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**Part 1**

# **Annual Review 2024**

# Contents of the Annual Review

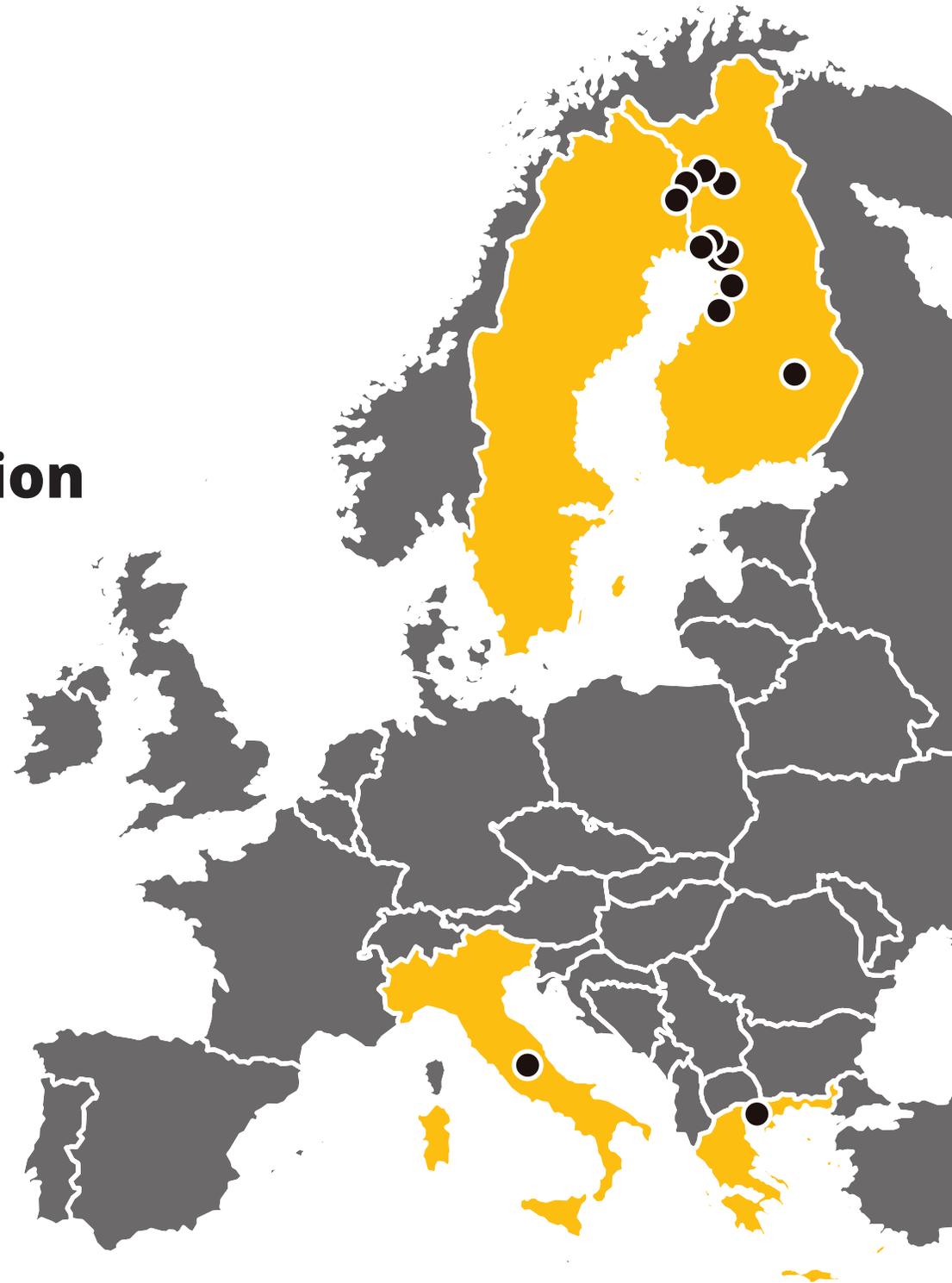
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Vuoden Kiertotalousteko 2024

Tapojärvi oy

## ○ A year of development and international expansion

We expanded our operations at mines in Greece and Sweden and opened a new Eco Innovation Research Center in Oulu.



# Overview of Tapojärvi 2024



## Key figures

**Revenue**  
194.1 EUR m

**Operating profit**  
20.1 EUR m

**RDI investments**  
4.9 EUR m

**Personnel**  
911

**LTIF (Lost Time Injury Frequency) 3,3**



## Strategic Priorities 2024-2025

### International Expansion

New Projects in Greece and Sweden

### Circular Economy

TapoEko product sales totaled 120,000 kilograms. A new production plant is being built in Keminmaa.

### Technology

Investments in Autonomous Vehicles and Electric Equipment

### Personnel

Personnel Growth +17%, Focus on Orientation and Safety



## Leadership Framework

### Commitment

To the Principles of the UN Global Compact

### Operating Principles

For Promoting Responsibility Within Our Own Personnel and Supply Chain

### Policies

Supporting the Development of the Management System and Leadership Processes

### Management System

The management system is certified according to ISO 9001 in Finland, and both ISO 9001 and ISO 14001 in Italy.



## Highlights

### Circular Economy Act

Awarded the "Circular Economy Act of the Year" recognition

### EIR Center

An Eco Innovation Research Center was established in Oulu

### Zero Mine Solutions Oy

Zero Mine Solutions Oy was founded to handle electrical and electronic waste (WEEE.)

### Horizon Programme

Involved in research projects under the EU Horizon Programme



## Business Areas



mining services, industrial circular economy, and materials handling and processing



## Countries



Finland, Sweden, Italy, Greece



## Energy Intensity

**1495**

MWh/M€



## Carbon Intensity

**489**

tCO<sub>2</sub>-ekv / M€



## Share of Women

**5%**

of employees



# Highlights of the year 2024



In 2024, Tapojärvi invested in low-carbon materials and processes. The company calculated its operational carbon footprint for the first time in accordance with the GHG Protocol, with verification provided by Greenstep Oy.

In 2024, Tapojärvi invested in low-carbon materials and processes. The Company calculated its operational carbon footprint for the first time, in accordance with the GHG Protocol, with verification provided by Greenstep Oy.



The Group's revenue totaled EUR 194.1 million, with an operating profit of EUR 20.1 million (10.75%). The number of personnel increased significantly during the year. Equality and employee well-being surveys highlighted areas for development, which have already led to concrete actions. Employee retention remains strong, and long careers reflect a high level of commitment to the company.

Tapojärvi adheres to the principles of responsible business. Operations are guided by a management system certified to the ISO 9001 standard in both Finland and Italy, where the ISO 14001 environmental management system is also in place. Uniform practices for quality and environmental management are followed across all sites.

Digital training solutions are used to support onboarding, including eLearning courses focused on safety and leadership training. Work to promote well-being and equality continues systematically.

At the core of Tapojärvi's operations are continuous improvement, safety, and resource efficiency. The company develops solutions in collaboration with research institutions and customers, supporting sustainable mining and circular economy practices.



# Progress, Change, and Sustainability Work

The year 2024 was a significant for Tapojärvi in terms of development, internationalization, and sustainability. In line with our strategy, we continued to invest in the circular economy, technological development, and international operations.

During the year, we reached several important milestones. Our operations expanded especially in mining projects in Greece and Sweden. Investments in circular economy solutions — such as the TapoEko product family — delivered concrete results in developing low-carbon and resource-efficient solutions. Tapojärvi employed over 900 people during the year, and the number of recruitments increased by 70% compared to the previous year.

The year also brought notable challenges, including a decline in steel industry production volumes and the expiration of customer contracts, both of which impacted our business operations.

Occupational safety remains a core part of our operations. However, we did not reach our set target for accident frequency. Our work toward a safer working environment continues.

Sustainability was a key focus throughout the year. For the first time, we calculated and verified our carbon footprint in accordance with the GHG Protocol. Our goal is to systematically reduce environmental impacts. The importance of the circular economy in industry is growing, and Tapojärvi is actively contributing to this progress. In 2024, Tapojärvi was awarded the national “Circular Economy Act of the Year” award for our long-term development work.

I want to thank our personnel for their dedication and flexibility, and our customers and partners for their continued trust. The year 2025 will be a special one for Tapojärvi, as the company celebrates its 70th anniversary—a moment to reflect on the past and look ahead to the future.

Mari Pilventö Acting CEO



# ○ Tapojärvi – Impact Overview ○



## Economic Impact

### Key Figures:

**Revenue**  
EUR 194.1 million

**Operating Profit**  
EUR 20.1 million (+10.75% growth)

**Investments**  
EUR 60 million

**Recruitment**  
70% increase in applicants, employees

**Tax Impact**  
Significant group-level tax footprint, EUR 43.1 million



### Impact

Strengthens regional vitality, supports export growth, and creates new business opportunities



## Environmental Impact

### Actions and results:

**Processed Material**  
920,000 tonnes, of which 64% recycled

**Circular Economy Product Deliveries**  
120,000 kilograms

**GHG Calculation**  
completed

**Energy Solutions**  
Electrified equipment and biofuels reduced emissions

**TapoEko Product Family**  
Replaces virgin raw materials

**Certification**  
ISO 14001 (Italy)



### Impact

Concrete steps toward carbon-neutral and resource-efficient industry



## Social Impact

### Key figures:

**Employment**  
900+ people in four countries

**Long careers**  
1/3 of personnel with over 5 years of service

**Safety**  
11,692 observations, LTIF 3.3

**Well-being**  
Equality and employee well-being surveys

**Training**  
Enhances skills, promotes well-being, and advances inclusion



### Impact

Enhances skills, promotes well-being, and advances inclusion



## Societal Impact

### Collaboration and transparency

**Kolari Mining project**  
Major future regional impact

**Stakeholders**  
Networking events, regional collaboration, targeted stakeholder meetings

**Communication**  
Resident meetings, digital channels

**Sponsorship**  
EUR 189,000 for youth and children's activities



### Impact

Enables long-term and socially accepted industrial development



## Innovation and Future Outlook

### Investments and results:

**RDI Investments**  
EUR 4.5 million

**Eco Innovation Research Center**  
Research and piloting

**New products**  
CE-certified TapoEko products, geopolymers

**Innovations**  
Zero Mine Solutions, Mastermine, and other R&D projects



### Impact

Scalable, export-ready, and environmentally friendly solutions for industry

# ○ Sustainability highlights: towards the set goals

Tapojärvi's strategy is built on sustainable growth, responsibility, and customer-driven solutions. The aim is to strengthen the company's position as a provider of mining and circular economy services, and to develop solutions that support a low-carbon and resource-efficient industry.

## The four main objectives of the strategy

### 1 Internationalization and expansion of mining services

We expanded our operations into new markets, particularly in Greece and Sweden, where the company participated in mining production activities.

Hannukainen Mining, a subsidiary of the Group, owns the mining rights in Kolari and is preparing for the reopening of the mine.

### 2 Circular economy and sustainable development solutions

Tapojärvi developed circular economy products such as geopolymer-based foundation materials and low-carbon cement products, which reduce environmental impacts compared to traditional materials.

Annually, 2–4% of the company's revenue is allocated to circular economy projects.

The Eco Innovation Research Center (EIRC) in Oulu and the TapoEko production facility in Keminmaa support the utilization of industrial side streams and material development.

In 2024, Tapojärvi received the Circular Economy Act of the Year award.

### 3 Technology, automation, and digitalization

Tapojärvi continuously invests in advanced technology, automation, and digital solutions to enhance efficiency, safety, and sustainability in its operations. These innovations support smarter decision-making, optimize resource use, and improve productivity across services.

### 4 Responsibility and personnel development

The company is committed to the UN Global Compact principles and the Towards Sustainable Mining (TSM) standard.

Defined operating principles and policies, along with a systematic approach, guide the development and management of quality, environmental, and safety matters across all sites.

Personnel development was supported through eLearning programs, equality initiatives, and well-being benefits such as employee bicycles.

# Ethics and responsibility at Tapojärvi

## Responsibility Objectives

Theme	2023	2024	Objective 2025
<b>Carbon footprint</b> (tCO2-ekv / M€)	507	489	Preparation of a Transition Plan
<b>LTIF</b>	3.8	3.3	0
<b>Processed material</b>	970 000 tons	920 000 tons	No objective
	Recovery Rate: 67 %	Recovery Rate: 65 %	Recovery Rate: objective 75 %
<b>Safety observations</b>	9,800	11,692	> 12,000

Operations are guided by honesty and transparency, both on worksites and in administration.

The Code of Conduct requires all personnel to act professionally and responsibly. Suppliers are expected to commit to Tapojärvi's ethical principles of conduct.



*At Tapojärvi, responsibility is not a separate area – it is a way of working.*

Aki Pekuri,  
Development Manager,  
Operational Activities



## Whistleblowing

The whistleblowing channel enables anonymous reporting of potential misconduct.

# Expansion of Mining Services

In 2024, the mining industry in Finland continued to grow, which increased the demand for mining technology and service solutions. This development also created new business opportunities for Tapojärvi.

Operations expanded into new markets, and collaboration with key customers strengthened. Global fluctuations in raw material prices, geopolitical uncertainties, and tightening environmental regulations created uncertainty to the operating environment, but Tapojärvi adapted flexibly to changing conditions.

The year began with challenging production conditions in Sweden, where a new project was launched in  $-40^{\circ}\text{C}$  temperatures. In Sweden, Tapojärvi is responsible for nearly all open-pit production work at Kaunis Iron's mine.

Preparations for the new underground mining project in Skouries began in the spring. In the first phase, 30 Finnish and 15 Greek employees were recruited. By the end of the year, nearly 100 people were working at the Skouries site.

According to the client, the development of underground mining in Greece progressed as planned, and trial mining is expected to be completed during 2025. Tapojärvi Hellas is also running a multi-year training program to develop the skills of the local workforce, particularly in operating large-scale mining equipment.

At the end of the year, Tapojärvi signed a new contract with Agnico Eagle Finland Oy for the Kittilä mine. The agreement includes loading, transport, and machinery work. In addition, the previous ground support contract was extended.

During the year, new safety practices and digital risk management tools were implemented to prevent accidents. Approximately EUR 25 million of the Group's investments was allocated to the acquisition and modernization of energy-efficient mining equipment, as well as the development of digital solutions.



*In mining services, we focused on continuous operational development, meeting customer needs, and ensuring safety in all working environments.*

Anssi Rytönen,  
Director of Mining Services





Objective	Actions	Achievements
<b>Internationalization</b>	<ul style="list-style-type: none"><li>• Establishment of a new office in Greece (Tapojarvi Hellas M.I.K.E.)</li><li>• Service agreement in Sweden with Kaunis Iron</li></ul>	<ul style="list-style-type: none"><li>• 2 new international mining service agreements</li><li>• Increase in international job opportunities</li></ul>
<b>Automation and Digitalization</b>	<ul style="list-style-type: none"><li>• Implementation of digital risk management tools</li><li>• Investments in remotely operated equipment</li></ul>	<ul style="list-style-type: none"><li>• Improved occupational safety</li><li>• Modernized mining production</li></ul>
<b>Development of Personnel Competence</b>	<ul style="list-style-type: none"><li>• Multi-year training program in Greece</li><li>• Development of recruitment and onboarding processes</li></ul>	<ul style="list-style-type: none"><li>• Growth in local workforce skills</li><li>• A functional international training model</li></ul>
<b>Improvement of Energy Efficiency</b>	<ul style="list-style-type: none"><li>• Acquisition of electrified and biofuel-powered equipment</li></ul>	<ul style="list-style-type: none"><li>• Reduced carbon footprint</li><li>• More efficient energy use</li></ul>
<b>Integration of Circular Economy into the Mining Sector</b>	<ul style="list-style-type: none"><li>• Utilization of waste rock and industrial side streams in material development</li></ul>	<ul style="list-style-type: none"><li>• Implementation of circular economy solutions at new sites</li></ul>
<b>More Environmentally Friendly Technologies</b>	<ul style="list-style-type: none"><li>• Development and piloting of emission-free and more sustainable processes</li></ul>	<ul style="list-style-type: none"><li>• New solutions for material recycling and process development</li></ul>
<b>Strengthening the Domestic Market</b>	<ul style="list-style-type: none"><li>• New project in Kittilä (Agnico Eagle Finland)</li></ul>	<ul style="list-style-type: none"><li>• 1 new significant domestic contract</li><li>• Increase in equipment and personnel</li></ul>

# ○ Solutions for circular economy development

Circular economy is a key component of the sustainable development goals of both the European Union and Finland. Its aim is to reduce the consumption of natural resources, prevent the generation of waste, and improve the reuse of materials. In 2024, the importance of circular economy became more prominent in industrial policy, offering Tapojärvi new opportunities to develop its services and products in this area.

During the year, Tapojärvi increased its investments in research, development, and investment projects that support the growth of the circular economy.

Tapojärvi Italia focused on products utilizing stainless steel slag as raw material. In 2024, significant progress was made in product certification and market entry.

At the beginning of 2025, the Italian environmental authority approved the use of TapoEko filler in both base and surface layers of asphalt structures.

Collaboration with UPM led to major advancements in the development of low-carbon products. This cooperation and the related patent process are discussed in more detail in the RDI section (p. 40).

In May, the Eco Innovation Research Center was opened in Oulu, focusing on the research of industrial side streams and the development of circular economy products.

Construction of the TapoEko production facility began in Keminmaa. Its goal is to utilize industrial side streams in the production of low-carbon cement and concrete products.





Objective	Actions	Achievements
<b>Commercialization of new circular economy products</b>	<ul style="list-style-type: none"><li>• Development and launch of TapoEko products</li><li>• CE and environmental certifications in Italy</li></ul>	<ul style="list-style-type: none"><li>• TapoEko filler was officially approved for asphalt use at the beginning of 2025</li><li>• New products developed for the production of concrete, asphalt, and mortar</li><li>• Sales volume of circular economy products reached 120,000 kilograms</li></ul>
<b>Collaboration with various industrial sectors</b>	<ul style="list-style-type: none"><li>• Collaboration with UPM in the development of belite cement</li><li>• Joint permitting and production planning</li></ul>	<ul style="list-style-type: none"><li>• Patent granted for belite cement</li><li>• Progress in pilot projects and production planning</li></ul>
<b>Reduction in the use of virgin natural resources</b>	<ul style="list-style-type: none"><li>• Development of low-carbon products from industrial side streams</li></ul>	<ul style="list-style-type: none"><li>• 920,000 tonnes of processed material, 65% of which was returned to circulation</li></ul>
<b>Utilization of digitalization</b>	<ul style="list-style-type: none"><li>• Opening of the Eco Innovation Research Center</li><li>• Data management and measurement of material circulation</li></ul>	<ul style="list-style-type: none"><li>• Digital R&amp;D activities expanded in Oulu, Tornio, and Terni</li></ul>
<b>International expansion</b>	<ul style="list-style-type: none"><li>• Tapojarvi Italia expanded markets with slag-based products</li><li>• Certification enabled expanded export opportunities</li></ul>	<ul style="list-style-type: none"><li>• Sales of TapoEko products started in Italy</li><li>• International visibility was strengthened</li></ul>

# Technology, automation and digitalization

In 2024, Tapojärvi implemented several development initiatives and investments in the areas of technology, automation, and digitalization. The goal was to enhance production efficiency and safety, as well as to develop solutions that support the principles of sustainable development.

The company invested a total of EUR 25 million in, among other things, autonomous mining vehicles, AI-based analytics tools, and renewable energy. These solutions strengthened operational reliability and resource efficiency, while also supporting long-term strategic goals.

During the year, the following were implemented:

- Autonomous mining vehicles to enhance production efficiency
- Remotely operated loaders to improve safety and precision
- Electrified mining equipment to reduce emissions
- Drone technology used for monitoring quarries and supervising production processes

In addition, artificial intelligence and machine learning were applied to process optimization and production data analysis. Sensor technology was used to support maintenance and equipment lifecycle planning.

The work of Tapojärvi's technology team reflects the company's strategic direction, where the adoption of new technologies is seen as an integral part of operational development and achieving responsibility objectives.



*During 2024, the technology department focused on streamlining processes and strengthening the organization to meet the needs of new projects.*

Juhani Ruokamo,  
CTO





Objective	Actions	Achievements
<b>Increased mining automation</b>	<ul style="list-style-type: none"><li>• Deployment of autonomous equipment</li><li>• Expansion of AI and machine learning solutions into production use</li></ul>	<ul style="list-style-type: none"><li>• Production efficiency improved without additional costs</li><li>• Occupational safety enhanced through automation</li></ul>
<b>Improved energy efficiency</b>	<ul style="list-style-type: none"><li>• Introduction of electrified equipment</li><li>• Investments in renewable energy</li></ul>	<ul style="list-style-type: none"><li>• Fuel consumption and emissions decreased with new equipment</li><li>• Stronger sustainability profile</li></ul>
<b>Digitalization of safety</b>	<ul style="list-style-type: none"><li>• AI-based risk analysis tools</li><li>• Use of sensor technology in maintenance</li></ul>	<ul style="list-style-type: none"><li>• Lost Time Injury Frequency (LTIF) decreased</li><li>• Predictive maintenance became more efficient</li></ul>
<b>Building future digital solutions</b>	<ul style="list-style-type: none"><li>• €25 million invested in technology and digitalization</li></ul>	<ul style="list-style-type: none"><li>• A modern production platform was established for future innovations</li><li>• Strengthened long-term competitiveness</li></ul>



# —○ Innovation drives Tapojärvi's sustainable growth

In 2024, Tapojärvi's research, development, and innovation (RDI) activities were a central part of the Group's strategic development. The RDI efforts were guided by the goal of developing low-carbon and resource-efficient solutions that promote industrial circular economy.

The total amount of RDI investments was EUR 4.5 million. The focus areas included circular economy solutions, reducing environmental impacts, and developing new business models.

## The most significant initiatives launched in 2024 included:

- Opening of the Eco Innovation Research Center in Oulu
- Launch of the permitting process for a circular economy-based cement plant
- Participation in EU Horizon Programme research projects
- Establishment of a new company, Zero Mine Solutions Oy, focused on hydrometallurgical recycling of electrical and electronic waste

Tapojärvi was also involved in developing new patentable solutions, such as belite cement based on UPM's industrial side streams. In spring 2024, the company was awarded the Circular Economy Act of the Year recognition. We received EUR 0.7 million in public funding to support our RDI activities.

## Key focus areas of RDI activities:

- Reducing the use of virgin raw materials
- Utilizing by-products to create new products
- Minimizing environmental impacts
- Enhancing innovation-driven competitiveness



*The opening of the new innovation center in Oulu, the development of TapoEko products, and the national Circular Economy Act award are proof that our long-term investment in research and product development is worthwhile.*

Henri Pilventö,  
CCO





Objective	Actions	Achievements
<b>Development of low-carbon products</b>	<ul style="list-style-type: none"> <li>• Launch of TapoEko products</li> <li>• Cement plant planning in collaboration with UPM</li> </ul>	<ul style="list-style-type: none"> <li>• First TapoEko products launched to the market</li> </ul>
<b>Utilization of industrial side streams</b>	<ul style="list-style-type: none"> <li>• Opening of the laboratory in Oulu</li> <li>• TYPKI and TapoFix projects</li> <li>• Implementation of geopolymer-based products</li> </ul>	<ul style="list-style-type: none"> <li>• Circular Economy Act of the Year award</li> <li>• New products developed for bitumen membrane, concrete, and asphalt</li> </ul>
<b>Urban mining and critical materials</b>	<ul style="list-style-type: none"> <li>• Establishment of the company Zero Mine Solutions Oy</li> </ul>	<ul style="list-style-type: none"> <li>• Piloting hydrometallurgical recycling of electronic waste</li> </ul>
<b>Innovative pilots and technology</b>	<ul style="list-style-type: none"> <li>• Pilots for tailings pond emptying at mines</li> <li>• Adoption of shear angle measurement technology</li> </ul>	<ul style="list-style-type: none"> <li>• Successful practical tests conducted for customers</li> <li>• Commercialization of new technology</li> </ul>
<b>Strengthening research networks and commercialization</b>	<ul style="list-style-type: none"> <li>• Partnership with Lapland University of Applied Sciences (Lapin AMK)</li> <li>• Test facility established in Keminaa</li> <li>• International CE and REACH certifications</li> </ul>	<ul style="list-style-type: none"> <li>• Collaboration with over 20 universities through the Innovation Challenge</li> <li>• Italian products approved for use by ANAS (Italian national road authority)</li> </ul>

# ○ Safety is built through today's actions

At Tapojärvi, safety is always the number one value.

In 2024, Tapojärvi strengthened the role of safety as an integral part of both strategic management and daily operations. Accident prevention, risk management, and a proactive safety culture were overarching themes at all our sites, both in Finland and internationally.

Throughout the year, we unified onboarding and safety practices across different sites and countries. The training of new employees was enhanced through digital platforms and hands-on exercises. At Tapojärvi, safety is not a separate process—it is part of every workday. Onsite, this is reflected in daily safety briefings, observations, and an open feedback culture.

Our personnel made over 11,000 safety observations, demonstrating commitment and shared responsibility. Based on these, we implemented concrete improvements—such as enhancing workstation organization, updating work instructions, and increasing protective structures. The SAF frequency, which measures the activity of safety observations, exceeded its target level.

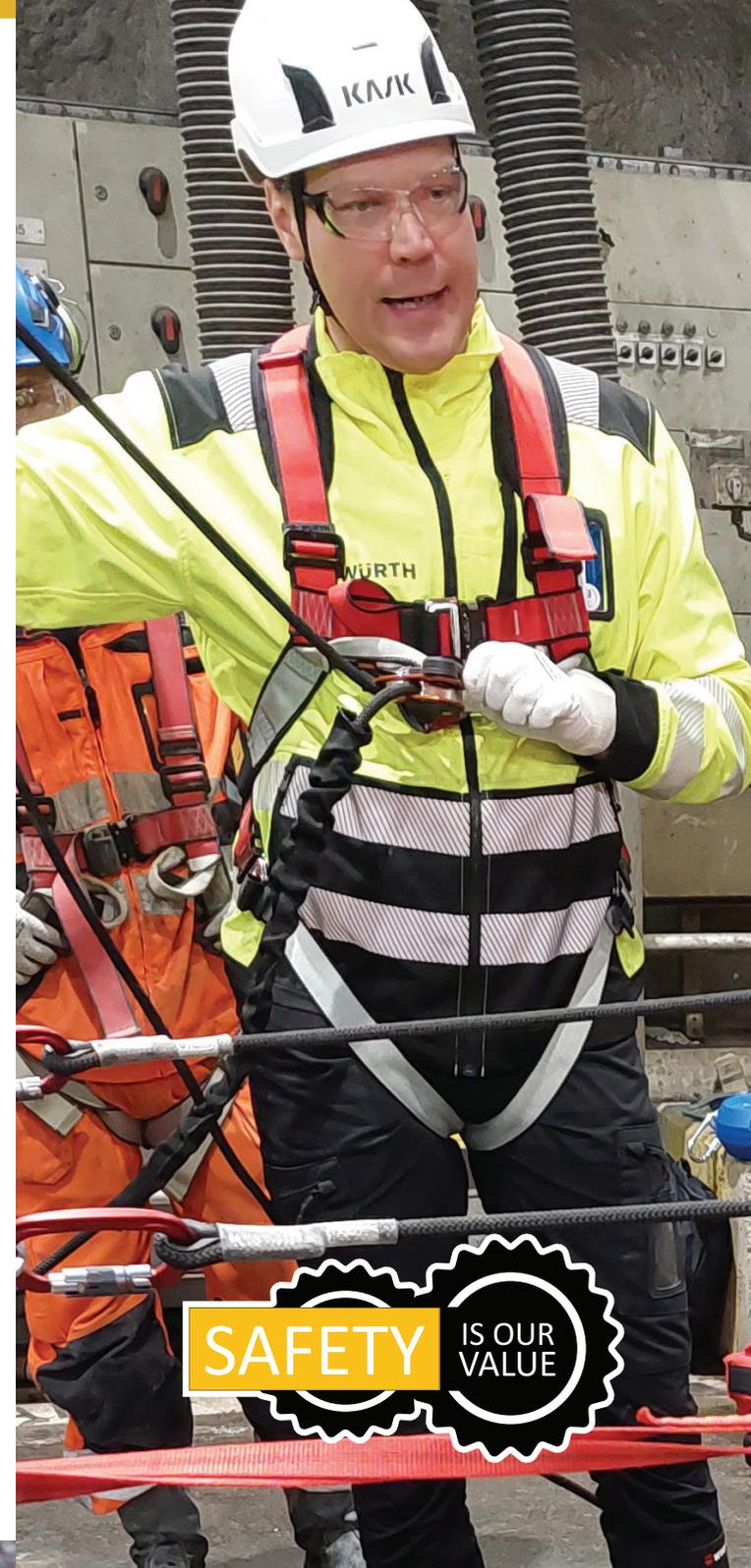
Although the zero-accident target was not achieved, the SAF frequency and the number of safety observations demonstrate strong activity and commitment to promoting safety.

Technology's role in safety grew stronger. We now use collision prevention systems, digital reporting tools, and sensor technologies in maintenance to anticipate equipment-related risks and support site safety.

Tapojärvi participated in the Mastermine project to develop new solutions for mine safety and occupational health. In Greece, we launched a training program for the safe operation of heavy equipment, tailored for the local workforce.

Safety was measured with several indicators. The Lost Time Injury Frequency (LTIF) decreased from the previous year to 3.3. In the HSEQ supplier evaluation, Tapojärvi scored 671 out of a maximum of 750 points, reflecting the high quality of our safety practices.

At Tapojärvi, safety is not a campaign—it is a way of being and working. Every action, observation, and interaction takes us one step closer to a zero-accident culture.



**SAFETY** IS OUR VALUE



Objective	Actions	Achievements
<b>Zero-accident culture</b>	<ul style="list-style-type: none"> <li>• Root cause analysis of accidents and near-miss incidents</li> <li>• Safety briefings, site walks, and observations integrated into daily routines</li> </ul>	<ul style="list-style-type: none"> <li>• LTIF: 3.3 (target 0)</li> <li>• TRIF: 6.6</li> <li>• SAF frequency: 10,704 (target 10,000)</li> </ul>
<b>Strengthening safety competence</b>	<ul style="list-style-type: none"> <li>• eLearning safety training for all employees and supervisors</li> <li>• Standardized onboarding process for new employees</li> </ul>	<ul style="list-style-type: none"> <li>• Personnel trained in safety culture</li> <li>• Improved onboarding practices across different countries</li> </ul>
<b>Digital and technological safety</b>	<ul style="list-style-type: none"> <li>• Collision avoidance systems installed in vehicles</li> <li>• Digital reporting and monitoring systems</li> </ul>	<ul style="list-style-type: none"> <li>• Real-time management of safety data</li> <li>• Strengthened proactive safety efforts</li> </ul>
<b>Continuous improvement of operations</b>	<ul style="list-style-type: none"> <li>• Safety audits and surveys</li> <li>• Development actions focused on supervisory work and leadership</li> </ul>	<ul style="list-style-type: none"> <li>• 671 points in HSEQ evaluation (maximum 750)</li> <li>• Initiated actions to strengthen supervisory work</li> </ul>
<b>Development of mine safety</b>	<ul style="list-style-type: none"> <li>• Participation in the Mastermine project</li> </ul>	<ul style="list-style-type: none"> <li>• Development of new solutions to promote occupational health, efficiency, and safety</li> </ul>

# People are the core of our success

In 2024, significant investments were made in employee well-being, skills development, and equality – the number of employees grew to over 900.

Tapojärvi's personnel is a central part of the Group's operations and growth. In 2024, the number of employees increased significantly: the company employed over 911 people across four countries. In 2025, the number of employees is expected to exceed 1,000. The number of applicants rose by 70% compared to the previous year, with over 1,800 applications received for open positions.

## Employee development and well-being

Tapojärvi made extensive investments in employee well-being, skills development, and equality. Onboarding and training processes were strengthened and expanded to include subcontractors and temporary workers, who are an essential part of the work community. Job rotation opportunities were offered both in Finland and abroad, increasing career versatility and employee engagement.

Approximately one-third of employees have been with Tapojärvi for more than five years. The average age of employees was 40 years, and employee retention has improved steadily. Well-being initiatives focused on physical

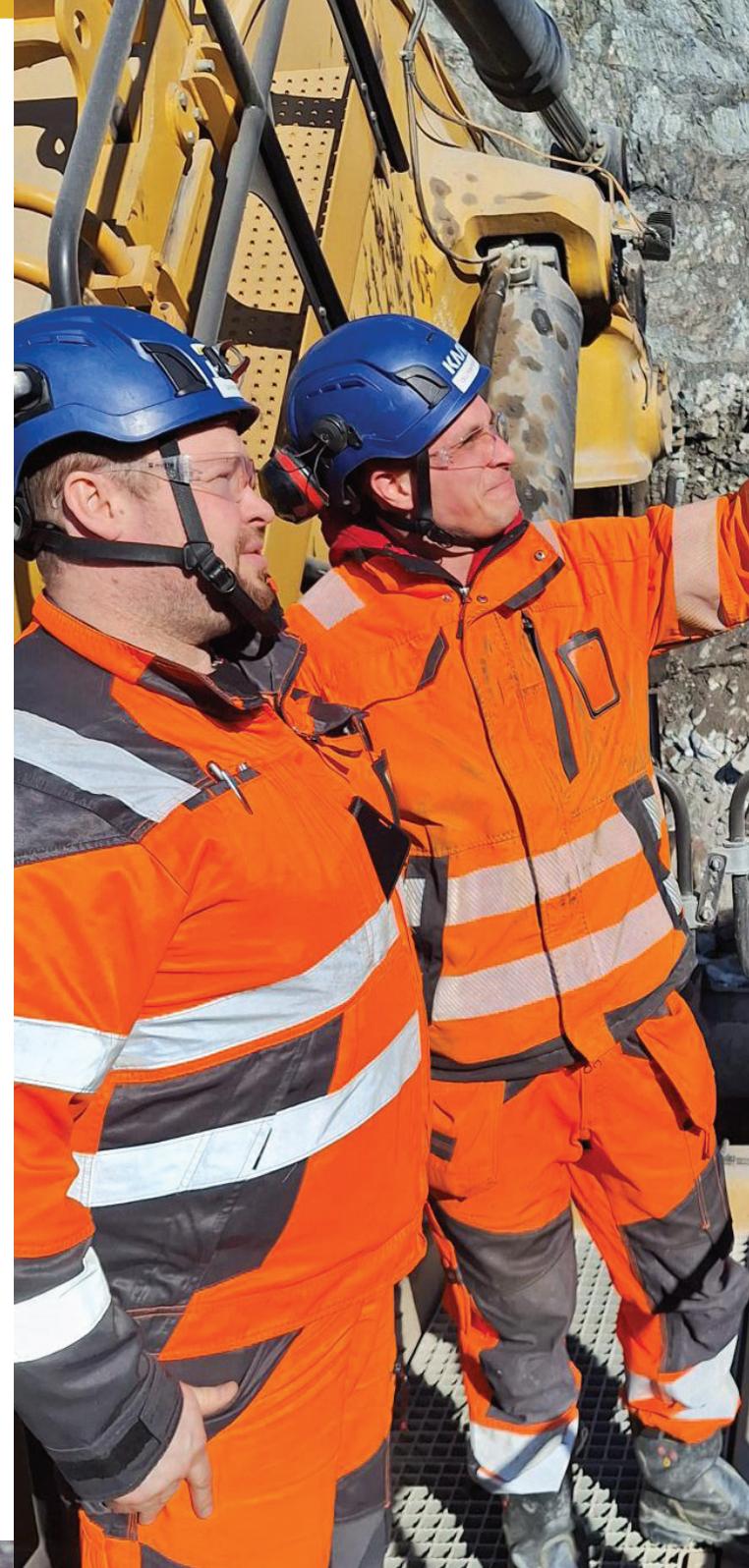
and psychological safety, workload balance, and workplace atmosphere.

In 2024, employees identified responsibility, listening, and solution orientation as the most important shared principles at the workplace. These values emerged strongly in employee surveys and now guide daily operations.

## Equality and non-discrimination

Tapojärvi is committed to providing an equal and inclusive working environment. A survey conducted in 2024 showed that 80% of respondents had not observed inequality at the workplace. Areas for improvement were raised particularly regarding pay and task distribution, which the company has begun to address through supervisor training and increased communication about reporting channels.

While the industrial sector is traditionally male-dominated, Tapojärvi does not assign roles based on gender. Recruitment focuses on skills and suitability for the role. In 2024, women made up 5% of the workforce, which is in line with the industry average.





## Impact

Objective	Actions	Achievements
<b>Availability and growth of workforce</b>	<ul style="list-style-type: none"> <li>• Extensive recruitment campaign, increased job rotation and assignments</li> </ul>	<ul style="list-style-type: none"> <li>• Workforce grew to over 900; number of applicants increased by 70%</li> <li>• Opportunities for international assignments</li> </ul>
<b>Supporting employee well-being</b>	<ul style="list-style-type: none"> <li>• Comprehensive employee well-being program</li> </ul>	<ul style="list-style-type: none"> <li>• Workplace ground rules were defined together; employees felt heard</li> <li>• Introduction of employee benefit bikes</li> </ul>
<b>Continuous skills development</b>	<ul style="list-style-type: none"> <li>• Onboarding, training, development discussions, and development of the eLearning platform</li> </ul>	<ul style="list-style-type: none"> <li>• One-third of employees have been with the company for over 5 years</li> <li>• Additional eLearning training modules in development</li> </ul>
<b>Promoting Equality and Non-Discrimination</b>	<ul style="list-style-type: none"> <li>• Equality survey, supervisor training, and communication about the reporting channel</li> </ul>	<ul style="list-style-type: none"> <li>• 80% of employees did not observe inequality at work; issues were addressed when raised</li> </ul>
<b>Strengthening Employee Engagement</b>	<ul style="list-style-type: none"> <li>• Enabling career rotation and implementing a long-term HR strategy</li> </ul>	<ul style="list-style-type: none"> <li>• Employee turnover decreasing with experience; strong internal mobility</li> </ul>
<b>Ensuring a Safe Working Environment</b>	<ul style="list-style-type: none"> <li>• Onboarding, safety training, toolbox talks, and active observation</li> </ul>	<ul style="list-style-type: none"> <li>• Low sick leave rate (2024: 3.2%); zero tolerance for inappropriate behavior</li> </ul>

# ○ Collaboration with stakeholders based on partnership

Sustainability is embedded throughout the entire supply and production chain.

The company engages in interaction with a diverse network of stakeholders, both internally and externally. In 2024, stakeholder cooperation was guided by the goals of enhancing transparency, promoting a shared culture of responsibility, and supporting sustainable development through partnerships.

Tapojärvi's stakeholders include, among others, employees, owners, subcontractors and temporary workers, customers, authorities, local communities, educational partners, and research and development actors. The company's aim is to build long-term, trust-based relationships where responsibility is seen as a shared objective.

Stakeholder engagement extended beyond mere listening - it also included active responses and development actions. Feedback was used concretely to improve operations, and the company sought to address concerns raised by stakeholders through specific measures.

## Support for Local Communities

In 2024, Tapojärvi supported local communities with a total of EUR 189,000. This support was directed towards local sports clubs, cultural organizations, and associations within the company's areas of operation. The goal of sponsorship and support activities was to promote regional vitality and strengthen a sense of community. Tapojärvi also actively participated in various events and community interactions in its operating locations.

## Dialogue as Part of Responsibility

For Tapojärvi, responsibility is not merely an internal operating model; it also includes active and visible dialogue with the surrounding society. Cooperation with stakeholders is viewed as an ongoing process that supports the company's goals regarding sustainability, transparency, and societal impact.





Objective	Actions	Achievements
<b>Building trust and transparency with stakeholders</b>	<ul style="list-style-type: none"> <li>Stakeholder surveys, information sessions, real-time sharing of environmental data, Vänkätupa meetings</li> </ul>	<ul style="list-style-type: none"> <li>Results from the Kolari resident survey were utilized in project planning, and feedback was addressed through concrete actions</li> </ul>
<b>Ensuring responsibility throughout the supply chain</b>	<ul style="list-style-type: none"> <li>Supplier Code of Conduct principles, training for subcontractors and temporary workers</li> </ul>	<ul style="list-style-type: none"> <li>Responsibility principles were implemented for suppliers, and the orientation covered all site personnel</li> </ul>
<b>Strengthening tapojärvi's employer brand</b>	<ul style="list-style-type: none"> <li>Website and brand identity updates, visibility on social media, recruitment communication</li> </ul>	<ul style="list-style-type: none"> <li>The number of applicants increased by 70%, with over 1,800 applicants; Tapojärvi was recognized as a pioneer in the circular economy</li> </ul>
<b>Improving accessibility and impact in internal communication</b>	<ul style="list-style-type: none"> <li>Deployment and development of Tavi (intranet), communication via Teams and email, internal news and guidelines</li> </ul>	<ul style="list-style-type: none"> <li>Internal news was actively shared through multiple channels</li> </ul>
<b>Developing societal dialogue and social license to operate</b>	<ul style="list-style-type: none"> <li>Image work related to the Kolari mining project, participation in local events and public discussions, impact communication</li> </ul>	<ul style="list-style-type: none"> <li>Positive media visibility increased; new channels and visual materials were introduced in the image work related to Hannukainen</li> </ul>

# —○ Environmental responsibility is at the core of our operation

Tapojärvi operates in close connection with the mining industry and materials processing, sectors that entail considerable environmental impacts.

In 2024, environmental responsibility became an increasingly prominent part of Tapojärvi's overall business strategy. The company began addressing environmental issues more strongly through the lenses of competitiveness, customer expectations, and forthcoming regulations. Responsibility was not limited to individual projects—it systematically guided investment decisions and technology choices as well.

Operational development focused particularly on improving energy and material efficiency in production. Collaboration with various stakeholders strengthened Tapojärvi's role as a solution provider in the industrial circular economy, and the transition towards lower-carbon operating models advanced through the implementation of new production technologies and data-driven environmental monitoring.

Tapojärvi is developing its operations through environmental responsibility to respond to market changes. Key drivers include the European Union's circular economy strategy, the electrification of industry, and growing customer demands for sustainability. During 2024, the company laid the foundation for a long-term transition towards more resource-wise and climate-friendly business practices.





Objective	Actions	Achievements
<b>Improving energy efficiency and reducing emissions</b>	<ul style="list-style-type: none"> <li>• Transition to biofuels at the Tornio and Kemi sites</li> <li>• Installation of solar panels at the Keminmaa central maintenance facility</li> </ul>	<ul style="list-style-type: none"> <li>• Use of fossil fuels decreased</li> <li>• Renewable energy was adopted</li> </ul>
<b>Carbon footprint calculation and emissions reduction planning</b>	<ul style="list-style-type: none"> <li>• First company-level carbon footprint calculation in accordance with the GHG Protocol</li> </ul>	<ul style="list-style-type: none"> <li>• Results were verified by Greenstep Oy, supporting future sustainability reporting</li> </ul>
<b>Promoting circular economy and material recycling</b>	<ul style="list-style-type: none"> <li>• Utilization of industrial side streams and development of low-carbon products</li> </ul>	<ul style="list-style-type: none"> <li>• 920,000 tonnes of material processed, of which 64% was returned to circulation</li> <li>• A total of 120,000 kilograms of circular economy products sold</li> <li>• Awarded the "Circular Economy Act of the Year"</li> </ul>
<b>Innovation and development to reduce environmental impacts</b>	<ul style="list-style-type: none"> <li>• TapoEko production facility, geopolymer structures, and planning of a hydrometallurgical processing plant</li> </ul>	<ul style="list-style-type: none"> <li>• Low-carbon construction materials were developed, and waste recovery was improved</li> </ul>
<b>Biodiversity protection</b>	<ul style="list-style-type: none"> <li>• Development of geopolymer structures for the treatment of acid-generating waste rocks</li> </ul>	<ul style="list-style-type: none"> <li>• Reduced risk of water and soil contamination</li> </ul>
<b>Strengthening environmental management</b>	<ul style="list-style-type: none"> <li>• Tapojarvi Italia obtained ISO 14001 certification</li> </ul>	<ul style="list-style-type: none"> <li>• Certification demonstrates the company's commitment to environmental management</li> </ul>

# Market Review 2024

## Operating environment and outlook

The year 2024 was marked by fluctuation across the industrial and mining sectors. Global uncertainties—such as raw material price volatility, geopolitical tensions, and tightening environmental regulations—shaped the dynamics of the industry. At the same time, the green transition, growing demand for sustainable materials, and the increasing emphasis on the circular economy opened up new business opportunities.

Tapojärvi's mining services business continued to grow, but changes in the operating environment—such as rising production costs and increasing environmental requirements—also introduced challenges. The company's investments in circular economy solutions and digitalization helped maintain competitiveness. Projects in Greece and Sweden, along with the development of TapoEko products, further strengthened Tapojärvi's position in the market.

### Competitive Landscape and Customer Relations

Tapojärvi operates in markets where key success factors include customer orientation, quality, safety, and responsibility. In large-scale contracts, price competitiveness is especially critical. The company has built long-term customer relationships with major players in the

industrial and mining sectors and continued to strengthen these partnerships and expand its service offering to new industries in 2024.

The integration of technology, sustainability, and operational efficiency is seen as a central success factor for the future.

### Outlook for 2025

Tapojärvi's outlook for 2025 is stable and positive. Investments driven by the green transition, the EU's circular economy strategy, and the growing demand for minerals fueled by electrification are expected to support the company's business and future growth.

### Key Market Trends

- **Rise of the Circular Economy:** EU regulations, customers' sustainability goals, and raw material availability challenges are driving increased demand for circular economy solutions
- **Transformation of the Mining Industry:** The growing need for raw materials driven by electrification and the battery industry is increasing demand. Key focus areas include safety, efficiency, and minimizing environmental impacts.
- **Industrial Digitalization:** The use of automation, artificial intelligence, and sensor technologies is expanding, increasing de-

mand for intelligent production and service solutions

- **Importance of Internationalization:** The limitations of the domestic market are boosting interest in international mining and industrial projects, particularly in Europe.

### Focus Areas for 2025

- Continuing international expansion and strengthening customer relationships
- Scaling up the production of circular economy products (e.g., the TapoEko Center in Keminmaa)
- Expanding the deployment of electrified equipment
- Enhancing safety performance and achieving the LTIF target (zero)
- Strategic stakeholder communication and social impact promotion
- Strengthening Tapojärvi's market position





## Tapojärvi's Market Position

Segment	Tapojärvi's Role	Development in 2024
<b>Mining services</b>	<ul style="list-style-type: none"> <li>Service provider; full or partial project execution</li> </ul>	<ul style="list-style-type: none"> <li>3 new service agreements signed</li> </ul>
<b>Industrial circular economy</b>	<ul style="list-style-type: none"> <li>Processing of industrial side streams, material recovery and productization</li> </ul>	<ul style="list-style-type: none"> <li>TapoEko products launched in Italy and Finland</li> </ul>
<b>Research and development</b>	<ul style="list-style-type: none"> <li>Strategic focus on circular economy and digitalization</li> </ul>	<ul style="list-style-type: none"> <li>EUR 4.9 million invested in R&amp;D</li> <li>New pilots and patents introduced</li> </ul>
<b>International growth</b>	<ul style="list-style-type: none"> <li>Operations in Europe</li> </ul>	<ul style="list-style-type: none"> <li>Tapojarvi Hellas established in Greece; new service agreement launched in Sweden</li> <li>Export product portfolio expanding</li> </ul>



**R&D investments**

**4.5**

EUR m



**LTIF**

**3.3**



**Excavated tunnel**

**7,561**

meters



**Circular Economy Products**

**120,000**

Delivery volume (kg)

# ○ Risk management and assessment

Tapojärvi approaches risk management strategically and systematically as an integral part of sustainable business operations.

Risk management is an integral part of both strategic decision-making and day-to-day operational leadership. Its objective is to identify, assess, and manage risks that may impact the company's operations, financial performance, employee safety, environmental footprint, or corporate reputation.

The company's activities are guided by a certified management system, the Group's operating principles, and internal control practices.

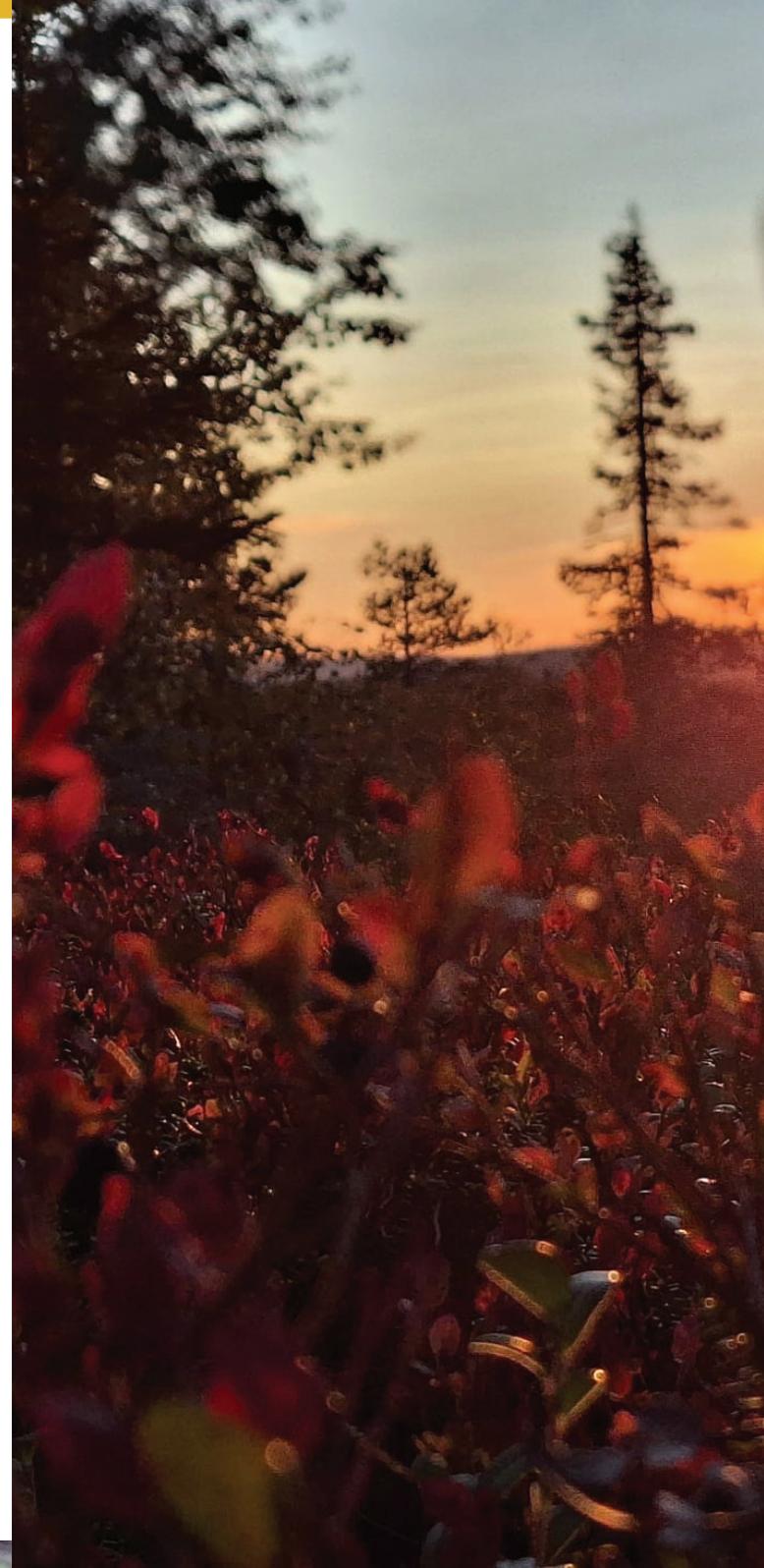
In 2024, Tapojärvi's risk management capabilities were tested by a changing operating environment and projects related to international expansion. The company's risk management practices proved effective and supported business continuity.

## Further development will focus especially on the following areas:

- Strengthening occupational safety
- Improving the resilience of supply chains
- Utilizing data-driven analytics in risk assessment and forecasting

## Examples of risk management actions in 2024:

- **Equipment risk management:** Investments were made in electrified machinery and predictive maintenance systems, which reduced production downtime and lowered emissions for the renewed equipment fleet.
- **Environmental permit risks:** In the Hannukainen mining project, surface and groundwater studies were conducted to support the environmental permitting process.
- **Supplier risks:** In managing the supplier network, emphasis was placed on using ISO-certified partners, and collaboration was guided by the Supplier Code of Conduct. Regular audits were also carried out.
- **Occupational safety risks:** The SAF frequency indicator was in use, and a total of 11,692 safety observations were recorded during the year. Although the LTIF target was not achieved, progress was made.





Risk Category	Description	Mitigation Measures
<b>Strategic risks</b>	<ul style="list-style-type: none"><li>• Uncertainties in international expansion, customer dependency, regulatory changes</li></ul>	<ul style="list-style-type: none"><li>• Long-term contracts, broad customer base, regular market monitoring</li></ul>
<b>Operational risks</b>	<ul style="list-style-type: none"><li>• Equipment performance, supply chain disruptions, availability of skilled personnel</li></ul>	<ul style="list-style-type: none"><li>• In-house maintenance organization, backup equipment fleet, training programs for personnel, subcontractor monitoring</li></ul>
<b>Environmental risks</b>	<ul style="list-style-type: none"><li>• Environmental impacts, waste management</li></ul>	<ul style="list-style-type: none"><li>• ISO 14001-certified system, GHG accounting, compliance reporting, cooperation with authorities</li></ul>
<b>Safety risks</b>	<ul style="list-style-type: none"><li>• Accidents, occupational illnesses, equipment-related risks</li></ul>	<ul style="list-style-type: none"><li>• Zero-accident target, safety briefings, eLearning training, vehicle safety technologies</li></ul>
<b>Financial risks</b>	<ul style="list-style-type: none"><li>• Interest rate fluctuations, currency risks, customer solvency</li></ul>	<ul style="list-style-type: none"><li>• Cash flow monitoring, index-linked contracts, credit insurance</li></ul>
<b>Reputational risks</b>	<ul style="list-style-type: none"><li>• Negative publicity, supplier-related risks, ethical misconduct</li></ul>	<ul style="list-style-type: none"><li>• Code of Conduct, whistleblowing channel, responsibility audits, proactive communication</li></ul>



**Part 2**

# **Financial year 2024**

**Tapojärvi Oy, 1.1.–31.12.2024**

The following subsidiaries are wholly owned (100% ownership):

Hannukainen Mining Oy, Kolari

Tapojärvi Italia s.r.l

Tapojärvi Sverige Ab

Tapojärvi Hellas M.I.K.E.

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Sustainability reporting is not a statutory obligation for Tapojärvi, but we are committed to developing our sustainability communication as a transparent and reliable part of our financial reporting.

This document includes key perspectives from the financial year that also address stakeholders' growing expectations for sustainable business practices.

# Directors' report

Tapojärvi is globally respected pioneer in mining services and industrial circular economy. The company provides their customers with innovative and resource-efficient solutions. Solutions that cover the entire value chain — from mining operations to reuse and processing of materials.

Decades of experience, continuous development, and customer-oriented approach makes Tapojärvi a reliable partner. The company combines practical expertise with high technology, enabling sustainable and cost-effective solutions.

The company operates at multiple mines and mills as an integral part of production, creating added value and savings for the customers. Investments in automation, digitalization, and data utilization ensure competitiveness in growing markets. Strong expertise, courage, and flexibility drive operations. Long-term and responsible business activities, employee development, and close collaboration with customers guarantee quality operations and sustainable growth.

The demand for circular economy and mining services is increasing globally. Tapojärvi has strategically positioned itself in these expanding markets. The company's financial and material resources are strong, aiming for long-term, profitable business operations. Commitment to employee training and skills development ensures high-quality services and efficiency. Alongside, Tapojärvi shares corporate social responsibility.



## GOVERNANCE STRUCTURE AND MANAGEMENT



## OPERATIONAL SERVICE DELIVERY



## CORPORATE CULTURE



# Year 2024

## Key business actions during the financial year

The year 2024 was significant for Tapojärvi group, as the company expanded into new markets, invested in circular economy solutions, and strengthened its position in mining and industrial services. The global political situation continued to pose challenges to company's operations in the form of rising costs, delayed deliveries, and unpredictable production fluctuations.

The group's revenue was EUR 194.1 million, operating profit EUR 20.9 million and equity ratio 29.0 %.

Parent company Tapojärvi Oy's revenue was EUR 139.0 million, operating profit EUR 19.9 million and equity ratio 31.7 %.

## New Contracts and Business Expansion

- **Kittilä Gold Mine:** Tapojärvi Oy signed a new loading and transport contract with Agnico Eagle Finland Oy for Kittilä Gold Mine. The agreement includes loading and transport of development rock, maintenance of the mine's road network, and other supporting tasks.
- **Mining Project in Greece:** Tapojärvi Oy established a new subsidiary, Tapojärvi Hellas M.I.K.E, and began production preparations at Hellas Gold's underground gold mine in Skouries. In the initial phase, 30 Finnish and 15 Greek operators were recruited. The number of personnel is expected to grow as production increases.
- **Kaunis Iron Mine, Sweden:** The service contract in Pajala launched at the beginning of the year under extreme -40°C conditions. At Kaunis Iron mine, Tapojärvi is responsible for almost all open pit mining production tasks, except for rock hauling, drilling, and blasting.

## Investments and Development Projects

- **Eco Innovation Research Center (EIRC), Oulu, Finland:** Tapojärvi opened a new innovation center with laboratory and production facilities in Oulu. EIRC develops circular economy products from industrial by-products and supports the growth of the company's TapoEko product family. The Oulu laboratory is part of a broader development network with production labs in Tornio, Finland and Terni, Italy, as well as a mobile laboratory for field testing
- **TapoEko Production Facility, Keminmaa:** TapoEko Product Center is under construction and will enable testing and production of lowcarbon cement and concrete products for industry purposes.
- **Launching TapoEko Products:** Tapojärvi introduced new circular economy-based products, including low-carbon cement products and fillers for bitumen membrane manufacturing.
- **Research and Development Projects:** Tapojärvi invested EUR 4.5 million in Research & Development work. Projects included geopolymer-based base and cover structures, hydrometallurgical processing of electronic waste, and reopening of an old mining site.

## Structural Adjustment Effort and Organizational Changes

- **Outokumpu Tornio Steel Plant:** Outokumpu announced a significant reduction in production volumes and temporary shutdown of a ferrochrome furnace until August 2024. This led to cooperation negotiations and personnel adjustments at Tornio site.
- **SSAB Raahe Steel Plant:** Tapojärvi's contract ends in April 2025. This will end over 30 years of collaboration, during which Tapojärvi developed its industrial circular economy services.
- **LKAB Malmberget Mine, Sweden:** The contract ended in March 2024. The contract included stoping, supporting, and equipping with all work phases included, as well as loading and transportation. Loading and transportation were further outsourced to a subcontractor.



## Sustainability and Employee Development

- **ISO 14001 Environmental Certification:** Tapojärvi Italia S.r.l received the prestigious ISO 14001:2015 certification for environmental management.
- **Management Systems and Safety:** Tapojärvi achieved 671 points (out of 750) in HSEQ supplier assessment, reflecting the company's improvement in quality and safety standards.

## Employee and Sustainability Programs

- eLearning courses on safety and leadership are now available to all employees.
- Equality and equity survey led to new actions to improve workplace culture.
- Employee Pulse survey showed that overall employee satisfaction remained stable.
- Company-sponsored bicycles were introduced as a new employee benefit in the spring.

## Future Outlook

- Tapojärvi will celebrate its 70th anniversary in 2025, and the group's number of personnel is expected to exceed 1,000 employees.
- Kittilä Mine service contract will drive growth, and ongoing recruitment efforts will expand the company's capacity.
- Hannukainen Mining Oy's mining project is progressing, with a new environmental permit application to be submitted in 2025. A mining permit decision is expected the same year.
- Circular economy investments will continue, and the expansion of the TapoEko product line will open new markets and customer opportunities.

The group's total number of investments during the financial year were EUR 60 million. Most of the investments were directed to mining machinery. The parent company's number of investments were EUR 49,7 million and they were directed to mining machinery. The equipment is a key part of Tapojärvi's reliable and efficient operations. The performance of the equipment is

secured by group's internal maintenance organisation.

## Management system

Tapojärvi Oy's quality management system is based on the requirements of the ISO 9001:2015 quality management system standard. In 2024, a reassessment, carried out every three years, was conducted at Tapojärvi Oy's sites.

Tapojärvi Oy has been awarded the ISO 9001 quality certificate since 2012. ISO 9001 is the world's bestknown quality standard, used as a management tool and to ensure the uniformity of operations.

In July 2024, Tapojärvi Italia S.r.l. received ISO 14001:2015 environmental certification for the steel mill slag management, scrap cutting and metal recovery of the steelworks. In addition, Tapojärvi Italia S.r.l. has an ISO 9001:2015 certified quality management system since 2023.

## Safety

Occupational safety is a central part of Tapojärvi's values, operations and personnel policy. In safety management, the company emphasise proactive safety work, which is continuously monitored through the SAF frequency meter. The company measures its performance by various indicators of accident frequency. Monitoring safety at work and dealing with incidents are part of daily work, which is carried out in close cooperation with the clients. All accidents and incidents are investigated, and efforts are made to identify the root causes.

Indicator	Target	Outcome
TRIF	<2,5	6.6
LTIF	0	3.3
SAF	10000	10704
Observations		11692
Safety infos		1292
Safety rounds		3048

## Significant events after the end of the financial period

### New Service Contract with Agnico Eagle Finland in Kittilä

Tapojärvi strengthened its position as a provider of mining services by signing a new service contract with Agnico Eagle Finland. The contract, which began on January 1, 2025, covers underground mine loading and hauling operations, maintenance of the underground road network, and various support services at the Kittilä gold mine. The contract is valid for three years and includes an option for two additional years.

### Termination of the Raahe Project and Employee Reassignment

The service contract at SSAB's Raahe steel plant will come to an end at the end of April 2025. Tapojärvi did not win the tendering process, and operations will be transferred to another contractor. Tapojärvi is strongly committed to reassigning employees to other positions within the group.

### Tapojarvi Italia – Market Expansion of TapoEko Products

Tapojarvi Italia has continued to expand the sales of its circular economy products in Italy. The first product launched on the market, TapoEko Filler, has received positive feedback from both the industry and authorities. Sales of the circular economy products are ongoing.

On March 10, 2025, a serious occupational accident occurred in Italy. The accident resulted in the death of an employee of Tapojarvi Italia. Tapojärvi Group is working closely with authorities to investigate the accident and is further developing its safety measures.

### Open Innovation Challenge 2025

Tapojärvi launched an international innovation competition in cooperation with EIT RawMaterials. The competition challenges European students to develop new circular economy solutions, especially for the reuse of mining and steel industry waste materials.

### Promoting Employee Well-being – New Staff Housing in Siilinjärvi

Tapojärvi has completed two new row house projects in Siilinjärvi for employee use. The housing aims to support occupational well-being. It makes accessing worksite easier for employees traveling to work from different regions, especially during long project periods.

### Assessment of Likely Future Developments

The company's business outlook is stable. The markets in company's business areas are positive. There are opportunities for growth in the company. Work is contract-based, and the contract base is solid and long-term. The company must foster the competitiveness and agility and be able to offer cost-effective quality work to the customers.

### The Scope of Research and Development Activities

Tapojärvi Group is involved in several domestic and international research, development and innovation (RDI) projects in cooperation with industry, research institutes and companies. The group is actively seeking new product and business opportunities. Opportunities lie especially in the circular economy of the forestry, construction, chemical, electronics, pyrometallurgical and mining industries, among other things, by cross-utilizing the side streams of these sectors.

The goal of the group's RDI activities is to reduce the use of virgin raw materials by utilizing industrial side streams as circular economy products. The benefits of the circular economy are directly visible in groups' environmental impacts, well-being at work, safety and economy.

**Improving resource efficiency:**

The circular economy minimises waste and improves resource use, reducing the extraction of new raw materials and dependence on limited natural resources.

**Reducing environmental impacts:**

By reducing waste and optimising the use of materials, the circular economy reduces greenhouse gas emissions, pollution and overconsumption of natural resources.

**Economic growth and employment:**

The circular economy creates new business opportunities and markets for recycling, reuse and resource-efficient products and services, creating jobs and economic growth.

**Fostering innovation and competitiveness:**

Resource-efficient and innovative products and processes improve competitiveness in both national and international markets.

**Risk management:**

Reduces operational risks by reducing dependence on limited natural resources and fluctuations in raw material markets

**Social welfare:**

Promotes social welfare by providing access to quality, sustainable products and services.

**Protecting ecosystems and conserving biodiversity:**

More efficient use of resources reduces pressure on the natural environment and contributes to biodiversity conservation.

During the financial year, EUR 3.9 million was spent on the group's research, development and innovation activities (2.3 % of the group's revenue). Public support for RDI activities amounted to EUR 0.7 million.

**Key development projects during the financial year included:****UPM's side stream utilization and the TapoEko cement plant**

- Tapojärvi develops low-carbon cement products from side streams originating from UPM's paper mills. It is a unique circular economy solution globally.
- During the year 2024, production planning and profitability calculations were carried out. The plant's permitting process began in May 2024.
- The first products were tested in a potential application.

**Construction of a new mixing and concrete plant began in Keminmaa**

- Development and manufacturing of new low-carbon binders

**First commercial deliveries of circular economy products in Terni**

- Slag-based filler as a substitute for Portland-cement.

**The new research center in Oulu opened in May 2024**

- The goal is to accelerate the commercialization of innovations
- Aims to strengthen the company's research capacity and develop measurements and applications for industrial side streams

**Patents and new innovations**

- A patent application was filed for belite cement developed in collaboration with UPM.

**Zero Mine Solutions joint venture company established in November**

- Tapojärvi Oy founded a company focusing on the hydrometallurgical processing of e-waste (WEEE) together with Alva-yhtiöt Oy and Elker Oy.
- Urban mining concept, which acts as an extension of traditional mining operations.
- An application was submitted for a strategic positioned project under the EU's Critical Raw Materials Act (CRMA)
- A pre-feasibility study was conducted by an external party on the WEEE chemistry module

### **Innovative processes and testing**

- In collaboration with Emeritus Professor Kauko Kujala, a pilot-scale friction angle measurement method was developed, which improves the representativeness of similar laboratory tests.
- The first measurements for a Finnish customer in mining industry were successfully carried out.

## **Risks and uncertainties**

The most significant risks and uncertainties in relation to the scope and structure of the company's operations are:

### **Strategic risks**

Competition in the business area markets is fierce. The work is mainly based on fixed-term contracts that largely are long-term. Due to the internationalisation of business operations, the risk arising from new geographical market areas may affect the company's operations.

Tapojärvi Oy's dependence on a limited number of customers may cause manageable risks related to business volume.

Technological development and stricter environmental legislation are opportunities for the company's growth, but they can also be strategic risks. Regarding to industrial circular economy solutions the company is constantly dealing with new things. In most cases, the authorities require various investigations or permits. The permit authorities do not have precedents, which may slow down the commercialisation of Tapojärvi's innovative solutions.

### **Operational risks**

- dependency on staff's competence and availability
- unusual cyclical fluctuations in demand
- disruptions in supply chains due to extended delivery times
- fluctuations in the availability and price of raw materials and other production factors

### **Financial risks**

The objective of the company's financial risk management is to ensure continuity and predictability of access to financing. The price risk of long-term contracts is managed through index-linkages. Liquidity risk is managed by various means of sufficient cash buffer, credit insurance and working capital financing.

### **Risk of damage**

Operational risks are covered by operational liability insurance and, in some activities, by specific activity liability insurance. The company's equipment is insured against accidents, and risk management in case of interruptions has also been covered through comprehensive backup fleet. The risk of interruption of operations is diversified since the company operates in several separate work sites.

### **Other uncertainties**

Russia's invasion of Ukraine has had an adverse impact on the European economy. Tapojärvi Group does not provide services in either country and has not purchased materials or spare parts from them. However, the group is exposed to the indirect effects of the war. After the outbreak of war, the first effect was the increase in fuel prices. As the war prolongs, the general rise in the cost level and the availability and price of energy will affect the volumes of industrial production. There are also impacts on the supply chains, availability and prices of equipment, spare parts, and materials. This requires active monitoring and measures.

## **Financial information and key figures**

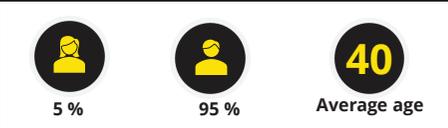
The parent company's net revenue for the financial year was EUR 139 million (2023: 131.2). Operating profit EUR 19.9 million was 14.32 % (2023: 11,60 %) of the net revenue. The return on equity was 22,9 % (2023: 21,1 %) and the equity ratio was 31,70 % (2023: 32,7 %).

The group's net revenue was EUR 194.1 million (2023: 171.1). Operating profit EUR 20.9 million was 10.75 % (2023: 9.30 %) of the net revenue. The return on equity was 24.20 % (2023: 22.0 %) and the equity ratio was 28.20 % (2023: 29 %).

## Key figures and other information about personnel

At the date of the balance sheet, the parent company employed 697 (2023: 621) people, of whom 533 were employees and 164 white-collar workers, including supervisors.

The group employed 911 (2023: 781) people, of whom 694 were employees and 217 white-collar workers, including supervisors. The average age of group's employees was 40 years. In relative terms, the largest age group is those aged 30 to 50. Of the group's personnel 5 % are women and 95 % men. Of the group's personnel 52 % work as machine operators, 15 % in maintenance tasks, 9 % in supervision of work and 5 % as process workers.

Personnel		911																					
Tapojärvi Oy	697																						
Hannukainen Mining Oy	7																						
Tapojärvi Sverige Ab	70																						
Tapojärvi Italia S.r.l	106																						
Tapojärvi Hellas M.I.K.E.	16																						
Leased employee	15																						
		<table border="1"> <thead> <tr> <th colspan="2">Leased employee</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Temporary</td> <td>11</td> <td>84</td> </tr> <tr> <td>    Full-time</td> <td>11</td> <td>77</td> </tr> <tr> <td>    Part-time</td> <td></td> <td>7</td> </tr> <tr> <td>Permanent</td> <td>4</td> <td>827</td> </tr> <tr> <td>    Full-time</td> <td>4</td> <td>818</td> </tr> <tr> <td>    Part-time</td> <td></td> <td>9</td> </tr> </tbody> </table>	Leased employee		Total	Temporary	11	84	Full-time	11	77	Part-time		7	Permanent	4	827	Full-time	4	818	Part-time		9
Leased employee		Total																					
Temporary	11	84																					
Full-time	11	77																					
Part-time		7																					
Permanent	4	827																					
Full-time	4	818																					
Part-time		9																					
Management	16																						
White-collar employees	118																						
Supervisors	83																						
Employees	694																						

The parent company paid EUR 36.6 million in wages and salaries (2023: 32.70). The group paid EUR 45,9 million in wages and salaries (2023: 39.4).

## Key figures and other information on environmental impacts

As a rule, group's operations are subject to the environmental permits of the clients. The group operates in the fields of heavy industry, mining industry, and industrial circular economy. The group is aware that the operations have both negative and positive environmental impacts. The group values the purity of nature and develops its operations in continuous cooperation with customers, utilising available technology.

The sustainability activities are based on commitment to the UN Global Compact initiative and to upholding its ten principles.

In corporate responsibility work of the financial year, the group continued to implement its sustainability program. The program focuses on three main themes: circular economy and the environment, personnel and safety, and customer satisfaction and reliability.

In 2024, the group updated its environmental, occupational health and safety policies and constructed a code of conduct for our employees as a basis for responsible behaviour.

To assess environmental impacts and how sustainability factors affect the group, a double materiality analysis was carried out in collaboration with Upright Oy. The group operates in an energy-intensive sector, so the results emphasize ability to promote energy efficiency and minimize the greenhouse gas emissions in group's operations. These results also help prepare for the future mandatory sustainability reporting.

In spring 2024, Tapojärvi started using biofuels at worksites in Tornio and Kemi. At central maintenance workshop in Keminmaa, newly installed solar panels also started producing energy, which will partly cover the workshop's energy needs in the future.

For the first time, the group also calculated their carbon footprint in accordance with the GHG Protocol, and the calculations were verified by Greenstep Oy.

The group's positive impact on the environment comes through circular economy business activities. In 2024, the group processed around 920000 tonnes of material in Tornio and Terni, of which 64% was recovered as metals and various mineral products.

	2023	2024		2023	2024
Scope 1	58 192	63 050	Finland	72 573	70 677
Scope 2	9 482	9 480	Italy	13 003	13 512
Scope 3	19 138	22 464	Sweden	1 236	9 693
			Greece	0	1 112
<b>Kokonaispäästöt (tCO2e)</b>	<b>86 812</b>	<b>94 994</b>			
<b>Hiili-intensiteetti (tCO2e)</b>	<b>507</b>	<b>489</b>			

In terms of environmental impacts related to pollution, the group's goal is zero harm. There were no significant environmental accidents in group's operations during the financial year. The construction of a mixing and concrete plant was started for RDI products in Keminmaa. The aim is to develop and manufacture new low-carbon binders.

### The number of shares in the company by share class and the main provisions of the Articles of Association concerning each class of shares

The company has a total of 15,000 shares, 6,000 class A shares, 3,000 class B shares and 6,000 class C shares.

- Series A shares confer all rights under the Finnish Companies Act. The shares carry 1 vote per share.
- Class B shares entitle the holder to dividends and other apportioned shares when distributing the company's assets, but not to voting rights at the annual general meeting.
- Series C shares carry the right to dividends, but they are not entitled to any other distribution of the company's assets or voting rights.

The redemption clause applies to class A and class B shares. The company does not hold any of its own shares.

### Treasury stocks

The company does not hold or pledge Tapojärvi Oy's own shares..

### Main loan terms and conditions of subordinated debt and accrued interest on loans not recognised as an expense

Group's companies do not have subordinated loans.

### Foreign branches of the company

The company has no foreign branches.

### Structural and financial arrangements

There have been no structural or financial arrangements referred to in the Finnish Companies Act during the financial year.

### Related-party loans and liabilities

The company has provided loans and guarantees to both the group and related companies. More detailed information on cash loans, liabilities and contingent liabilities to the company's related parties can be found in Note 5.

### Company organisation, management and auditors

The members of the Board of Directors elected by the Annual General Meeting on April 9th, 2024, have been Pertti Tapojärvi, Mauri Kauppi and Tuomo Tuohino. The Chairman of the Board has been Markku Tapojärvi. The acting CEO has been Mari Pilventö. The company's auditor has been firm of authorised public accountants Ernst & Young Oy, with Jari Karppinen, APA, as the auditor with principal responsibility.

### The Board of Directors' proposal for measures concerning the company's profit and a proposal for a possible distribution of other unrestricted equity.

The parent company's distributable funds in the financial statements amount to EUR 62.713.220 of which the profit for the financial year is EUR 12.176.913.

No material changes have taken place in the company's financial position since the end of the financial year. The company's liquidity is good, and, in the view of the Board of Directors, the proposed distribution of profit will not jeopardise the company's solvency. The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 5.021.094, i.e. EUR 334,74 per share, to be paid for the financial year.

## Key figures

### Formulas for key figures

<b>Net income</b>	=	Operating profit +/- financial items +/- taxes
<b>EBITDA</b>	=	Operating profit + depreciation and amortization
<b>Net debt</b>	=	Interest-bearing liabilities - liquid funds
<b>Own funds</b>	=	Equity in the balance sheet + equity loans - equity adjustments + accumulated depreciation difference + voluntary provisions (- latent tax liability)
<b>Adjusted equity on average</b>	=	Equity in the balance sheet + equity loans - equity adjustments + accumulated depreciation difference + voluntary provisions (- latent tax liability), calculated as the average of the beginning and end of the financial year
<b>Return on equity (ROE) -%</b>	=	$\frac{100 * \text{net income (12 kk)}}{\text{Adjusted equity on average}}$
<b>Equity ratio -%</b>	=	$\frac{100 * \text{own funds}}{(\text{adjusted balance sheet total} - \text{advances based on work performed})}$

<i>(EUR thousand)</i>	<b>Group 2024</b>	<b>Group 2023</b>	<b>Parent company 2024</b>	<b>Parent company 2023</b>
Revenue	194 092,9	171 075,2	138 994,8	131 234,6
Depreciation, amortization and write-downs	-21 449,8	-14 643,4	-18 168,5	-10 827,7
Operating profit (EBIT)	20 857,2	15 991,1	19 906,3	15 162,5
Financial items net	-3 904,7	-2 309,8	-3 249,9	-1 331,1
Taxes	-3 140,0	-2 914,7	-2 472,3	-2 236,0
Group contribution			-1 286,5	-1 233,9
Change in depreciation difference			-720,7	-1 390,2
Profit (loss) for the financial year	13 812,5	10 766,6	12 176,9	8 971,3
<b>Total equity</b>	<b>61 705,6</b>	<b>52 382,7</b>	<b>62 763,7</b>	<b>54 985,6</b>
Depreciation difference - tax liability			3 486,4	2 909,8
Own funds	61 705,6	52 382,7	66 250,1	57 895,4
Interest-bearing liabilities	122 578,7	95 827,4	119 952,7	95 773,1
Liquid funds	28 299,6	26 386,9	18 965,6	19 919,5
Balance sheet total	218 970,1	180 837,6	209 265,8	176 680,7
<b>Net income</b>	<b>13 812,5</b>	<b>10 766,6</b>	<b>14 184,2</b>	<b>11 595,4</b>
<b>EBITDA</b>	<b>42 307,0</b>	<b>30 634,5</b>	<b>38 074,8</b>	<b>25 990,1</b>
<b>Net debt</b>	<b>94 279,2</b>	<b>69 440,5</b>	<b>100 987,0</b>	<b>75 853,6</b>
<b>Adjusted equity on average</b>	<b>57 044,1</b>	<b>48 992,5</b>	<b>62 072,7</b>	<b>54 854,3</b>
<b>Net debt / EBITDA</b>	<b>2,23</b>	<b>2,27</b>	<b>2,65</b>	<b>2,92</b>
<b>Operating profit %</b>	<b>10,7 %</b>	<b>9,3 %</b>	<b>14,3 %</b>	<b>11,6 %</b>
<b>EBITDA-%</b>	<b>21,8 %</b>	<b>17,9 %</b>	<b>27,4 %</b>	<b>19,8 %</b>
<b>Return on equity -% (*)</b>	<b>24,2 %</b>	<b>22,0 %</b>	<b>22,9 %</b>	<b>21,1 %</b>
<b>Equity ratio, %</b>	<b>28,2 %</b>	<b>29,0 %</b>	<b>31,7 %</b>	<b>32,8 %</b>





2024

# Sustainability Report

This is the first standalone sustainability report by Tapojärvi, covering data for the 2024 reporting year.

The report is voluntary and follows the structure of the European Sustainability Reporting Standards (ESRS).

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Sustainable development is a fundamental pillar of Tapojärvi's operations. While Tapojärvi operates at the core of industry, our thinking extends beyond — to the environment and society as a whole. We utilize industrial side streams, develop circular economy products, and invest in a safe, skilled, and well-being-oriented work community.

# 1. General Disclosures

## 1.1. Basis of preparation

This is Tapojärvi's first standalone sustainability report, and covering data from the reporting year 2024. The report is voluntary and follows the structure of the European Sustainability Reporting Standards (ESRS).

The purpose of this report is to strengthen our preparedness to meet the reporting requirements of the Corporate Sustainability Reporting Directive (CSRD) and to provide a clear, comparable, and well-substantiated overview of Tapojärvi's sustainability-related impacts, risks, opportunities, and actions.

### Scope of the report

The scope of the report aligns with Tapojärvi's consolidated financial statements and covers the group's operations in Finland, Sweden, Italy, and Greece. Consequently, Tapojärvi's subsidiaries do not publish separate sustainability reports. In addition to our own operations, this report includes information from both the upstream and downstream ends of our value chain. As part of the double materiality assessment, impacts, risks, and opportunities have also been evaluated in relation to the value chain.

## Time horizons

Time horizons

In line with the ESRS, sustainability aspects are considered across three time horizons:

- **Short-term:** current and following year
- **Medium-term:** up to five years
- **Long-term:** beyond five years

Where available, quantitative indicators are presented for both 2024 and the preceding year.

## Limitations and uncertainty of estimate

Tapojärvi operates as a subcontractor in the mining and steel industries, typically on sites managed by the client. In these environments, many responsibilities are held by the client, including environmental permitting, site infrastructure (e.g., electricity and water supply), waste management, regulatory reporting, and stakeholder communication. This division of responsibilities affects Tapojärvi's assessment of the materiality of various sustainability themes, as well as the availability and consistency of the related data. Any such limitations are described in more detail under the respective sustainability topics throughout the report.

## 1.2. Governance

Tapojärvi is a Finnish family-owned limited liability company, operating under the laws of Finland. The Tapojärvi Group consists of the parent company Tapojärvi Oy and its subsidiaries Tapojärvi Sverige AB, Tapojärvi Italia S.r.l and Tapojärvi Hellas M.I.K.E.

### Governing bodies

Tapojärvi Oy's governing bodies include the General Meeting of Shareholders, the Board of Directors, the Acting CEO, and the Management Team. In 2024, the Board of Directors consisted of four members, two of whom were independent. All board members were male. The Management Team comprised 12 members responsible for the company's business areas and support functions, including two women. At present, employee representatives are not included in these governance bodies.

The Board of Directors is responsible for approving the Group's strategy and long-term objectives, and for overseeing their implementation. It also participates in the assessment and supervision of key risks and opportunities, in cooperation with the investment, finance, and accounting teams. The Management Team is responsible for leading and developing the Group's operations in accordance with the strategy and objectives defined by the Board.

### Sustainability governance

The Board annually approves and reviews Tapojärvi's sustainability commitment and direction. The Management Team approves sustainability principles, roadmaps, and targets. The sustainability team is responsible for implementing the roadmaps, as well as guiding and consulting business area and support function leaders in the execution of sustainability actions.

### Sustainability-linked incentives

At Tapojärvi, performance incentives linked to sustainability targets are tied to proactive safety work, the fulfilment of occupational safety responsibilities, and the reduction of accident frequency. These sustainability-related goals account for 40% of the management's performance-based bonus scheme. Employees are also eligible for a separate monthly safety bonus.

## 1.3. Strategy, business model and value chain

Tapojärvi's strategy is built around long-term objectives aimed at achieving profitable growth, strengthening competitiveness, and advancing sustainable development—both domestically and internationally. The company's operations are grounded in deep expertise in mining services and industrial circular economy solutions, which are systematically expanded into new markets. Tapojärvi strives to be the preferred service partner for its customers by combining environmental awareness, technological know-how, and operational efficiency.

### Strategic cornerstones:

- **Safety and employee well-being:** Tapojärvi recognizes that a safe and healthy workforce is the foundation of long-term success. The strategy includes a strong commitment to improving occupational safety and to engaging and training employees at all levels.
- **International growth:** the company actively seeks opportunities to expand in the mining and circular economy sectors. Internationalisation is pursued deliberately, in alignment with the company's values and core competencies.
- **Technology and digitalisation:** the use of modern technologies, automation, and digital tools is a key element of tapojärvi's competitive advantage. The strategy guides investments in machinery in accordance with the best available techniques (bat) principle, and data is actively leveraged to optimise operational performance.
- **Innovation and r&d:** Tapojärvi allocates 2–4% of its annual revenue to research and development projects. The strategy emphasises the development of technologies and products that support circularity, aiming to reduce environmental impact while simultaneously growing the business.
- **Long-term partnerships:** the company invests in building and maintaining customer relationships based on trust and co-creation. Such partnerships foster a predictable operating environment and enable the continuous improvement of services and processes for mutual benefit.

## Business model and value chain

Tapojärvi's business model is built on three interrelated core areas: mining services, industrial circular economy, and TapoEko circular economy products. These areas are united by a strong customer-oriented approach, modern technology, resource efficiency, and continuous development.

Tapojärvi provides comprehensive services to mining companies at both underground mines and open-pit sites. The services cover nearly all phases between drilling and ore crushing, as well as a variety of production support services.

The industrial circular economy business focuses on processing industrial side streams—particularly slag—into new recycled products. Services include slag cooling, screening, beneficiation, and productisation.

A common feature across all business areas is a solution- and customer-driven approach: services are carefully tailored to meet each client's specific needs, with the goal of enhancing the customer's own efficiency, sustainability, and competitiveness.

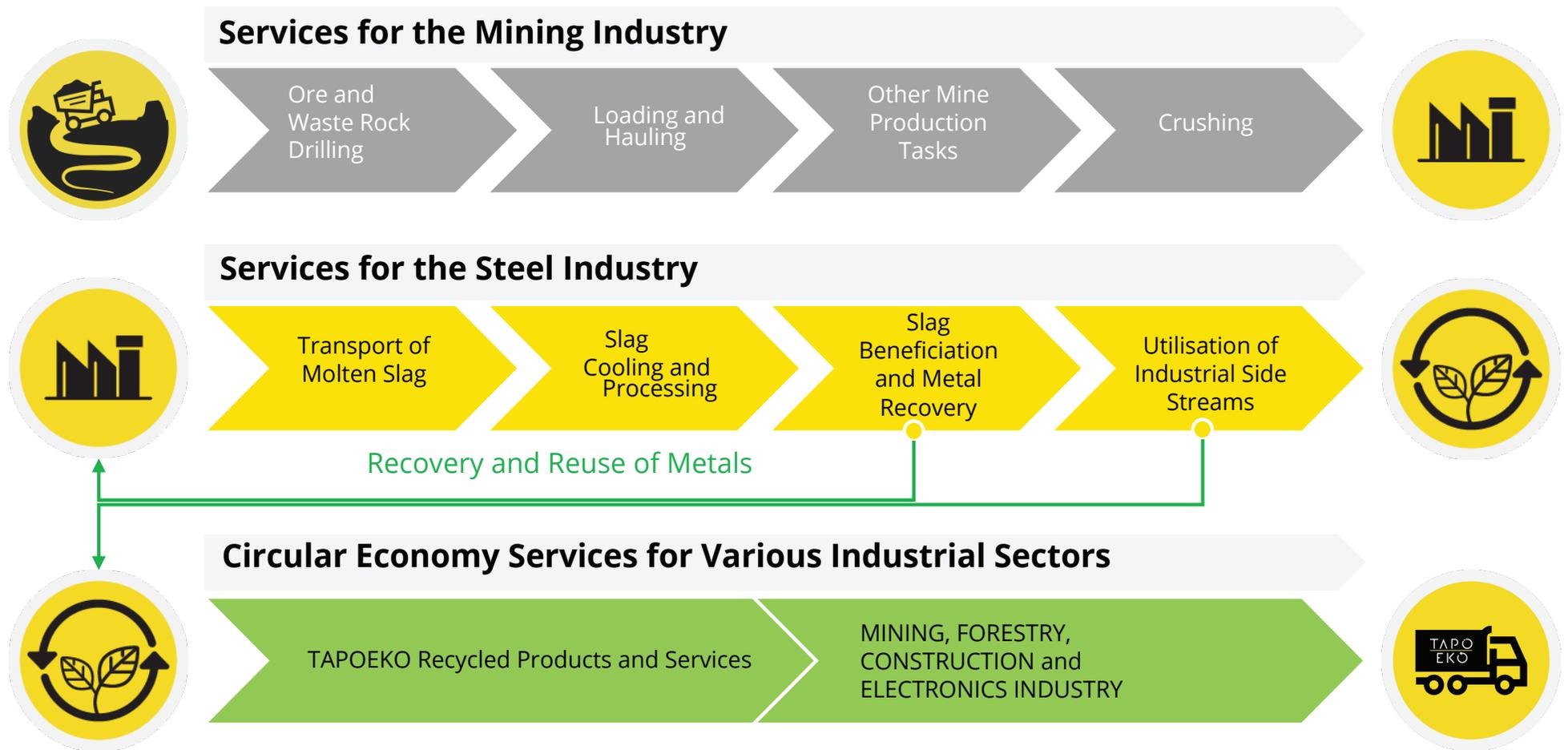
Tapojärvi's in-house machinery fleet, maintenance organisation, laboratories, and mixing plant support this business model by providing the required self-sufficiency and ability to respond rapidly to operational needs.

The company's business model is designed to support growth, efficiency, and responsibility—combining stable cash flow from mining services, growth drivers from industrial circular economy, and future potential through TapoEko products.

This multi-layered structure strengthens Tapojärvi's resilience and enables agile responses to changes in the market and regulatory environment.



# Value Chain



## 1.4. Materiality Assessment

### Materiality assessment process

Tapojärvi's double materiality assessment was based on a data- and science-driven methodology developed by upright oy. As input data, tapojärvi provided information on its products and services, suppliers, human resources, and the geographical distribution of all these elements, along with other indicators potentially influencing materiality.

In the second phase of the process, the data model analysed the materiality of each sustainability topic using extensive third-party databases and a corpus of over 250 million scientific articles. The assessment considered the scale, severity, irremediability, and likelihood of potential impacts.

No separate stakeholder surveys were conducted to complement the assessment. Instead, tapojärvi made use of previously collected survey data from employees and customers. Finally, the results of the scientific analysis were compared with the survey findings, and the final materiality decisions were made by tapojärvi's sustainability team.

### Key impacts, risks, and opportunities

Based on the double materiality assessment, tapojärvi's most significant impacts on the environment and society, as well as key sustain-

nability-related risks and opportunities, are linked to the following topics:

- climate change
- pollution
- water resources
- resource use
- circular economy
- own workforce
- business conduct

Material impacts were also identified in relation to biodiversity and ecosystems, workers in the value chain, and affected communities. However, these topics were excluded from the scope of this report in accordance with applicable transitional provisions and voluntary disclosure allowances.

A summary table of the identified key impacts, risks and opportunities is presented on the following page.

### Interaction between material topics, strategy and business model

Sustainability — particularly occupational and environmental safety — is integrated into the core of tapojärvi's operations, strategy, and business model.

In line with our operational policy, we are committed to providing a safe working environment and minimising the negative environmental impacts of our activities.

Our goal is zero harm.





## Safety as a foundational value

Safety is the first and foremost of tapojärvi's core values, underscoring its strategic and day-to-day importance in all our operations. Safety is built through small, everyday actions and decisions, and success in this area enables us to operate in the value chains of the mining and steel industries, where inherent risks are significantly higher than in many other sectors.

Every failure in safety—or in preventing work-related illnesses—is deeply impactful on an individual level, and also leads to both direct and indirect costs for the business.

Tapojärvi's operations are grounded in full compliance with all applicable laws, regulations, and permit requirements. As a specialist in mining services and materials handling, we recognise the environmental impacts of our operations and are fully committed to sustainable practices across all areas of activity. We aim to lead the development of the industrial circular economy. Our circular solutions help reduce the use of virgin raw materials and lower the carbon footprint of the value chain. Sustainability is viewed not only as a competitive advantage, but as a prerequisite for long-term business continuity.

Environmental regulation, technological advancements, and market shifts have a direct impact on our business. Tapojärvi actively participates in product and technology development projects and seeks to utilise available funding instruments for these initiatives. We make long-term investments in hybrid equip-

ment, digital solutions, and side-stream processing, while prioritising operational efficiency and the added value generated through sustainability. Our sustainability efforts support our customers' climate and responsibility goals. Alongside fossil fuels, we offer the option to use renewable fuels and alternative energy sources.

As our operations continue to expand and internationalise, tapojärvi's strategy and business model must place increasing emphasis on good governance, compliance across different operational areas and countries, and the implementation of anti-corruption measures. These efforts are essential to minimise reputational and financial risks.



## E1 Climate Change

Impact/Risk/Opportunity	Description	Source
Positive impact	Tapojärvi's circular economy services reduce the need for virgin raw materials, thereby lowering energy demand and emissions in their production value chains.	Own operations
Negative impact	Tapojärvi's beneficiation plants and mobile equipment, as well as the value chains of the mining and steel industries, consume significant amounts of energy and generate substantial greenhouse gas emissions.	Own operations; upstream and downstream value chain
Opportunity	Lower risk premiums and access to green financing for companies mitigating climate change. Revenue potential as customer demand shifts toward resource-efficient and low-emission solutions.	Own operations
Risk	The transition to a low-carbon economy may present risks if employees, authorities, investors or customers react negatively to insufficient climate action or operations in high-emission sectors.	Own operations; upstream and downstream value chain

## E2 Pollution

Impact/Risk/Opportunity	Description	Source
Positive impact	Circular economy services reduce the need for virgin materials and energy, thereby lowering emissions and other pollution resulting from their production.	Own operations; upstream and downstream value chain
Negative impact	Tapojärvi's operations may cause harmful air and particle emissions. In the event of leaks or insufficient water treatment, industrial chemicals and heavy metals may enter water or soil.	Own operations
Risk	New legislation and tightening environmental standards may increase costs due to required investments or higher financing costs.	Own operations; upstream and downstream value chain

## E3 Water Resources

Impact/Risk/Opportunity	Description	Source
Negative impact	Tapojärvi's own operations and the value chains of the mining and steel industries use significant volumes of water in water-risk areas. Waste, process, and industrial water may lead to emissions and burdens on water bodies.	Own operations; upstream and downstream value chain
Risk	Dependence on freshwater creates a risk of limited availability and rising costs. Stricter water discharge limits may increase capital costs.	Own operations; upstream and downstream value chain

## E5 Circular Economy

Impact/Risk/Opportunity	Description	Source
<b>Positive impact</b>	Tapojärvi's circular economy services enable the reuse of slag, recovered metals and other materials in accordance with circular economy principles.	Own operations; upstream and downstream value chain
<b>Negative impact</b>	Materials destined for final disposal and hazardous waste generated in operations may cause negative environmental and health impacts if not properly or adequately handled.	Own operations; upstream and downstream value chain
<b>Opportunity</b>	Circular solutions allow for the utilisation of industrial side streams in product manufacturing and material reuse, while also improving raw material selection toward more sustainable alternatives.	Own operations
<b>Risk</b>	Dependency on fossil fuels and other raw materials poses risks of resource scarcity. Regulations concerning resource use, waste, and side-stream management may increase costs.	Own operations; upstream and downstream value chain

## S1 Own Workforce

Impact/Risk/Opportunity	Description	Source
<b>Negative impact</b>	Tapojärvi's operations and its linkage to the mining and steel industries expose the workforce to higher risks of occupational accidents and diseases. The male-dominated nature of these sectors may also amplify challenges related to gender equality, pay gaps, and workplace harassment.	Own operations; upstream and downstream value chain
<b>Risk</b>	Regulations and reporting obligations related to the promotion of employee health, safety, equality, and equal pay may increase operational costs.	Own operations

## G1 Business Conduct

Impact/Risk/Opportunity	Description	Source
<b>Negative impact</b>	While no misconduct has been identified, insufficient anti-corruption practices may expose the company to corruption and bribery risks, which are widely recognised as elevated in the mining sector.	Own operations; upstream and downstream value chain
<b>Risk</b>	Authorities may require updated reporting procedures and the implementation of additional anti-corruption and anti-bribery measures through new legislation, potentially increasing operating costs.	Own operations



## ○ 2. Environmental Disclosures

Tapojärvi reduces environmental impact by utilising industrial side streams, developing low-carbon products, and investing in electric equipment and renewable energy.

## 2.1. Climate Change

### Operating principles

Tapojärvi is committed to promoting energy efficiency in line with technological progress as outlined in its environmental policy. The company actively pursues energy-efficient solutions and collaborates with customers and other partners to integrate the latest technologies and cleaner fuel alternatives wherever possible, in order to reduce its carbon footprint.

Tapojärvi's business operations are based on multi-year contract agreements, which require investment in machinery and equipment tailored to the defined scope of services. These investments are made through comprehensive techno-economic evaluations that follow the best available techniques (bat) principle. As a result, most of tapojärvi's new equipment represents the highest available environmental and energy performance standards.

To support climate change mitigation, tapojärvi has invested in slag treatment technologies and the development of circular economy products. The tapoeko product family is expected to grow into a third business pillar alongside mining services and industrial circular economy operations.

Through our investments in industrial circular economy and product development, tapojärvi aims to contribute to climate change mitigation by generating a positive handprint effect.

### Actions and resources

Tapojärvi has not yet developed a formal transition plan for climate change mitigation or a specific action plan for reducing energy consumption and emissions. However, progress is made through practical measures that align with our environmental policy.

The most significant climate-related impacts of tapojärvi's operations result from fuel use (mobile equipment) and electricity consumption (beneficiation plants). Decarbonisation efforts primarily relate to the choice of fuels, the origin of electricity, and decisions regarding the shift toward low-emission energy sources.

At most sites, fuels and electricity are procured either directly from suppliers selected by the customer or via the customer, meaning energy-related decisions are made jointly. In 2024, tapojärvi transitioned to biofuels at its kemi mine and tornio site, and solar panels installed at the kemimaa central maintenance facility began generating renewable electricity.

While energy choices have the greatest influence on emissions, technology decisions also play a role. Environmental aspects are considered as part of the techno-economic assessment of new machinery purchases.

Technology choices are sometimes made in collaboration with customers and always with the operational environment in mind, especially site-specific infrastructure and constraints.

Tapojärvi actively monitors the development of electric vehicle technologies and battery innovations. We work closely with leading equipment manufacturers and are actively involved in piloting and adopting the latest technologies. In 2024, tapojärvi commissioned europe's first hybrid loading machines.

Other practical decarbonisation measures include optimising driving behaviour, minimising idling, and improving energy efficiency at beneficiation plants and facilities.

### Targets and metrics

Tapojärvi has not yet set specific targets for achieving carbon neutrality or improving energy efficiency. However, we closely monitor both energy consumption and greenhouse gas emissions, and we aim to achieve progress in terms of intensity-based performance indicators.

## Energy consumption and energy mix

Tapojärvi operates in energy-intensive industries, and energy derived from fossil sources constitutes the majority of total energy consumption, primarily through the use of liquid fuels.

The table below presents Tapojärvi's energy consumption broken down by energy source.

MWh	2023	2024
Fuels from coal and coal products	0	0
Fuels from crude oil and oil products	222 904	243 460
Fuel from natural gas	0	0
Fuels from other fossil sources	0	0
Purchased or acquired electricity and heat from fossil sources	25 312	24 676
<b>Total fossil energy consumption</b>	<b>248 216</b>	<b>268 136</b>
Share of fossil energy sources in total energy consumption	96 %	93 %
<b>Energy from nuclear sources</b>	<b>2 307</b>	<b>2 132</b>
Share of nuclear energy in total consumption	1 %	1 %
Fuels from renewable sources	6 282	17 212
Purchased or acquired electricity and heat from renewable sources	2 248	2 259
Self-generated renewable energy consumption	0	41
<b>Total renewable energy consumption</b>	<b>8 530</b>	<b>19 512</b>
Share of renewable energy sources in total consumption	3 %	7 %
<b>Total energy consumption</b>	<b>259 053</b>	<b>289 738</b>
<b>Energy Intensity</b>	<b>2023</b>	<b>2024</b>
Revenue (M€)	171	194
Energy Intensity (MWh / M€)	1 514	1 493

Greenhouse Gas Emissions	2023	2024	Change
<b>Scope 1 Greenhouse Gas Emissions</b>			
Scope 1 Gross Emissions	58 192	63 050	8 %
<b>Scope 2 Greenhouse Gas Emissions</b>			
Scope 2 Market-Based Gross Emissions	9 482	9 480	0 %
Scope 2 Location-Based Gross Emissions	6 810	7 104	4 %
<b>Scope 3 Greenhouse Gas Emissions</b>			
Upstream Emissions (Before the Organization)			
#1 Purchased Goods and Services	3 829	5 106	33 %
#2 Capital Goods	N/A	N/A	N/A
#3 Fuel- and Energy-Related Activities (not included in Scope 1 or 2)	13 544	14 762	9 %
#4 Upstream Transportation and Distribution	N/A	N/A	N/A
#5 Waste Generated in Operations (including wastewater)	1 338	1 802	35 %
#6 Business Travel	191	570	198 %
#7 Employee Commuting	236	224	-5 %
#8 Upstream Leased Assets	N/A	N/A	N/A
Downstream Emissions (After the Organization)			
#9 Downstream Transportation and Distribution	N/A	N/A	N/A
#10 Processing of Sold Products	N/A	N/A	N/A
#11 Use of Sold Products	N/A	N/A	N/A
#12 End-of-Life Treatment of Sold Products	N/A	N/A	N/A
#13 Downstream Leased Assets	N/A	N/A	N/A
#14 Franchises	N/A	N/A	N/A
#15 Investments	N/A	N/A	N/A
<b>Total Greenhouse Gas Emissions</b>			
Total Emissions (Market-Based)	86 812	94 994	9 %
Total Emissions (Location-Based)	84 140	92 618	10 %

The calculation is based on a number of assumptions. Most of the electricity used is not sourced directly from energy producers but is instead supplied via customer companies. As no energy source breakdown has been available for this intermediary electricity, the calculation has been based on country-specific residual mixes. For district heating, the calculation has been performed using supplier-specific production mixes.

In 2024, Tapojärvi's Scope 1 emissions amounted to 63,050 tonnes of CO<sub>2</sub> equivalent (66 %), Scope 2 market-based emissions to 9,480 tonnes CO<sub>2</sub> equivalent (10%), and Scope 3 emissions to 22,464 tonnes CO<sub>2</sub> equivalent (24 %).

The total greenhouse gas emissions for Tapojärvi in 2024 were 94,994 tonnes of CO<sub>2</sub> equivalent.

### Biogenic Emissions

In 2024, biogenic emissions from the use of biofuels totalled 4,680 tonnes of CO<sub>2</sub> equivalent. Emission factors from the UK Department for Environment, Food & Rural Affairs (Defra) were used in the calculation.

<b>Greenhouse Gas Intensity Relative to Revenue</b>	<b>2023</b>	<b>2024</b>	<b>Muutos</b>
Emission Intensity (Market-Based, tCO <sub>2</sub> -eq / M€)	507	489	-4 %
Emission Intensity (Location-Based, tCO <sub>2</sub> -eq / M€)	492	477	-3 %

### Emissions Intensity

Tapojärvi monitors greenhouse gas emissions relative to revenue. The intensity is expressed as tonnes of CO<sub>2</sub> equivalent per million euros of revenue.

### Methodologies and Assumptions

Greenhouse gas emissions have been calculated and reported in accordance with the GHG Protocol.

The 2023 calculation was third-party verified, and the 2024 calculation was conducted using the same principles and methods.

Scope 1 includes direct emissions from Tapojärvi's own vehicles (liquid fuels, refrigerants) and facilities (cutting and welding gases, emissions from the use of explosives during detonation).

Emissions were calculated based on fuel and material consumption. Defra emission factors were used for fuels. Explosives-related emissions were calculated using emission factors provided by suppliers. Gas emissions were calculated based on carbon content. There are no material limitations in the Scope 1 emission calculations.

Scope 2 includes purchased electricity and heat used at Tapojärvi's own premises. Supplier-specific emission factors were applied to electricity and heat consumption data.

Approximately 95 % of the electricity used is supplied via customer organisations. In these cases, customer-provided emission factors were applied.

Electricity consumption of mining equipment is not invoiced or reported, as available metering does not accurately distinguish users or devices. There are no other material limitations related to Scope 2 emission calculations.

The following material Scope 3 categories have been included, based on the availability of sufficiently reliable data:

#1 Purchased goods and services (e.g. water, production and process chemicals, tyres, explosives, other materials), #3 Fuel- and energy-related activities (e.g. energy production emissions, transmission and distribution losses), #5 Waste and wastewater; #6 Business travel (air travel); #7 Employee commuting (based on mileage and travel reimbursements)

Emission factors used in Scope 3 calculations were obtained from Suppliers, Authorities, Trusted emission factor databases, The largest assumptions were required for chemicals and waste emissions. In total, 96 % of data used was measured, and 4 % estimated.

Two additional material Scope 3 categories were identified:

- #2 Capital goods
- #4 Upstream transportation and distribution

However, these were excluded due to insufficient consumption data and a lack of reliable emission factors.

As a service provider, Tapojärvi's Scope 3 emissions are largely upstream, and downstream emissions (categories #9-#15) are considered non-material.



## 2.2. Pollution

### Operating principles

Tapojärvi's operational policy emphasizes delivering services and products that meet customer needs, with the aim of achieving customer satisfaction as well as sustainable and profitable business operations. Our environmental policy reflects a commitment to excellence in environmental protection. In line with this policy, we reduce our environmental impact by preventing contamination and emissions into soil, air, and water. We aim to avoid the use of substances of concern and, where feasible, gradually phase out substances of very high concern.

Tapojärvi seeks to prevent environmental deviations through proactive, risk-based environmental management. In the event of a deviation, immediate measures are taken to mitigate potential environmental impacts. If soil or water is contaminated, tapojärvi takes action to remedy the adverse effects and restore the environment as close as possible to its pre-incident condition.

### Actions and resources

#### Prevention of air, water, and soil contamination

Tapojärvi continuously implements defined preventive measures to avoid environmental contamination. These include regular inspections of machinery and equipment, scheduled preventive maintenance, the acquisition of spill response equipment, and personnel training in managing exceptional situations.

Site-specific guidelines are in place for responding to deviations, such as procedures for handling fluid leaks and controlled shutdowns of enrichment facilities under specific wind conditions.

Tapojärvi monitors discharges to water from its own production facilities. Wastewater is treated either in customer-owned or municipal treatment

plants before being released into the environment. In mineral processing operations, we maintain and develop closed-loop systems that minimize water consumption and ensure the safe and efficient reuse of process water. Additional process measures are in place to prevent pollution, ensuring the preservation of water bodies for future generations.

Emissions to soil typically arise from oil leaks and are monitored based on environmental deviation notifications. Other emissions are measured and analyzed in accordance with monitoring programs defined in environmental permits—either those of our customers or our own.

#### Substances of concern and substances of very high concern

Chemicals classified as substances of concern fall into specific hazard classes as defined by the reach and clp regulations (classification, labelling and packaging, eu regulation 1272/2008).

We regularly assess the chemicals we use to identify substances of concern, ensure proper classification, and label them in accordance with clp requirements. We also invest in the development of safer alternatives and processes and report to the authorities in compliance with reach registration and clp labelling obligations.

#### Objectives and indicators

In accordance with our operational policy, we aim to minimize the negative environmental impacts of our operations. Our objective is zero harm.

All tapojärvi sites identify significant emission sources and monitor and control related emissions and pollutants, including their trends over time. The monitored substances vary based on site size and activity. The purpose is to ensure that emissions remain within the limits set by applicable legislation, contracts, and both tapojärvi's and its customers' environmental permits. In 2024, no incidents involving soil or water contamination with significant environmental impact were reported that could not be remedied through corrective action.



## 2.3. Water resources and marine resources

### Operating principles

We recognize the potential negative impacts of water use on the environment and biodiversity, particularly at our sites located in water-stressed regions.

Tapojärvi is committed through its environmental policy to adhering to the highest standards of water resource management. In all processes that use or interact with water, we continue to develop water-saving innovations, maintain our closed-loop systems, and ensure that robust pollution prevention measures are in place. This policy guides all our operations that involve interaction with water.

Our operations are primarily conducted at customer-owned sites, where water use is governed either by the customer's environmental permit or by tapojärvi's own permit. Tapojärvi complies fully with these permit conditions and works in close cooperation with the customer.

At customer sites, the customer is generally responsible for stakeholder and authority engagement as well as broader aquatic monitoring. An exception to this is the keminmaa central workshop, where tapojärvi conducts its own water monitoring.

Some tapojärvi sites are located in water risk areas, where water availability is limited and usage may have significant environmental impacts. Certain regions experience water stress, which imposes strict constraints on water consumption. Tapojärvi promotes responsible water management and environmentally sound practices aimed at reducing the burden on aquatic ecosystems and ensuring sustainable water use.

## Measures and resources

We work closely with our customers and partners to develop effective water resource management solutions.

An illustrative example is the closed-loop water system at the terni enrichment plant, which represents a technological solution designed to optimize water use in processes and reduce the need for raw water. The system decreases the load on aquatic ecosystems and supports tapojärvi's environmental responsibility objectives.

Measures for establishing closed-loop water circulation have been designed and implemented by experienced professionals. These solutions take into account both environmental considerations and business needs, supporting the broader goals of sustainable development.

At the keminmaa central workshop, water is currently not recirculated. Instead, used water is routed through oil separators and other treatment systems before being discharged into wells. Water quality is monitored four times per year.

Quarterly water samples are analyzed to detect changes and potential deviations in quality. Water management is further supported through technical measures. The most significant identified risks relate to the potential release of chemicals—such as oils—into the sewer system or nearby water bodies.

Tapojärvi monitors water consumption at its sites in collaboration with technical staff and maintenance managers. Consumption is tracked as part of operational activities, and detailed monitoring is enabled through metering equipment. These systems have been improved over time, enhancing monitoring capabilities and providing a solid foundation for setting and achieving future water management targets. Deviations are detected quickly, and prompt corrective action is taken.

## Objectives and indicators

Tapojärvi has not established specific measurable targets for water consumption. However, water use is monitored at sites where consumption is significant and where metering allows for consumption to be distinguished and tracked. The most water-intensive sites include the washing halls in raahe and keminmaa, as well as the enrichment plants in tornio and terni.

At mining sites, the water used by tapojärvi generally does not incur direct costs, and it is not feasible for tapojärvi to independently record or monitor its water consumption. Nonetheless, even in these cases, tapojärvi seeks to optimize water use as part of its broader responsibility efforts. Water consumption at these sites is considered as part of the customer's total water use.

Water consumption from tapojärvi's own operations is assessed wherever tracking is possible, and this data contributes to understanding the company's operational water footprint.

### Water consumption from own operations:

Volume (m <sup>3</sup> )	2023	2024
Total Water Consumption (m <sup>3</sup> )	208 210	166 277
Water Consumption in Water-Stressed Areas (m <sup>3</sup> )	77 848	80 535

### Water intensity

	2023	2024
Water Intensity (m <sup>3</sup> /M€)	1217	857

## 2.4. Resource Use and Circular Economy

### Operating principles

Tapojärvi's strategy guides its resource-related objectives by emphasizing circular economy principles and investing in development projects focused on circularity, including the advancement of tapoeko circular economy products.

Our environmental policy also outlines a clear commitment to circular economy principles. We strive for zero waste by ensuring thorough sorting, promoting recycling, and offering circular economy services to our customers.

Our responsible operating model extends to the procurement of chemicals and other materials, as well as to the development of new products derived from industrial side streams. This reinforces tapojärvi's commitment to environmental and health standards.

In our supplier code of conduct, tapojärvi expects suppliers to actively engage in sustainable development practices and to minimize negative environmental impacts. With regard to resource use and resource efficiency, suppliers are expected to implement measures aimed at reducing greenhouse gas emissions, energy consumption, and waste generation.

### Actions and resources

Tapojärvi's business model enables the transformation of industrial side streams into valuable resources that can either be returned to the production chain or further refined into new materials.

We deliver services and products tailored to our customers' needs. In operations where we process customer-owned side streams, tapojärvi forms part of the customer's value chain. Our circular solutions in industrial service operations enable customers to reuse their side streams within their own processes.

In cases where tapojärvi owns the side streams we process, we are committed to developing our processes and raw material choices in accordance with circular economy principles.

As part of our commitment to continuous improvement, tapojärvi implements short- and long-term development initiatives related to resource

use and circular economy. In 2024, we published both our updated environmental policy and our supplier code of conduct, which guide our activities and resource planning in relation to circular economy practices.

### Resource efficiency

Resource efficiency is a core element of tapojärvi's operations. The company has implemented several initiatives to improve energy efficiency and increase the use of renewable energy. For example, part of the energy used at the central workshop is generated through solar panels. In the selection of electricity and fuel sources at worksites, tapojärvi prioritizes sustainable options whenever it has the opportunity to influence those decisions. In waste management, we pursue a zero-waste target through careful sorting and recycling.

### Maintenance and machinery

When selecting machinery resources, tapojärvi emphasizes the acquisition of modern, low-emission vehicles and equipment. At the kemi mine site, tapojärvi operates the first hybrid-powered loading machines in Europe. This technological advancement supports our objectives for sustainable development and responsible business practices.

### Tapoeko products

In 2024, tapojärvi launched its tapoeko product line, which is based on industrial side streams. These products have a smaller carbon footprint compared to conventional alternatives designed for the same use. All tapoeko products are developed in accordance with circular economy principles, and product development is continuous.

### Objectives and indicators

#### Resource inflows

No specific quantitative targets have been set for resource inflows. However, their environmental impacts are assessed and taken into account in procurement decisions.

Mobile equipment is one of the core resources in tapojärvi's operations. The primary inflowing resources related to mobile machinery include fuels, oil products, adblue, and tires. In mining operations, key resource inflows consist of production materials such as wire ropes, cement, concrete, resin, bolts, and explosives.

In industrial service operations, concentrator plants consume electricity, water, production chemicals, and raw materials. In addition, the material processed at the sites in italy and tornio forms part of the resource inflows.

### Resource outflows

Targets related to outgoing resources are linked to circular economy processes.

At the tornio and terni concentrator plants, tapojärvi processes slag, and the resulting outgoing resources include recovered metals and other reusable materials (e.g. Aggregates). In these processes, customer requirements guide the optimization of the quantity and quality of returned metals and materials. These targets are documented in service agreements.

A summary table presents the total volume of outgoing resources at the tornio and terni sites, along with the recovery rate of the processed material. The figures are compiled from site-specific production data and are based on measured quantities.

Resource (tonnes)	2023	2024
Processed Slag (Inbound Resource)	969 923	919 059
Recovered Metal	149 865	141 801
Other Recovered Materials	503 647	455 422
Recovery Rate (%)	67 %	65 %

### Waste

Tapojärvi has not set quantitative targets for the waste generated in its own operations. In general, the company seeks to minimize the amount of waste and to ensure that all waste is properly sorted.

Reported waste volumes are based on waste reports received from contracted waste management companies. Waste is weighed and classified according to the european list of waste (low) codes, which also determine whether the waste is categorized as hazardous or non-hazardous. Hazardous waste includes, for example, mixtures from sand and oil separators, aerosols, and waste oils.

All waste is classified in accordance with the waste hierarchy, using the categories: preparation for re-use, recycling, other recovery, and disposal. The share of non-recycled waste is calculated by subtracting the volume of recycled waste from the total volume of waste generated. It is important to note that official waste reports often include treatment and recovery operation codes (such as r12-r13 for recovery and d13-d15 for disposal), which do not specify the final method of recovery or treatment. In addition, at several worksites tapojärvi is both entitled and obligated to use sorting stations provided by the customer. In such cases, the customer is fully responsible for the waste management system, including its monitoring and reporting. Consequently, waste generated by tapojärvi at these sites cannot be distinguished from the total waste stream and is therefore excluded from tapojärvi's own tracking and reporting.



<b>Waste (tonnes)</b>	<b>2023</b>	<b>2024</b>
Total waste generated	1 738	2 619
Total waste diverted from disposal	649	1 142
Total hazardous waste diverted from disposal	230	309
Preparation for re-use	0	0
Recycling	186	256
Other recovery operations	44	53
Total non-hazardous waste diverted from disposal	418	833
Preparation for re-use	1	2
Recycling	8	14
Other recovery operations	410	817
Total waste directed to disposal	1 089	1 477
Hazardous waste directed to disposal	1 078	1 425
Incineration (with or without energy recovery)	54	65
Landfilling	0	0
Other disposal operations	1 024	1 360
Non-hazardous waste directed to disposal	11	52
Incineration (with or without energy recovery)	0	6
Landfilling	0	0
Other disposal operations	11	46
Non-recycled waste	1 544	2 350
Share of non-recycled waste (%)	89 %	90 %

## Composition of waste and waste streams

The most significant waste streams generated from tapojärvi's operations are:

- Waste mixtures from sand and oil separators
- Iron and steel
- Mineral-based, non-chlorinated engine, gear, and lubrication oils
- Septic sludge
- Soil and rock containing hazardous substances
- Mixed municipal waste

These waste types accounted for approximately 85% of all waste generated in 2024. Waste mixtures from sand and oil separators alone represented around 46 % of total waste and were estimated to account for approximately 78 % of the CO<sub>2</sub> emissions associated with waste.

### Hazardous and radioactive waste

The table below presents the volumes of hazardous waste and radioactive waste generated.

Waste Type (tonnes)	2023	2024
Hazardous Waste	1 308	1 734
Radioactive Waste	0	0





### 3. Social Disclosures

At Tapojärvi, social responsibility means taking responsibility for people, the workplace community, and the surrounding society.

## 3.1. Own Workforce

### Operating principles

At tapojärvi, social responsibility means a strong commitment to employee well-being, occupational safety, professional competence, and equality. The company respects human dignity, fosters respectful interactions, and is committed to honest communication with stakeholders. Tapojärvi operates under a flat organizational model, with unnecessary layers of management removed to reduce hierarchy. This allows every employee to influence their own work and participate in the development of operational practices. Staff are encouraged to pursue training, contribute to workplace development, and engage in the renewal of working methods.

### Key personnel-related principles, guiding documents, and their content include:

- **Code of conduct:** defines ethical principles and guides all employee behavior. It emphasizes human rights, prohibition of forced and child labor, non-discrimination, fair working conditions, occupational safety, and respectful, honest interaction.
- **Hr policy:** guides human resources management and defines strategic priorities, focusing on a safe and healthy work community, responsible leadership, and professional supervisors and staff.
- **Occupational health and safety policy:** outlines the principles of safety management. Its goals include a safe working environment, prevention of work-related illnesses, and proactive safety leadership. A core emphasis is the promotion of a zero-accident mindset.
- **Recruitment policy:** defines fair and equal recruitment practices to promote equality in the workplace and prevent discrimination.

Additional supporting guidelines address matters such as working hours, training, skills development, and equal treatment. These policies apply to all employees and provide consistent direction for daily operations.

### Key personnel-related plans include:

- Workplace development plan
- Training plan
- Equality and non-discrimination plan

### Processes

#### Engagement with own workforce and employee representatives

Tapojärvi maintains continuous, two-way communication with its personnel—both directly and through employee representatives. The objective is to ensure employees can express their views and stay informed about decisions and changes within the company.

#### Engagement methods include:

- pulse surveys and team-level review of results
- team meetings, weekly briefings, and safety talks
- development discussions and one-on-one conversations
- the tavi feedback feature
- observation reporting system
- xibo information displays at worksites
- whistleblowing channel

Tapojärvi's flat organizational structure supports open communication and lowers barriers to contact. Avoiding bureaucracy and enabling quick response are fundamental principles of operation.

Employee representatives participate in the cooperation committee and occupational safety committee, contributing to operational development. These committees meet four times a year and address issues such as working conditions, safety, and organizational changes. This collaboration enables proactive planning and ensures that employee needs are considered.

The equality and non-discrimination survey is used to assess inclusion—particularly from the perspective of vulnerable groups. Based on the results, support measures can be targeted and further actions developed.

## Raising concerns and addressing adverse impacts

Tapojärvi has established multiple processes that enable personnel to raise concerns and contribute to the resolution of identified issues:

- regular performance and development discussions
- annual pulse surveys
- equality and non-discrimination surveys (conducted every 2–3 years)
- whistleblowing channel

The whistleblowing channel is open to all and allows for anonymous reporting. Reports may be submitted even without conclusive evidence, provided they are made in good faith. The channel is operated by an independent third party, and its technical design ensures full anonymity and whistleblower protection. Whistleblowers receive a unique identifier, which allows them to track the status of their case without revealing their identity.

All reports are handled confidentially and only by those directly involved in the investigation process. Responsible personnel are clearly designated. No disciplinary actions are taken prior to the completion of the investigation. Where necessary, corrective measures are implemented, and their effectiveness is assessed on a case-by-case basis.

## Actions and resources

Tapojärvi is committed to preventing accidents, occupational diseases, and other adverse impacts on personnel across all areas of operation.

### Health and safety

Tapojärvi consistently prioritizes safety in all working environments. Occupational safety is an integral part of the company's operational culture and is approached proactively.

## Key measures

- ergonomic assessments and risk evaluations
- integration of health and safety considerations in procurement and work planning
- occupational safety training and onboarding
- hazard observations, incident and near-miss investigations
- supervisor-led safety walkthroughs
- safety briefings (“safety moments”) and other safety communications
- continuous development of safety practices

Accident frequency and safety observations are regularly monitored both at worksites and at the management level. The goal is to foster a zero-accident culture, where every employee takes responsibility for safety. Continuous improvement measures are implemented throughout the entire group.

## Maintaining work ability and supporting wellbeing

Supporting work ability and holistic wellbeing is a key focus at tapojärvi. Work ability is proactively promoted through occupational safety practices, occupational healthcare, and the early support model. The company aims to respond to workloads and signs of strain in a timely manner. Occupational health is strengthened through ergonomic design, reduction of noise and dust exposure, health monitoring, and enabling job rotation. To support physical fitness, tapojärvi offers employees access to sports and wellbeing services.

## Employees with special needs and ageing workers are supported through measures such as

- Flexible working time arrangements (e.g. part-time pension schemes)
- option for part-time work for employees aged 55 and above
- reduction of commuting-related workload

The risk of work disability is addressed in cooperation with the occupational health service and the pension insurance provider.

Transitions in employment relationships are anticipated proactively. When fixed-term contracts come to an end, efforts are made to offer new assignments or training opportunities to the employees. The objective is to safeguard work ability, competencies, and employability, even in times of change.

These measures are implemented across the entire group. However, wellbeing benefits may vary by country, depending on local conditions such as taxation practices. At the group level, the aim is to ensure a fair and equitable overall approach that supports employee wellbeing across all operational environments.

### **Training and competence development**

At tapojärvi, competence development is a key part of human resources work and continuous organizational improvement. The goal is to offer every employee opportunities to learn, grow, and apply their skills in diverse ways. Competence is strengthened through training and development programmes, career paths, internal mobility, and a centralized training register.

In 2023, the company began compiling general onboarding material for an elearning platform. In 2024, the content offering was expanded, and in 2025, a new, user-friendly learning platform and onboarding system will be launched.

Supervisors are offered 360-degree feedback assessments and elearning training. Skills related to early support discussions are developed through a dedicated online training module. Development discussions are supported by training and updated guidance, and their implementation is monitored through a digital system.

Practices still vary between countries. The expansion of elearning content into multiple languages and the harmonization of development discussion models are being carried out in phases.

Employees' skills are further enhanced by providing diverse work assignments and supporting multi-skilling. Development discussions are used to identify growth opportunities based on individual interests and competencies. Internal mobility and international assignments are encouraged as part of professional development.

### **Gender equality and equal pay for work of equal value**

Operating in a male-dominated industry can impact perceptions of equality and pose challenges to achieving true non-discrimination. These risks are managed through an equality plan, pay gap analyses, training, communication, and inclusive recruitment practices.

In 2024, a gender equality and non-discrimination survey was conducted to assess employees' perceptions of fairness. While the majority of respondents did not report any issues, some expressed concerns about imbalances in pay, job roles, and workload distribution.

Based on the survey results, the following development measures were implemented in 2024:

- Training for supervisors on equality and non-discrimination
- A decision to develop shared operational principles in the form of a code of conduct
- Creation of a related elearning course to support consistent practices across the organization

### **Measures against workplace violence and harassment**

In 2024, the gender equality and non-discrimination survey also examined employees' experiences of harassment.

Based on the survey results, it was deemed necessary to provide awareness-raising training for supervisors and to draft written rules of conduct (code of conduct).

In addition, internal communications have openly highlighted the possibility to report inappropriate situations via the whistleblowing channel and explained the principles of the system, including anonymity.

### **Developing diversity**

Tapojärvi aims to build a work community where everyone feels valued and treated equally, regardless of gender, age, background, or job role. This is supported, among other things, by strengthening tapojärvi's employer image externally.

Active participation in student events and recruitment fairs promotes diversity and communicates a fair and inclusive workplace.

At the same time, recruitment policies are implemented, and tapojärvi's

job opportunities for young people and career changers are highlighted. At the other end of the diversity spectrum are age-related issues. Although tapojärvi's workforce is currently relatively young, preparations are already being made for an ageing workforce. Retirement and rising costs may pose challenges, but flexible work arrangements, task modifications, and knowledge transfer help support longer careers. The experience and tacit knowledge of older employees are valuable for the organisation and its diversity.

## Objectives and indicators

personnel-related goals are defined annually and support tapojärvi's strategic and sustainability objectives. Occupational safety, in particular, is a key strategic focus, with clearly defined goals extending down to the level of individual job roles.



**The goals for the key subtopics related to tapojärvi's own workforce are:**

- **Health and safety:** tapojärvi aims to develop a zero-accident culture and prevent occupational diseases. The target for accident frequency is zero accidents per one million working hours.
- **Gender equality and equal pay for work of equal value:** the goal is to reduce the gender pay gap to below 5% and to increase the proportion of women in supervisory positions.
- **Training and competence development:** the aim is to achieve 100% coverage of development discussions for all white-collar and supervisory personnel, and to provide annual training days in line with staff needs.
- **Measures against workplace violence and harassment:** tapojärvi seeks to prevent inappropriate conduct in the workplace and promote a safe, open, and respectful working environment. The company applies zero tolerance toward workplace violence and harassment.
- **Diversity:** the goal is to build a work community where everyone feels valued and treated equally, regardless of gender, age, background, or job role.

Tapojärvi uses consistent and comparable indicators to monitor developments in workforce-related impacts and the achievement of set targets.

The indicators cover, among other things, the number and frequency of accidents, training days, gender distribution, realization of equality, employee survey results, and the number of occupational safety actions. These indicators provide a clear basis for evaluating progress and driving continuous improvement.

## Characteristics of employees with employment contracts

### Employees by company and staff group

This report presents the number of employees with employment contracts and their status as of 31 december 2024.

	Man- agement	White-Collar Employees	Supervisors	Blue-Collar Workers	Total
Tapojärvi Oy	15	86	63	533	697
Hannukainen Mining Oy	1	6			7
Tapojarvi Italia S.r.l		15	13	78	106
Tapojärvi Sverige AB		5	7	58	70
Tapojarvi Hellas M.I.K.E.		5		11	16
Temporary Agency Workers		1		14	15
<b>Total</b>	<b>16</b>	<b>118</b>	<b>83</b>	<b>694</b>	<b>911</b>

### Employees with employment contracts by type of contract and gender

	Women	Men	Total
Fixed-Term	2	82	84
Full-Time	1	76	77
Part-Time	1	6	7
Permanent	46	781	827
Full-Time	43	775	818
Part-Time	3	6	9
<b>Total</b>	<b>48</b>	<b>863</b>	<b>911</b>

At the end of the 2024 financial year, the tapojärvi group employed a total of 911 people, which is 130 more than at the end of the previous financial year. Of the tapojärvi group's employees, 95 % (863) were men and 5 % (48) were women. The number of women increased by three compared to the previous year, although their proportion of the total workforce decreased by one percentage point.

Across the group, 91 % of employees—827 individuals—had permanent employment contracts. Of these, nine people (1 %) worked part-time. A total of 84 employees, or 9 % of the workforce, were employed on fixed-term contracts, of whom seven (8 %) worked part-time. Altogether, there were 16 part-time employees in the tapojärvi group.

In 2024, tapojärvi received 1,819 job applications, 9 % of which were from women. The total number of applications was 1,819, which was 932 more than in 2023. During the year, a total of 27 job advertisements were published.

Throughout the group, 255 new employment contracts were signed during the financial year—100 more than in the previous year. A total of 141 employment contracts ended (18 more than the year before). Of the ended contracts, 45 % had lasted less than one year, and 40 % had lasted between one and five years.

In total, 141 employees left the tapojärvi group in 2024. The employee turnover rate was 16 %, based on a total of 911 employees. The turnover rate for voluntary resignations (including resignations and trial period terminations initiated by the employee) was 6 %.

## Coverage of collective bargaining agreements

Tapojärvi operates in multiple countries and employs a variety of staff groups. All employees in finland, sweden, italy, and greece are covered by collective bargaining agreements (cbas). These agreements define key terms of employment, such as working hours, pay structures, and holiday practices. Coverage is therefore 100 % in the regions where cbas are applied.

Dialogue with labour market parties is based on transparency, mutual respect, and predictability. Locally, employee representatives participate in regular meetings with supervisors and management. In longer-term projects and situations involving change, employees are consulted in accordance with local cooperation legislation.

Collaboration is continuously developed with the aim of increasing employee engagement, improving communication, and strengthening trust between employer and personnel. In recent years, discussions have particularly focused on occupational health, safety, and competence development.

## Diversity indicators gender distribution of employees by staff group

The proportion of women in top management in 2024 was 12,5 %.

	Management	White-Collar Employees	Supervisors	Blue-Collar Workers	Total
Women	2	28	1	17	48
Men	14	90	82	677	863
<b>Total</b>	<b>16</b>	<b>118</b>	<b>83</b>	<b>694</b>	<b>911</b>

## Personnel by age group

The average age of personnel is 40 years. The largest age group is 30–50 years, representing 60 % of the workforce.

Age Group	2024
Under 30 years	168
30–50 years	550
Over 50 years	193

## Adequate pay

Pay is determined based on collective bargaining agreements, local practices, and the requirements of the position. Compensation corresponds to the general level of the industry and region. Its adequacy is assessed regularly as part of the development of the remuneration system.

An adequate wage ensures a reasonable livelihood and standard of living. It also supports work motivation, commitment, and the experience of fairness. All employees are paid at least the minimum wages required by law and applicable collective agreements. Underpayment is not tolerated in any of the countries where tapojärvi operates.

## Social protection

Tapojärvi provides its personnel with comprehensive social protection. This consists of statutory rights, collective bargaining agreements, and additional company-specific benefits.

All employees have access to occupational healthcare. This is complemented by insurance coverage that safeguards income in the event of accidents, illness, or disability. To support work ability, tapojärvi offers exercise benefits, an early support model, and close cooperation with occupational health services.

Parenthood and work-life balance are supported through parental leave options and part-time arrangements. Tapojärvi's employees are covered by national pension and social security systems in each country of operation. In cases of employment termination, income security and legal protection are supported in cooperation with supervisors, hr, and occupational health services.

## Persons with disabilities and reduced work capacity

Tapojärvi is committed to equality and non-discrimination in all its operations. This includes persons with disabilities and reduced work capacity, whose right to work, participation, and equal opportunities is recognized as an integral part of the company's values and sustainability efforts.

The inclusion of persons with disabilities and reduced work capacity is

promoted in practice as part of equality and non-discrimination planning. Practical measures are developed in cooperation with human resources and occupational health services, taking into account individual needs and conditions related to work ability..

## Training and skills development indicators

Tapojärvi invests in employee development and supports professional growth as well as the strengthening of leadership skills. Competence development is a key factor in achieving the company's strategic and operational objectives.

Employees are encouraged to set and pursue their own development goals and to take advantage of the learning and development opportunities provided by tapojärvi. Supervisors are responsible for planning development activities, and hr supports the process by assisting in planning, monitoring, and implementation. Activities are evaluated regularly, and the training plan is updated annually in cooperation with supervisors, employees, and employee representatives.

Indicator	2023	2024	Target
Training Hours per Employee	30	24	over 30 h

## Health and safety indicators

Tapojärvi consistently invests in developing a strong safety culture and promoting occupational health. The goal is to prevent accidents, strengthen work ability, and ensure a safe and healthy working environment at all sites.

Occupational health and safety outcomes are monitored, measured, and analyzed on a regular basis. Tapojärvi uses both leading and lagging indicators to build a comprehensive understanding of workplace safety levels and employee wellbeing.

Indicator	2023	2024	Target
Frequency of Proactive Safety Actions (SAF)	9 500	10 700	over 10 000
Number of Occupational Injuries, All Employees	9	10	0
Total Recordable Injury Frequency (TRIF, 12 months), All Employees	6.5	6.6	<2.5
Lost Time Injury Frequency (LTIF)	2.2	3.3	0
Health Rate (percentage of employees with zero sick leave)	28 %	33 %	40 %
Lost Workdays Due to Occupational Injuries or Illnesses	5 634	5 790	≥ 2023 level

## Work-Life Balance Indicators

Tapojärvi promotes work-life balance by offering flexible practices and wellbeing benefits. All employees have the right to take parental leave.

Indicator	2023	2024	Target
Employee Net Promoter Score (eNPS)	14	8	over 20
Overall Employee Satisfaction	74	74	over 80

## Income-related indicators

In 2024, the average gender pay gap at Tapojärvi was 5.7% (2023: 8.3%). The narrowing gap indicates positive progress toward more equitable compensation. In addition, the highest individual salary was 3.8 times the median salary of all employees.

Tapojärvi is committed to fairness and non-discrimination in compensation. The company conducts an annual pay analysis based on internal comparison factors (e.g. job requirements, competence), personal background characteristics, and external market data. The goal is to identify and correct any unjustified differences as part of the salary review process.

Cooperation with collective bargaining parties and employee representatives ensures compliance with ethical and legal standards.

The observed pay gap is primarily explained by the distribution of work roles: men are more often employed in demanding or leadership positions, which tend to offer higher salaries. Tapojärvi seeks to support women in advancing to more demanding roles and monitors progress over time.

The pay gap is calculated by comparing the average total salaries of men and women. The calculation does not yet adjust for differentiating factors such as job level or experience. However, this method provides an overall view of the existence and development of pay disparities.

In the future, the analysis will be refined by job category and staff group to better understand the underlying causes of pay differences in greater detail.

Indicator	2023	2024	Target
Gender Pay Gap	8.3 %	5.7 %	Below 5 % by 2026
Pay Ratio Between Highest-Paid Individual and Median Employee Salary	N/A	3.8	

### Cases, Complaints, and Human Rights Impacts

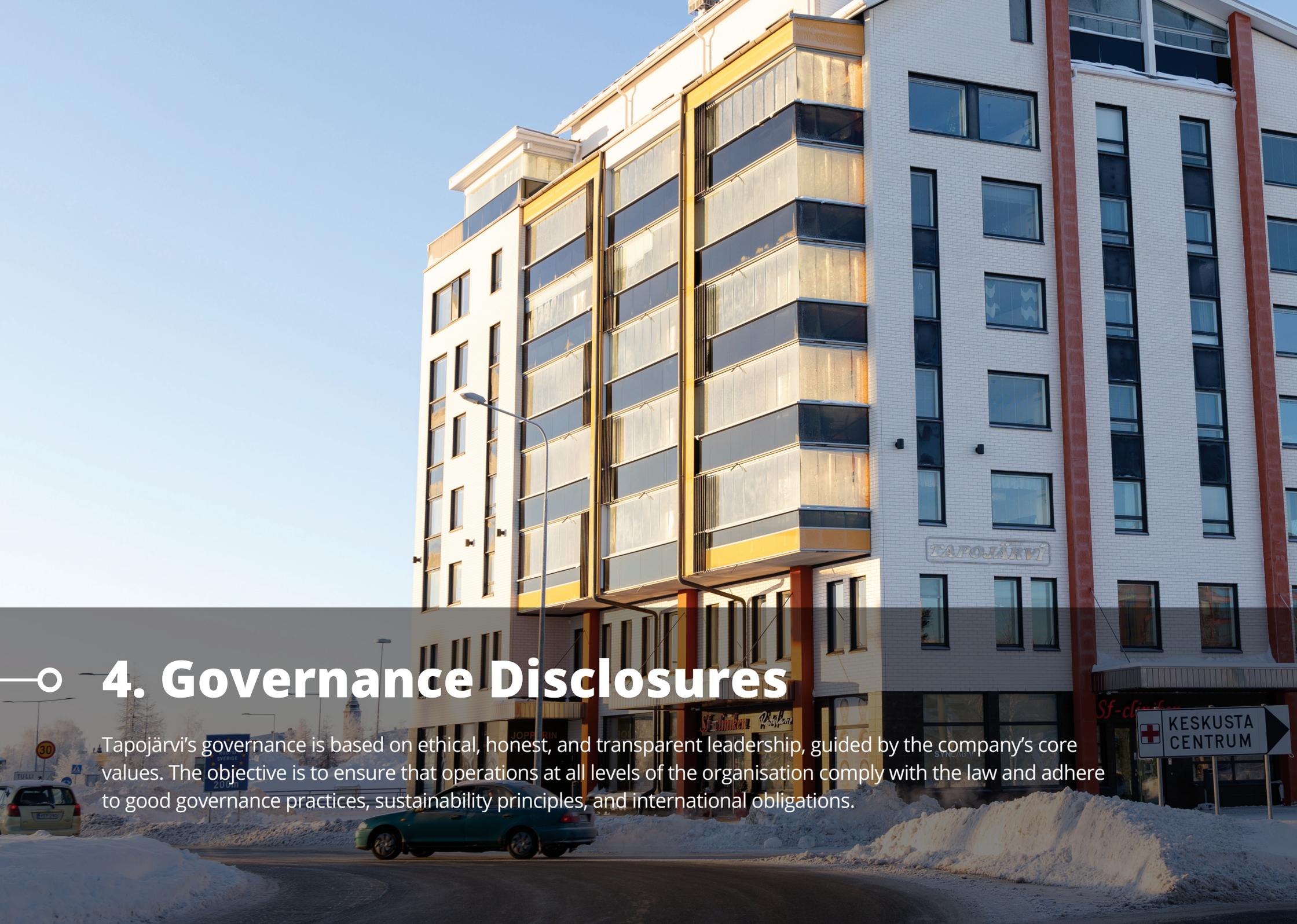
Tapojärvi actively monitors indicators related to working life and human rights to ensure that its operations remain ethical, fair, and aligned with international labour standards.

#### In 2024:

- No data breaches or human rights violations were identified
- No confirmed cases of corruption were reported
- Four reports were submitted through the whistleblower channel, all of which were handled in accordance with internal procedures

Indicator	2023	2024	Target
Number of Reported Cases	0	4	No Substantiated Cases





## 4. Governance Disclosures

Tapojärvi's governance is based on ethical, honest, and transparent leadership, guided by the company's core values. The objective is to ensure that operations at all levels of the organisation comply with the law and adhere to good governance practices, sustainability principles, and international obligations.

## 4.1. Business Conduct

### Operating principles

Tapojärvi's operating policy is designed to harmonise company culture, communicate expectations across business areas, and promote the company's core values—safety, competence, efficiency, and profitability—throughout all units. In addition to values, the policy outlines company-wide principles and management systems applicable to all personnel and partners, including related policies and commitments to key corporate responsibility initiatives.

**Values:** safety, competence, efficiency, and profitability guide both daily operations and strategic development. Value alignment starts at onboarding and is reinforced through training, internal communication, and employee engagement.

**Code of conduct:** sets out business principles and behavioural guidelines for all employees, emphasising compliance with laws and regulations, respect for human rights and working conditions, safety, honesty, professional conduct, and respectful communication and interaction.

**Supplier code of conduct:** defines the expectations for suppliers and other business partners aligned with tapojärvi's values. The goal is to build strong partnerships based on responsibility and ethical conduct, while encouraging continuous improvement in sustainability.

**Management systems:** tapojärvi oy's management system is certified according to the iso 9001 quality management standard and applies to operations in finland. The subsidiary tapojarvi italia s.R.L is certified under both iso 9001 and iso 14001 standards.

**Policies:** tapojärvi has implemented policies on occupational health and safety, the environment, and quality. These define principles and goals for managing and improving performance in each area. Additional policies exist, for example, to guide human resources practices.

Tapojärvi is a signatory to the united nations global compact and is committed to upholding its ten principles related to human rights, labour, environment, and anti-corruption. The company respects the international labour organization (ilo) declaration on fundamental principles and rights at work and recognises the importance of the un sustainable development goals (sdgs). Tapojärvi has identified multiple opportunities to advance these goals through its business operations.

### Reporting concerns

Tapojärvi is committed to maintaining an open organisational culture in which concerns can be reported if any activity is observed or suspected to be in conflict with the company's operating principles or involves other forms of misconduct. Misconduct is defined as any action that violates applicable laws, regulations, or the company's policies, or that may cause direct or indirect financial loss or other harm to the company, its personnel, or other stakeholders.

The company has a whistleblowing channel through which individuals can anonymously report observed irregularities. The channel complies with the eu whistleblower protection directive, and all concerns reported through the system are handled confidentially. No negative consequences will be directed at those who make reports in good faith. Employees have been clearly informed of the availability of the reporting channel, and related training has been incorporated into the mandatory code of conduct elearning course for all employees as of the beginning of 2025.

All reports are received centrally and processed confidentially. An independent responsible officer handles the process, and each case is addressed without delay.

In 2024, four reports were submitted through the whistleblowing channel. All were processed within 14 days. No serious ethical violations were identified. The cases resulted in clarifications to internal guidelines and the targeting of supervisor training.

## Supplier relations

Tapojärvi maintains long-term, responsible, and ethical relationships with its suppliers. Supplier management is an integral part of the company's business principles and risk management. Tapojärvi ensures that taxes are paid, reported, and remitted accurately in the country and location where the economic activity, value creation, and work actually take place.

### Supplier management and selection

Tapojärvi requires all suppliers to commit to its supplier code of conduct, which outlines ethical business practices and requirements related to environmental protection and working conditions. In 2024, self-assessment surveys were sent to the ten largest suppliers by value.

The procurement process is based on transparency and long-term partnerships where sustainability and ethics are key priorities. Equal treatment of suppliers, fair contractual terms, and responsibility requirements are central principles in tapojärvi's procurement practices.

### Support for smes

To support small and medium-sized enterprises (smes), tapojärvi ensures that payments are made on time and that any delays are addressed promptly, thereby minimising financial pressure on sme suppliers.

### Responsible supplier management and risk control

Suppliers are required to accept the supplier code of conduct, which includes commitments to human rights, improvement of working conditions, environmental protection, and ethical business conduct. Tapojärvi performs self-assessments and audits to verify supplier responsibility. Large and critical suppliers are regularly evaluated, and their esg performance is monitored.

Supplier-related environmental impacts, emissions, and safety are included in the evaluation criteria. Esg-related data, such as emissions and safety indicators, is requested from suppliers when necessary.

### Sustainable supply chain and impact management

Tapojärvi minimises environmental impacts in the supply chain by ensuring that purchased machinery and equipment meet the best available technology and environmental standards. The company requires fair competition, anti-bribery and anti-corruption compliance, and adherence to international labour standards from its suppliers.

Social and environmental criteria—such as energy efficiency, low-emission solutions, and circular economy approaches—are key factors in supplier selection alongside price. Responsibility is a central selection criterion.

### Risk management and supply chain continuity

Tapojärvi strategically manages supply chain risks by using technology and data for digital monitoring and predictive maintenance. Long-term contracts and a multichannel procurement model help reduce dependency on individual suppliers.

### Local sourcing and vulnerable suppliers

Tapojärvi supports local economic growth by prioritising procurement of services and materials from local companies. Preference is given to suppliers certified with iso 9001 (quality), iso 14001 (environment), and iso 45001 (occupational health and safety). Vulnerable suppliers are supported through long-term partnerships that ensure financial stability and promote the development of responsible business practices.

## Prevention and detection of corruption and bribery

Tapojärvi is committed in its operating principles to the prevention of corruption and bribery and expects the same from its suppliers. The company has assessed corruption and bribery risks from country-, sector-, and function-specific perspectives as well as from the supply chain point of view. Preventive measures and practices have been defined to minimise these risks.

Tapojärvi has not identified, nor has it received any reports of, misconduct related to corruption or bribery.

## Political engagement and lobbying

Tapojärvi's political engagement is limited, transparent, and focused on promoting the circular economy and sustainable development. The company is registered in the transparency register and reports its advocacy activities in accordance with legal requirements.

In 2024, tapojärvi reported no more than five contacts to the register, directed at decision-making bodies such as members of parliament and ministries. The advocacy activities are limited in scope and related to tapojärvi's expertise, particularly in advancing industrial circular economy and sustainable development. The company does not provide lobbying consultancy services nor act on behalf of third parties.

The obligations related to the transparency register were fulfilled in accordance with the law, and tapojärvi remains committed to the principles of transparency and ethical lobbying.

The goal of tapojärvi's advocacy is to positively influence political initiatives and regulatory environments that support the development of industrial circular economy and investments in sustainable industry.

## Payment practices

The tapojärvi group follows a payment policy that ensures all purchase invoices are paid by their due date. This policy applies to all suppliers, including small and medium-sized enterprises and all supplier categories.

On average, 28 days pass from the invoice date to the payment date. This figure is based on a sample of purchase invoices from the parent company covering the period from 1 January to 30 April 2025. The dataset included all purchase invoices paid during the year. There are no ongoing legal proceedings related to late payments. Tapojärvi is considered a reliable payer.



# Financial statements



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## Consolidated Financial statement

CONSOLIDATED PROFIT AND LOSS STATEMENT	1.1.2023-31.12.2024	1.1.2023-31.12.2023
<b>REVENUE</b>	<b>194 092 931</b>	<b>171 075 247</b>
<b>Other operating income</b>	<b>5 474 674</b>	<b>2 435 850</b>
Raw materials and service		
Materials, supplies and goods		
Purchases during the financial year	-71 625 434	-59 567 818
Change in inventory	1 811 460	1 673 250
External services	-15 841 683	-21 088 700
<b>Total raw materials and service</b>	<b>-85 655 657</b>	<b>-78 983 268</b>
Personnel expenses		
Wages and salaries	-45 934 942	-39 445 444
Social security expenses	-15 171 481	-9 862 884
<b>Total personnel expenses</b>	<b>-61 106 423</b>	<b>-49 308 328</b>
Depreciation, amortization and write-offs		
Planned depreciation and amortization	-21 428 714	-14 622 285
Depreciation, goodwill	-21 132	-21 133
<b>Total depreciations, amortization and write-offs</b>	<b>-21 449 846</b>	<b>-14 643 418</b>
<b>Other operating expenses</b>	<b>-10 498 485</b>	<b>-14 584 967</b>
<b>OPERATING PROFIT (LOSS)</b>	<b>20 857 194</b>	<b>15 991 116</b>
Financial income and expenses	-3 904 656	-2 309 820
<b>PROFIT (LOSS) BEFORE TAXES</b>	<b>16 952 538</b>	<b>13 681 296</b>
Income taxes	-3 140 007	-2 914 714
<b>PROFIT (LOSS) FOR THE FINANCIAL YEAR</b>	<b>13 812 532</b>	<b>10 766 583</b>

## Consolidated balance sheet

CONSOLIDATED BALANCE SHEET	31.12.2024	31.12.2023
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Intangible assets		
Intangible rights	15 368	16 673
Consolidated goodwill	45 554	66 685
Other long-term expenditure	262 614	11 022
<b>Total intangible assets</b>	<b>323 536</b>	<b>94 380</b>
Tangible assets		
Land and waters	610 044	610 044
Buildings and structures	4 081 874	4 311 276
Machinery and equipment	123 999 502	82 123 450
Other tangible assets	12 447 136	10 238 144
Advance payments and construction in progress	7 025 871	13 667 160
<b>Total tangible assets</b>	<b>148 164 427</b>	<b>110 950 074</b>
<b>Investments</b>		
Holdings in Group companies	1 225 028	1 224 481
Other receivables	61 034	61 581
<b>INVESTMENTS</b>	<b>1 286 062</b>	<b>1 286 062</b>
<b>TOTAL NON-CURRENT ASSETS</b>	<b>149 774 025</b>	<b>112 330 516</b>
<b>CURRENT ASSETS</b>		
Long-term receivables		
Loan receivables	744 490	764 810
Deferred tax asset	2 229 883	1 407 601
Other receivables	25 290	19 178
<b>Total long-term receivables</b>	<b>2 999 663</b>	<b>2 191 589</b>
Short-term receivables		
Trade debtors	34 765 459	35 302 761
Other receivables	1 361 235	2 242 682
Accrued income	3 224 117	2 402 295
<b>Total short-term receivables</b>	<b>39 350 811</b>	<b>39 947 738</b>
<b>CASH IN HAND AND AT BANKS</b>	<b>28 299 555</b>	<b>26 386 898</b>
<b>TOTAL CURRENT ASSETS</b>	<b>70 650 029</b>	<b>68 526 225</b>
<b>TOTAL ASSETS</b>	<b>220 424 054</b>	<b>180 856 741</b>

## Consolidated cash flow statement

EQUITY AND LIABILITIES	31.12.2024	31.12.2023	CONSOLIDATED CASH FLOW STATEMENT	31.12.2024	31.12.2023
<b>EQUITY</b>			<b>Operating activities</b>		
Share capital	50 456	50 456	Revenue	20 857 195	15 991 116
Retained earnings	47 842 599	41 565 647	Adjustments to operating profit (depreciations-sales of fixed assets)	20 790 208	13 373 033
Profit for the financial year	13 812 532	10 766 583	Change in net working capital	3 125 333	-2 572 724
<b>TOTAL EQUITY</b>	<b>61 705 587</b>	<b>52 382 686</b>	Financial income and expenses	-3 904 656	-2 309 820
			Taxes paid	-3 140 007	-2 914 714
<b>LIABILITIES</b>			<b>Net cash flow from operating activities</b>	<b>37 728 073</b>	<b>21 566 891</b>
Non-current liabilities			<b>Investments</b>		
Loans from credit institutions	94 946 924	75 084 063	Purchases of fixed assets, increase (-)/decrease (+)	-63 497 942	-17 615 003
Other liabilities	10 284	10 284	Sales of fixed assets (fixed assets rep. FS, transfers)	1 235 542	1 339 000
<b>Total non-current liabilities</b>	<b>94 957 208</b>	<b>75 094 347</b>	Increase (-)/decrease (+) of other fixed assets	-2 210 921	-2 224 943
Current liabilities			Acquisitions of fixed assets in progress and prepayments inc (-) dec(+)	6 641 152	-6 838 890
Loans from credit institutions	27 631 805	20 743 294	Increase (-)/decrease (+) of other long-term investments	0	204 318
Trade creditors	17 211 514	16 796 800	<b>Total cash flow from investing activities</b>	<b>-57 832 169</b>	<b>-25 135 518</b>
Other creditors	5 645 352	5 426 768			
Deferred tax liability	1 277 649	1 021 284	<b>Cash flow before financing</b>	<b>-20 104 096</b>	<b>-3 568 627</b>
Accruals and deferred income	11 994 939	9 372 384			
<b>Total short-term creditors</b>	<b>63 761 259</b>	<b>53 360 530</b>	<b>Financing</b>		
<b>TOTAL LIABILITIES</b>	<b>158 718 467</b>	<b>128 454 877</b>	Increase (-)/decrease (+) in long-term receivables	-335 770	302 685
			Increase (+)/decrease (-) in long-term receivables	19 862 861	23 440 592
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>220 424 054</b>	<b>180 837 563</b>	Increase (+)/decrease (-) in short-term interest-bearing loans	6 888 511	-2 321 891
			Dividends paid	-4 398 849	-4 012 516
			<b>Total financing</b>	<b>22 016 753</b>	<b>17 408 870</b>
			<b>Change in liquid assets according to calculation, increase (+)/decrease (-)</b>	<b>1 912 657</b>	<b>13 840 243</b>
			Liquid assets 1.1.	26 386 898	12 546 655
			Liquid assets 31.12.	28 299 555	26 386 898
			<b>Increase (+)/decrease (-) in liquid assets</b>	<b>1 912 657</b>	<b>13 840 243</b>
			<b>Breakdown of change in net working capital</b>		
			Increase (-)/decrease (+) in short-term receivables	19 168	-7 654 758
			Increase (+)/decrease (-) in short-term non-interest-bearing loans	3 106 165	5 082 034
			<b>Total</b>	<b>3 125 333</b>	<b>-2 572 724</b>

## Parent Company Financial statement

PARENT COMPANY PROFIT AND LOSS STATEMENT	1.1.2024-31.12.2024	1.1.2023-31.12.2023
<b>REVENUE</b>	<b>138 994 806</b>	<b>131 234 630</b>
Variation in stocks of finished goods and in work in progress	230 468	47 911
<b>Other operating income</b>	<b>20 528 800</b>	<b>9 808 395</b>
Raw materials and services		
Materials, supplies and goods		
Purchases during the financial year	-54 351 141	-52 936 171
Change in inventory	350 386	506 623
External services	-10 279 187	-8 252 960
<b>Total raw materials and services</b>	<b>-64 279 942</b>	<b>-60 682 508</b>
Personnel expenses		
Wages and salaries	-36 581 225	-32 761 997
Social security expenses		
Pension expenses	-6 255 862	-5 651 152
Other social security expenses	-1 351 798	-1 496 128
<b>Total personnel expenses</b>	<b>-44 188 885</b>	<b>-39 909 276</b>
Depreciation, amortization and write-offs		
Planned depreciation and amortization	-18 168 512	-10 827 658
<b>Total depreciation, amortization and write-offs</b>	<b>-18 168 512</b>	<b>-10 827 658</b>
<b>Other operating expenses</b>	<b>-13 210 420</b>	<b>-14 509 043</b>
<b>OPERATING PROFIT (LOSS)</b>	<b>19 906 315</b>	<b>15 162 450</b>
Financial income and expenses	-3 249 866	-1 331 131
<b>PROFIT BEFORE APPROPRIATIONS AND TAXES</b>	<b>16 656 449</b>	<b>13 831 318</b>
Appropriations		
Change in depreciation	-720 739	-1 390 195
Group contributions received (+) and granted (-)	-1 286 540	-1 233 901
<b>Total appropriations</b>	<b>-2 007 279</b>	<b>-2 624 096</b>
Income taxes	-2 472 258	-2 235 955
<b>PROFIT (LOSS) FOR THE FINANCIAL YEAR</b>	<b>12 176 913</b>	<b>8 971 266</b>

## Parent Company Balance sheet

PARENT COMPANY'S BALANCE SHEET	31.12.2024	31.12.2023
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Intangible assets		
Intangible rights	7 000	7 000
Other long-term expenditure	189 181	0
<b>Total intangible assets</b>	<b>196 181</b>	<b>7 000</b>
Tangible assets		
Land and waters	582 182	582 182
Buildings and structures	3 966 551	4 213 384
Machinery and equipment	92 065 909	60 694 468
Other tangible assets	4 332 185	3 930 286
Advance payments and construction in progress	6 980 923	7 006 615
<b>Total tangible assets</b>	<b>107 927 750</b>	<b>76 426 936</b>
<b>Investments</b>		
Holdings in Group companies	14 546 642	14 496 642
Other shares and similar rights of ownership	1 225 028	1 225 028
Other receivables	61 034	61 034
<b>INVESTMENTS</b>	<b>15 832 704</b>	<b>15 782 704</b>
<b>TOTAL NON-CURRENT ASSETS</b>	<b>123 956 635</b>	<b>92 216 640</b>
<b>CURRENT ASSETS</b>		
Long-term receivables		
Receivables from Group companies		
Loan receivables	28 935 369	30 949 381
From others		
Loan receivables	744 490	764 810
Other receivables	25 290	19 178
<b>Total long-term receivables</b>	<b>29 705 149</b>	<b>31 733 369</b>
Short-term receivables		
Trade debtors	24 794 088	26 476 119
Receivables from Group companies	9 013 106	4 878 176
Other receivables and accruals	1 128 201	574
Other prepayment and accrues	1 702 974	1 446 310
<b>Total short-term receivables</b>	<b>36 638 369</b>	<b>32 801 180</b>
<b>CASH IN HAND AND AT BANKS</b>	<b>18 965 629</b>	<b>19 929 531</b>
<b>TOTAL CURRENT ASSETS</b>	<b>85 309 147</b>	<b>84 464 080</b>
<b>TOTAL ASSETS</b>	<b>209 265 782</b>	<b>176 680 720</b>

	31.12.2024	31.12.2023
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>	50 456	50 456
Share capital	50 536 308	45 963 890
Retained earnings	12 176 913	8 971 266
Profit for the financial year	<b>62 763 677</b>	<b>54 985 613</b>
<b>TOTAL EQUITY</b>		
<b>ACCUMULATED APPROPRIATIONS</b>	4 357 986	3 637 247
Depreciation difference	<b>4 357 986</b>	<b>3 637 247</b>
Accumulated appropriations		
<b>LIABILITIES</b>		
Non-current liabilities	93 448 209	75 055 477
Loans from credit institutions	10 284	10 284
Other creditors	<b>93 458 493</b>	<b>75 065 761</b>
<b>Total non-current liabilities</b>		
Current liabilities	26 504 470	20 717 619
Loans from credit institutions	9 178 209	9 571 227
Trade creditors	70 641	62 328
Liabilities to Group companies	3 406 617	3 695 262
Other creditors	9 525 689	8 945 662
Accruals and deferred income	<b>48 685 626</b>	<b>42 992 098</b>
<b>Total short-term creditors</b>	<b>142 144 119</b>	<b>118 057 859</b>
<b>TOTAL LIABILITIES</b>		
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>209 265 782</b>	<b>176 680 720</b>

## Parent Company Cash flow statement

### PARENT COMPANY CASH FLOW STATEMENT

	31.12.2024	31.12.2023
<b>Operating activities</b>		
Operating profit	19 906 315	15 162 450
Adjustments to operating profit (depreciations-sales of fixed assets)	17 531 060	9 557 273
Change in net working capital	-3 930 513	-7 098 262
Financial income and expenses	-3 249 866	-1 331 131
Taxes paid	-2 472 258	-2 235 955
Group contributions provided	-1 286 540	-1 233 901
<b>Net cash flow from operating activities</b>	<b>26 498 198</b>	<b>12 820 473</b>
<b>Investments</b>		
Purchases of fixed assets, increase (-)/decrease (+)	-50 078 461	-16 140 057
Sales of fixed assets	1 235 542	1 339 000
Increase (-)/decrease (+) of other fixed assets	-403 828	-472 320
Acquisitions of fixed assets in progress and advance payments inc. (-), dec.	25 692	-4 860 549
Increase (-)/decrease (+) of other long-term investments	-50 000	204 318
<b>Total cash flow from investing activities</b>	<b>-49 271 055</b>	<b>-19 929 608</b>
<b>Cash flow before financing</b>	<b>-22 772 857</b>	<b>-7 109 135</b>
<b>Cash flow from financing activities</b>		
Increase (-)/decrease (+) in long-term receivables	2 028 221	-310 830
Increase (+)/decrease (-) in long-term loans	18 392 732	23 411 780
Increase (+)/decrease (-) in short-term interest-bearing loans	5 786 851	-2 296 438
Dividends paid	-4 398 849	-4 001 248
<b>Total cash flow from financing activities</b>	<b>21 808 954</b>	<b>16 803 265</b>
<b>Change in liquid assets according to calculation, increase (+)/decrease (-)</b>	<b>-963 903</b>	<b>9 694 130</b>
Liquid assets 1.1.	19 929 531	10 235 401
Liquid assets 31.12.	18 965 629	19 929 531
<b>Increase (+)/decrease (-) in liquid assets</b>	<b>-963 902</b>	<b>9 694 130</b>
<b>Breakdown of change in net working capital</b>		
Increase (-)/decrease (+) in short-term receivables	-3 837 190	-8 743 927
Increase (+)/decrease (-) in short-term non-interest-bearing loans	-93 322	1 645 665
<b>Total</b>	<b>-3 930 513</b>	<b>-7 098 262</b>

# Notes to Financial Statements 31.12.2024

## Basic information about the group

Tapojärvi is an internationally operating group engaged in mining, industrial and circular economy services, as well as mining and quarrying. The Group's parent company Tapojärvi Oy (0910259-9) is a Finnish limited company. Its subsidiaries are Hannukainen Mining Oy, Tapojarvi Italia S.r.l and Tapojärvi Sverige AB.

The parent company's registered office is in Kolari and its street address is Tullipuistonkatu 2, Office facility 1, 95400 Tornio, Finland.

## Accounting principles

Tapojärvi Oy's financial statements and consolidated financial statements have been prepared in accordance with the Finnish Accounting Act (FAS) and other laws and regulations in force in Finland.

The consolidated financial statements are presented in euro, which is the currency used by the Group's parent company Tapojärvi Oy and the Group companies in their operations and presentation.

## Preparation of Consolidated Financial Statements

Subsidiaries are companies in which the Group has a controlling interest. The consolidated financial statements incorporate the subsidiaries in their entirety from the moment the Group gains control of the company. Their incorporation shall be terminated on the date on which the control ceases.

The control referred to in the consolidated financial statements comes into existence when the Group owns more than half of the voting rights or otherwise controls the subsidiary. Control refers to the right to determine the economic and business policies of the company in order to gain benefits from its activities.

Business transactions, outstanding receivables and debt balances within the Group, as well as unrealised gains arising from internal business transactions within the Group are eliminated. Unrealised losses are also eliminated unless the sales transaction provides indications of a decrease in value of the asset being transferred

## Valuation and accrual principles and methods

## Sales income recognition

The Group's turnover consists of the factory and mining services it provides. Turnover is recognised when the services have been performed.

## Pension obligations

The companies have pension arrangements in place in accordance with local terms and practices. The arrangements are handled by an external insurance company. Pension expenditure is recognised as an expense in the year of their accumulation.

## Borrowing costs

Borrowing costs are recognised as expenses during the period in which they were incurred.

## Income taxes

Taxes in the consolidated income statement include taxes based on the taxable profit of the group companies calculated in accordance with local tax regulations and tax rates. In addition, taxes in the profit and loss account include changes in deferred tax liabilities and assets.

The deferred tax liability or asset is calculated for temporary differences between the tax base and the financial statements, and differences arising from group eliminations, using the tax rate for the following year as determined at the balance sheet date. Temporary differences arise, for example, from internal margins and depreciation differences.

Deferred tax liabilities are recognised in full. A deferred tax asset is recognised for recognised losses and other temporary differences only when it is probable that the asset will be utilised against taxable profit in future periods.

## Tangible and intangible assets

Research costs are recognised as an expense in incomestatement when they have been incurred. The Group companies have no capitalised development costs.

Planned depreciation and amortization have been deducted from the acquisition cost of tangible and intangible assets recognised in the balance sheet, except for the mining-related items specified below. The costs incurred through acquisition and production have been included in

the acquisition cost. The subsidies received are recognised as a deduction of the acquisition cost. Planned depreciation and amortization have been calculated as straight-line depreciation on the basis of the economic useful life of the tangible and intangible assets. The depreciations have been made from the month in which the asset was put into service.

Commodity group	Estimated service life	Depreciation percentage	Depreciation method
Consolidated goodwill	10		straight-line depreciation
Intangible rights	5		straight-line depreciation
Other long-term expenditures	5/10		straight-line depreciation
Buildings and structures		4/7/20%	reducing balance method
Buildings and structures	10		straight-line depreciation
Machinery and equipment		25%	reducing balance method
Machinery and equipment	3-10		straight-line depreciation
Other tangible assets	5		straight-line depreciation

Depreciations for assets or land in progress are not recognised, nor are depreciations for other tangible assets related to mining. The Group's other tangible assets consist mainly of costs related to the preparation and startup of mining activities resulting from the mapping and evaluation of a mineral deposit and they may be capitalised until such time as the economic resource has been identified and mining operations are started or mining assets are abandoned. Capitalised costs are expenditure on materials and services used to achieve an asset, including, for example, expenditure related to permits and the process of defining an area allocated for mining. Other expenses are recognised as an expense in the income statement when they have been incurred.

Taxes in the consolidated income statement include taxes based on the taxable profit of the group companies calculated in accordance with local

tax regulations and tax rates. In addition, taxes in the profit and loss account include changes in deferred tax liabilities and assets.

The deferred tax liability or asset is calculated for temporary differences between the tax base and the financial statements, and differences arising from group eliminations, using the tax rate for the following year as determined at the balance sheet date. Temporary differences arise, for example, from internal margins and depreciation differences. Deferred tax liabilities are recognised in full. A deferred tax asset is recognised for recognised losses and other temporary differences only when it is probable that the asset will be utilised against taxable profit in future periods. The acquisition costs of fixed assets with a probable useful life of less than three years and small acquisitions (less than EUR 850) are recognised in full as an expense for the acquisition period.

Gains and losses on the disposal of assets are calculated as the difference between the selling price and book value and are presented in the profit and loss statement as other operating income or expenses.

### Subsidiary shares

Subsidiary shares are valued at acquisition cost and adjusted for impairment if the future income from the investment is expected to be permanently below acquisition cost.

### Valuation of financial instruments

Financial instruments are valued at acquisition cost or, if lower, their probable value.

### Foreign currency denominated receivables and liabilities

Foreign currency denominated liabilities have been translated into euros using the exchange rates at financial year-end.

### Accounting principles for the cash flow statement

The cash flow statement has been prepared in accordance with the instructions of the Accounting Board (30 January 2007). The funds described in the cash flow statement include cash and cash equivalents that may be converted into cash if needed. The cash flow from operating activities is presented using indirect presentation.

## NOTES TO THE FINANCIAL STATEMENTS

### 1. NOTES ON THE PROFIT AND LOSS STATEMENT

1.1 Revenue by segments	Group		Parent company	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Industrial circular economy	36 061 259	38 406 304	16 432 751	19 662 926
Mining services	157 619 591	132 558 033	122 149 974	111 460 793
Other revenue	412 081	110 911	412 081	110 911
<b>Total</b>	<b>194 092 931</b>	<b>171 075 248</b>	<b>138 994 806</b>	<b>131 234 630</b>
<b>1.2 Other operating income</b>				
Gains from the sale of fixed assets	701 831	1 270 385	679 645	1 270 385
Insurance compensation	48 052	47 390	675	39 565
Indemnity received	0	0	0	0
Subsidies received	1 158 477	739 710	1 153 942	546 024
Other operating income	3 566 314	378 365	18 694 539	7 952 421
<b>Total</b>	<b>5 474 674</b>	<b>2 435 850</b>	<b>20 528 800</b>	<b>9 808 395</b>
<b>1.3 Number of employees</b>				
	Group		Parent company	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
<b>At the balance sheet date</b>				
Officers	217	185	164	141
Workers	694	596	533	480
<b>Total</b>	<b>911</b>	<b>781</b>	<b>697</b>	<b>621</b>
<b>Average number of employee in the financial year</b>				
	<b>849</b>	<b>803</b>	<b>650</b>	<b>608</b>
<b>1.4 Management compensation</b>				
The compensation for the acting CEO has not been presented, because it concerns one person.				
<b>1.5 Financial income and expenses</b>				
	Group		Parent company	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Dividend income				
From Group companies	0	0	880 377	889 957
From others	12 403	26 114	12 403	26 114
<b>Total dividend income</b>	<b>12 403</b>	<b>26 114</b>	<b>892 780</b>	<b>26 114</b>
Other interest and financial income				
From Group companies	0	0	698 390	753 117
From others	1 251 842	942 843	1 215 365	942 699
<b>Total interest and financial income</b>	<b>1 251 842</b>	<b>942 843</b>	<b>1 913 755</b>	<b>1 695 816</b>
Interest and other financing expenses				
To others	-5 168 900	-3 278 777	-6 056 400	-3 943 018
<b>Total financial expenses</b>	<b>-5 168 900</b>	<b>-3 278 777</b>	<b>-6 056 400</b>	<b>-3 943 018</b>
<b>Total financial income and expenses</b>	<b>-3 904 655</b>	<b>-2 309 820</b>	<b>-3 249 866</b>	<b>-1 331 131</b>

### 2. NOTES TO THE BALANCE SHEET ASSETS

2.1. Consolidated goodwill	Group		Parent company	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Undepreciated share	45 554	66 685		
<b>2.2 Intangible rights</b>				
	Group		Parent company	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Acquisition cost at the beginning of the financial year				
Increases	39 875	39 875	11 380	11 380
Decreases	0	0	0	0
Acquisition cost at the end of the financial year	39 875	39 875	11 380	11 380
Accumulated scheduled depreciations at the beginning of the financial year				
Scheduled depreciation	23 202	18 808	4 380	4 380
Carrying amount in bookkeeping	1 304	4 394	0	0
Expenditure residue according to the Act on Business Income				
Taxation	24 506	23 202	4 380	4 380
Expenditure residue according to the Act on Business Income				
Taxation	15 369	16 673	7 000	7 000
<b>Undepreciated share (book value)</b>	<b>15 369</b>	<b>16 673</b>	<b>7 000</b>	<b>7 000</b>
<b>2.3 Other long-term expenditure</b>				
	Group		Parent company	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Acquisition cost at the beginning of the financial year				
Increases	295 295	295 295	240 742	240 742
Decreases	282 379	0	204 019	0
Acquisition cost at the end of the financial year	0	0	0	0
Accumulated scheduled depreciations at the beginning of the financial year				
Scheduled depreciation	577 674	295 295	444 761	240 742
Accumulated scheduled depreciations at the end of the financial year	284 273	271 762	240 742	240 742
Scheduled depreciation	30 789	12 510	14 838	
Accumulated depreciation difference at the beginning of the financial year				
Depreciation difference for the year	315 062	284 272	255 580	240 742
Accumulated depreciation difference at the end of the financial year	-	-	0	0
Expenditure residue according to the Act on Business Income	-	-	0	0
Taxation	-	-	0	0
<b>Undepreciated share (book value)</b>	<b>262 612</b>	<b>11 023</b>	<b>189 181</b>	<b>0</b>

2.4. Land and waters	Group		Parent company	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Acquisition cost at the beginning of the financial year	604 774	604 774	576 912	576 912
Increases	5 270	5 270	5 270	5 270
Decreases	0	0	0	0
Acquisition cost at the end of the financial year	610 044	610 044	582 182	582 182
Carrying amount in bookkeeping	610 044	610 044	576 912	576 912
Accumulated scheduled depreciations		-	-	-
Expenditure residue according to the Act on Business Income Taxation	-	-	441 328	441 328
<b>Undepreciated share (book value)</b>	<b>610 044</b>	<b>610 044</b>	<b>582 182</b>	<b>582 182</b>
2.5 Buildings and structures	Group		Parent company	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Acquisition cost at the beginning of the financial year	13 077 918	13 003 395	12 915 678	12 867 692
Increases	101 649	105 927	59 518	79 391
Decreases	0	31 406		31 406
Acquisition cost at the end of the financial year	13 179 567	13 077 916	12 975 196	12 915 678
	0	0	0	0
Accumulated scheduled depreciations at the beginning of the financial year	8 766 642	8 432 539	8 702 294	8 391 765
Scheduled depreciation from decreases	0	-16 494	0	-16 494
Scheduled depreciation	331 050	350 595	306 352	327 022
Accumulated scheduled depreciations at the end of the financial year	9 097 692	8 766 640	9 008 646	8 702 294
Accumulated depreciation difference at the beginning of the financial year	-	-	-1 008 999	-1 107 712
Depreciation difference for the year	-	-	80 219	97 934
Recognition as income	-	-	0	88
Poistoeron poiskirjaus	-	-	0	690
Accumulated depreciation difference at the end of the financial year	-	-	-928 780	-1 008 999
Acquisition cost at the end of the financial year	13 179 567	13 077 916	12 975 196	12 915 678
Accumulated scheduled depreciations at the end of the financial year	9 097 692	8 766 640	9 008 646	8 702 294
Accumulated depreciation difference	-	-	-928 780	-1 008 999
Expenditure residue according to the Act on Business Income Taxation	-	-	4 862 994	5 202 524
<b>Undepreciated share (book value)</b>	<b>4 081 875</b>	<b>4 311 276</b>	<b>3 966 550</b>	<b>4 213 384</b>

2.6 Machinery and equipment	Group		Parent company	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Acquisition cost at the beginning of the financial year	151 123 147	136 296 998	117 831 549	104 519 093
Increases	63 534 808	17 571 928	49 814 924	16 050 125
Decreases	3 107 116	2 745 779	2 689 000	2 737 668
Acquisition cost at the end of the financial year	211 550 839	151 123 147	164 957 473	117 831 549
Accumulated scheduled depreciations at the beginning of the financial year	68 987 097	57 448 585	57 137 081	49 340 369
Transferred accumulated scheduled depreciations	-2 156 500	-2 691 400	-2 090 910	-2 683 965
Scheduled depreciation	20 720 739	14 242 511	17 845 393	10 480 677
Accumulated scheduled depreciations at the end of the financial year	87 551 336	68 999 696	72 891 563	57 137 081
Accumulated depreciation difference at the beginning of the financial year	-	-	4 433 059	3 141 576
Depreciation difference for the year	-	-	3 067	21 186
Recognition as income	-	-	637 452	1 270 297
Accumulated depreciation difference at the end of the financial year	-	-	5 073 578	4 433 059
Acquisition cost at the end of the financial year	211 550 839	151 123 147	164 957 473	117 831 549
Accumulated scheduled depreciations at the end of the financial year	87 551 336	68 999 696	72 891 563	57 137 081
Accumulated depreciation difference	-	-	5 073 578	4 433 059
Expenditure residue according to the Act on Business Income Taxation	-	-	56 261 410	56 261 410
<b>Undepreciated share (book value)</b>	<b>123 999 503</b>	<b>82 123 451</b>	<b>92 065 909</b>	<b>60 694 468</b>
2.7 Other tangible assets	Group		Parent company	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Acquisition cost at the beginning of the financial year	125 091	121 679	125 091	121 679
Increases	0	3 412	0	3 412
Movements between items	0	0	0	0
Decreases	0	0	0	0
Acquisition cost at the end of the financial year	125 091	125 091	125 091	125 091
Accumulated scheduled depreciations at the beginning of the financial year	118 422	98 463	118 422	98 463
Scheduled depreciation	1 929	19 959	1 929	19 959
Accumulated scheduled depreciations at the end of the financial year	120 351	118 422	120 351	118 422
Expenditure residue according to the Act on Business Income Taxat	-	-	0	0
<b>Undepreciated share (subtotal)</b>	<b>4 740</b>	<b>6 669</b>	<b>4 741</b>	<b>6 670</b>
<b>Other tangible assets (1)</b>	<b>12 442 395</b>	<b>10 231 473</b>	<b>4 327 444</b>	<b>3 923 616</b>
<b>Undepreciated share (book value)</b>	<b>12 447 135</b>	<b>10 238 142</b>	<b>4 332 185</b>	<b>3 930 286</b>

1) Other tangible assets include items that have not been depreciated as planned. These include, for example, unused gravel areas, the capitalised expenditure (EUR 4,5 million) of mining in the preparatory phase and a spare part warehouse for maintenance which is not instead the storage value is updated with monthly stocktaking.

In addition to direct costs, the Group has capitalized EUR 1.2 million in interest and other financing costs for buildings and structures.

Prepayments and assets under construction	7 025 871	13 667 160	6 980 923	7 006 615
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Group prepayments and assets under construction are related to prepayments of mobile machinery investments.

	Group		Parent company	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
<b>2.8 Investments</b>				
Opening balance at the beginning of the financial year	1 286 062	1 490 380	15 987 022	15 987 022
Change	0	-204 318	-154 318	-204 318
<b>Balance at the end of the financial year</b>	<b>1 286 062</b>	<b>1 286 062</b>	<b>15 832 704</b>	<b>15 782 704</b>

Of the investments, EUR 1,0 million represent apartment shares in a housing company where they serve as the company's premises and as residences for the personnel. There are EUR 0.1 million worth of shares in publicly listed companies.

<b>Total of non-current assets on the balance sheet</b>	<b>149 774 025</b>	<b>112 330 516</b>	<b>123 956 635</b>	<b>92 216 640</b>
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### 2.9 Subsidiaries and associated companies

Hannukainen Mining Oy, Kolari, holding 100 %  
 Tapojärvi Italia S.r.l, holding 100 %  
 Tapojärvi Sverige Ab, holding 100 %  
 Tapojärvi Hellas M.I.K.E., holding 100 %

	Group		Parent company	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
<b>2.10 Receivables</b>				
<b>Breakdown of other long-term receivables</b>				
Other long-term receivables	25 290	19 178	25 290	19 178
VAT receivables				
Deferred tax assets				
Accrual and temporary differences	2 229 883	1 407 601		
<b>Total other long-term receivables</b>	<b>2 255 173</b>	<b>1 426 779</b>	<b>25 290</b>	<b>19 178</b>

	Parent company	
	31.12.2024	31.12.2023
<b>Breakdown of receivables from Group companies</b>		
Non-current group loans	28 935 369	30 949 381
<b>Total non-current group receivables</b>	<b>28 935 369</b>	<b>30 949 381</b>

	Parent company	
	31.12.2024	31.12.2023
<b>Current group receivables</b>		
Trade debtors	8 086 021	1 344 746
loan receivables	927 085	3 533 430
Accrued income	0	0
Other group receivables	0	0
<b>Total short-term Group receivables</b>	<b>9 013 106</b>	<b>4 878 176</b>

	Group		Parent company	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
<b>Material items of accrued income</b>				
Subsidies	976 289	568 331	976 289	568 331
Income taxes	837 906	301 520	0	0
Other	1 027 142	380 355	343 905	215 084
Accrued income from sales	382 780	1 152 090	382 780	662 895
<b>Total</b>	<b>3 224 117</b>	<b>2 402 296</b>	<b>1 702 974</b>	<b>1 446 310</b>

## 3. NOTES TO THE BALANCE SHEET EQUITY AND LIABILITIES

### 3.1. Breakdown of equity

	Group		Parent company	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Share capital at the beginning of the financial year	50 456	50 456	50 456	50 456
<b>Share capital at the end of the financial year</b>	<b>50 456</b>	<b>50 456</b>	<b>50 456</b>	<b>50 456</b>
<b>Total restricted equity</b>	<b>50 456</b>	<b>50 456</b>	<b>50 456</b>	<b>50 456</b>
Retained earnings at the beginning of the financial year	51 980 705	45 551 830	54 659 144	49 689 125
Retained result	260 743	26 333	276 013	276 013
Adjustment related to the previous financial year		0		0
Distribution of dividends	-4 398 849	-4 012 516	-4 398 849	-4 001 248
<b>Retained earnings at the end of the financial year</b>	<b>47 842 599</b>	<b>41 565 647</b>	<b>50 536 308</b>	<b>45 963 890</b>
Profit for the year	13 812 532	10 766 583	12 176 913	8 019 208
<b>Total non-restricted equity</b>	<b>61 655 131</b>	<b>52 332 230</b>	<b>62 713 220</b>	<b>54 935 157</b>
<b>Total equity</b>	<b>61 705 587</b>	<b>52 382 686</b>	<b>62 763 677</b>	<b>54 985 613</b>

The Group's result for the previous financial year includes an adjustment related to deferred tax.

### 3.2. Calculation of distributable funds

	31.12.2024		31.12.2023	
Retained result		50 536 308		45 963 890
Profit for the year		12 176 913		8 971 266
Capitalised development expenditure		0		0
<b>Total distributable funds</b>		<b>62 713 220</b>		<b>54 935 157</b>

### 3.3 Loans maturing in more than five years

	Group		Parent company	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Loans from credit institutions	6 587 026	10 464 672	6 587 026	10 464 672

### 3.4. Breakdown of accrued liabilities

	Group		Parent company	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Holiday pay debt including social expenses	9 250 821	9 097 871	8 220 330	7 959 837
Tax liability	1 962 464	487 971	720 473	206 861
Other accrued liabilities	1 653 250	807 825	584 886	778 964
<b>Total</b>	<b>12 866 535</b>	<b>10 393 667</b>	<b>9 525 689</b>	<b>8 945 662</b>

<b>3.5. Deferred tax liabilities</b>	<b>31.12.2024</b>	<b>31.12.2023</b>		
Appropriations	871 597	736 021		
Accrual and temporary differences	406 054	285 262		

#### 4. COMMITMENTS, CONTINGENT LIABILITIES AND OFF-BALANCE-SHEET ARRANGEMENTS

##### 4.1 Liabilities secured by mortgages on properties and rental rights

	Group		Parent company	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Loans from credit institutions	568 760	1 145 853	568 760	1 145 853
Mortgages on properties	0	2 600 000	0	2 600 000
Mortgages	57 275	57 275	57 275	57 275

Mortgage on the rental right of a residential plot as a general security.

##### 4.2. Equipment subject to the provision regarding retention of title as recognised in the balance sheet

	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Hire-purchase debt	98 707 474	68 167 579	96 081 424	68 113 318

Hire-purchase debt involves the retention of title to the property until the purchase price debt has been paid in full.

##### 4.3 Other guarantees

Bank guarantees during construction projects	5 329 975	5 908 160	5 329 975	5 605 510
Guarantee insurance liability	12 000 000	3 426 425	2 664 995	3 426 425

##### 4.4 Lease agreement liabilities

Within one year	813 309	1 076 260	406 029	1 009 570
Over one year	2 631 720	6 083 186	999 788	6 031 181
	3 445 029	7 159 446	1 405 817	7 040 751

##### 4.5 Contingent liabilities and other commitments

	Group	
	31.12.2024	31.12.2023
<b>Corporate credit cards</b>		
Liability amount	215 791	156 800
In use	76 412	32 085
<b>Credit limit agreements</b>		
Liability limits in instalment financing	30 000 000	20 000 000
Bank guarantee limits		1 000 000
Guarantee insurance	10 000 000	10 000 000

##### Interest rate swap

The group has an interest rate swap agreement related to credit hedging. The aim of the hedge is to protect against fluctuations in the interest rate flows associated with a floating rate loan. The hedge allows the interest payments on a floating rate loan in EUR to be swapped to fixed interest rates.

At the balance sheet date, the nominal amount of the interest rate swap was EUR 12,2 million and maturity until 1.2.2029. The value of the interest rate swap was EUR 0,5 million including accrued interest.

##### Other commitments

At the balance sheet date, the corporate loans relating to condominiums owned by the parent company were EUR 0,9 million euros.

#### 5. NOTES TO THE STAFF AND MEMBERS OF THE BOARD OF DIRECTORS

##### Loans to shareholders, directors, auditors and equivalents and their close relatives

The company has issued a non-interest-bearing loan totalling EUR 1,3 million on 14 November 2016 and 1 March 2017 to the real estate management and rental company known as Tapojärven Kiinteistö Oy, which is owned by a related party. Tapojärvi Oy has acquired office spaces from Asunto Oy Tornion Jopparin Kulma Oy, in which Tapojärven Kiinteistö Oy is involved as a founding partner. The loan is considered a partial advance payment of the acquired shares. At the end of the financial year, loan receivables recognised in the accounts total EUR 0,5 million

The company has issued two loans of EUR 203,200 each to two members of its management team. The loan period is 20 years. The interest rate on the loan is tied to the 12-month Euribor. The loans are secured by guarantee commitments.

##### Sales of mobile machinery

In the financial years 2019-2023 the company sold mobile equipment to a related party company. At the balance sheet date, Tapojärvi Oy's commitments to redeem the investment financing agreement from the bank amount to EUR 0,3 million which corresponds to the financing debt related to the transaction in the related party company's balance sheet.

#### 6. SIGNIFICANT EVENTS AFTER THE END OF THE FINANCIAL PERIOD

A fatal accident at work in Italy in March 2025 could have consequences in the future.

##### The Board of Directors' proposal on the company's profit measures and a proposal for the distribution of other unrestricted shareholders' equity

The parent company's distributable funds in the financial statements are EUR 54.935.157, of which the net profit for the period is EUR 8.971.266,39. The Board of Directors proposes to the Annual General Meeting that a dividend EUR 4.398.849 (EUR 293,26 per share) is paid for the financial year.



### Part 3

# Governance and Remuneration

Tapojärvi's governance is based on the Finnish Companies Act, the Group's internal policies and principles, international standards, and an established management system. The company is also committed to the United Nations Global Compact initiative.

The governance and remuneration frameworks support sustainable development, reinforce good corporate governance, and ensure compliance with the European Sustainability Reporting Standards (ESRS).

# ○ Corporate Governance Statement

Tapojärvi's governance and management are subject to the laws and regulations applicable to Finnish limited liability companies, as well as the company's Articles of Association.

Tapojärvi's governance is based on the Finnish Companies Act and the Group's internal governance principles, which are complemented by procedures aligned with ISO standards, the UN Global Compact commitments, and the EU's sustainability reporting guidelines (ESRS). The company adheres to good governance practices, regulatory requirements, and the legislation of the countries in which it operates (Finland, Sweden, Italy, and Greece), particularly regarding occupational safety, the environment, and business ethics.

Tapojärvi's organizational structure consists of the General Meeting, the Board of Directors, the CEO, and the Management Team. The Board is responsible for strategic direction, approval of sustainability objectives, and risk oversight. The CEO leads the company's day-to-day operations, and the Management Team is responsible for implementing the strategy and sustainability program in everyday activities. The Group's support and expert functions (HSEQ, HR, Finance, Innovation) provide assistance to business units in the various countries of operation.

## **Board responsibilities and activities**

Tapojärvi's Board of Directors is responsible for the company's strategic direction, governance, approval of sustainability goals, and the oversight of risk management and internal control. The Board appoints the CEO, monitors their performance, and guides the long-term development of the Group in the interests of shareholders and stakeholders.

The Board brings broad experience in areas such as industry, sustainable development, financial management, and corporate leadership. During the year, the Board met regularly and addressed, among other matters, strategy updates, investment projects, developments in sustainability reporting, and risk management. Board members of Group companies hold responsibilities in various subsidiaries. Four Board representatives serve on the Boards of all Group companies. They represent ownership, strategic expertise, and sectoral knowledge of the Group's core business areas.



# Board of Directors



**Markku Tapojärvi**

Chair of the Board

Markku Tapojärvi serves as Chair of the Board of Directors of Tapojärvi Oy, Tapojärvi Italia S.r.l., and Hannukainen Mining Oy, and as a member of the Board of Directors of Tapojärvi Sverige AB.

He is one of the owners of Tapojärvi and a key figure in the strategic steering of the Group.



**Pertti Tapojärvi**

Member of the Board,  
Principal Owner

Pertti Tapojärvi serves on the Boards of Tapojärvi Oy, Tapojärvi Italia S.r.l., and Hannukainen Mining Oy, and acts as Chair of the Board of Tapojärvi Sverige AB.

He is the other owner of Tapojärvi and takes an active role in the company's development.



**Tuomo Tuohino**

Member of the Board

Tuomo Tuohino is a member of the Board of Directors in all Tapojärvi Group companies: Tapojärvi Oy, Tapojärvi Italia S.r.l., Tapojärvi Sverige AB, and Hannukainen Mining Oy.

He has a broad understanding of the Group's operational and international activities and strong expertise in mining production.



**Mauri Kauppi**

Member of the Board

Mauri Kauppi is a member of the Board of Directors of all Tapojärvi Group companies: Tapojärvi Oy, Tapojärvi Italia S.r.l., Tapojärvi Sverige AB, and Hannukainen Mining Oy.

He brings to the Board experience in mining and industrial services, sales and development, as well as international business.



**Jouko Pakarinen**

Member of the Board

Jouko Pakarinen serves as a member of the Board of Directors of Hannukainen Mining Oy.

His core expertise lies in the mining industry and local partnerships, as well as in geology and mineral processing.

# Management

Tapojärvi's management systematically develops operations to support both business growth and the advancement of sustainable development.

## Chief Executive Officers



**Mari Pilventö**

Acting CEO, Tapojärvi Oy  
CEO, Tapojärvi Sverige AB and Hannukainen Mining Oy

Mari Pilventö serves as Acting CEO of the Tapojärvi Group and is responsible for overseeing operations in Finland and Sweden.

She plays a key role in implementing the Group's strategic objectives, ensuring financial oversight, and promoting a sustainable business model.



**Martti Kaikkonen**

CEO, Member of the Board,  
Tapojärvi Italia S.r.l

Martti Kaikkonen is responsible for managing Tapojärvi's operations in Italy.

He has strong experience in international business, particularly in developing circular economy services and slag handling solutions for the Italian market.

## Management Team

The Tapojärvi Management Team is responsible for the Group's daily operational management, implementation of the strategy, and practical execution of the sustainability program.

In 2024, its composition remained unchanged.

### The Management Team includes:

- Chief Executive Officers (Pilventö and Kaikkonen)
- Heads of Business Areas
- Individuals responsible for Development, Finance, Quality, and Innovation

The Management Team works in close cooperation with the Board of Directors to ensure that Tapojärvi's operations progress in line with the company's core values: safety, competence, efficiency, and profitability.

The management is supported by the following key expert units:

- HSEQ (Health, Safety, Environment, Quality)
- Business Controller Unit
- Sales and Development (Innovation functions)
- Technology (Equipment, Maintenance and Servicing)
- Business Support Services (HR, Communications, IT, Finance, Real Estate)



# Tapojärvi Group – Core Business and Subsidiaries



**Sales and Development**



**Mining Services**

Underground Mines

Open-Pit Mines



**Service Production**



**Industrial Circular Economy**

Industrial Services

Material Processing



**Technology**

Maintenance and Servicing



**Business Support Services**



**Subsidiaries**



Tapojärvi Sverige A



Tapojarvi Italia S.r.l



Tapojarvi Hellas M.I.K.E.



Hannukainen Mining Oy



**Related Companies**

Tapojärven Kiinteistöt Oy

Recurso Oy

# Internal Control and Risk Management

Tapojärvi's internal control system is an integral part of the group's management framework. Its purpose is to ensure that the company's operations are effective, reliable, lawful, and responsible. Internal control supports the achievement of strategic and operational goals, enables the early identification of risks, and helps prevent misconduct, errors, and inconsistencies.

The control system is based on three core principles:

1. Prevention – guidelines, training, and operating procedures prevent the realization of risks.
2. Detection – indicators and monitoring systems provide up-to-date information on potential deviations.
3. Correction – clearly defined processes and responsibilities ensure that corrective actions are taken when needed.

The foundation of the control environment lies in a clear organizational structure, defined responsibilities, and the commitment of the board of directors and the management team to ethical, transparent, and goal-oriented leadership.

## Key policies and principles in internal control

Tapojärvi has adopted several policies and principles to guide internal control. These are presented in the sustainability report, page 79. The policies and principles are reviewed regularly and are supported by training, audits, and monitoring reports.

## Risk assessment and control measures

Risk management is an integrated part of tapojärvi's management and planning processes.

## Assessment practices include:

- Risk mapping and documentation
- Identification of operational, strategic, and financial risks
- Use of materiality assessments and stakeholder dialogues

## Control measures include:

- Internal and external audits
- Data point responsibilities and process monitoring
- Preventive tools such as safety walks and observation reports
- Supervisor training and updates to guidance materials

## Communication

Internal control communication takes place through multiple channels:

- Elearning platform
- Internal intranet and weekly bulletins
- Pulse surveys and development discussions
- Regular reporting to the board and management team

The flow of information concerning risks, deviations, and sustainability targets is centralized through the group's internal systems and is the responsibility of support teams (hr, hseq, finance). A whistleblowing channel enables confidential and anonymous reporting.

## Monitoring and internal review

In 2024, the control framework was further developed, especially in terms of improving reporting systems and documentation practices. Internal review operates as part of tapojärvi's quality management system and the monitoring of the sustainability program.

## Ethical business conduct

Tapojärvi's operations are based on responsibility, honesty, and transparency at all levels of the organization. The group's code of conduct defines clear ethical guidelines for all employees and partners. It covers, among other things, non-discrimination, fair competition, respect for human rights, and anti-corruption. The guidance applies to all group companies and extends throughout the supply chain.

In 2024, the content of tapojärvi's code of conduct was published on the elearning platform. Tapojärvi requires all stakeholders to commit to ethical principles and conducts audits based on risk assessment.

## Insider administration

Tapojärvi is not a publicly listed company and is therefore not subject to official insider register requirements or Market Abuse Regulation (MAR). However, the group adheres to the principles of insider governance in handling confidential information, particularly in relation to investments, mergers and acquisitions, and contract negotiations. The handling of insider information complies with:

- **Data protection regulations (gdpr)**
- **The group's own information security policy**
- **Executive guidance on the management of critical information**

Access to confidential documents and information flows is restricted to those who need them. The group's IT and data protection team is responsible for information security in cooperation with business management.

## Related party transactions

Tapojärvi defines related parties as the members of the board of directors, CEOs, the management team, and their close relations (family members and controlled entities). Related party transactions are identified as part of the group's internal control and are documented through the financial administration's oversight process.

## Audit

The audit of tapojärvi oy for the year 2024 was conducted by the audit firm KPMG OY AB, which is authorized under the Finnish Auditing Act. The auditor's role is to ensure that the company's financial statements are prepared in accordance with applicable laws and good accounting practices and that administration has been properly managed.

The audit report for 2024 was an unqualified report – the auditor made no remarks and did not require corrections or additional clarifications.

The auditor also reviews areas related to group reporting that concern tapojärvi's international operations. In addition, the audit supports an independent assessment of internal control and risk management. Tapojärvi adheres to requirements of independence and expertise in the selection of auditors.

## Risk management

At the core of tapojärvi's business are responsibility, continuous improvement, and proactive management. The purpose of risk management is to identify, assess, and proactively control uncertainties affecting the business while supporting the pursuit of new opportunities. The primary goal of risk management is to ensure the company's operational capacity in a changing environment.

## Main risks for Tapojärvi

Tapojärvi has identified four key risk areas in its operating environment: strategic, operational, financial, and hazard risks.

Strategic risks include, for example, technological investments that could lock the company into carbon-intensive equipment for the long term, complicating the transition to low-emission production. Increasingly strict environmental regulations and reliance on individual customers or market areas also pose strategic uncertainty.

Operational risks include the availability and sufficiency of skilled personnel, which is particularly critical in the technologically demanding fields of mining and the circular economy. Disruptions in supply chains – such as the availability of spare parts or materials – can also delay production or cause interruptions.

Financial risks relate to fluctuations in the prices of fuel and electricity, as well as inflexible contract pricing. Long-term contracts are protected by index linkages, and liquidity is safeguarded with cash buffers and a variety of financial instruments.

Hazard risks are mitigated through insurance, backup equipment, and a decentralized operating model. For example, risks resulting from equipment failures or operational interruptions are minimized through contingency planning and multiple independent work sites across different locations.

## Strategic opportunities

Alongside risks, tapojärvi recognizes numerous strategic opportunities. The utilization of digitalization and artificial intelligence enables the optimization of production and maintenance operations, improving both cost efficiency and environmental responsibility.

Innovative product development and the utilization of industrial side streams provide opportunities to develop new, low-carbon circular economy products. This opens new markets for tapojärvi and strengthens its position as a pioneer in sustainable industry.

Developing employee competence is one of the most essential opportunities in risk management. Through training and elearning platforms, the resilience and capabilities of the personnel are improved to meet the demands of a changing operating environment.

## Risk management structure and governance model

Tapojärvi's risk management model is based on a systematic and continuous process that extends throughout the organization. Risk management operates on a three-tier model:

1. Operational units are responsible for identifying and managing daily risks within their areas.
2. Management and governance monitor the overall risk landscape and ensure that actions align with the company's strategic goals.
3. Internal control and auditing evaluate the effectiveness of procedures and identify areas for improvement.

The process proceeds in phases: risks are first identified, then assessed based on impact and likelihood. Actions to mitigate risks are defined, and their implementation and impact are monitored and reported regularly. All this is documented and integrated into the company's operational reporting.





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# Remuneration Report

## Remuneration principles: fairness, motivation, and responsibility

Tapojärvi's Remuneration Report for 2024 presents the principles, structures, and key figures related to the remuneration of the company's Board of Directors, management, and personnel. The aim of the report is to enhance transparency, support responsible governance, and strengthen stakeholder trust.

### Remuneration principles

Tapojärvi's remuneration is guided by the following principles:

- Incentive-driven and performance-based: Remuneration is based on both company and individual performance in relation to set targets.
- Transparency and fairness: Remuneration systems are consistent and built on clear criteria.
- Long-term orientation and strategic alignment: Remuneration supports the company's long-term growth and sustainability.

### Remuneration of the board and management

In 2024, the members of Tapojärvi's Board of Directors did not receive separate remuneration, in accordance with ownership structure and an internal agreement within the Board.

The remuneration of the CEO and Management Team consisted of:

- A fixed salary
- A performance-based bonus, linked to the Group's EBIT and safety targets and the progress of strategic projects
- Fringe benefits, such as a company car and mobile phone

## Employee remuneration

Tapojärvi rewarded its personnel through the following means:

- Performance bonuses based on production unit results, tied to safety and quality indicators
- Employee benefits, such as of a company-sponsored bicycle benefit (in spring 2024), the SMARTUM wellness benefit, and occupational health services

Tapojärvi invested in the development of employee competence by offering eLearning courses, leadership training, and encouraging internal career progression.

### Key figures:

- Personnel expenses: EUR 61.1 million (Group)
- Salaries and bonuses: EUR 45.9 million (Group)
- Number of employees at year-end: 911

**Rewarding Performance:** Group EBIT: EUR20.9 million  
Parent company EBIT: EUR 19.9 million

### Changes and developments in 2024:

- In 2024, the remuneration metrics were refined to better reflect the specific characteristics of different operational areas.
- Employee experience was monitored through pulse surveys, and an equality and non-discrimination survey led to concrete measures to improve the workplace community.
- No share or option programmes were reported.

# ***TAPOJÄRVİ***

Forerunner in industrial circular economy,  
specialised in mining services



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