



Corporate sustainability report
2020



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At Pinja, responsibility is an integral element of our business. It constantly guides our daily choices and options. Our sustainable approach includes social, environmental and economic aspects that are relevant for our business.

We live by our values. Best practices, knowledge and well-being at work are examples of the ways we engage social responsibility. We collaborate with educational institutes and provide inspiring career opportunities for new talents. Diversity is one of our greatest sources of strength, and we promote it in every possible way.

Our services and solutions enable our customers to operate more efficiently, improve their business sustainability and reduce their environmental footprint. We are committed to actively communicating the role of technology in achieving sustainability.

Responsibility has always been, and always will be, a constant part of our strategy – a way for us to future proof our business and our clients’ businesses alike.



Veli-Matti Nurminen
CEO



Pinja in a nutshell

Pinja specializes in digitalization and industrial innovation. By helping industrial and digital society operators utilize new digital business models and solutions more efficiently, we provide them with a competitive edge that covers the entire solution life cycle – from consultation to maintenance.

At the same time, we do our part in helping our customers adopt more sustainable business practices in a world that needs responsible solutions now more than ever.

Founded
1990


Employees
550

Customers in
35+
countries


Revenue
48 M€
(Pro Forma)

Financial growth
18.9%


Our customers




Energy and
circular economy




Manufacturing
industry




Wood processing
industry




Mobile work machines
and mobility



Welfare and
health technology



Marine
industry



Digital
society





Our people



Safety, well-being and happiness at work

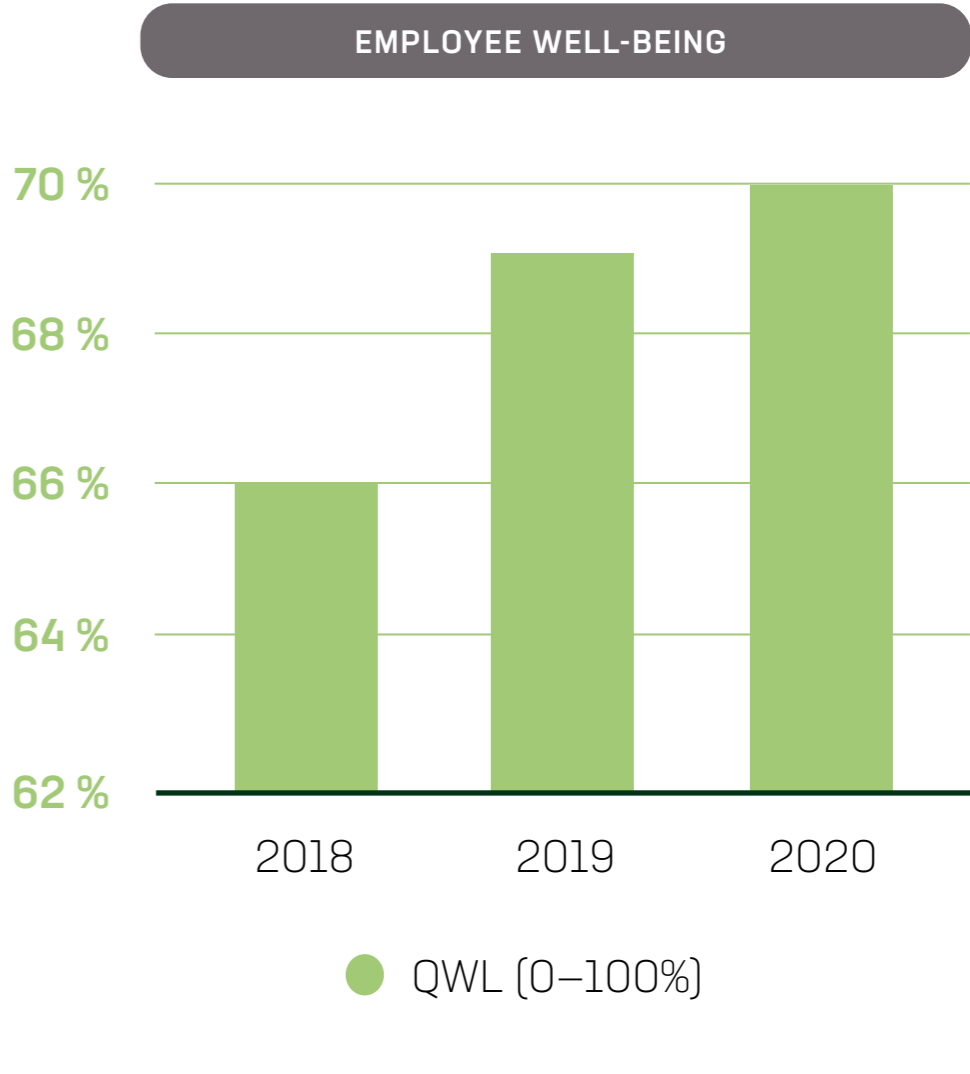
In 2020, we especially focused on supporting our employees' remote work. We wanted to do our utmost to ensure their comprehensive well-being. Especially during difficult times, the ability to maintain a healthy work-life balance is essential.

During the past three years, our key HR metrics have improved from good to excellent. Not only have we outlined the key principles of ethical work culture quite in detail, but also applied them on a very hands-on, practical level in our daily work.

Next, we want to keep improving and make Pinja an even better place to work.

Employees are our most important asset – supporting their well-being and creating the best possible working environment is high priority. Flexible working conditions, social events, extensive health services and carefully selected employee benefits contribute to the well-being of our employees. Also, we adhere to an employee support model to identify problems and mitigate them at an early stage.

We measure the Quality of Working Life index (QWL) four times a year to get an overview on our employees' working conditions as well as any changes in them. In 2020, the index was 70%, which is 10% higher than the average in Finland.



The average QWL in Finnish companies is about 60% (Kesti, M 2018)

Employee satisfaction and engagement

Employee satisfaction is directly related to productivity, motivation and the overall well-being of our people. That is also why it is extremely important for all of us. We conduct employee satisfaction surveys on a regular basis to assess employee engagement and to improve our processes accordingly.

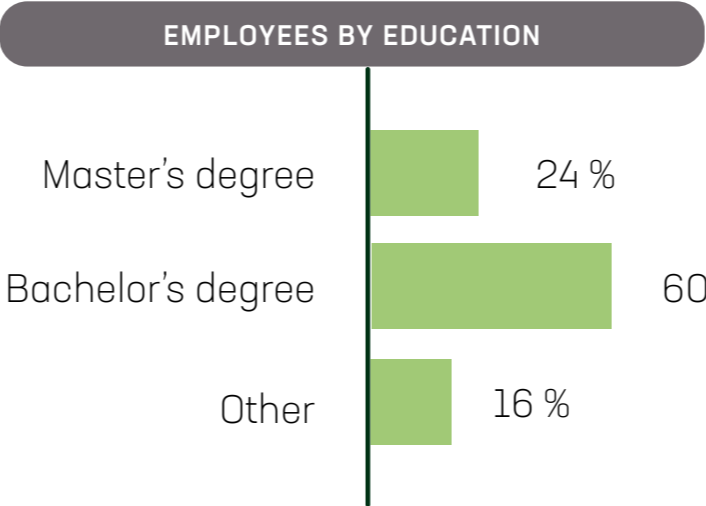
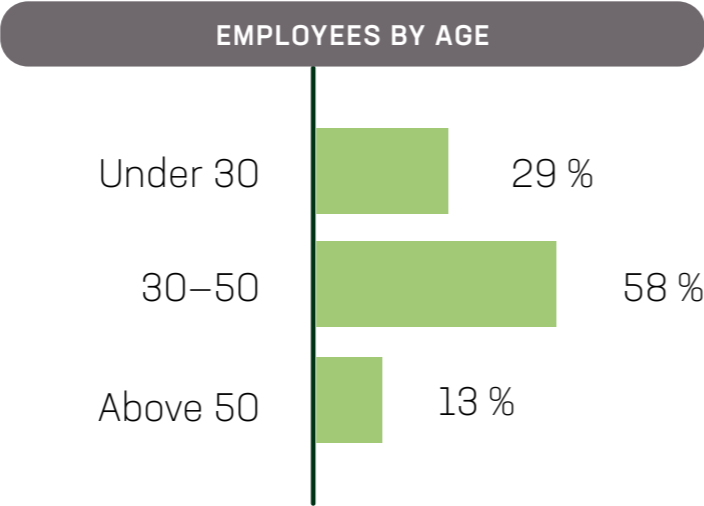
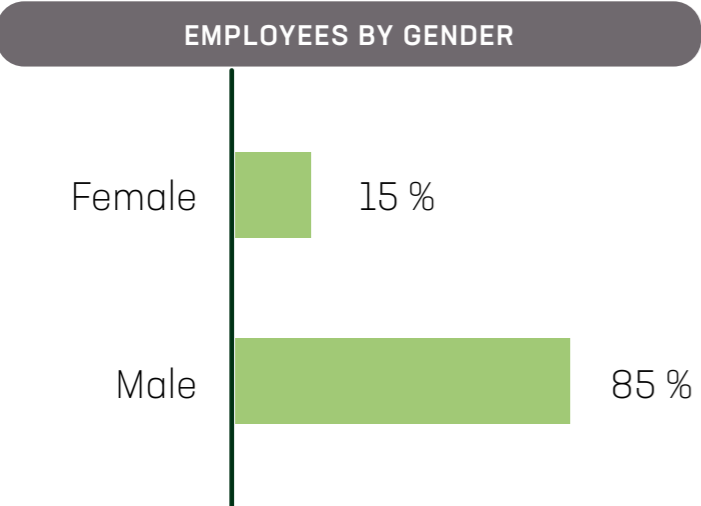
In 2020, the employee satisfaction score was 4 out of 5. Pinja people are engaged and committed to the company; our recommendation index (eNPS) in 2020 was 13.



Creating culture of belonging

Pinja is committed to creating an equal, diverse and inclusive work culture. Age diversity is one of the important ingredients in our success. We support our employees at every stage of their life and career by taking into account their individual needs and current life situation. Pinja is closely cooperating with educational institutions to provide opportunities for graduates to start their professional careers and develop their skills at work.

In 2020, Pinja launched **Junior Business Intelligence Academy** to provide training and employment opportunities for new industry experts.



Promoting equality and diversity

The industry in which Pinja operates is predominantly male. We support our female employees by actively promoting diversity and work-life balance. In 2020, the **Pinjattaret** group was established to support career paths and professional development of female

employees as well as to promote diversity, well-being at work and the sense of belonging. We also encourage dividing parental leaves equally between mothers and fathers.

Developing our employee competence

Pinja is a technology company offering a wide range of services. We provide excellent opportunities for career development. We strongly believe that employees who demonstrate their capabilities today are the ones with the potential to take responsibility in the future.

We actively develop the professional knowledge and skills of our employees. We adhere to a knowledge management process by encouraging employees to share knowledge, best practices and tools within their teams. Additionally, we encourage and support acquisition of new knowledge in various forms such as training, courses and events.

In 2020, we put a strong emphasis on the improvement of our employees' project management skills. A total of 84 employees participated in ITIL or PRINCE2 training to improve their skills in project management and customer service.

Employees
received PRINCE2
training

39

Employees
received ITIL
training

45

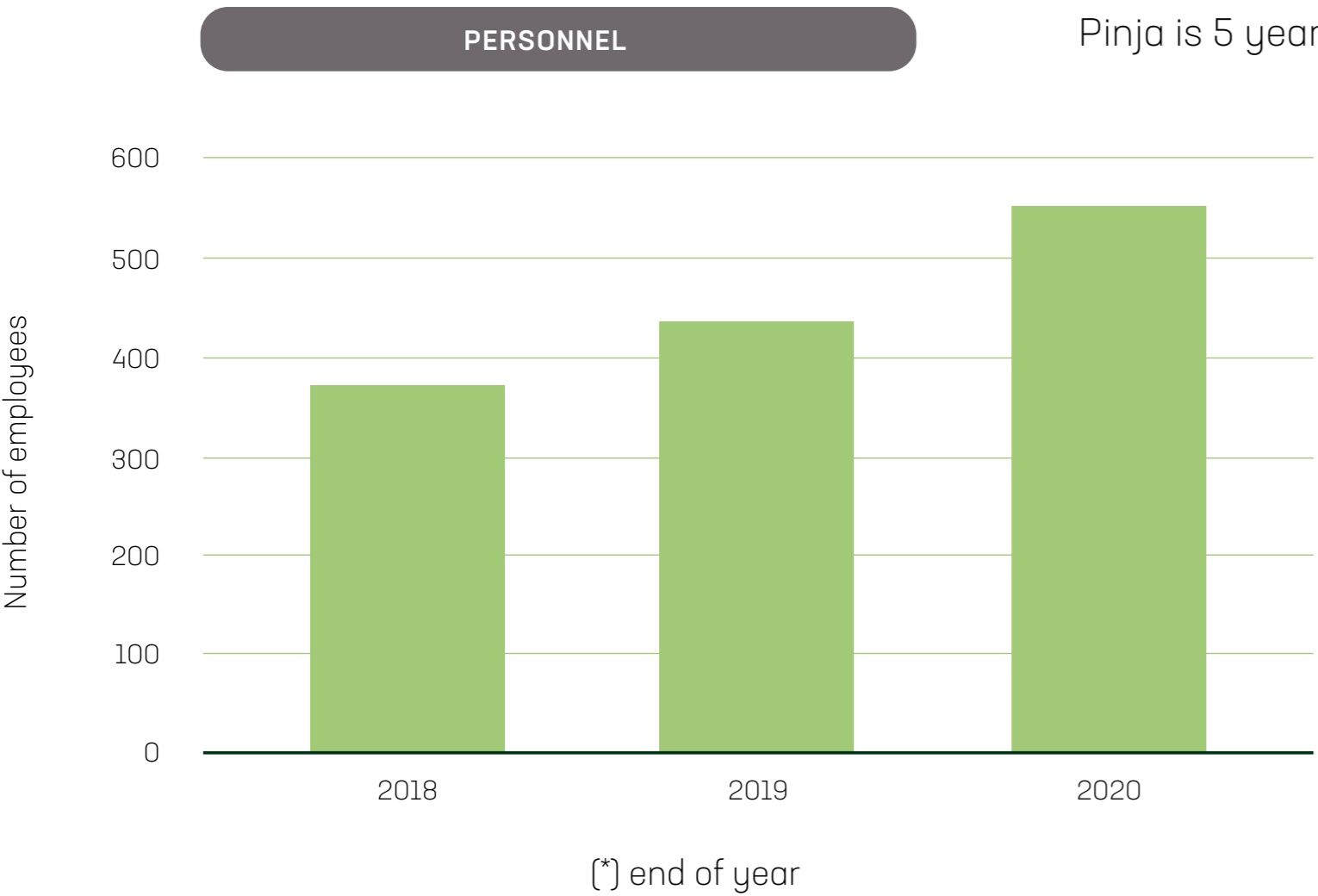
Recruitment and work culture

Pinja is committed to be the best place to work in the industry. Our work culture is characterized by flexibility, approachability and mutual help. By constantly improving our employees' well-being, we are committed to creating an inspiring and motivating environment for work.

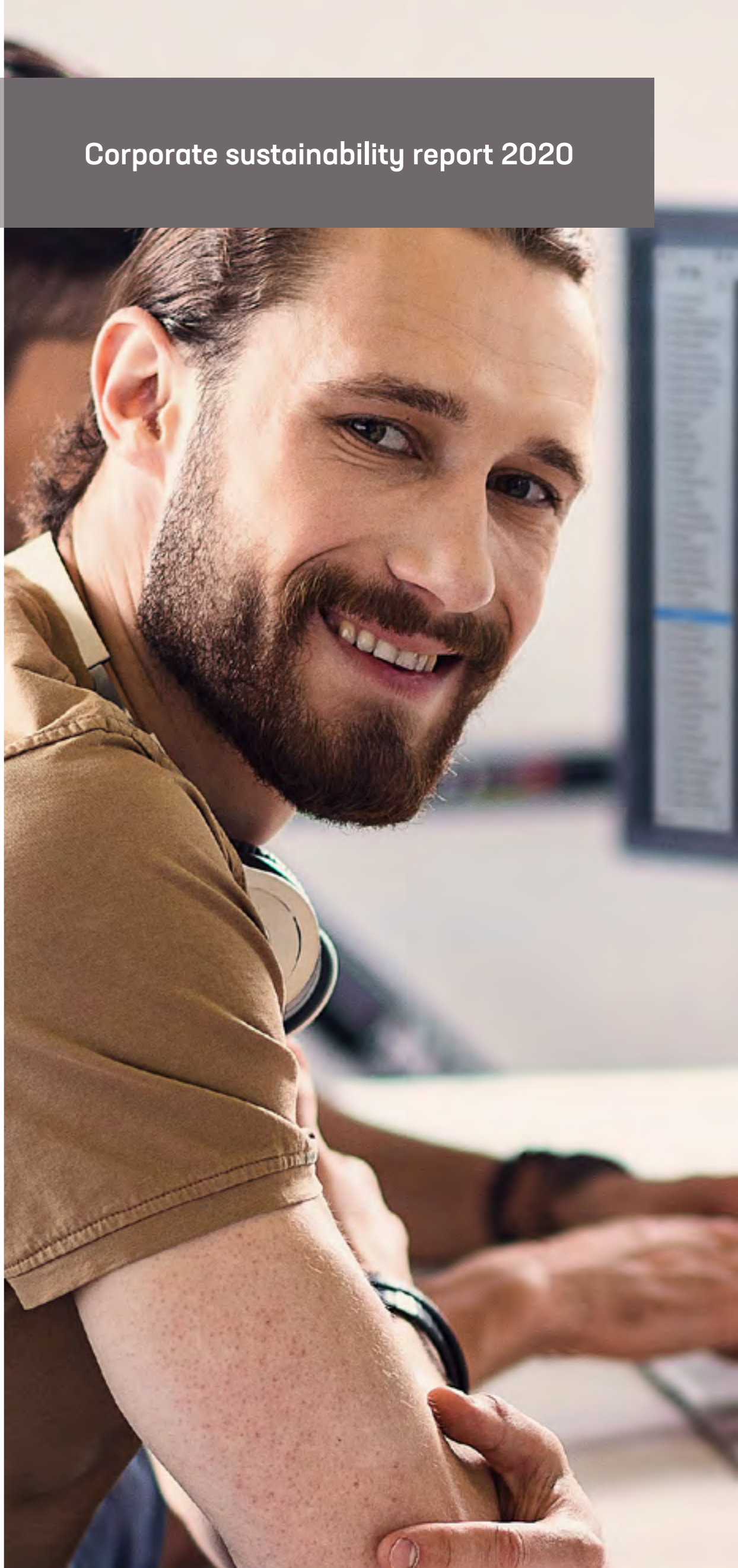
We listen to the needs of our employees and always reach for the best possible solution with our flexible approach. In 2020, 50 of our employees started working remotely on a permanent basis.

Our industry is labeled by fierce competition over the best talent. Attracting and keeping qualified employees is one of our top priorities. We are actively recruiting professionals via our career page, LinkedIn and Instagram.

We take pride in being a popular employer and are determined to proceed on this path. In recent years, we have put additional effort in employee well-being, supervisory work and enabling open work culture. The number of employees leaving the company declined in 2020 and it has declined now past three consecutive years. The average duration of employment at Pinja is 5 years.

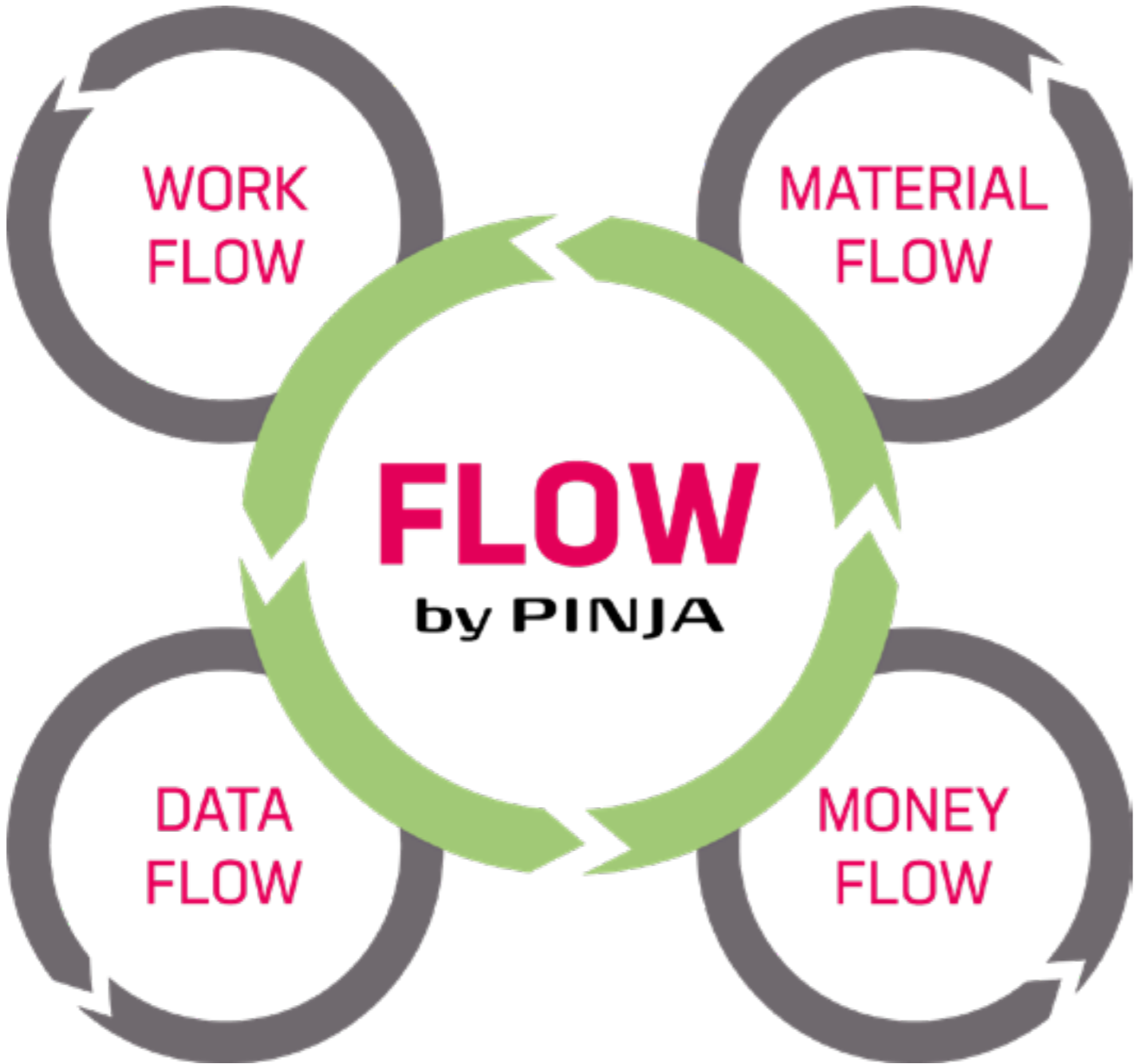


Stability during
the year 2020
92%



Environmental impact





New services supporting a circular economy

In 2020, we developed and launched **Flow by Pinja** – a material management and tracking system customized for the circular economy sector. The system allows us to support companies operating in material recycling, waste management, waste-to-energy, bio-gas and biofuel production sectors by helping them increase efficiency and material flow transparency.

Development, safety and efficiency

Our digital solutions and engineering services are designed to contribute to positive environmental impact. For example, they help our clients reduce energy and resource consumption, reduce emissions, extend the lifespan of their equipment and increase visibility in their supply chains. Our solutions also enhance safety and efficiency.

Communication

We actively communicate the pivotal role of technology in achieving sustainability by publishing customer success stories. In 2020, we conducted a webinar on the role of technology in supporting corporate sustainability management. In this webinar, our clients Metsä Fibre Oy, Olvi Oyj and Lassila & Tikanoja Oyj shared their experiences on the topic.



Handprint trough our customer solutions

CASE SNELLMAN: EFFICIENT PRODUCTION PLANNING IN THE FOOD INDUSTRY

Waste generation is a significant environmental concern in the food industry, also resulting in financial loss. Therefore, the industry largely relies on prediction-based planning, which can help companies ensure efficient use of materials and optimization of storage.

With the help of **iPes by Pinja** production planning and supply chain management system, Snellman Group has managed to reduce waste by 25% and optimize their need for freezer storage by over 20%. While accomplishing this, Pinja also managed to go into further detail with Snellman's optimized raw material demand at the early stages of the production process.

CASE GASUM: TRANSPARENT SUSTAINABILITY REPORTING IN THE BIOGAS PRODUCTION INDUSTRY

In early 2020, a sustainability reporting application was developed for the **Once by Pinja** system, a modern and automated solution to the reporting needs of energy, transport and circular economy operators. Once by Pinja enables seamless calculation of the CO₂ balance and makes a report that meets the authoritative criteria.

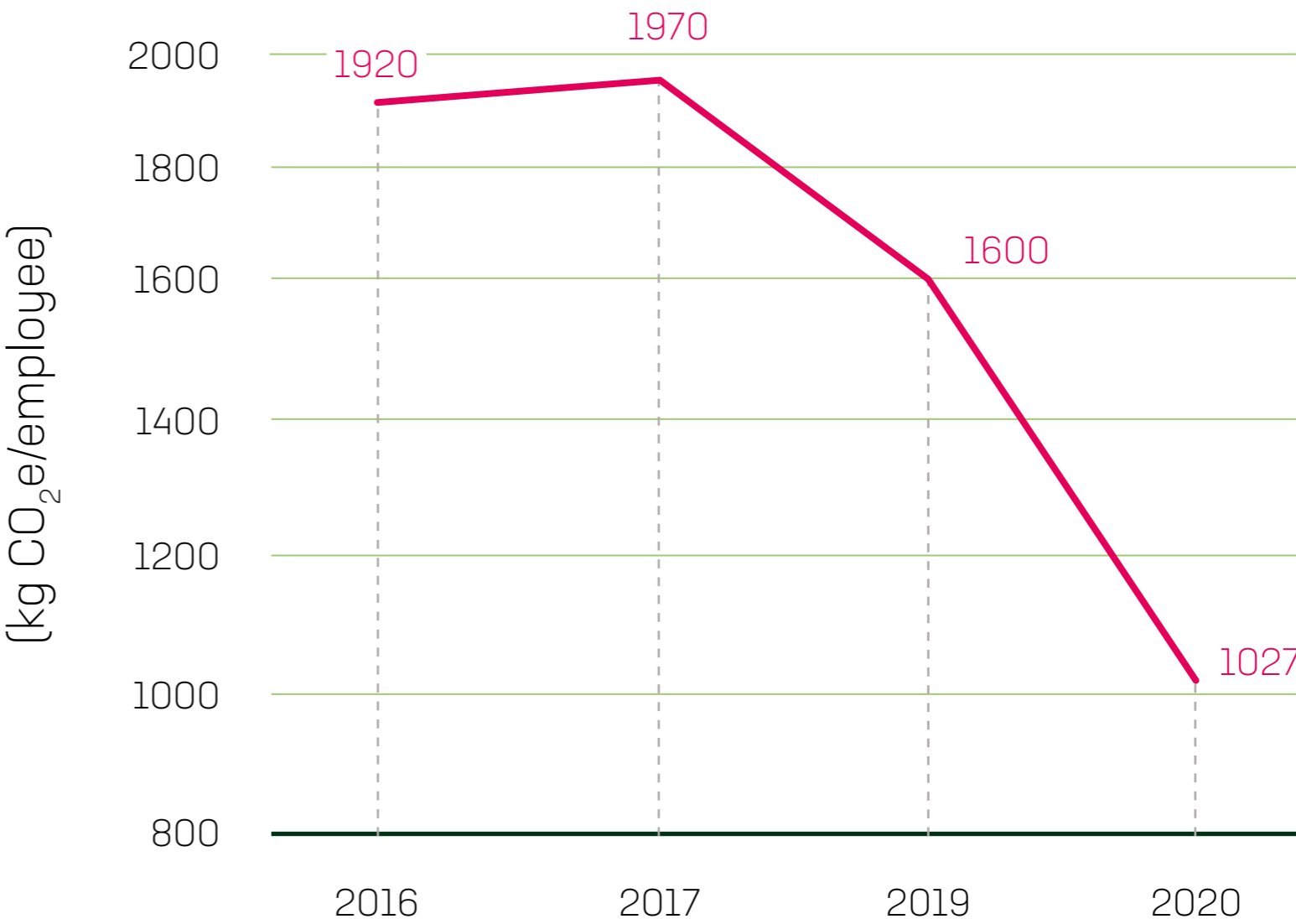
Gasum, the leading biogas operator in the Nordic countries, was among the first to adopt the sustainability reporting application. Gasum uses Once by Pinja for managing and reporting the incoming and outgoing material streams at all of their nine biogas plants in Finland. Once by Pinja helped Gasum improve efficiency and increase transparency in their supply chain. It also contributed to the company's sustainability reporting.



Our own environmental impact

While contributing to positive environmental impact through our customer projects, we also acknowledge our own footprint. Since 2016 (excluding 2018) we have measured the carbon emissions in our own operations by using the Y-HILARI tool developed by the Finnish Environmental Institute and ICAO Carbon Emissions Calculator for air travel.

In 2020, our total emission accounted for 557.6 t CO₂e, resulting in 1027 kg CO₂e per employee. Compared to 2019, our carbon emissions per employee have decreased by 36%. This is mainly due to the COVID pandemic, as the amount of business travel significantly decreased. After learning the hard way that significant parts of our work can be performed remotely, we will continue practising this also in the future.



1027 kg
CO₂e/employee

Total:
557.6 t CO₂e

The environmental impact of our value chain

In our carbon emission calculations, we take into account Pinja’s environmental impact across the entire value chain. This is done by considering emissions associated with our business travel, electricity and heat consumption as well waste production in our premises.

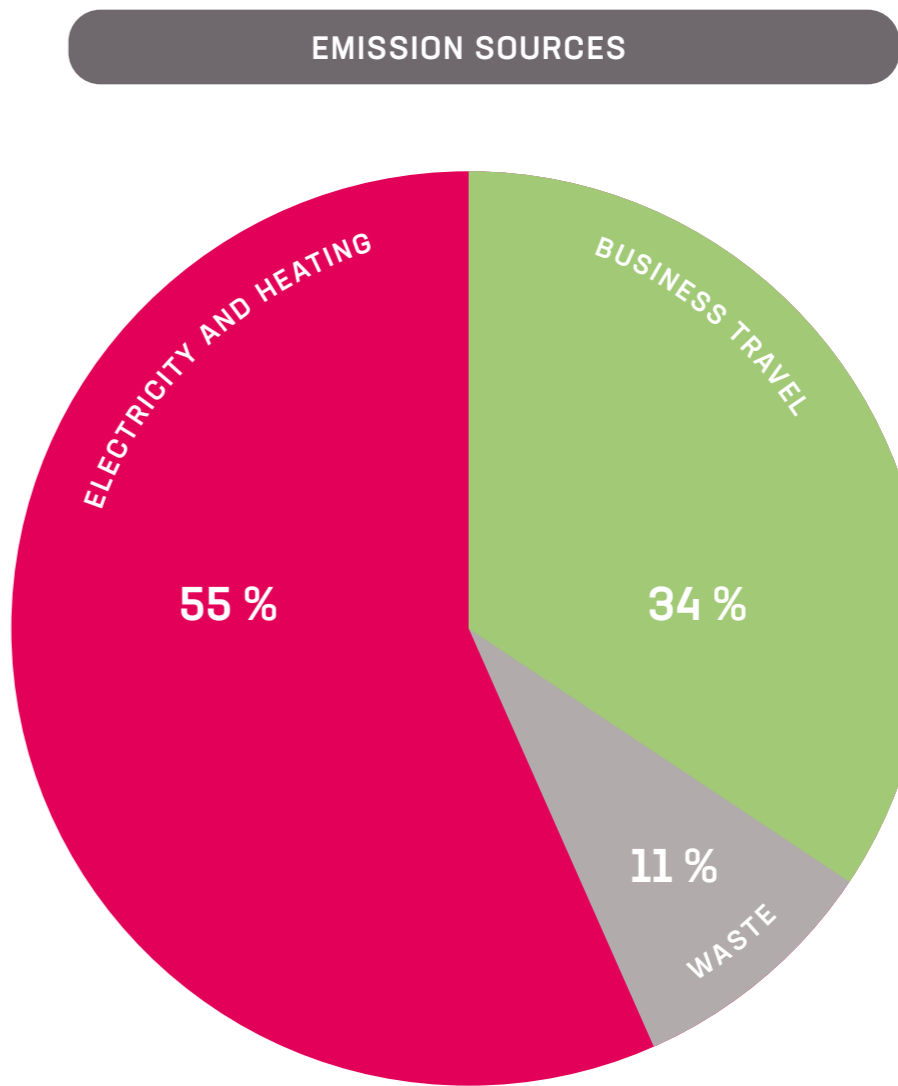
Emissions are divided into three categories by Greenhouse Gas Protocol (GHG Protocol) – the established framework for carbon emissions calculation.

The majority of our emissions is associated with energy consumption (Scope 2 emissions*), adding up to 55% of our total emissions. In 2020, we began

purchasing green electricity for our Jyväskylä and Tampere offices to reduce environmental impact.

As our business requires a significant amount of on-site work at customer premises, the second biggest source of emissions is business travel (Scope 3 emissions*). Carbon emissions associated with business travel include emissions from hotel stays, automobile transport and other means of transportation such as air, rail, bus and ferry. Our target is to minimize the need for business travels, use public transportation whenever feasible and prefer online meetings as much as possible.

[*] According WRI & WBCSD. 2004. A Corporate Accounting and Reporting Standard. The Greenhouse Gas Protocol Initiative.



The remote dimension

The year 2020 changed our way of working – permanently. The most significant change took place in the development of remote working culture.

Even before the pandemic, remote work was a familiar concept at Pinja. The exceptional circumstances truly challenged our ability to adapt. In addition to internal teamwork, this covered cooperation with our customers, all the way from sales to production.

Working remotely opens up opportunities for us to employ professionals regardless of where they live. Furthermore, it allows us to reduce the carbon footprint of our own business as well as other environmental pressures, such as parking lots. For many,

less traveling also contributes to a better balance between work and leisure. On the other hand, the increase in teleworking brings new kinds of challenges that we need to pay more attention to.

We learned a lot about working practices during the exceptional year of 2020. New requirements materialized for supervisor work when it comes to matters such as teleworking culture, taking care of ergonomics and managing the decline in social contacts.

The change that took place is, at least partially, permanent as about a fifth of the Pinja employees switched to remote work permanently.



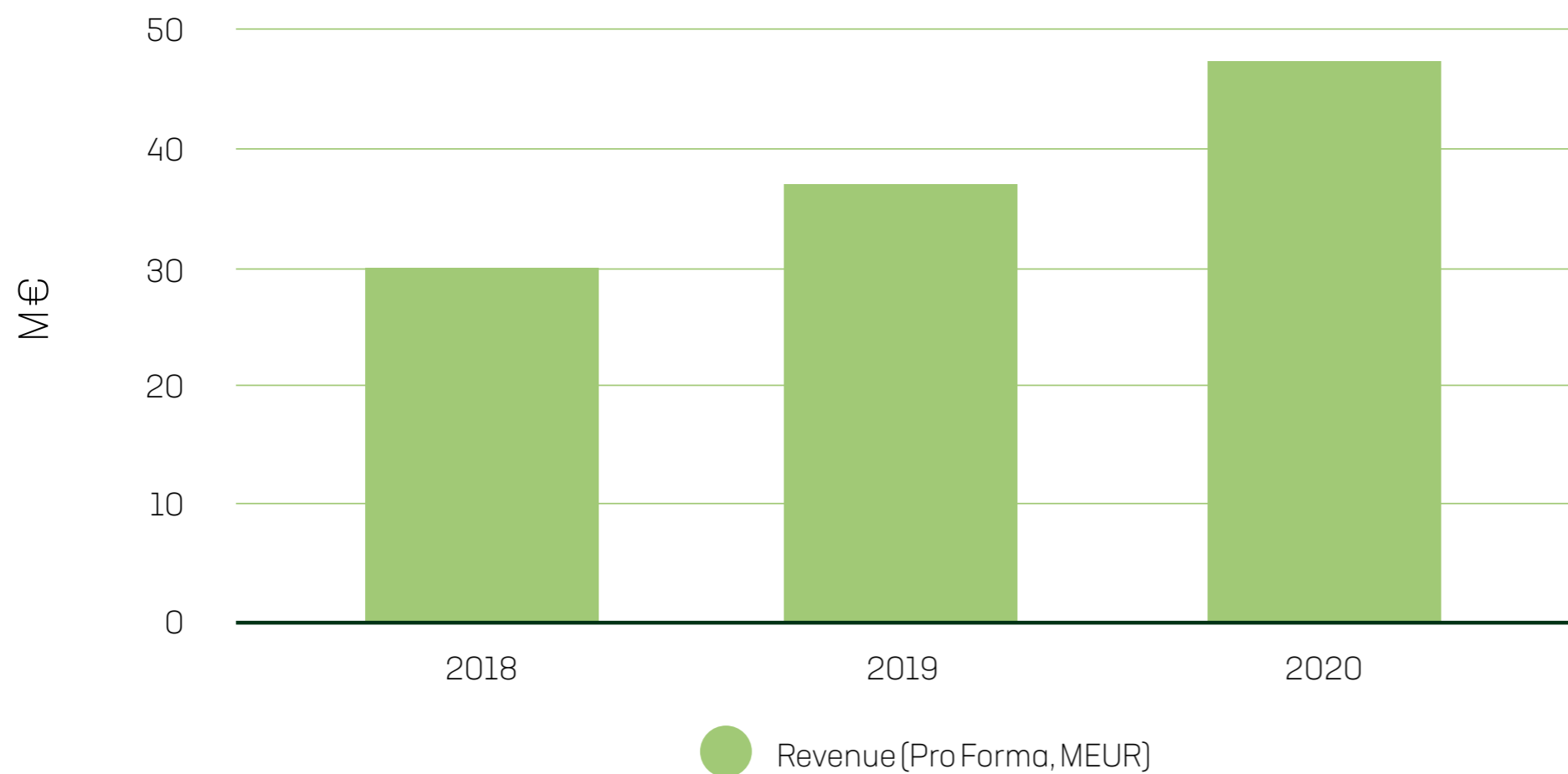
Financial performance

Responsibility is the key driver for revenue growth and new business

Customer business benefits, excellent customer experience and satisfied employees enable our strong revenue growth path. It, in turn, enables a long-term growth strategy in which we internationalize, develop new services and create new jobs.

In 2020, Pinja acquired the software company PiiMega Oy which specializes in the digitalization of supply chains, e-commerce, and ERPs for the forest industry. The acquisition helps us serve our customers better while driving their sustainability development.

We comply with Finnish and international laws and regulations relevant for our business. We record all financial transactions in accordance with locally accepted accounting principles. All Group reporting follows FAS (Finnish Accounting Standards) as well as other regulations, rules and policies associated with accounting. We fulfil our tax payment obligations (withholding taxes, value added taxes and income taxes) as well as social security payments and insurances in a timely manner.





PINJA

**WE FUTURE PROOF
YOUR BUSINESS**