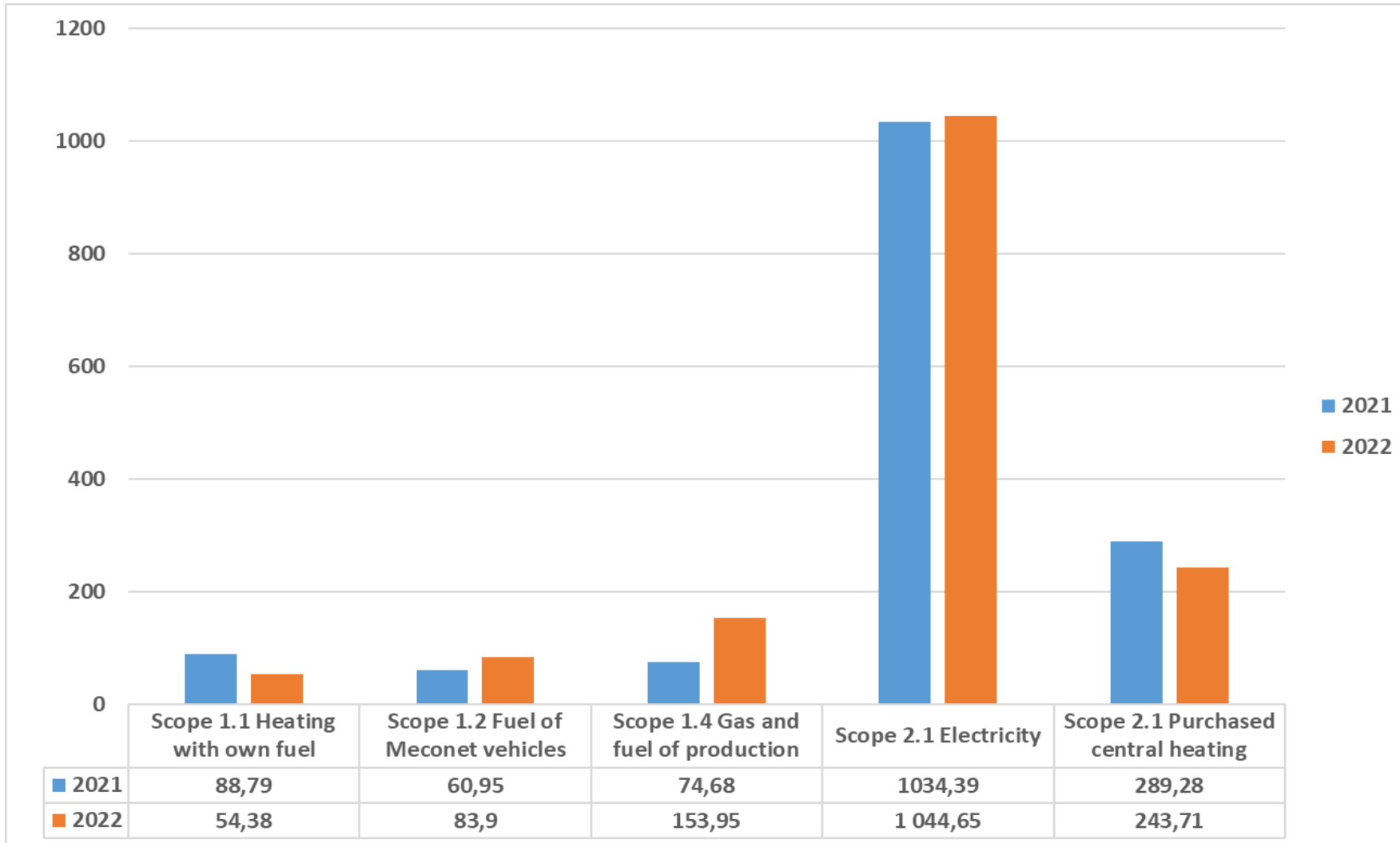
MECONET CARBON EMISSIONS OF 2022 COMPARED TO BASE YEAR 2021



Compared to base year 2021, the CO₂ equivalent emissions of Meconet have been reduced in total from **30 524 t** to **26 482 tons** (**13%**) in 2022.

The biggest reduction in emissions is coming from Scope 3, and decreased volume of purchased raw material. In scope 2 (electricity and heating), the emissions have decreased slightly, but scope 1 emissions have increased.

MECONET SCOPE 1 AND 2 CARBON EMISSIONS OF 2022 COMPARED TO BASE YEAR 2021



In 2022, Meconet has been able to reduce heating costs, which effects to both Scope 1 and Scope 2 CO² emissions.

However, the usage of production process- and vehicle related gases and fuels has been increasing compared to 2021.

Also, the biggest emission source of Scope 1&2, electricity usage, has been increased during 2022.