

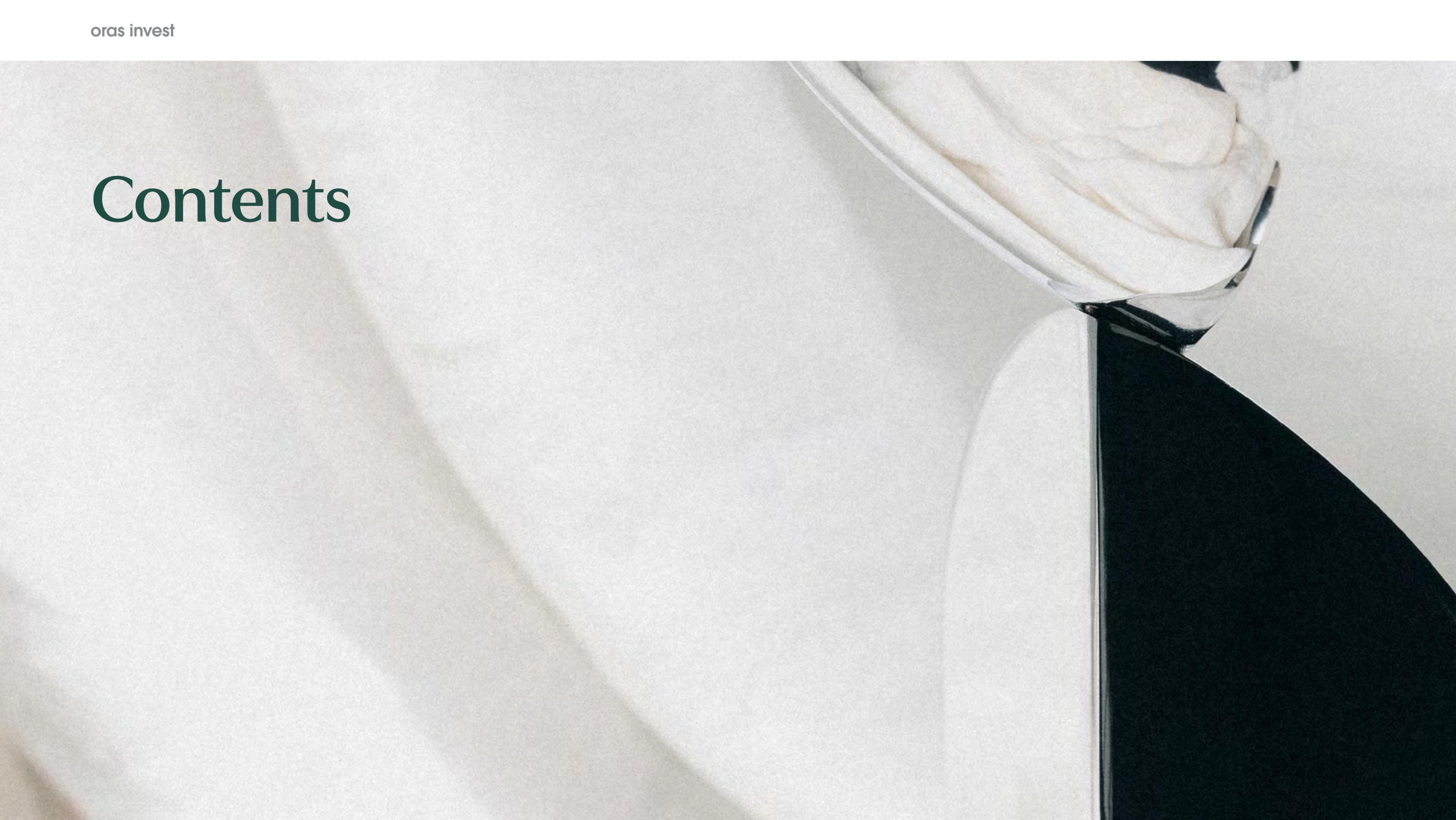
oras invest

ANNUAL REVIEW

2021



Contents

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Oras Invest in brief

Oras Invest is a family company focused on industrial ownership. The roots of Oras Invest lie in family entrepreneurship: the faucet company Oras was founded in 1945.

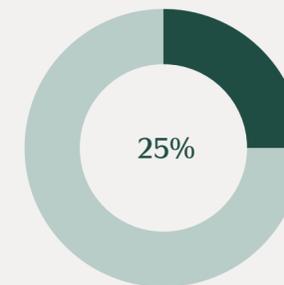
Our focus is on industrial companies, which operate in building, water and bio-based materials value chains or in closely related sectors. We develop our companies through active board work and close cooperation with the management as well as with other significant owners.

Our current industrial ownerships are Oras Group, Uponor and Kemira. In addition, we acquired a stake in Valmet in early 2022. The net asset value of Oras Invest was EUR 1.4 billion at the end of 2021.

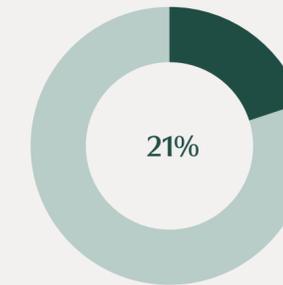
ORAS INVEST COMPANIES



ORAS GROUP
Since 1945



UPONOR
Since 1999



KEMIRA
Since 2007

NET SALES

EUR 4.2 billion

PEOPLE

10,084

OPERATING IN

40 countries



Overview of 2021

Key Figures	4
From the CEO	5
Performance	7

Key figures 2021

ORAS INVEST KEY FIGURES	2021	2020	2019
Dividends received, EUR million	36	33	31
Net asset value (NAV), EUR million	1,398	1,237	882
Total shareholder return (TSR)	13 %	41 %	40 %
Shareholder's equity, EUR million	872	673	645
Balance sheet total, EUR million	876	719	690
Equity ratio	100 %	94 %	93 %
Loan-to-value ratio	-16 %	2 %	4 %



FROM THE CEO

Positive year despite the challenging external environment

2021 was a year of positive development for our companies. The demand for their products accelerated despite the many challenges caused by the external environment. The continuing pandemic circumstances, supply shortages, rising inflation and tensions in geopolitics did not discourage our companies from doing their utmost to serve their customers.

Our focus was on supporting the long-term strategic development of our companies and on finding new industrial ownerships. We continued as the largest owner of the listed companies Uponor and Kemira, and as the 100% owner of Oras Group. We increased our stake in Kemira to 21%. The divestment of Tikkurila was completed in June, marking the first-ever ending of a long-term ownership for Oras Invest.

In early 2022, we made new investments in Valmet and Neles. The companies merged on April 1, 2022. We have conducted careful analysis of the two companies and their markets. Valmet is a well-known Finnish industrial goods company with a strong position in

the global markets. We believe that the company has solid long-term drivers.

Oras Invest aims for sustainable long-term value creation. Oras Invest's ownership steering towards our companies materializes through the influence we exert on their nomination boards and boards of directors. We put a lot of work and effort into finding the right people and competences, based on the needs of each company. We chair the nomination boards of Oras Group, Uponor and Kemira and are active on their boards of directors. This spring, new board members were appointed to all our companies.

Sustainability continues to be in our focus. Uponor was the first of our companies to set GHG emission reduction targets approved by the Science Based Targets initiative in April 2021. We support, encourage, and expect further efforts by our companies for sustainability target setting and for committing to delivering accordingly.



Oras Invest President & CEO
Annika Paasikivi

Financial performance

In 2021, our net asset value grew by 13% to EUR 1.4 billion (1.2 billion in 2020). Like last year, this development was aided by the generally favorable development of the equity markets. We received dividend income of EUR 36 million (33) in 2021 and our balance sheet is debt free.

Oras Group's net sales grew by 3% to EUR 234 million (226). Net sales growth was somewhat limited by the availability of components. Profitability remained strong. The company's comparable operating profit was EUR 33 million (31), which represented 14% of sales (14%).

Uponor achieved record high net sales and operating profit. Net sales were EUR 1,313 million (1,136), which represented growth of 16%. The comparable operating profit was EUR 161 million (143), 12% of sales (13%). Michael Rauterkus started as the new CEO of Uponor in August.

Kemira reached record high net sales of EUR 2,674 million (2,427), a growth of 10%. The company's profitability was impacted by inflationary pressures and comparable operating profit declined to EUR 225 million (238), 8% of sales (10%).

Current outlook

On the 24th of February Russia launched an unprovoked attack on Ukraine, a sovereign country. We, together with our companies, condemn Russia's brutal actions. Our focus has been on doing whatever

we can to help safeguard the lives and wellbeing of our people in the Ukraine. Oras Group, Uponor and Kemira have limited exposure to Russia and have announced their withdrawal from that market.

While the full consequences of the ongoing war remain unknown, it has already caused unimaginable human suffering and a humanitarian crisis. The war will have long-term implications for global geopolitics and security. It will change the global economic and business environment for many years. We will continue supporting our companies in tackling the challenges ahead.

I would like to express my sincere thanks to all the 10,084 people who worked with our companies in 2021. The fact that Oras Group, Uponor and Kemira have been able to improve their performance throughout the turbulent times shows a tremendous amount of resilience and positive fighting spirit in all of you.

I would also like to thank our companies' boards of directors and the members of our shareholders' nomination boards for your continuous support and foresight, and all our partners and stakeholders for your trust and consistency.

April 13, 2022

Annika Paasikivi



PERFORMANCE IN 2021

Modest value development compared to the overall market

In 2021, stock markets continued the trend upwards from 2020 and yielded extraordinarily high returns despite the uncertainty in the global economy. Our companies' value developed positively, but compared to the overall stock market, the development was modest.

Our net asset value grew by 13% to EUR 1,398 million. At the end of 2021, the gross asset value (GAV) of Oras Invest was EUR 1,206 (1,263) million and our net cash position was EUR 193 (-26) million, bringing our loan-to-value-ratio to -16% (2%).

In terms of value, the water chemicals company Kemira continued to be our largest ownership, representing 35% of GAV at the year end. The market value of our Kemira ownership was EUR 427 million.

The building and infrastructure solutions provider Uponor represented 31% of our GAV. The value of our Uponor shares was EUR 378 million. The sanitary fittings company Oras Group was 24% of our GAV with an intrinsic value of EUR 287 million.

The decrease in GAV is explained by the divestment of Tikkurila, which was completed in June 2021. We divested our entire ownership in Tikkurila for EUR 300 million. The main positive contributor to our GAV was the rise of the Uponor share price by 15%. Oras Group's profitability developed positively, and the comparable equity value increased by 5% (comparable intrinsic value was EUR 326 million). The reported intrinsic value of Oras Group (EUR 287 million) declined due to a repayment of capital loan of EUR 39 million. In

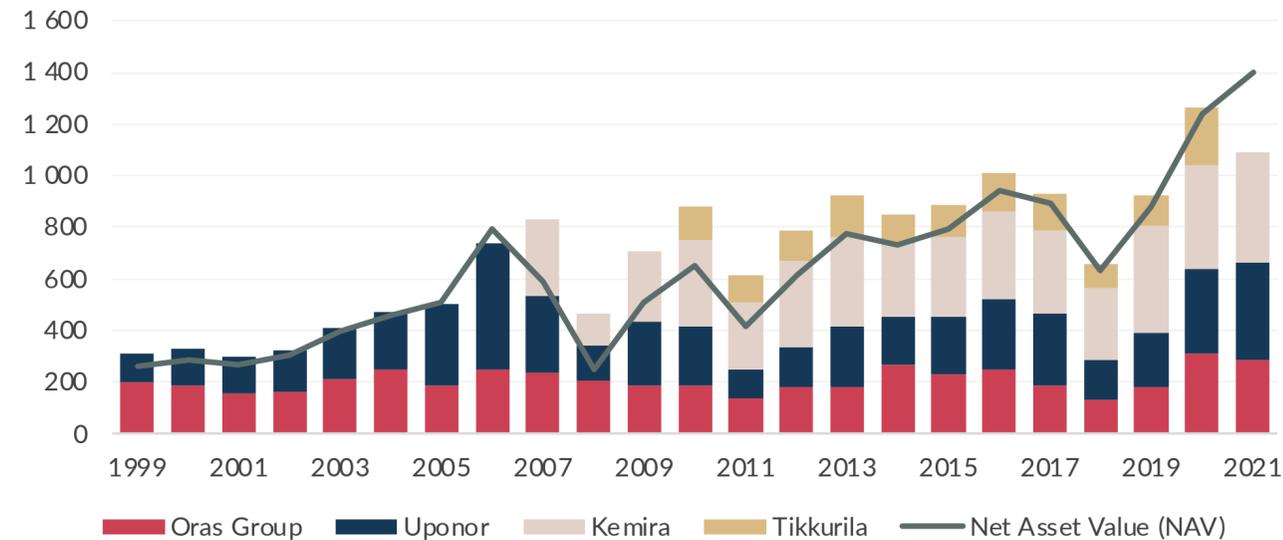
2021, we increased our ownership in Kemira by 0.4 percentage points and the share price increased by 3%. In total, Kemira's positive contribution to our GAV was 5%.

In 2021, we received EUR 36 (33) million of dividends and expect a significant increase to that in 2022 given our new investments in Valmet and Neles in early 2022 as well as increases in the dividends by Oras Group and Uponor.

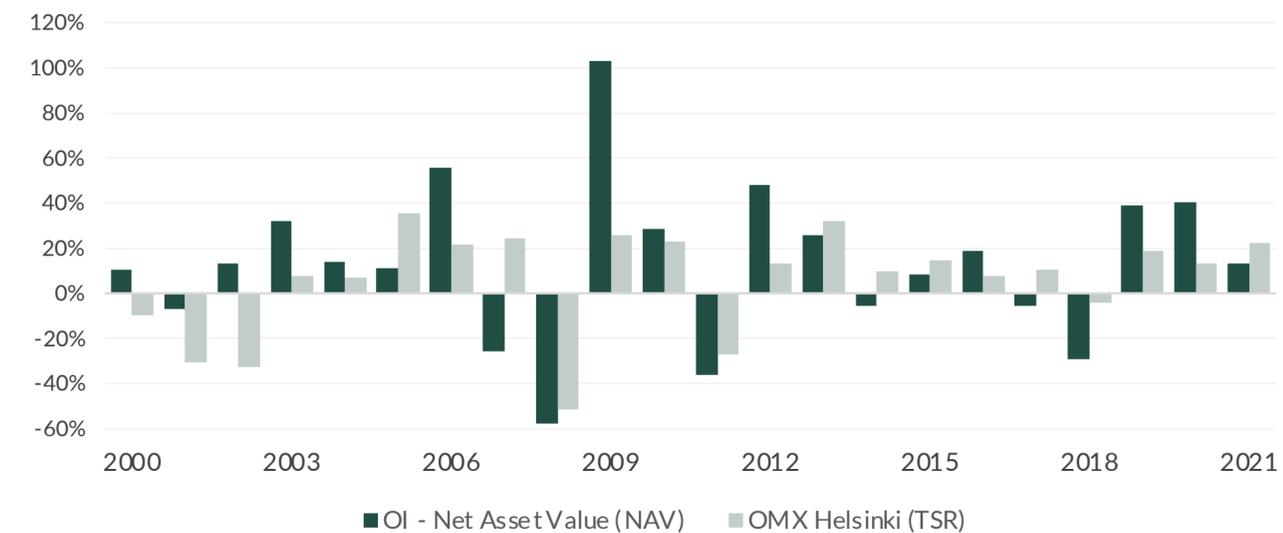
Our balance sheet continues to be strong, and we have the capacity to continue investing in our current and new industrial ownerships. At the end of 2021, we had EUR 66 million in cash and EUR 232 million in liquid investments.

The balance sheets of all our companies remained strong and they are well equipped to invest in growth. Gearing and net debt-to-EBITDA-ratios are low in Oras Group (14%, 0.3x) and Uponor (4%, 0.1x). Kemira's gearing is 63% and net debt-to-EBITDA is 2.0x, still below its gearing target of 75%.

Development of ownerships and NAV, EUR million



Development of Oras Invest's NAV and total shareholder return of OMX Helsinki, %



New board members for all our companies

In 2022, new members have been appointed to the boards of directors of all our companies. We welcomed Ruth Werhahn (member of the Supervisory Board of Werhahn KG and HR Director at TÜV Rheinland KG) and Heikki Westerlund (board professional and independent private equity investor) to the Oras Invest Board of Directors. Michael Rauterkus left the Oras Invest Board in July 2021 as he started as the CEO of Uponor.

Tina Sejersgård Fanø (EVP, Agriculture & Industrial Biosolutions of Novozymes) and Annika Paasikivi (CEO of Oras Invest) joined the Kemira Board of Directors. Susanne Skippari (EVP, Human Resources of Kone) was appointed to the Uponor Board of Directors. Annika Paasikivi stepped down from the Board of Directors of Oras Group and Heli Leskinen (CFO of Oras Invest) joined the Board.

Jari Paasikivi stepped down from the Kemira Board of Directors. He served 10 years on the Board of Directors of Kemira, including eight years as its chairman. We wish to thank Jari for his long service and significant contribution to Kemira and Tikkurila. In addition, Markus Melkko left the Oras Group Board of Directors as he started as the CFO of Uponor. We would like to warmly thank Markus for his valuable contribution and look forward to continuing to work with him at Uponor.



Our way of working

Vision & purpose	10
Values	11
Industrial owner's strategy	12

Vision & Purpose

VISION

Oras Invest is and will remain in family ownership. We aspire to be the best owner of selected industrial companies, with long-term commitment. The companies under our ownership are the best long-term performers in their industries. They attract the most competent people and a committed owner base.

PURPOSE

Oras Invest focuses its ownership on industrial companies, which operate in the building, water and bio-based materials value chains. We develop our companies through active board work and close cooperation with the management and other owners. Our aim is to create long-term sustainable value, which we measure by the development of our net asset value.

Values

OWNERSHIP

Ownership cannot be claimed without an open and honest approach, respect for work and fair play. Responsibilities of ownership are greater than its privileges.

ENDURANCE

By endurance we state that there is continuity and competence in our work and we are driven by sustainable value creation

COMMITMENT

By commitment we express our long-term commitment to our companies and stakeholders; and to our family

VITALITY

By vitality we demonstrate our aim to develop the business by seeking regeneration and innovative ownership ideas

Taking the long view, with sustainable values

Good ownership is a value and way of life understood by Oras Invest. It requires an honest, open and responsible approach, respect for work, and fair play. As an active industrial owner, we look beyond economic fluctuations.

Vitality, commitment and endurance form the basis for Oras Invest's continuous, long-term value creation. We ensure that the companies we own are proactive and able to renew themselves. Our commitment to their long-term development is tangible. We put our competence and experience at our companies' disposal.

We take responsibility for ensuring that our companies have solid ownership structures, as well as great boards of directors and CEOs. These are the basic prerequisites for solid value creation and constant improvement. A company will only be able to fulfil its social responsibility if it operates profitably on a solid base and creates value.

STRATEGY

Industrial owner's strategy

Our family business background has had a strong influence on defining the nature and objectives of Oras Invest as an industrial owner. Oras Invest's strategy is guided by sustainable value creation throughout economic fluctuations, and when necessary, bold moves and preparations for challenging times. Committed ownership, long-term development and value creation are permanent factors of our strategy. We work in close cooperation with other significant owners, boards, management, and other stakeholders.

The perspective and operating model of a long-term owner differs from the actions of a financial investor, although the basic objective of value creation is important for both. We are committed to the companies we own and support them through thick and thin with a long-term view. We look beyond economic cycles and to us, active industrial ownership means contributing to the long-term development of the companies we own.

Oras Invest aims to be in a decision-making position. In listed companies, our goal is to be the largest owner, while in the case of unlisted companies we aim for majority ownership. We direct our earned dividends toward growing our net asset value and strengthening our balance sheet to be able to support the growth of our current companies according to their strategies and to invest in new industrial ownerships.

As an industrial owner, Oras Invest participates in the development of its companies by:

- Being active on the boards of directors and nomination boards of the companies we own and exerting influence during general meetings of shareholders
- Assessing the development opportunities, strategies and value creation potential of our companies
- Working in close and constructive cooperation with the management of our companies and having a continuous dialogue with the other significant owners of our companies and the closest stakeholders
- Evaluating the management competences of our companies and having a significant role in their remuneration policies through our board positions
- Promoting our companies to become leaders in all aspects of sustainability in their own industries and to continuously improve their sustainability performance
- Participating in ensuring that the capital structures of our companies remain healthy, giving them strength for development and renewal, and for building a sustainable future



STRATEGY

Basic business principles and continuous renewal



Foundation

We believe that a solid foundation creates the basis for successful business.



Profitability

We strive towards long-term value creation and regard profitability as a prerequisite for seeking growth.



Sustainable growth

We expect our companies to create value in a sustainable manner.



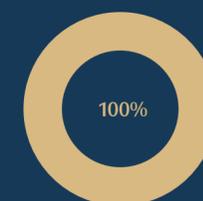
Business competence

Continuous renewal and an increasing level of competence are the drivers of a healthy business model.

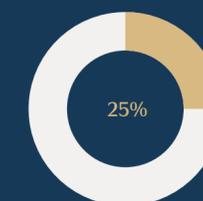
Portfolio companies

The performance of our companies

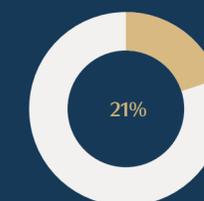
Oras Group	15
Uponor	17
Kemira	19



ORAS GROUP
Since 1945



UPONOR
Since 1999



KEMIRA
Since 2007



Oras Group – Working towards the perfect flow in everything we do

Oras Group is a significant European provider of sanitary fittings: the market leader in the Nordics and a leading company in Continental Europe.

Board of Directors:

Chairman Markus Lengauer, Vice Chairman Annika Paasikivi, Maciej Gwozdz, Petri Kokko, Markus Melkko, Eerik Paasikivi and Pirjo Väliäho

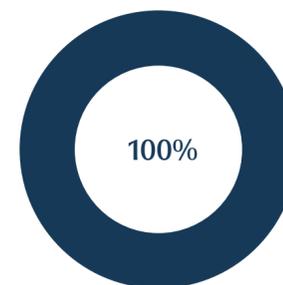
Nomination Board:

Chairman Annika Paasikivi and Markus Lengauer (Chairman of the Board)

President & CEO:

Kari Lehtinen

Oras Invest ownership:



ORAS GROUP KEY FIGURES 2021

Net sales

EUR 233 million

Comparable operating profit

EUR 33 million

Average number of personnel

1,266

Oras Invest ownership

100 %

Net sales and profitability, 2012-2021





PORTFOLIO COMPANIES: ORAS GROUP

Oras Group review of 2021

In 2021, the overall activity remained positive in Oras Group's primary markets. The restrictions related to the COVID-19 pandemic caused challenges in the availability of raw materials and components as well as in supply security. However, the demand for the products stayed at a good level.

Oras Group's net sales were EUR 233.5 million (226.1), representing growth of 3.3%. Net sales increased particularly in the Nordic countries and in certain Central European countries, but decreased in several Eastern European countries mainly due to constraints caused by the COVID-19 pandemic. Net sales growth was somewhat limited by the availability of components.

Comparable operating profit was EUR 33.1 million (31.1), 14.2% (13.8%) of net sales. The improvement in profitability was driven by higher net sales.

Sustainability issues are increasingly involved in Oras Group's operations. In 2021, the company defined

its carbon footprint and, in accordance with the development programme based on it, will reduce the greenhouse gas emissions from operations and move towards carbon neutrality in its own production processes. In addition, studies on the environmental impact of the products are underway and the first sustainability report will be published in 2022.

The number of building permits for residential construction and thus start-ups has decreased somewhat in Oras Group's key markets. On the other hand, renovation activity is likely to remain at a good level due to good order backlog and postponed renovations of housing companies. Demand in 2022 is expected to remain at least at 2021 levels.

 orasgroup

www.orasgroup.com



Uponor – Water solutions for the future

Uponor is a provider of safe drinking water delivery systems, energy efficient radiant heating and cooling and reliable infrastructure solutions which enable a more sustainable living environment.

Board of Directors:

Chair Annika Paasikivi, Deputy Chair Markus Lengauer, Pia Aaltonen-Forsell, Johan Falk, Casimir Lindholm and Michael G. Marchi

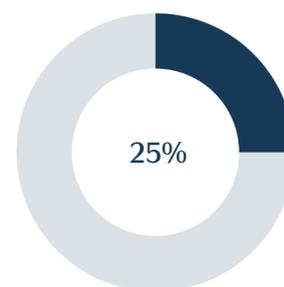
Nomination Board:

Chairman Ville Kivelä (Oras Invest), Henrika Vikman (Nordea Funds Oy), Reima Rytsölä (Varma Mutual Pension Insurance Company) and expert member Annika Paasikivi (Chair of the Board)

President & CEO:

Jyri Luomakoski (until 20.8.2021), Michael Rauterkus (since 21.8.2021)

Oras Invest ownership:



UPONOR KEY FIGURES 2021

Net sales

EUR 1,313 million

Comparable operating profit

EUR 161 million

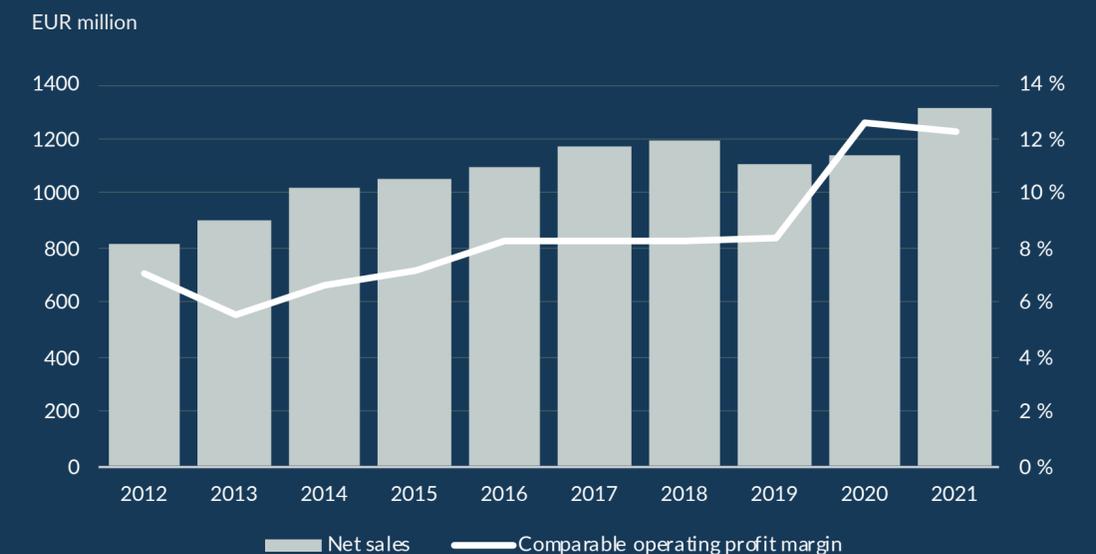
Average number of personnel

3,871

Oras Invest ownership

25 %

Net sales and profitability, 2012-2021





PORTFOLIO COMPANIES: UPONOR

Uponor review of 2021

In 2021, Uponor's net sales were EUR 1,313 million (1,136), a growth of 15.6%. Comparable operating profit was EUR 160.5 million (142.7), 12.2% (12.6%) of net sales. The company achieved a record year in both net sales and operating profit.

Building Solutions – Europe's net sales grew by 13.0% and the profitability improved significantly, with comparable operating profit growing by 30.6%. The division's strong performance was driven by volume growth in all key markets combined with price increases and savings generated in the operational excellence programme. In October, Uponor completed the acquisition of the Polish company Capricorn S.A.

Buildings Solutions – North America's net sales grew by 20.2% and comparable operating profit improved by 13.5%. The division posted a record-breaking USD 100m in full-year operating profit. Demand remained at a good level in the residential segment, and the commercial segment recovered faster than expected from the COVID-19 shock.

Uponor Infra's net sales grew by 13.8%, but the comparable operating profit declined by 14.1%. The

profitability was impacted by higher raw material prices, which could not be fully compensated. The sales volumes and sales mix improved. Moreover, operational improvements in Finland continued.

Uponor took important steps forward in its sustainability agenda. In April 2021, the company received approval from the Science-Based Targets initiative for its new greenhouse gas emission reduction targets.

In February 2021, Uponor announced a forthcoming change of CEO and Michael Rauterkus began as the new CEO in August.

Uponor is starting the year 2022 with stable demand and actions in place to address a very volatile environment. Excluding the impacts of currencies, Uponor expects its net sales and comparable operating profit to increase from 2021.

uponor

www.uponorgroup.com



Kemira – Improving the everyday with chemistry

Kemira is a global leader in sustainable chemical solutions for water-intensive industries.

Board of Directors:

Chairman Jari Paasikivi, Vice Chairman Matti Kähkönen, Wolfgang Büchele, Shirley Cunningham, Werner Fuhrmann, Timo Lappalainen and Kristian Pullola

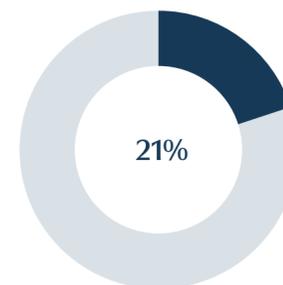
Nomination Board:

Chairman Ville Kivelä (Oras Invest), Pauli Anttila (Solidium Oy), Reima Rytsölä (Varma Mutual Pension Insurance Company), Annika Ekman (Ilmarinen Mutual Pension Insurance Company) and expert member Jari Paasikivi (Chairman of the Board)

President & CEO:

Jari Rosendal

Oras Invest ownership:



KEMIRA KEY FIGURES 2021

Net sales

EUR 2,674 million

Comparable operating profit

EUR 225 million

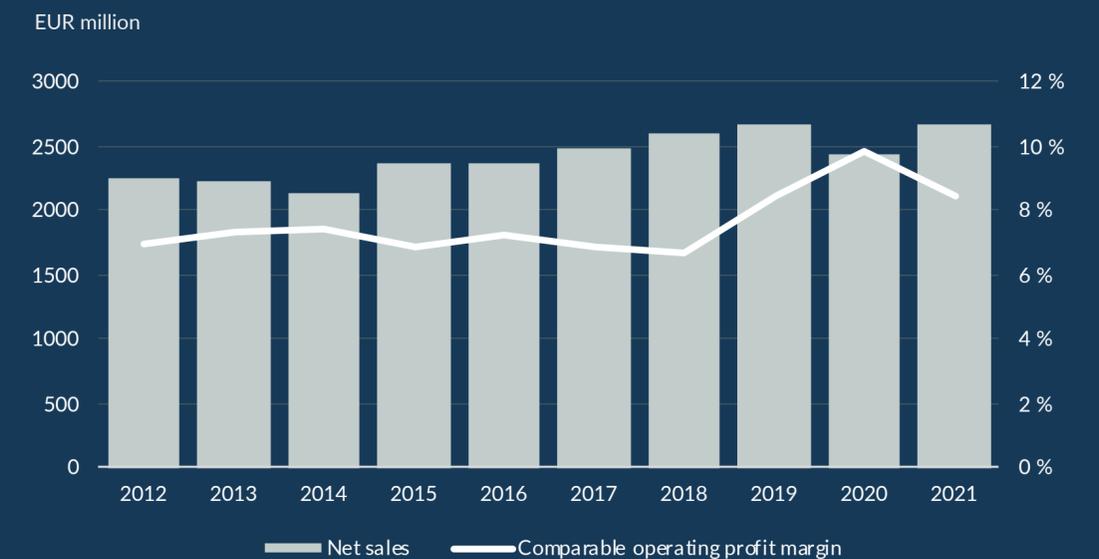
Average number of personnel

4,947

Oras Invest ownership

21%

Net sales and profitability, 2012-2021





PORTFOLIO COMPANIES: KEMIRA

Kemira review of 2021

Kemira's 2021 net sales were EUR 2,674 million (2,427), a growth of 10%. This was a record revenue for Kemira, driven by strong organic growth in both segments. Operative EBITDA was EUR 426 million (435), 15.9% (17.9%) of net sales. Kemira's profitability was impacted by significantly higher raw material, energy, and transportation costs as well as supply chain bottlenecks. The margin was within Kemira's financial target range of 15-18%.

Pulp and Paper's net sales increased by 7%. Kemira saw strong demand across customer segments and in all regions. The operative EBITDA margin was 15.7% and it was impacted by inflationary pressures.

Industry and Water's net sales grew by 15%. The water treatment business continued to perform strongly driven by growing customer demand. The company also saw significant revenue growth in the Oil & Gas business driven by the strong rebound in shale and oil sand tailing demand. The operative EBITDA margin was 16.2% following inflationary pressures.

During 2021, the company completed capacity expansions in the U.S., South Korea and the UK. In addition, Kemira's biobased strategy progressed during the year with first biodegradable coatings sales for the paper and board industry taking place in 2021.

In 2022, market demand is expected to remain strong. Kemira expects strong inflationary pressures to continue in 2022, particularly during the first half of the year. The company expects net sales in local currencies, excluding acquisitions and divestments, to increase from 2021. In terms of profitability, Kemira expects operative EBITDA to be within a +/-5% range of the operative EBITDA in 2021.

kemira

www.kemira.com

Sustainability

Creating long-term value to the society

The aggregate contributions of our companies	22
Sustainability guidelines for Oras Invest companies	24
Sustainability performance	25
Key sustainability developments	
Environment	26
People	27
Governance	28

The aggregate contributions of our companies in 2021

Oras Invest companies contribute to society on various levels, and once again distributed a significant share of added value to several stakeholders.

In 2021, the combined net sales of our companies were EUR 4.2 billion.

The payments to suppliers totalled EUR 3.2 billion. The number of employees was an average of 10,084 and the contribution to them EUR 616 million.

Corporate income taxes and social costs paid by our companies were in total EUR 162 million. The amount paid to financiers was EUR 26 million.

Our companies had, in total, 68,556 shareholders at the end of 2021. The combined dividend amounts to EUR 149 million.

Net sales from customers
EUR **4.2** billion

The aggregate net sales of our companies were 4.2 billion, and they employed 10,084 people in 40 countries



Dividends

EUR **149** million
to 68,556 shareholders





Sustainable value creation – influencing through active ownership

In recent years, we have prioritized our sustainability work. We have built a framework that describes our sustainability approach and set sustainability guidelines for our companies to clearly communicate what we expect from them. We are committed to continuously developing our sustainability approach and encourage and support our companies to do the same.

As a long-term owner, the focus of Oras Invest's sustainability work is on being an influential owner through the channels available for a significant owner.

We contribute by:

- Promoting our companies to become the leaders in all aspects of sustainability in their own industries
- Proactively bringing sustainability topics onto the governance and management agendas
- Actively monitoring the progress of our companies, focusing on topics relevant to the shareholders
- Ensuring that sustainability is an integral part of our new investment decisions

We constantly follow the development of our companies and review their performance annually in a systematic and detailed manner. In addition to the annual review, we discuss sustainability in various meetings with the boards, management teams and other significant owners. Sustainability is not something we only review once a year, but something we have already and will further continue integrating in all our communications and actions with our companies.

Sustainability guidelines for Oras Invest companies

We expect our companies to become the leaders in all aspects of sustainability in their own industries.

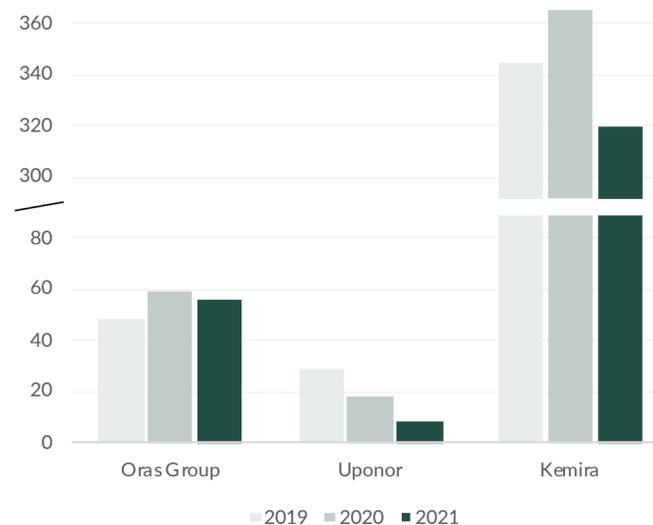
- Comply with laws and regulations and follow good corporate governance practices and high ethical standards.
- Have zero tolerance for human rights abuse and discrimination. Actively promote diversity and inclusion and ensure health & safety of personnel.
- Continuously reduce environmental footprint and set science-based targets, when reasonable, considering company-specific factors. Constantly analyse the risks and opportunities related to climate change, including its financial impacts.
- Have clearly allocated responsibilities of sustainability management, key focus areas defined, targets set and relevant processes and policies in place.
- Report adequately and transparently on sustainability reflecting regulations and global standards. Companies are expected to prepare a sustainability report audited by external auditors and based on an internationally recognized framework or standard when reasonable.
- Integrate sustainability into management incentive plans.



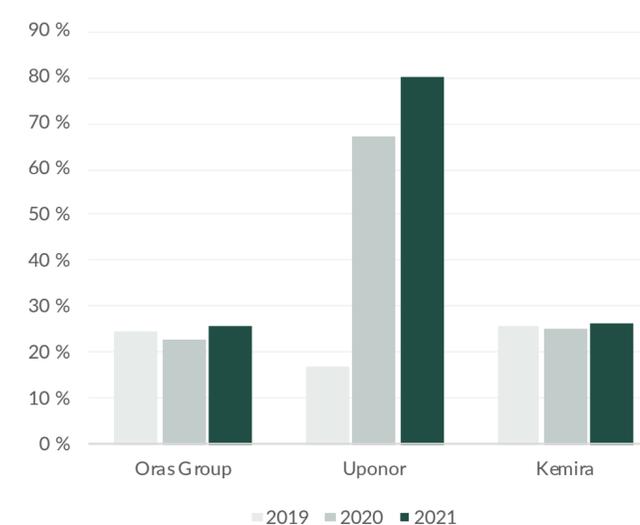
Sustainability performance 2019-2021

ENVIRONMENT

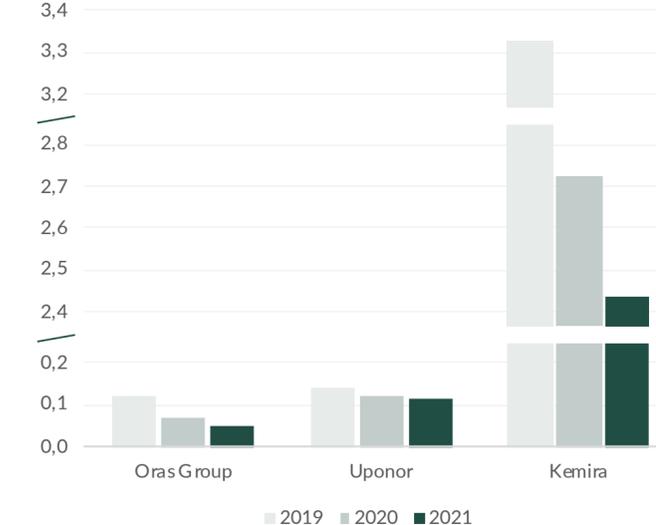
GHG emission intensity (scope 1 + 2, tn CO2e / EUR million)



Share of renewable energy (%)

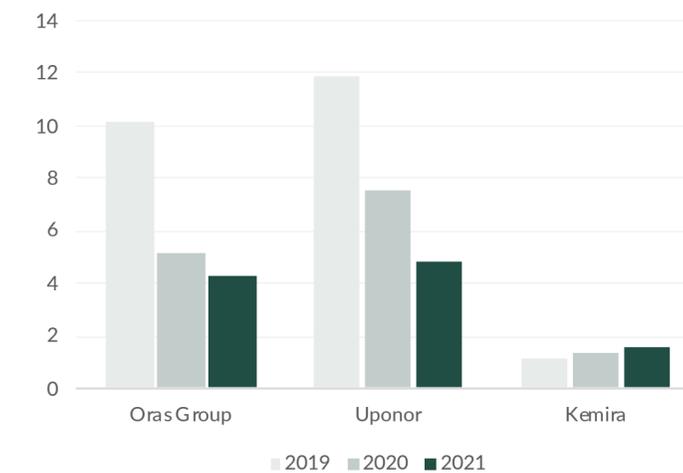


Water consumption (MI / net sales EURm)

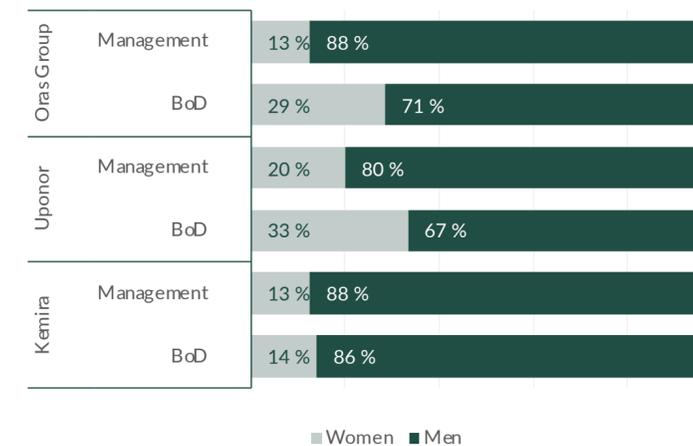


SOCIAL

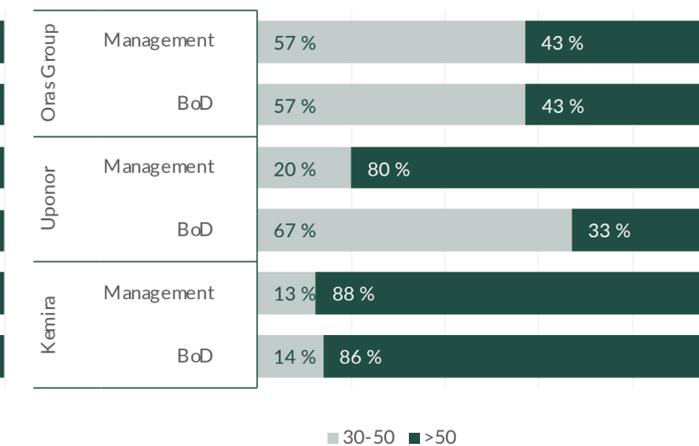
Lost Time Incidents (LTIF)



Diversity - Gender



Diversity - Age



KEY SUSTAINABILITY DEVELOPMENTS IN 2021

Environment

In 2021, we were glad to see our companies making progress on their environmental agendas. In April, Uponor received approval from the Science Based Targets initiative for its new GHG emission reduction targets. We will continue working towards SBT with Oras Group and Kemira. Oras Group defined its carbon footprint in 2021 and will move towards carbon neutrality in its own production. By 2030, Kemira aims to reduce combined Scope 1 and 2 GHG emissions by 30% compared to 2018 and its ambition is to be carbon-neutral by 2045.

We strongly encourage our companies to seize the opportunities they have and innovate, aiming for products and solutions that can contribute to solving some of the global environmental challenges. In 2021, Uponor took a significant step forward in the use of renewable raw materials with the launch of its first product utilizing renewable materials and further products will launch in 2022. These products have a significantly lower carbon footprint – they will help Uponor’s customers achieve their GHG emission reduction targets.

CASE FROM 2021

Kemira KemConnect PT – Enhanced primary wastewater treatment

The local municipal wastewater treatment plant of the city of Joensuu was designed to process loads of 76,000 PE a day, but the actual load is closer to 86,000 PE due to surrounding towns and industry. This level of load variability has made it difficult for the plant to keep a good balance in the biological treatment step and to control oxygen demand. It has also caused issues with runaway sludge.

Kemira realized right away that a digital solution with predictive analytics would be a big win for the plant. KemConnect PT was suggested, a smart platform that can reliably predict load variation to stabilize wastewater treatment in the primary stage.

After implementing KemConnect PT, there were fewer total suspended solids

(TSS) and less biological oxygen demand (BOD). Importantly, the plant’s sludge issues were resolved, allowing them to reliably deliver clean water. They were also able to improve nitrogen removal via the increased aeration capacity.

The Joensuu plant made significant energy efficiency improvements as aeration energy capacity increased by 10-20% and generated 10% more biogas from waste after implementing KemConnect PT. They were also able to optimize their use of wastewater treatment chemistry.

KEY SUSTAINABILITY DEVELOPMENTS IN 2021

People

Ensuring the health and safety of the personnel of our companies is of the utmost importance to us. The accident frequency rate in Uponor and Oras Group has declined but is still at a high level. Both companies are actively working towards zero accidents. Kemira's accident frequency rate increased in 2021. The company continues its systematic work to drive behavioural and safety awareness in its operations.

Diversity is an important topic for us, and we take a prudent approach to ensure equal treatment of people in all our companies. Oras Invest and its companies need to further work on increasing diversity, and we acknowledge that there are areas that do not yet fully comply with our diversity principles. We are committed to putting our influence on improving diversity in the management of our companies.

CASE FROM 2021

Uponor – Fostering diversity, equity and inclusion in business

Uponor is firmly convinced that a diverse company is an innovative workplace – which enables it to create the best solutions and be even more successful overall. Consequently, Uponor is committed to fostering a welcoming and inclusive work environment where all employees feel respected and valued, a place where they have a sense of belonging. In 2021, Uponor took important steps both globally and locally to support its efforts to build a diverse company culture. The company is currently renewing its diversity statement and planning internal training around the topic.

In addition, Uponor North America has assembled a cross-functional team of employees to further develop the company's approach to this issue in North America. Uponor wants to engage and empower its employees to lead the way,

promote transparency to the greatest extent feasible, and demonstrate commitment and accountability at the leadership level. In Germany, Uponor committed to the German diversity charter in June 2021 to take a public stand for diversity and tolerance in the workplace. With this signature, Uponor shows its commitment to a diverse and appreciative work environment where all employees treat each other with respect and live by the values of the charter.

KEY SUSTAINABILITY DEVELOPMENTS IN 2021

Governance

It is gratifying to see that all our companies actively invest in further developing their sustainability approach. Some of them are more advanced than others, but all keep taking considerable leaps. ESG responsibilities are clearly allocated across the board with defined key focus areas and policies are in place. Most processes are in place, but those related to supply chain management are the ones that require the most work. We expect to see a constantly rising level of ambition towards the setting of sustainability targets.

We strongly believe in open and honest communication. As an owner, we expect our companies to report on their sustainability performance. We are pleased to see Uponor and Oras Group making major progress in their sustainability reporting. Uponor published its first-ever sustainability report following the GRI framework for the year 2021. Oras Group, as a smaller, unlisted company, will publish its first sustainability report in 2022. Kemira follows the GRI reporting standard and sets a good benchmark for sustainability reporting.

CASE FROM 2021

Major progress on Oras Group's sustainability agenda

Sustainability has always been at the core of what Oras Group does. Ever since the group companies Hansa (1911) and Oras (1945) were founded, the company has pioneered in the safety, hygiene, comfort, and energy efficiency of using water. Oras Group has made the installation of its products as convenient as possible. The company has embraced the use of data to best understand how to consume water in a sustainable way, in real time. In essence, Oras Group has gained the knowledge to create – and constantly improve – the smartest ways to use and enjoy water.

As a company, Oras Group aims to be the forerunner in providing smart solutions to its customers and at the same time does its part in solving the global challenges related to water and energy saving. In 2021, Oras Group launched a project to determine the environmental

impact of its own operations. As a result, it has set the target to be carbon neutral by the end of 2023.

In order to get a comprehensive understanding of the maturity of its sustainability actions, Oras Group took part in EcoVadis evaluation. As a result, it was awarded a bronze medal and received feedback on improvement opportunities. This work continues in 2022.

At the moment, Oras Group is preparing its first sustainability report, to be published during spring 2022. The company's sustainability journey is off to a good start, and it is devoted and eager to continue.



Summary of financial statements

Parent company income statement FAS	30
Parent company balance sheet FAS	31
Parent company cash flow statement FAS	32

Parent company income statement FAS

INCOME STATEMENT (EUR 1,000)	1.1. - 31.12.2021	1.1. - 31.12.2020
Net sales	250	250
Other operating income	20	20
Personnel expenses	1,038	1,462
Depreciation	58	79
Other operating expenses	2,351	1,491
Operating profit	-3,177	-2,761
Financial income and expenses	199,397	30,970
Profit before appropriations and taxes	196,220	28,208
Appropriations	0	3,000
Income taxes	-2,745	-10
Profit for the financial period	193,475	31,199



Oras Invest Ltd's full Financial Report 2021 is available in PDF-format on the company website orasinvest.fi

Parent company balance sheet FAS

ASSETS (EUR 1,000)	31.12.2021	31.12.2020
Non-current assets		
Tangible assets	838	863
Investments in Group companies	21,942	21,942
Other investments	545,854	673,976
Other non-current receivables	23	23
	568,658	696,804
Current assets		
Current receivables	9,704	3,597
Other financial assets	256,811	2,244
Cash and cash equivalents	40,782	16,429
	307,297	22,269
Total assets	875,955	719,073

SHAREHOLDERS' EQUITY AND LIABILITIES (EUR 1,000)	31.12.2021	31.12.2020
Shareholders' equity		
Share capital	6,521	6,521
Fair value reserve	9,177	0
Retained earnings	662,928	635,229
Profit for the year	193,475	31,199
	872,102	672,948
Liabilities		
Non-current liabilities	0	0
Current liabilities	3,853	46,125
	3,853	46,125
Total equity and liabilities	875,955	719,073

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Parent company cash flow statement FAS

CASH FLOW FROM OPERATIONS (EUR 1,000)	1.1.-31.12.2021	1.1.-31.12.2020
Profit before appropriations and taxes	196,220	28,208
Adjustments		
Depreciation and impairment	58	79
Financial income and expense	-199,397	-30,970
Cash flow from operations before change in working capital	-3,119	-2,683
Change in trade and other non-interest bearing receivables (-/+)	61	-36
Change in trade and other non-interest bearing liabilities (+/-)	109	587
Cash flow from operations before financial items and taxes	-2,949	-2,132
Interests paid and other financial items	-513	-617
Interests received	341	307
Dividends received	32,896	31,273
Income taxes paid	-16	-4
Cash flow from operations	29,759	28,827

CASH FLOW FROM INVESTMENTS (EUR 1,000)	1.1.-31.12.2021	1.1.-31.12.2020
Investments in intangible and tangible assets	-33	-8
Investment in associate	-9,828	-12,876
Proceeds from sale of an associate	300,154	0
Other financial assets	-250,200	0
Cash flow from investments	40,093	-12,884

CASH FLOW FROM FINANCING (EUR 1,000)	1.1.-31.12.2021	1.1.-31.12.2020
Repayment of current loans	-45,000	0
Group contribution	3,000	1,870
Dividends paid	-3,499	-2,999
Cash flow from financing	-45,499	-1,129
Net change in cash and cash equivalents	24,353	14,814
Cash and cash equivalents at 1 January	16,429	1,615
Cash and cash equivalents at 31 December	40,782	16,429

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Corporate Governance

Corporate Governance	34
Board of Directors	36
Team	37

Corporate Governance

Oras Invest Ltd (the Company) is a private limited company registered in Finland. The company follows good corporate governance practices based on the Finnish Companies Act and the company's Articles of association. The Company is the parent company of Oras Invest Group. In such capacity, it is responsible for the development of the management of the Group, prepares the Group's financial reporting and supports the Group in financial, legal and management issues. The Group consists of a number of independent subgroups and separate companies. Decisions regarding their operations are taken by each company's own decision-making bodies. Oras Invest exercises its ownership through representatives elected by its Board of Directors in the decision making bodies of its subsidiaries, associated companies and other investments.

General Meeting of Shareholders

The highest decision-making authority in the Company is exercised by the shareholders at the General Meeting of shareholders. According to the Finnish Companies Act and the Articles of Association, the General Meeting of shareholders decides on the following issues:

- Amendments to the Articles of Association
- Adoption of the annual accounts
- Dividend distribution
- Appointment and compensation of the Owner's Board members
- Appointment and compensation of the Board of Directors
- Appointment of the Company's auditor and decision on audit fees



The General Meeting also elects the Chairman of the Board of Directors and the Vice Chairman of the Board of Directors.

Owners Board

The Owners Board prepares all matters that are brought to be decided by the General Meeting and decides on all such owner matters which are not brought to the General Meeting. The Owners Board is responsible for the ownership steering of the Company and determines the long-term will and vision of the owners. The Owners Board works in close cooperation with the Company's Board of Directors.

The Owners Board consists of four (4) to seven (7) members, who elect a chairperson among themselves. Members of the Owners Board are appointed annually at the General Meeting.

The Owners Board works according to a charter, which describes the role and functions of the Owners Board in detail. The Owners Board decides on the proposal for the appointment of members to the Company's Board of Directors, which is brought to the Annual General Meeting.

Nomination Committee

The task of the Nomination Committee is to find the best possible members to the Board of Directors of the Company and to prepare the proposal regarding their remuneration.

The Owners Board elects a chairman for the Nomination Committee among its members; in addition to which the chairman of the Board of Directors will act as adviser to the Nomination Committee.

The Nomination Committee submits its proposal to the Owners Board, and the Owners Board decides on the proposal for appointment of members to the Board of Directors, to be brought to the Annual General Meeting. The Nomination Committee submits its proposal regarding matters related to remuneration to the Annual General Meeting.

Board of Directors

In accordance with the Finnish Companies Act, the Board of Directors is responsible for the governing of the Company and the appropriate organisation of its operations. The Board's main duty is to direct the company's strategy so as to advance the benefit of all shareholders in the long term, while taking into account the expectations of various stakeholders. The Board further monitors and supervises the executive management of the Company, and appoints and dismisses the Chief Executive Officer. The Board also oversees that the Company acts in accordance with its values. Pursuant to the Articles of Association, the Board of Directors of the Company comprises a minimum of three (3) and a maximum of seven (7) members, appointed for a term starting at the close of the General Meeting at which they were appointed, and expiring at the close of the following Annual

General Meeting. Members of the Board of Directors can also be appointed mid-term, at Extraordinary General Meetings.

The Board of Directors shall comprise of competent members with diverse expertise from various fields. At least two (2) independent members and at least one (1) owner must be appointed as members of the Board.

The Board evaluates its work on an annual basis and reports on this to the Nomination Committee.

Chief Executive Officer

The Chief Executive Officer (CEO) is appointed by the Board of Directors. The CEO plans and manages the Company's operations and is responsible for its executive management in accordance with the instructions and orders given by the Board of Directors. It is the CEO's duty to ensure that the Company's accounts are in compliance with the law and its financial affairs have been arranged in a reliable manner.

Compensation

The Nomination Committee proposes the remuneration of members of the Board of Directors. The General Meeting of shareholders shall annually decide on the remuneration of members of the Board of Directors and the Owners Board. The Board of Directors decides on the CEO's salary and benefits

and confirms the salaries and benefits of the executive committee members.

Supervision

Pursuant to the Articles of Association registered on August 3, 2017, the Company has one auditor and a deputy auditor. In case an Authorised Public Accountants Community is elected as an auditor, a deputy auditor shall not be elected. The Board of Directors proposes auditors for election to the General Meeting which appoints them annually. The auditors provide the Company's shareholders with the statutory auditor's report. Auditors' duties are regulated by statutory law and other sources.

Together with the Chief Executive Officer, the Board of Directors of the Company is responsible for arranging appropriate internal supervision.

Board of Directors



Jari Paasikivi
The Chairman of the Board



Timo Ihamuotila



Ulf Mattsson



Kaj Paasikivi



Christoph Vitzthum

Michael Rauterkus
(Until 31.7.2021)

Team



Annika Paasikivi
President & CEO



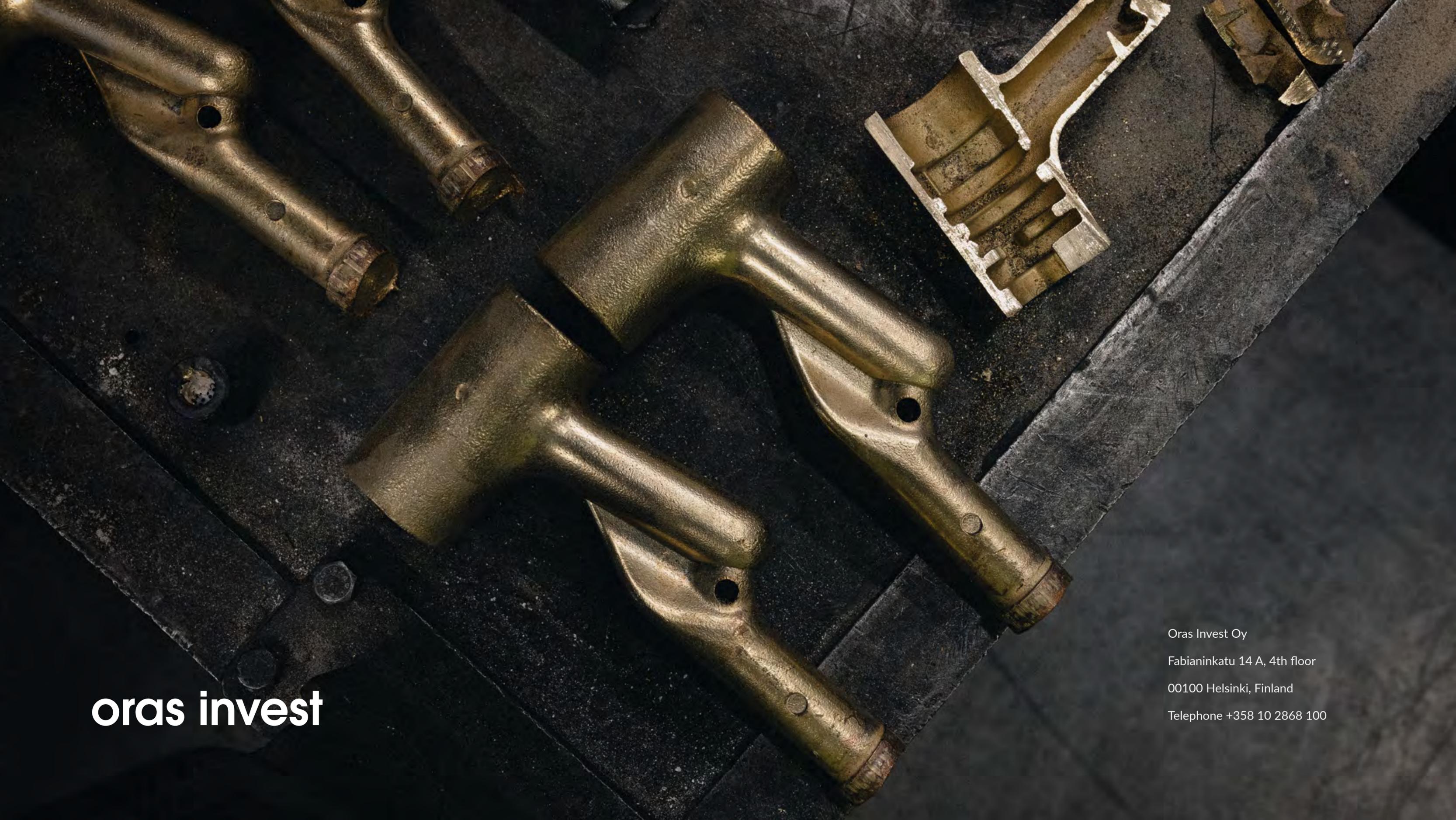
Ville Kivelä
Chief Investment Officer



Heli Leskinen
Chief Financial Officer



Anniina Myllyperkiö
Executive Assistant



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