MOLOK®

Responsibility report 2022

Foreword of CEO

Molok has always been a pioneer with it's unique waste management solutions -solutions which have a great positive emptying handprint & collection economy.

There are several inbuilt sustainable features in our offering, however in recent years responsibility has been integrated even tighter into the strategy and operations of Molok. Our strategy was updated in the autumn 2021 and responsibility is entrusted to give a key impact to our competitiveness.

We want to be the forerunner in this area and our whole personnel is putting their effort into this rewarding development. Our approach to carry out the responsibility is to proceed by focusing to the most effective issues and by doing practical actions. During the year 2022 we were able to get significant progress and are eager to continue the journey.



Marko Penttinen
CEO



Molok invented the underground system in year 1991 and thus generated a totally new business segment. Our high quality semiunderground collection systems are market leaders in it's segment.

Molok systems create wide variety of benefits compared to traditional surface bin collection, such benefits being:

- even 80% less emptying needed
- less emptying means less greenhouse gases
- easily 50% less space required
- automated emptying makes the work safer and more ergonomic
- less traffic in the yard makes it safer for children and other residents

Molok is owned by a private equity investor Vaaka Partners Ltd.

Responsibility, also known as ESG-operation, is a solid part of our company strategy meaning that it effects to all our operations. It is a foundation where company Molok builds it's steps towards the mission. We have a truly sustainable mindset.

The mission of company Molok: " We improve the efficiency and sustainability of the whole waste management ecosystem, for good of people, living environments and the planet". There are two major issues which support us in fulfilling the mission. One of them is the fact that our waste collection system creates positive CO_2-handprint with emptying during it's long lifecycle. The other is that Molok invests steadily in reducing the CO_2-footprint of it's operation.

The UN global goals and Molok

Molok continuously reduces its climate and environmental impact and supports the wellbeing of both its employees and society. Molok commits to the EU's climate and recycling targets and the UN's sustainable development goals. our ESG activities are guided in particular by the following issues:

- Climate action
- Sustainable cities and communities
- Decent work and economic growth



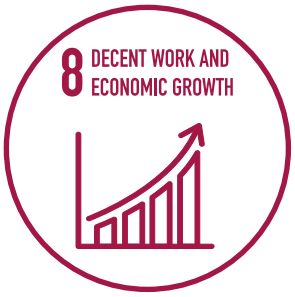
Climate action

Under the umbrella of climate action, our target is to do concrete actions to improve our climate affect. These actions include decrease of CO_2-footprint and measurement of the development.



Sustainable cities and communities

We support sustainable development of cities and communities by a professional circular economy advice with the help of the sustainable Molok systems. Target is to reduce the amount of mixed waste. Part of sustainable waste collection is the long lifecycles of the collection systems.



Decent work and economic growth

On top of the environmental issues by taking into account the decent work for people we can create economic growth which creates a positive spiral. Social sustainability is part of this goal including among other welfare & safety at work, satisfied customers and possibility for personal development.

Strategy and principles of acts

We need to carefully concentrate into actions which have the biggest effects.

We do the sustainability work with a long term mindset, real results being the target. We openly tell our achievements and explain the possible obstacles in our way. Results will be verified with key performance indicators.

A good and committed teamwork is needed to enable environmental results. Social sustainability is thus an important part of our environmental strategy.

Carefully selected limited amount of most effective action areas

Long term operation to gain real results – not just big headlines

Power to operations through right ESG balance



Environmental sustainability

Climate impact improvement

CO_2 footprint

Indicators of carbon footprint

CO_2-levels and alterations

Organization fossile climate change impact

0.68 (1.02)

t CO_2 eq./purcased ton of materials

t CO_2 eq. **9545** (7611)

MolokDomino CO_2 footprint

EPD document

kg CO_2 eq. (fossil), 2021

MolokClassic CO_2 footprint

EPD document

kg CO_2 eq. (fossil), 2021

Share of recycled materials in all plastic parts

2022 **24.5%** (6)

CO_2 reduction in concrete wells

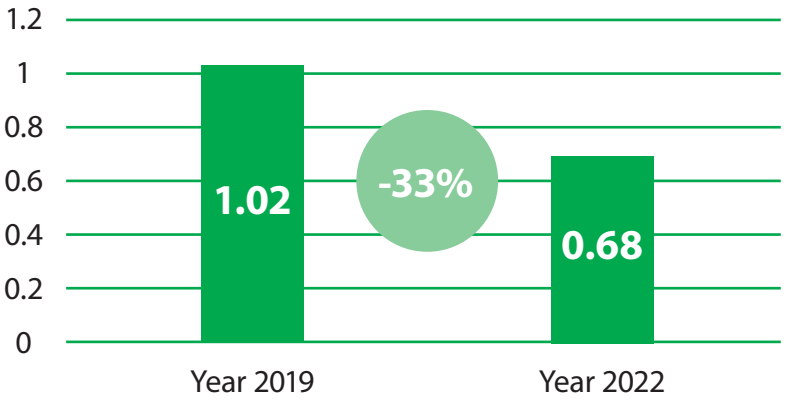
2022, reference year 2019 **22%**

Molok environmental indicators.

The CO_2-level of Molok organization was measured in 2022, last time being 2019.

Our relative fossile climate change impact improved from a level of 1,02 to a level 0,68 tCO_2 eq/purchased ton of materials. This means an improvement of 33 % as shown in the figure below.

Organization fossile climate change impact



Change of the relative fossile climate change impact.

The share of recycled materials in all plastic parts increased from level of 6% to a level of 24,5%.

The CO_2-emissions of concrete well decreased by 22% compared to the reference year 2019. This well is the production model. Later on we tell more about the special model with even less CO_2-emissions.

From the models MolokDomino and MolokClassic we have calculated the environmental product declarations, so called EPD-reports. They include the CO_2-levels of those products.

Acts during the report period

Increasing of recycled material use in the HDPE-wells of MolokClassic.

Increasing of recycled material use selected plastic components

- Composite board
- Main lid
- Lifting bag

CO_2-emission reduction of the concrete well of MolokDomino

- Production model
- Special Low Carbon model

CO_2 handprint

We have made a handprint calculation of the effect of emptying of MolokDomino containers compared to emptying of surface containers.

This study was made utilizing a real collection situation in the capital city area in Finland. The study set up was following:







Studied real cases:
Building 1: 28 apartments
Building 2: 37 apartments
Building 3: 31 apartments
Building 4: 35 apartments
Building 5: 36 apartments

Fractions:
Mixed, Cardboard, Glass, Metal, Plastics, Bio, Paper
7 fractions

Fuels of emptying vehicles:
40% fossile
60% renewable

Result of the study:

MolokDomino	724	kg CO_2, eq./a
Surface bins	1054	kg CO_2, eq./a

Result means that surface bins create 46% more emissions caused by emptying.

The same with small variations (container volumes differ slightly) applies to MolokClassic containers compared to surface bins.

ISO certifications

ISO standard qualification
Molok's operations have been certified to meet quality (ISO 9001), environment (ISO 14001) and occupational safety (ISO 45001) requirements.

Other environmental certifications

EPD lifecycle assessment
Molok has the Environmental Product Declarations in accordance with ISO 14025 and EN 15804:2012+A2:2019 for MolokClassic 5 m³ (reg.nr S-P-05097) and MolokDomino 5 m³ (reg.nr S-P-05047) waste containers. The assessment will be updated annually and is verified by a third party.

Byggvarubedömningen
Byggvarubedöming is an environmental certification for the Swedish market. This certificate is made for MolokDomino (Product BVB ID: 159636) waste container.



Social sustainability

Growing together for customer satisfaction and welfare at work



Satisfied customer

Good place to work

Fairness

Growth

Molok Company values.

Acts during the report period

Training program of management team
- strengthen trust among management
- leading together strategy with the same princples
- management team's focus
- rules of managing and leading

Training program of managers
- leading together strategy with the same princples
- how to help other managers in leading the company's way

Training program of production supervisors
- how to lead in the same way together
- growing to my new position from team leader to supervisor

Personnel satisfaction poll & actions based on results
- results to all employees in total
- discussions in small groups and findings of the subjects to actions > monthly "reporting" what has been done

Molok Academy
- started from the idea to need a training for sales "What is consultative sales when selling Molok"
- creation of working space for all employees
  > Consultative Sales and familiarization for all new employees (safety at work, it, sustainability, etc.) + later new courses

Health & safety

Acts during the report period

Occupational safety and health events

- Safety card training for all staff
- Migration to a new online system to facilitate health and safety work, reporting and management
- Introduction of a safety walk process and policy for all permanent staff: 10 executed safety walks.

Indicators of social sustainability

Responsibility of employer	Realization of values	Work safety *
3.6	3.8	102
2022, scale 1–5	2022, scale 1–5	2022
		* subsequent days without accidents

Molok social sustainability indicators.



Other essential to note

- Molok Ltd monitors statutory changes and regulations and their changes and implementation through its own requirements register system
- We belong to the Nollis- Zero Accident Forum. The monthly topic of Nollis is also raised from time to time on our monthly info screens and presented in the monthly staff review.

Consecutive accident-free days (longest period of the year)
Year 2022: 102 days
Year 2021: 173 days

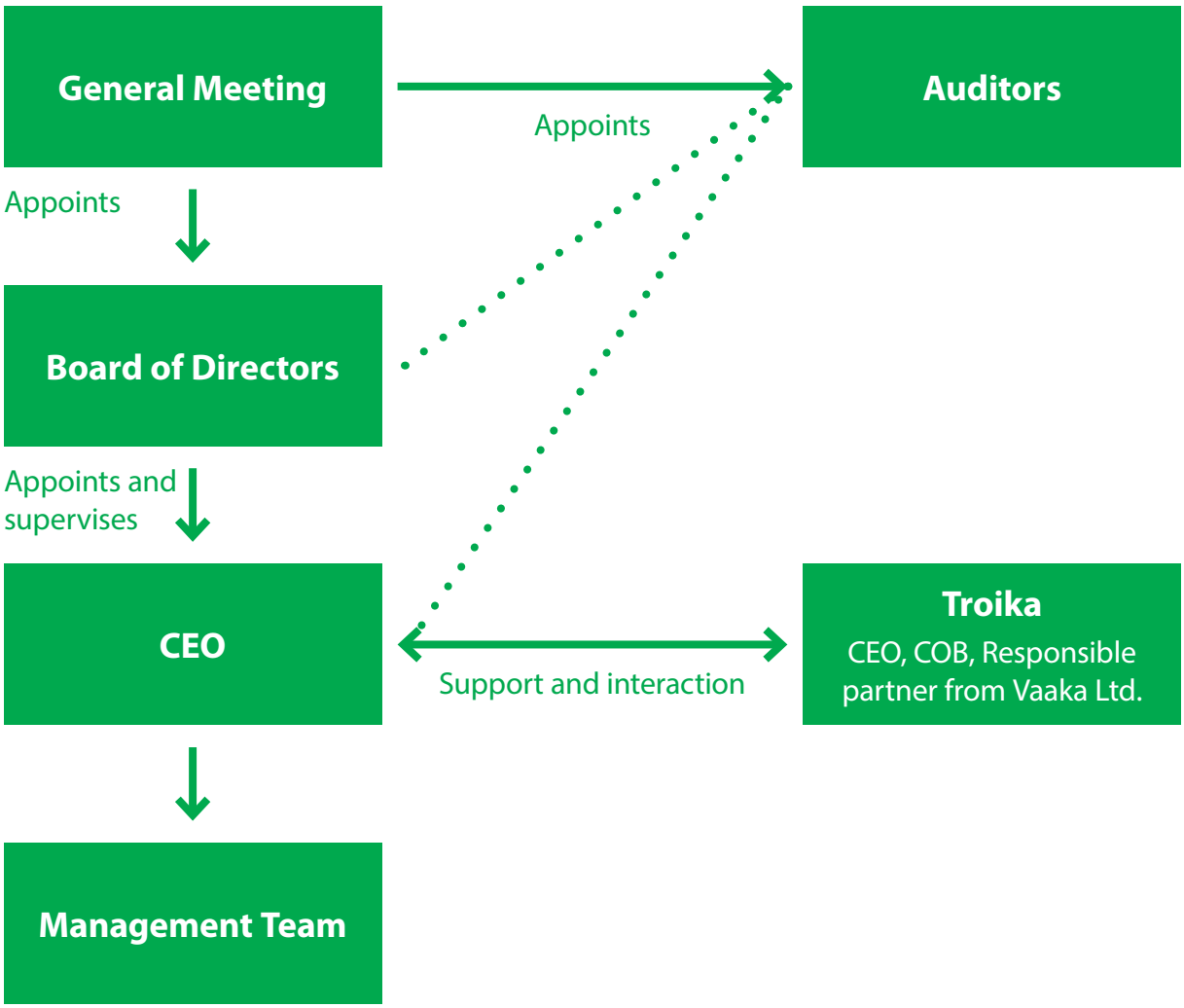


Governance

Respect for rules and regulations

Molok Oy is committed to good corporate governance by complying with laws and regulations in all its operations and by implementing recommendations for good corporate governance.

The roles of governing bodies are stated in the chart below.



Governing bodies of Molok.

Code of Conduct

Our ethical principles are stated in a printed Code of Conduct brochure.

Information security

Molok has put a great deal effort to information security and GDPR. We have an information security working committee which is in charge of the process and operation to meet high standards.

Molok personnel has received constant training related to information protection, special effort in 2022 being detection of phishing.

Status and acts during the report period

- Whistle Blower channel: The channel is taken into use.
- Top 10 supplier audit: Wide range of ESG-related issues were audited from the 10 biggest suppliers of Molok. Among other we measured environmental maturity, social responsibility, ethical guidelines, welfare at work and the social responsibility of the supply chain.



We are proud to say that Molok Loves Earth.