



# Sustainability Report 2021



## In brief

Aurora is an electricity distribution company that owns, operates and maintains industrial electricity infrastructure networks in Finland. Measured by distribution volume, Aurora is Finland's fourth largest electricity distribution company. We distribute ca. 5TWh of electricity per year to our large industrial customers, which is equal to ca. 6% of Finland's total electricity consumption and ca. 14% of industrial electricity consumption. Our clients include the Kilpilahti petrochemical industrial area and Outokumpu Tornio industrial area.

High quality operations is key to Aurora's success. Safety and high network availability form the basis of everything we do. Best practices have been formed by years of experience in high voltage industrial networks and we systematically continue to maintain and develop the know-how of our personnel.

Aurora's international long-term infrastructure financing secures capital for required network development and maintenance.

Aurora's key figures for year 2021:

**5.0 TWh**

Distributed electricity

**99,98%**

Network availability

**€250m**

2014-2021 reliability and replacement investment

**6%**

of total electricity consumption in finland



## CEO's recap

As we have been preparing this year's edition of our sustainability report, the world has been witnessing Russia's aggression against Ukraine. It has been heart breaking to follow this misery and has brought back also memories for us Finns from our not so recent (but also not too distant) history.

I am confident that in Finland we are very well prepared and are taking all steps necessary to navigate through the changing global security landscape. I can see the world being more united than in a long time when it comes to helping out those in need and somehow the joint efforts and speed of business transition throughout this time period have been even encouraging.

I am pleased that all those steps we have been taking at Aurora proactively since the start of our history are now if never turning out to be ever more important: strict focus on safety and security of supply, robust cyber security preparedness as well as promoting timely network replacements and upgrades for which also financing is always secured irrespective of market conditions. Today these are also paired with network capacity increases supporting our industrial customers' ambitious green transition related plans both reducing the carbon footprint of their existing industrial processes as well as enabling the development of new innovative low carbon end products.

Looking back at 2021, we made tremendous achievements in our sustainability efforts: 1) we performed ca. 18M€ of timely network replacements and upgrades and operated our networks again at high reliability levels, 2) we successfully managed to complete our works without any safety incidents despite one of Europe's largest planned service shutdowns offering extra complexity (held once every 5 years), 3) our third party audited Green Bond Framework was introduced and in the start of 2022 we completed a 110MEUR financing package on this basis, 4) we halved our CO<sub>2</sub> footprint both by way of switching to low carbon electricity to cover for network losses as well as improved metering, 5) last but not least, we improved our already high employee satisfaction results from the previous year.

Continuing such developments and focusing on our core activities whilst keeping up an open-minded spirit for accelerated change, will surely take us with leaps into a bright and net zero future together with our customers. Making such progress with what is today 14 % of Finnish industrial electricity consumption and hopefully more in the near future – this is certainly making a big difference.

In addition to being proud to support some of the largest electricity consumers in the Nordics on their paths, we must not forget the important grass roots level work either of the local community initiatives supported by Aurora in 2021 and presented later in this report. Lets try to keep in mind that both big and small efforts are needed and that we can only achieve ambitious goals together! Lets free ourselves from fossil dependencies and why not do so at accelerated pace!

With those words, let me wish you encouragement and strength for what remains of 2022! We certainly hope we can keep up our pace.

**Tony Lindroos**

CEO Aurora



# Aurora and UN Sustainable Development Goals

*Aurora is committed to UN global sustainable development goals (SDG) related to sustainable infrastructure, environmental protection and code of conduct.*

We acknowledge the importance of shared global sustainability goals which is why we chosen five selected SDGs as the backbone of our sustainability work. The SDGs have been selected as the most applicable for infrastructure business and have been adopted also for our owner's other portfolio companies. Aurora's board of directors evaluates and approves sustainability targets annually.



## SDG 5 Gender equality

- We ensure gender equality and equal treatment of genders
- Aurora metric: gender ratio



## SDG 13 Climate action

- High availability of our networks reduces our customers' unit emissions
- We calculate and monitor Aurora's carbon footprint every year.
- We recycle components removed from use
- Aurora metric: Network losses, recycling-%



## SDG 8 Decent work and economic growth

- We ensure safe working environment for all workers, including our subcontractors
- We are committed to well-being of our employees
- We employ locally
- Aurora metric: job satisfaction, absence-%, training of personnel



## SDG 16 Peace, justice and strong institutions

- We apply code of conduct
- We maintain high level of cyber and information security
- Aurora metric: four eyes principle used, cyber security assessments



## SDG 9 Industry, innovation and infrastructure

- We maintain and develop reliable electricity distribution network for our customers' needs.
- We assess network losses as part of our investment criteria
- Aurora metric: Preventive maintenance completion-%, Investments



# Safety first is the cornerstone of our operations

For Aurora, it is important to maintain flexible and safe working practices each and every day. High electricity network availability means less production losses to our customers. This is our customer promise, which we have been able to maintain even during changing circumstances. Aurora co-operates with its customers to perform preventive maintenance works and component replacements during customer normal operation or customer maintenance shutdowns.

In 2021, we further developed occupational safety. We introduced group-wide safety observation reviews. These reviews are effective, monthly events hosted by sites to share safety observations and best practices.

During 2021, there were 0 safety incidents leading to absence for Aurora and for our subcontractors. All safety observations, whether positive, neutral or corrective are logged into Aurora’s HSEQ system and regularly reviewed to promote safety and well-being.

100%

safety

94

safety observations

99%

of planned preventive maintenance works done

No work related safety incidents

Safety observations are reviewed regularly to promote safety and well-being and to develop safety best practices.

Preventive maintenance works were performed on time





## Major maintenance turnaround 2021

The scheduled maintenance shutdown of Neste's Kilpilahti refinery held every five years was successfully completed in June 2021. For the first time, Aurora took care of the electricity network operations during the major shutdown independently. Maintenance work and testing help to ensure the high availability of the electricity network for years to come.

Aurora's works were performed according to plan. During the service shutdown, Aurora performed functional testing of the power grid, maintenance that requires planned outages, and finalized such investments that cannot be performed during normal operation. In order to carry out the work, more than 200 planned power outages requiring strong customer co-operation were required during the shutdown.

During the major turnaround, the Porvoo refinery was one of the largest construction sites in Finland. In total, some 6 000 persons took part in the turnaround works and over 1,5 million working hours were completed. Despite this, the work was carried out safely, on schedule and with excellence.

0

Zero safety/availability incidents for Aurora.

>200

Aurora made more than 200 planned power outages.

6 000

Porvoo refinery was one of the largest construction sites in Finland during the major turnaround. In total, some 6,000 persons took part in the turnaround works.



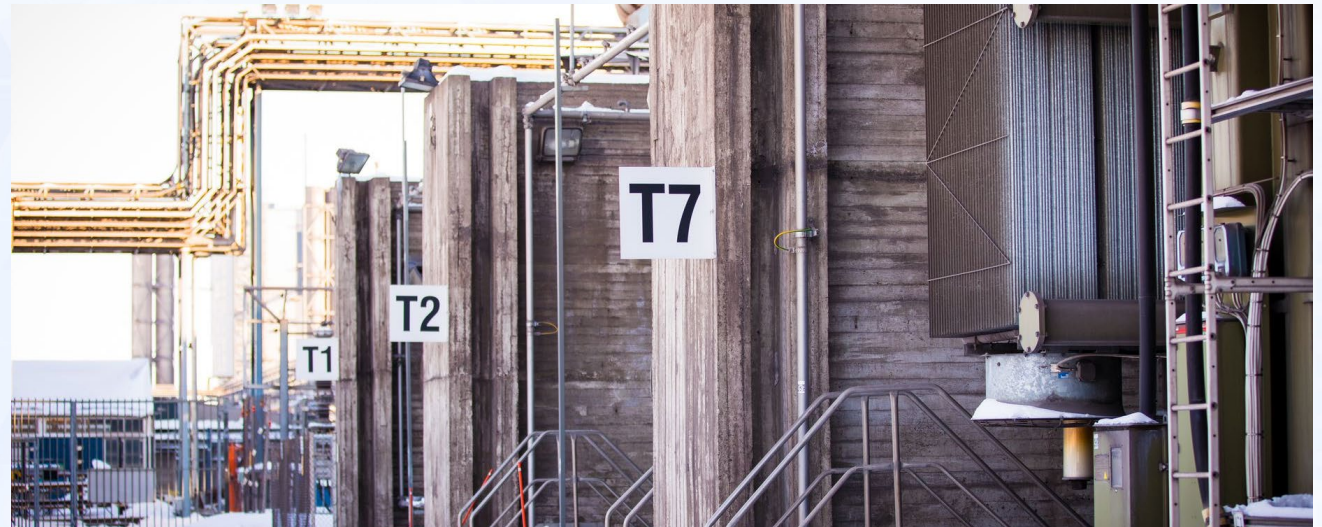
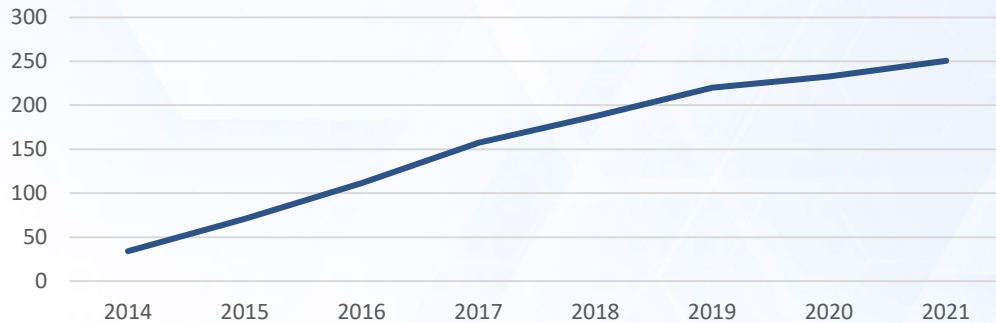
# Performing sustainable investments

Network reliability is essential in being able to meet the production requirements of our customers now and in the future. Aurora works proactively with customers when planning and evaluating investments. Aurora considers among others network structure, customer's future needs and asset life-cycle efficiency. Industrial electrification driven by carbon neutrality targets are foreseen to require substantial network investments at industrial sites in the near to mid term future.

## Strong local presence

Aurora's operations have strong impact to local employment. We work with hundreds of contractors each year. During 2021 we invested ca. 18M€ and had 75 subcontractor companies working in our investment projects. We have further developed our responsible sourcing. At the end of 2021, we conducted a sustainability survey for our suppliers. By February 2022, most of our suppliers have responded to our survey and all of them confirm compliance with Aurora responsibility requirements. The responsibility requirements for suppliers can be found on the next page.

Aurora's cumulative investments in electricity network 2014-2021 (Meur)



# Aurora's responsibility requirements:

## Business Conduct:

The supplier has zero tolerance towards bribery and corruption.

The supplier has zero tolerance towards money laundering and the supplier does not cooperate with companies on the trade sanctions list

The supplier shall compete in a fair manner and does not allow any forbidden cooperation with its competitors

The supplier shall avoid any situations where a conflict of interest exists

The supplier shall not forward any confidential information and shall handle personal data with due care

## Occupational health and safety

The supplier complies with occupational health and safety legislation and regulations as well as industry site specific regulations of Aurora's customers

The supplier ensures that employees have working conditions in accordance with regulations

## Environmental impact and climate change

The supplier shall comply with environmental law

The supplier monitors waste and emissions generated from its operations, and treats them appropriately, and has procedures to minimize them

The supplier considers the climate impact of its operations and has procedures to minimize them

## Human and labour rights:

The supplier shall not use any forced labour

The supplier shall not use any child labour

The supplier shall treat its employees equally and not allow any harassment

The supplier's employees have right to organize freely and collective bargaining

The supplier follows applicable laws and regulations regarding working hours, minimum wages, and other working conditions

The supplier confirms that all its employees have written contract prior to commitment to work



## Green financing

The green transition and decarbonization of industries will require significant capital and know-how. In 2021, Aurora implemented a Green Finance Framework to support investments that drive the transition to a greener electricity system. Aurora's Green Finance Framework has been audited by a third party. In the start of 2022 we completed a 110MEUR financing package.

Green financing is an important part of Aurora's strategy. The purpose of the new facilities is to finance or refinance investments in new or existing eligible green projects, as defined under Aurora's Green Finance Framework, such as projects that enable the connection of new production or consumption to a low carbon grid, increase grid capacity for environmentally friendly consumption, reduce network losses or create smart solutions that save energy and the environment.

***"This is once again a milestone for us to be amongst the first of our peers to raise such green financing and it also proves the belief markets have in Aurora and its role as a key enabler of the green transition."*** – Tony Lindroos, CEO Aurora

Aurora is proudly supporting our customers on this green transition journey as a specialized network operator and have through this new package secured additional flexibility and financing capacity related to those green investments ahead of us in the upcoming years.





”Electrification of industrial processes often require upgrade investments into electricity network”

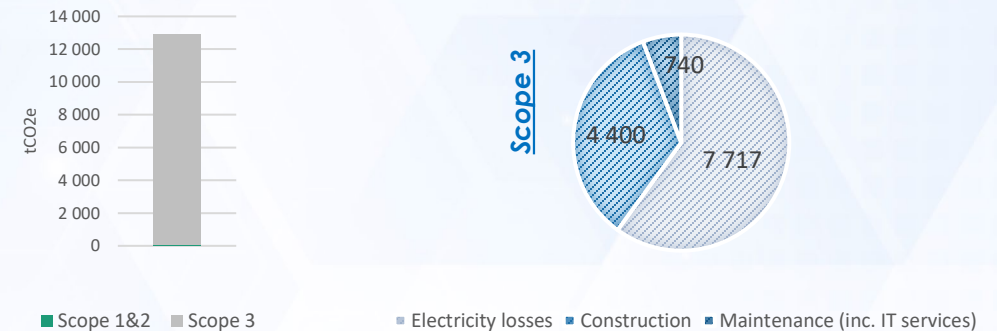
## Green transition requires high performing electricity network

The green transition of industry imposes requirements on the electricity grid systems. Emission reductions and electrification of industry are based on renewable electricity, requiring large-scale electricity grid investments in the site area and production facilities to meet growing demand.

Aurora’s smart network solutions play an important role in reducing carbon footprint of industrial sites. Electrifying industrial processes often means increasing or optimizing grid capacity and analyzing customer’s consumption profile. Careful planning of network solutions is important, because choices made often have lifetime of 40-50 years and have significant impact to industrial site competitiveness.

The majority of Aurora’s own carbon footprint consists of network losses. The biggest driver of network losses is our customers’ consumption profile and the source of electricity impacts the carbon footprint of those losses. Our customers have committed to increasing substantially the share of renewable energy sources in their electricity mix. For Aurora, minimizing network losses has been for many years a selection criteria of new equipment.

### Aurora’s carbon footprint 2021



**SF6 gas:** SF6 is an insulating and cooling gas used in various types of electrical components. Aurora uses SF6 in network’s switchgears and breakers. SF6 is a green house gas and harmful to environment if emitted in atmosphere. Aurora has does not have any SF6 leaks.



# We care about our employees



8.7

Employee well-being  
score out of 10

26

There were 26 Aurora employees at the end of year 2021 of which 20 worked in network operations and maintenance.

100

% of employees trained



Diversity and equality  
charter



MyAurora well-being plan

In 2021, **Group-wide trainings** included MS Teams training and cyber security training. In addition, our employees also participated in i.e. work community coaching, electrical works and project management training.

Aurora has a **formalised charter in place** promoting gender equality in recruitments and promotions, family friendly work arrangements, gender neutral pay and fair treatment of employees and stakeholders irrespective of background or age.

All Aurora employees are entitled to **MyAurora well-being plan**. Idea of the plan is to promote health, activity and to facilitate everyday life, allowing also more freedom to employees to select areas of interest.

For 2021 the opportunity to corporate bicycle lease was added to the MyAurora benefit at the request of employees, and many of our employees took this opportunity. In addition, we also decided to extend the already extensive insurance coverage to cover illnesses.

## We support local community initiatives

*At Aurora we annually support non-profit organizations chosen by the personnel from each site.*



### Aurora Espoo

#### Carbon Action Platform

Carbon Action Platform develops and researches ways of accelerating soil carbon sequestration and verifying the results scientifically. It also introduces climate-friendly, regenerative farming practices to Finnish farms.



### Aurora Kilpilahti

#### “Take Care of the Young Mind 2021” - campaign

The pandemic has had a huge impact on the lives of young people. The need for support has grown significantly while it has been difficult to get help.

#### Scholarships

As traditionally, Aurora distributed scholarships to Porvoo high schools Linnakosken Lukio and Borgå gymnasium. With the scholarships, Aurora wants to encourage young people to study natural sciences (math, physics, chemistry) and electrical engineering. In 2021 the recipients of the scholarship were female students.



### Aurora Tornio

#### Rescue helicopter Aslak

Aslak is a privately funded initiative in Northern Finland extinguishing, searching and rescuing in case of emergency in sparsely populated Lapland. Aurora has been supporting Aslak since 2015.

#### Save the Children

Corona has increased childrens' inequality in Finland. More and more children are at risk of exclusion and being left out of society.

#### The Cancer Society of Northern Finland

Mission is to prevent cancer and to support and rehabilitate cancer patients and their family in the area.





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