SUSTAINABILITY REPORT 2025

VALMET AUTOMOTIVE

TABLE OF CONTENTS

GENERAL DISCLOSURES

ABOUT THIS REPORT 5

LETTER FROM THE CEO 7

KEY EVENTS 2025 8

ABOUT US 10

SUSTAINABILITY STRATEGY 13

SUSTAINABILITY GOVERNANCE 15

OPERATING ENVIRONMENT 19

POLICIES, ETHICAL GUIDELINES AND CULTURE 20

INTERESTS AND VIEW OF STAKEHOLDERS 22

MATERIALITY 26

ENVIRONMENTAL

CLIMATE CHANGE 30

CIRCULAR ECONOMY, RESOURCE USE AND WASTE 38

SOCIAL

OWN WORKFORCE 46

WORKERS IN THE VALUE CHAIN 56

BUSINESS CONDUCT

RESPONSIBLE BUSINESS CONDUCT . . 59

GENERAL DISCLOSURES

ABOUT THIS REPORT

[BP-1] [BP-2] [SBM-1]

This year's report reflects our strategic direction to expand manufacturing solutions beyond the automotive industry into the defense and high-tech industrial sectors. We continue to advance our long-term commitment to health and safety, emission reduction and circular economy to drive lasting value for us and our stakeholders.

GROUP STRUCTURE AND OWNERSHIP CHANGES

During the reporting year, Valmet Automotive Group's ownership structure changed, with the Finnish State holding 79% and Pontos Group 21% of the Company. As part of the transition, Valmet Automotive Group divested its IONCOR battery systems business, which became a subsidiary of the Finnish Minerals Group. This change enables Valmet Automotive Group and IONCOR to pursue their respective strategic directions independently.

As a result, this report reflects the new ownership and group structure and covers the Group's two business areas Valmet Automotive ("VA") and Roof & Kinematic Systems ("RKS"). VA consists of contract manufacturing and industrial solutions in Finland while RKS focuses on roof and kinematic systems and operates in Poland and Germany. Throughout this report, references to the Group and Company refer to Valmet Automotive Group as a whole, including both VA and RKS. Where clarity is required, information is presented separately for VA and RKS. The divested IONCOR battery systems business is not included in the data, metrics or narrative presented in this report.

REPORTING STANDARDS

Valmet Automotive Group is not subject to any mandatory sustainability reporting, and this voluntary sustainability report has been prepared to give a basic understanding of the Group's material sustainability topics and is directed to key stakeholder groups including customers, suppliers, shareholders, and financial institutions. While this report serves multiple stakeholder groups, information needs of all recognized stakeholders may not be fully covered.

This report is prepared based on the European Sustainability Reporting Standards (ESRS)* under the EU Corporate Sustainability Reporting Directive (CSRD). We have applied the ESRS standards assessed as most relevant to our operations. Accordingly, the report does not constitute a complete Sustainability Statement as defined by the CSRD and the Finnish Accounting Act.

The report has not been externally assured, except for Scope 1 and Scope 2 emissions, which have been subject to limited third-party assurance.

CONSOLIDATION AND SCOPE

This consolidated sustainability report covers the Valmet Automotive Group continuing activities as of December 31, 2025. The divested IONCOR battery business has been excluded from the reporting, including comparative information. The reporting period and scope are consistent with the Group Financial Statements (January 1–December 31, 2025).

The reported environmental, social, and governance topics are based on our ESRS-aligned 2025 double materiality assessment, which identifies and evaluates the most significant impacts, risks and opportunities within our operations and across our upstream and downstream value chain.

SOURCES OF ESTIMATES

In preparing this sustainability report, we apply judgment and estimates where direct data is not available. Reasonable and supportable assumptions are used, based on indirect sources such as sector

*EFRAG November 2025 draft

averages, supplier information and other appropriate proxies, particularly for value chain assessments and selected Scope 3 greenhouse gas emission categories where measurement uncertainty is higher. The methods applied are subject to limitations related to data availability and comparability and are reviewed and refined regularly. More detailed information on methodologies, key assumptions and uncertainties is disclosed alongside the relevant information in the sustainability report.

PHASING-IN DISCLOSURES

[BP-2]

In preparing this sustainability report, we have applied certain ESRS phasing-in provisions. As a result, selected quantitative information, including financial effects, resource-use metrics (E5) and value chain worker data, is not yet fully disclosed. The annexed index provides an overview of the relevant disclosure requirements and indicates the extent of coverage.

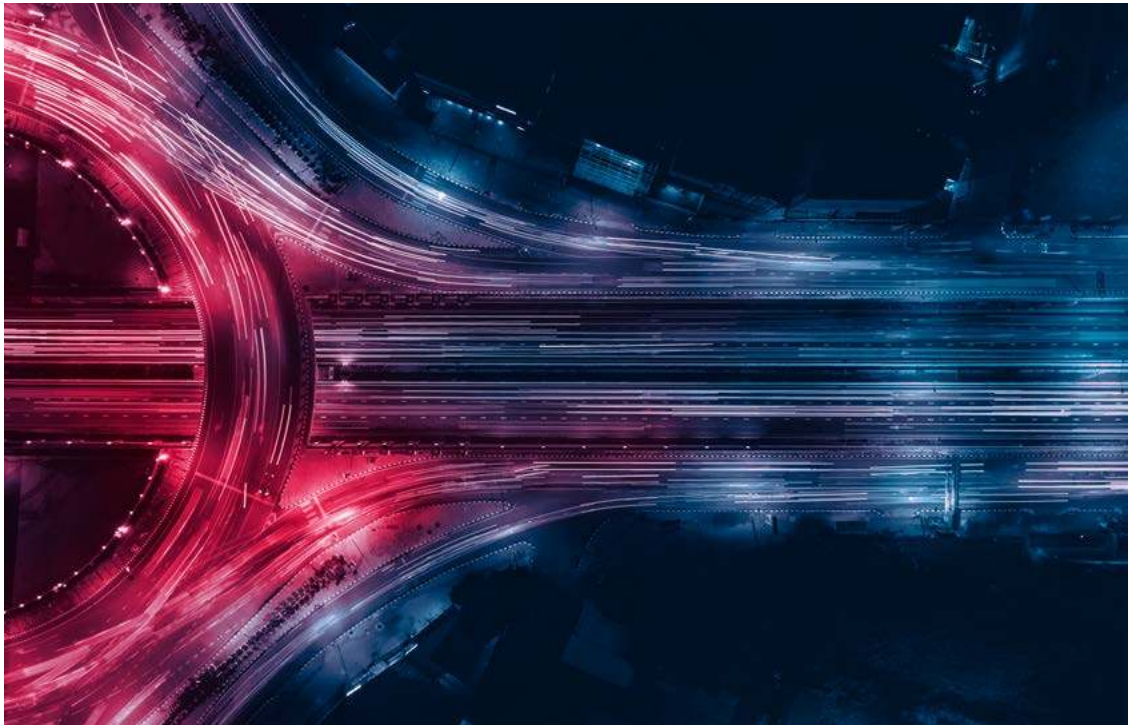
The related impacts, risks and opportunities have nevertheless been assessed as part of our double materiality assessment and, where identified as material, are reflected qualitatively in this report. These topics are incorporated into our business model and strategy through relevant policies, actions and management processes, including supplier requirements and ongoing process development.

Where applicable, targets and metrics for these topics are under review or in development. We are progressively strengthening data availability, methodologies and internal controls, with the aim of expanding disclosures in future reporting periods in line with ESRS requirements.

RISK MANAGEMENT AND INTERNAL CONTROLS FOR SUSTAINABILITY REPORTING

[GOV-4]

Risk management and internal controls over sustainability reporting are designed to ensure that information is comparable, accurate and understandable. Sustainability reporting is centrally managed by Group Finance and Sustainability, with oversight by the Audit Committee and the Sustainability Steering Group. A sustainability reporting control framework is being developed and implemented to identify, assess and mitigate reporting-related risks. Key risks, including data accuracy, estimation uncertainty, compliance with evolving standards and reporting timeliness, are addressed through defined reporting processes, data validation checks, cross-functional expertise and external reviews.



CEO LETTER: RESILIENCE AS A FOUNDATION FOR NEW HORIZONS

The past year marked a turning point in our almost sixty-year history. With the Finnish State and Pontos Group ownership, we have taken a major step in ensuring that industrial expertise and talent remain in Finland. This new ownership structure strengthens our foundation and enables us to expand our business beyond car manufacturing, applying our unique serial production capabilities to new sectors such as defense.

Our strategic direction is clear: to build new pillars for our business while maintaining the same focus on quality, efficiency and responsibility that has guided us since our founding. Our expertise in industrial serial production underpins this growth, supported by our ability to combine tailored industrial design solutions with hands-on contract manufacturing. Alongside passenger car manufacturing, we are expanding into production for other industries, taking concrete first steps through new customer contracts, including the launch of armored vehicle manufacturing in the defense sector in 2026.

At the same time, we have faced significant challenges. Market volatility placed pressure on our operations and led to extensive change negotiations and restructuring. Despite these demanding circumstances, our employees showed resilience, professionalism and adaptability. Together with our people, we have supported transitions through skills mapping, well-being care and career development initiatives. As market conditions begin to stabilize, our focus remains on supporting our people and strengthening our product and service portfolio to ensure long-term competitiveness.

We also continued to strengthen our future capabilities. The expansion of our Żary plant in Poland, adding 8,800 m² of high-tech manufacturing and logistics space, strengthens the ability to meet growing customer demand and deliver next-generation components for the era of electromobility and aerodynamics.

Sustainability and business are inseparable for us. Sustainability defines both our license to operate and our strategic direction. We systematically improve efficiency and reduce environmental impact across our operations, including the reduction of our own CO_2 emissions (-94% in Scope 1 and 2 tCO_2e from our 2022 baselines). Beyond our own footprint, we are a trusted partner to our customers: translating sustainability ambitions into practical, high-quality solutions that support their sustainability targets in climate and circular economy. We are also strengthening our positioning to respond to the needs of the low-carbon transition, from electric vehicles to emerging areas such as hydrogen equipment manufacturing.

As we look ahead, the demand for trusted, high-quality manufacturing partners remains strong. We will continue to build on our tradition of excellence, agility and responsibility, expanding toward new horizons with the confidence that our resilience, expertise and commitment form a strong foundation for the future.

Pasi Rannus
CEO

KEY EVENTS 2025

EXPANDING INTO FUTURE INDUSTRIES

We are strengthening our position as a trusted manufacturing partner across automotive, defense and advanced industrial manufacturing. Building on decades of expertise in industrial serial production, we begin a new chapter in 2026 with the manufacturing of armored vehicles for the defense sector. Through this expansion, we continue to deliver advanced, tailored solutions that combine precision engineering and reliability.

A YEAR OF INNOVATION

In 2025, we continued to strengthen innovation as a driver of continuous improvement and business agility. This included our Sustainable Intelligent Manufacturing development work supported by Business Finland and practical hydrogen initiatives exploring future manufacturing opportunities and lower-emission solutions. The same mindset guided customer-driven development, where we designed and built a manually operated trolley using in-house engineering and a low-Capex approach. Delivered in January and now in daily use at the customer's site, the prototype has validated both its functionality and value. The solution has potential for further development into a scalable product for internal and external applications, demonstrating how we translate targeted customer needs and research into practical, future-ready capabilities.

NAVIGATING CHALLENGES

Market volatility and a low order book have placed significant pressure on the business, leading to change negotiations and restructuring. Despite these demanding circumstances, our employees demonstrated resilience, professionalism and adaptability. As market conditions stabilize, we remain focused on supporting our people and reinforcing our product and service portfolio for long-term competitiveness.

KEY EVENTS 2025

ŻARY PLANT EXPANSION STRENGTHENS HIGH-TECH MANUFACTURING CAPACITY

The new high-tech manufacturing and logistics extension at our RKS Żary, Poland plant was completed, adding 8,800 m² to bring the total area to over 26,000 m². The extension was certified with BREEAM* sustainability criteria for buildings. The facility strengthens our capability to meet growing customer demand and advance next-generation components for the era of electromobility and aerodynamics.

*Building Research Establishment Environmental Assessment Method

AWARD-WINNING HEALTH AND SAFETY

We continued to strengthen a proactive safety culture across our operations, delivering strong safety performance throughout the year. Our collective commitment to workplace safety was recognized by the Vision Zero Forum, coordinated by the Finnish Institute of Occupational Health. In February 2025, the Uusikaupunki plant reached a significant milestone of one full year without any lost-time accidents, demonstrating the tangible impact of our *Safety First* principles in everyday work.

ABOUT US

[SBM-1]

DRIVING TRANSFORMATION

We are a leading European contract manufacturer and system supplier, specializing in advanced serial production for the automotive, defense and high-tech industrial sectors. Founded in Finland in 1968, our business model is grounded in more than five decades of experience in high-volume serial manufacturing and strengthened by continuous investments, operational efficiency and sustainable production.
We operate in Finland, Poland and Germany and serve a global customer base.

ESTABLISHED
1968

CARS PRODUCED
>1.9 MILLION

EMPLOYEES*
1,653

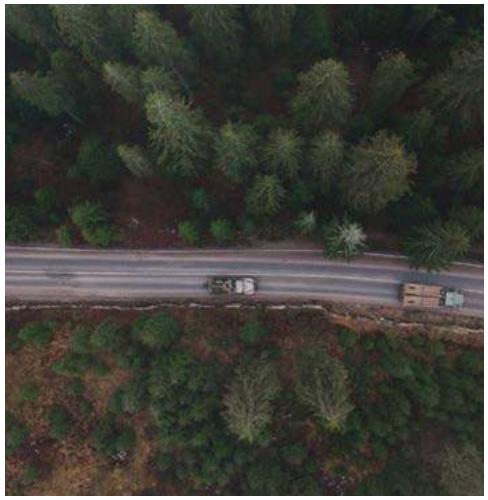
FINLAND 1,235
POLAND 326
GERMANY 92

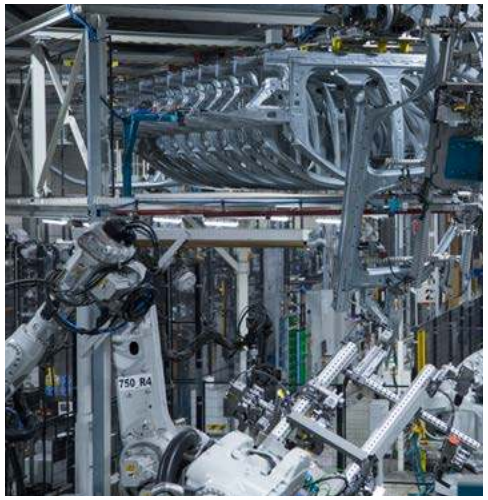
*Active and inactive own employees as of December 31, 2025

ADVANCING INDUSTRIES

VALMET AUTOMOTIVE MANUFACTURING SOLUTIONS

ROOF AND KINEMATIC SYSTEMS





AUTOMOTIVE INDUSTRY

The proven fast lane for the ambitious automotive industry
Over 1.9 million vehicles produced since 1968 in our Uusikaupunki plant for leading global OEMs (original equipment manufacturers).

DEFENSE INDUSTRY

Immediate capacity for critical serial production
Serial manufacturing at scale with first-to-market advantage through rapid industrialization.

TECHNOLOGY MANUFACTURERS

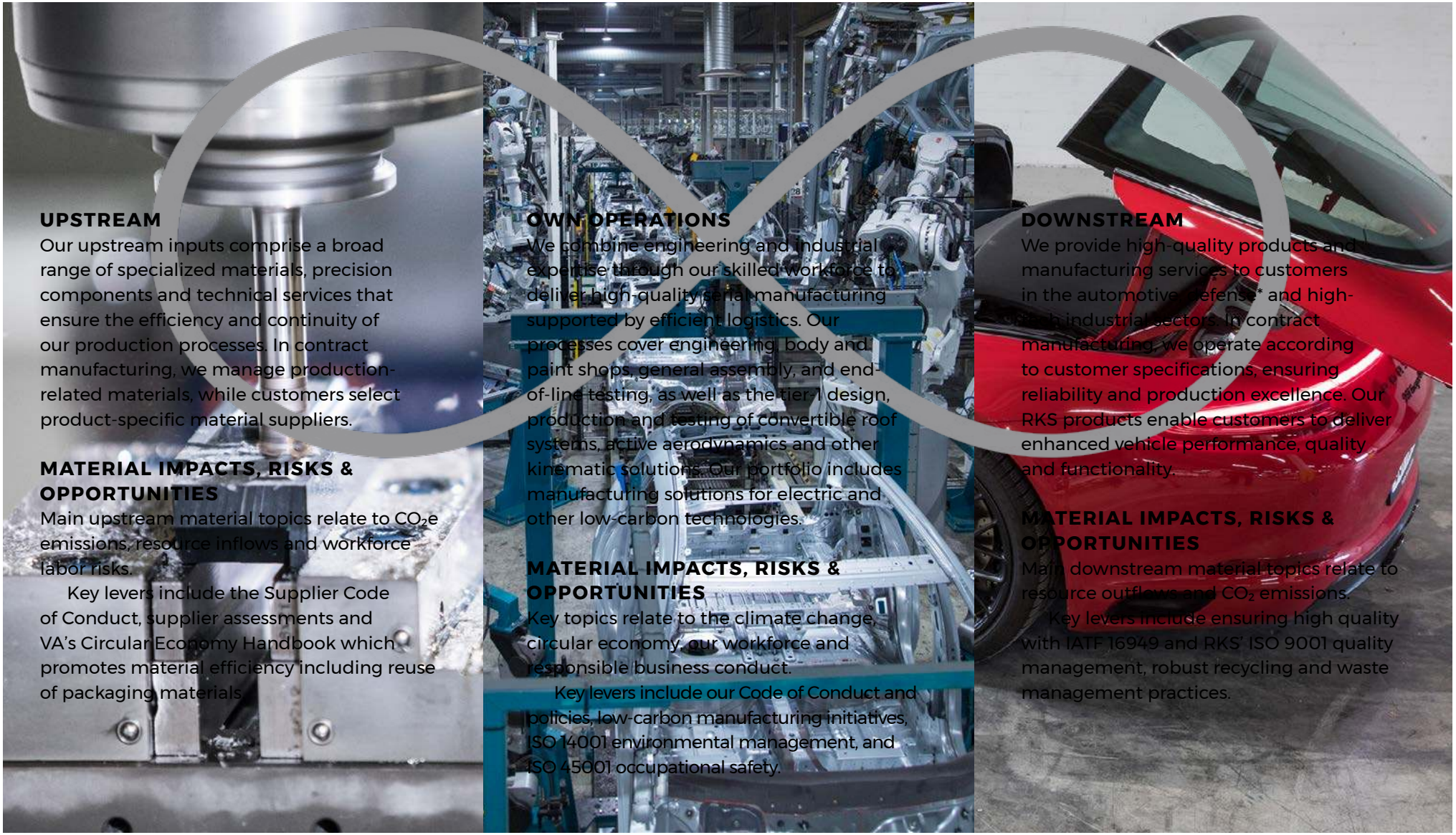
End-to-end excellence in advanced manufacturing
We serve a widening range of industrial companies with a unique combination of contract manufacturing and industrial solutions.

ACTUATING

Precision motion for next-generation mobility
Development and production of convertible roof systems, active aerodynamics, and kinematic solutions in Poland and Germany.

VALUE CHAIN

[SBM-1] [IRO-2]



UPSTREAM

Our upstream inputs comprise a broad range of specialized materials, precision components and technical services that ensure the efficiency and continuity of our production processes. In contract manufacturing, we manage production-related materials, while customers select product-specific material suppliers.

MATERIAL IMPACTS, RISKS & OPPORTUNITIES

Main upstream material topics relate to CO_2e emissions, resource inflows and workforce labor risks.

Key levers include the Supplier Code of Conduct, supplier assessments and VA's Circular Economy Handbook which promotes material efficiency including reuse of packaging materials.

OWN OPERATIONS

We combine engineering and industrial expertise through our skilled workforce to deliver high-quality serial manufacturing supported by efficient logistics. Our processes cover engineering, body and paint shops, general assembly, and end-of-line testing, as well as the tier-1 design, production and testing of convertible roof systems, active aerodynamics and other kinematic solutions. Our portfolio includes manufacturing solutions for electric and other low-carbon technologies.

MATERIAL IMPACTS, RISKS & OPPORTUNITIES

Key topics relate to the climate change, circular economy, our workforce and responsible business conduct.

Key levers include our Code of Conduct and policies, low-carbon manufacturing initiatives, ISO 14001 environmental management, and ISO 45001 occupational safety.

DOWNSTREAM

We provide high-quality products and manufacturing services to customers in the automotive, defense* and high-tech industrial sectors. In contract manufacturing, we operate according to customer specifications, ensuring reliability and production excellence. Our RKS products enable customers to deliver enhanced vehicle performance, quality and functionality.

MATERIAL IMPACTS, RISKS & OPPORTUNITIES

Main downstream material topics relate to resource outflows and CO_2 emissions.

Key levers include ensuring high quality with IATF 16949 and RKS' ISO 9001 quality management, robust recycling and waste management practices.

*We are not active in controversial weapons industry (anti-personnel mines, cluster munitions, chemical weapons or biological weapons)

SUSTAINABILITY STRATEGY

[SBM-1]

Our strategic areas of action on sustainability aim to ensure a resilient business while strengthening integrity, dignity and environmental responsibility. These efforts support our role as a manufacturing partner to our customers by enabling progress toward their sustainability objectives, while also positioning us to respond to evolving regulatory standards and support long-term value creation.

ENSURE RESILIENT PROFITABLE BUSINESS

- Provide **reliable and transparent** data
- Commit to **lead the transformation** throughout the organization
- Develop processes and products to **proactively fulfill future demands**
- Engage in collaborations, **partnerships and ecosystems** at global and local level
- Set requirements and implement **Supplier Code of Conduct (SCoC) to our suppliers**

STRENGHTEN INTEGRITY AND DIGNITY

- Bring the **Code of Conduct** alive through our organization
- Ensure **the sustainability maturity level** and strengthen **ethical culture** in the organization

RESPECT PLANETARY BOUNDARIES

- Implementing our **True Green Initiative** to accelerate and lead the Sustainability Strategy
- Attaining Science-based climate targets to reduce own absolute emissions (Scope 1 and 2) by **90%** and our absolute value chain emissions (Scope 3) by **25%** by 2030 from our 2022 baseline.
- Add **environmental values** in decision-making processes
- Utilize **digitalization** opportunities to drive green transformation.
- Develop and utilize **circular economy** and improve efficient use of resources (energy, water, materials)

TRUE GREEN INITIATIVE: TURNING STRATEGY INTO ACTION

To translate our sustainability strategy into practical action, our True Green Initiative provides a structured framework to embed sustainability into everyday decision-making and operations. The initiative is organized around six areas that together support the implementation of our sustainability priorities across business areas and locations, while allowing flexibility to address business-specific and site-specific impacts, risks and opportunities.

The True Green Initiative enables the integration of sustainability considerations into manufacturing practices, value chain management and organizational culture, while also strengthening the maturity of sustainability governance, data management and reporting in line with evolving regulatory expectations.

1 **GREEN MANUFACTURING**

2 **SUSTAINABLE VALUE CHAIN**

3 **DESIGN FOR ENVIRONMENT**

4 **DATA MANAGEMENT**

5 **GREEN ATTITUDE**

6 **DECISION-MAKING & DISCLOSURE**

SUSTAINABILITY GOVERNANCE

[GOV-1]

Effective sustainability governance enables the management of material sustainability impacts, risks and opportunities while supporting long-term value creation and stakeholder expectations.

Our Corporate Governance Policy defines the roles and responsibilities of the Board, the Audit Committee and the Sustainability Steering Group, including their sustainability-related oversight and management responsibilities.

BOARD OF DIRECTORS

The Board of Directors (the Board) and, in particular, its Audit Committee, oversee the Group's sustainability strategy and its integration into business operations, long-term strategic decision-making and risk management. The Board oversees and approves significant sustainability targets, including long-term strategic targets, and monitors progress on an regular basis.

Sustainability, including climate-related matters, is addressed regularly at Board meetings, with progress toward targets, key risks and opportunities, and related trade-offs reviewed annually, based on reporting from the CEO and Group Finance and Sustainability. From 2026 onwards, sustainability matters will be reported to the Board on a quarterly basis, and the Annual General Meeting will include a review of the Sustainability Annual Report and key sustainability topics.

The Audit Committee supports the Board by overseeing financial and sustainability reporting including regulatory compliance with sustainability reporting standards and related assurance processes. The Committee typically meets five times a year with sustainability reporting included in its agenda regularly.

During 2025, the Board and its Audit Committee addressed topics including climate targets and performance, EU sustainability regulatory developments and implementation, employee survey outcomes, corporate governance policies, environmental and people KPIs, compensation and whistleblowing.

The Board composition reflects business needs, diversity, independence and stakeholder expectations, with sustainability-related competence considered in the nomination process. The Board collectively possesses, or has access to, expertise relevant to the Group's strategy and sustainability topics, supported by regular reviews of performance, industry developments and regulatory requirements.

While the Board does not include employee representatives, employee-related topics are addressed through regular and structured management dialogues with employee representatives and established escalation mechanisms to management and the Board.

SUSTAINABILITY AND PEOPLE STRUCTURE

BOARD MEMBERS

The Board oversees sustainability as an integral part of strategy and governance, with sustainability, industrial transformation and low-carbon transition expertise reflected in the backgrounds and experience of its members. During the reporting year, the composition of the Board was amended following the new ownership structure.

Kari Heinistö
Chair of the Board

Mr. Kari Heinistö was invited to the Valmet Automotive Board of Directors in 2018. Heinistö works as a senior advisor at the financing advisory company Aventum Partners. Previously, Heinistö has occupied top management roles at Cargotec, Kone Materials Handling Unit and at Partek. Heinistö is committed to other positions of trust as well and serves as the Chair in several other industrial companies. Mr. Heinistö is a member of the Board's Audit Committee.

Sinikka Mustakari
Member of the Board

Ms. Sinikka Mustakari joined the Valmet Automotive Board of Directors in 2025. Mustakari has worked for almost 20 years in various positions in the State Ownership Steering Department. She has strong expertise in the ownership strategy work and financial analysis of state-owned companies. Currently, she is a member of the boards of Edita Group Oyj and Suomen Viljava Oy. Mustakari holds a Master's degree in Economics. Ms. Mustakari is a member of the Board's Audit Committee.

Timo Kokkila
Member of the Board

Mr. Timo Kokkila has been a member of the Valmet Automotive Board of Directors since 2016, and he acts as a member of the Pontos Group Board of Directors. Kokkila is an experienced investment professional with several years of experience in different boards. Mr. Kokkila is a member of the Board's Audit Committee.

Sven Ennerst
Member of the Board

Mr. Sven Ennerst has served on the Valmet Automotive Board of Directors since 2022. He has a degree in mechanical engineering from the Darmstadt Technical University, after which he pursued an international career of over 30 years in executive roles at Daimler AG and Daimler Truck. Ennerst has very extensive experience in automotive business and innovation management as well as in CO_2 neutral technologies.

Jari Vähäpesola
Member of the Board

Mr. Jari Vähäpesola was appointed to Valmet Automotive's Board of Directors in 2025. He has over 36 years of experience with Valmet Plc and its predecessor companies, holding several senior management positions, most recently as President of the Paper business line and a member of the Executive Team (2011–2023). He holds a Master's degree in Mechanical Engineering and has served on the Board of Spinnova Corporation since 2024.

Pekka Kuusniemi
Member of the Board

Mr. Pekka Kuusniemi was appointed to the Valmet Automotive Board of Directors starting in 2025. Kuusniemi has had a long and diverse career in international companies, among other roles as the CEO of Raisio Plc and Oras Group. He currently serves as the CEO of VAK Group, a company focused on the manufacturing and service of heavy-duty transportation. Mr. Kuusniemi also serves as the Chair of Koskisen Corporation Board of Directors.

Riitta Palomäki
Member of the Board

Ms. Riitta Palomäki was appointed to the Valmet Automotive Board of Directors in 2025. Palomäki has extensive experience in international industrial companies, including Caverion, Uponor, Kuusakoski Group, ABB, and Konecranes. She is also a member of the board of Eltel AB.
Ms. Palomäki is the Chair of the Board's Audit Committee

SUSTAINABILITY STEERING GROUP

The Sustainability Steering Group, chaired by the CEO, supports the Board on sustainability topics. The Steering Group meets quarterly and provides strategic direction for integrating material sustainability impacts, risks and opportunities into operations, processes and internal controls. It monitors progress and performance against Board-approved objectives and risk management principles, reviews emerging sustainability trends and priorities, and advises on resource allocation. Relevant matters are escalated to the Board as required.

During 2025, the Steering Group discussions included topics such as science-based climate targets, relevant regulatory developments related to sustainability, including the EU CSRD* and Taxonomy, double materiality assessment results and sustainability risk management.

Operational responsibility for sustainability is embedded across the Group and its business areas, with day-to-day activities carried out where the related impacts occur.

MANAGEMENT

The Group has two Management Boards, one for VA and one for RKS, both chaired by the CEO. The Management Boards are responsible for strategic execution and day-to-day operations.

Progress on sustainability topics and key performance indicators is monitored through regular reporting, including quarterly operational reporting. This reporting informs management decision-making, risk management and the integration of sustainability considerations into business operations and strategic initiatives.

During 2025, the Management Boards reviewed performance in health and safety, people, environmental and quality matters, as well as developments in sustainability-related legislation and the broader regulatory landscape.

The linkage of management remuneration to sustainability targets and quantitative sustainability metrics was temporarily paused while the sustainability strategy is being updated to reflect the new business model.

COMPOSITION OF ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Body	Total members	Independent members (%)	Female (%)**	Male (%)**
Board of Directors	7	70%	30%	70%
Audit Committee	4	50%	50%	50%
Sustainability Steering Group	7	N/A	14%	86%
Management Boards [S1-8]	11	N/A	9%	91%

*Corporate Sustainability Reporting Directive
**Gender diversity calculated as the ratio of female to male members on 31.12.2025

OPERATING ENVIRONMENT

[GDR-P] [GDR-A]

Our operations are guided by an Integrated Management System (IMS), which is based on the requirements of ISO 9001 (quality management), ISO 45001 (occupational health and safety), ISO 14001 (environmental management) and ISO/IEC 27001 (information security). The IMS provides a structured framework of principles, processes and tools that translate strategic objectives into day-to-day operations.

The IMS includes an internal audit function to ensure compliance with the relevant standards and continuous improvement of the system. Sustainability topics are incorporated into audits to the extent they are addressed within the applicable ISO standards.

In addition to aligned internal systems, our operations are supported by external certifications, including ISO standards and IATF quality certification, which provide independent assurance of good-practice operations.

As a tier-1 supplier and contract manufacturer operating in regulated industries, product quality forms an important part of our operating environment. Our customers expect us to meet defined technical, safety, regulatory and performance requirements, and consistent quality supports reliable integration into their value chains and long-term cooperation. Quality is guided by our Quality Policy and supported by ISO 9001- and IATF 16949-aligned management systems, risk-based planning, structured problem-solving and regular audits across our operations. Performance is monitored through defined quality indicators and site-level targets, which are reviewed regularly by operational management to support continuous improvement and effective oversight.

AREA	EXTERNAL CERTIFICATIONS
Group-wide	ISO 27001 Information Security Quality Management
Valmet Automotive (VA)	IATF 16949 Quality Management (Uusikaupunki) ISO 14001 Environmental Management (Uusikaupunki) ISO 45001 Occupational Health & Safety Management (Uusikaupunki)
Roof and Kinematic Systems (RKS)	IATF 16949 Quality Management (Zary and Osnabrück) ISO 9001 Quality Management (Zary and Osnabrück) ISO 14001 Environmental Management (Zary and Osnabrück) ISO 45001 Occupational Health & Safety Management (Zary) BREEAM Sustainable Buildings certificate (Zary plant extension)

POLICIES, ETHICAL GUIDELINES AND CULTURE

[GDR-P]

Our codes and policies set out how we do business responsibly and in line with our values. They provide a common framework for complying with laws and regulations, managing sustainability-related risks and supporting responsible decision-making across our operations and value chain.

Our policies are based on applicable regulations, recognized industry standards and our own values. They are developed with input from employees, management and subject-matter experts, for example in health and safety, sustainability and legal compliance. All Group-level policies are approved by the Board of Directors, while the CEO and management are responsible for putting them into practice.

Our Code of Conduct and related policies are applied in day-to-day operations and are supported by training, compliance, reporting and whistleblowing channels. To support understanding and consistent application, our codes and policies are made available to employees, business partners and suppliers through internal communications, corporate publications and targeted training. Our Code of Conduct and Mission Policies are part of mandatory training for all employees.

CODE OF CONDUCT

Our Code of Conduct explains the principles and standards that guide us in our everyday work. It covers topics such as human rights and working conditions, responsible business conduct, environmental responsibility, relationships with business partners, compliance with laws and regulations and the use of our whistleblowing channel. Our code is aligned with the UN Global Compact principles and commits to respecting internationally recognized human rights standards. The code applies to all employees across all our locations, our management and the Board, and supports a culture of integrity and accountability. **Access the code here.**

SUPPLIER CODE OF CONDUCT

Our Supplier Code of Conduct sets clear expectations for ethical, environmental and social behaviour in our supply chain. It covers areas such as labor rights, human rights, occupational health and safety, environmental responsibility and business integrity, including anti-corruption. We expect all our tier-1 suppliers to follow these principles as part of working with us. **Access the code here**.

GROUP POLICIES

We have policies in place to ensure that sustainability considerations are integrated into governance, risk management and decision-making. Our Corporate Governance Policy defines the roles and responsibilities of the Board, the Audit Committee and the Sustainability Steering Group, while our Risk Management Policy and Treasury Policy include sustainability considerations. The Group policies apply to the Board and all Group companies, including management and where relevant, to all employees across all locations. Majority of these policies were updated in late 2025 to reflect the changed operating environment.

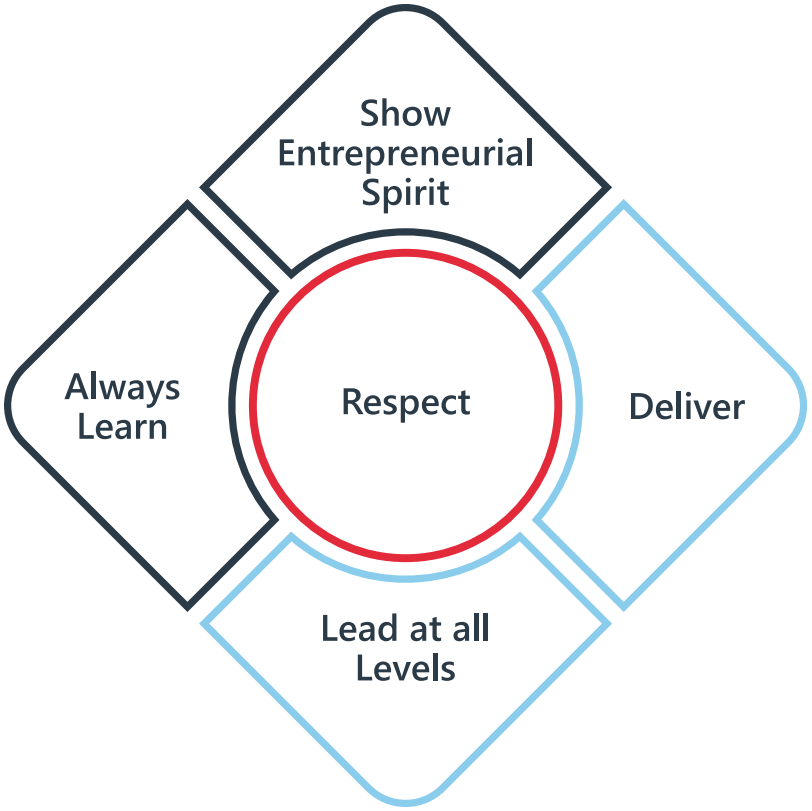
MISSION POLICIES

We have a range of policies that support ethical business practices, sustainability and corporate responsibility. These include policies on health and safety, people, quality, integrity and compliance, information security, sustainability and grievance mechanisms. The policies apply to the Board and all employees across all our locations, and they are updated as needed to reflect changes in our business, regulations and sustainability priorities.

5 COMMITMENTS SHAPING OUR CORPORATE CULTURE

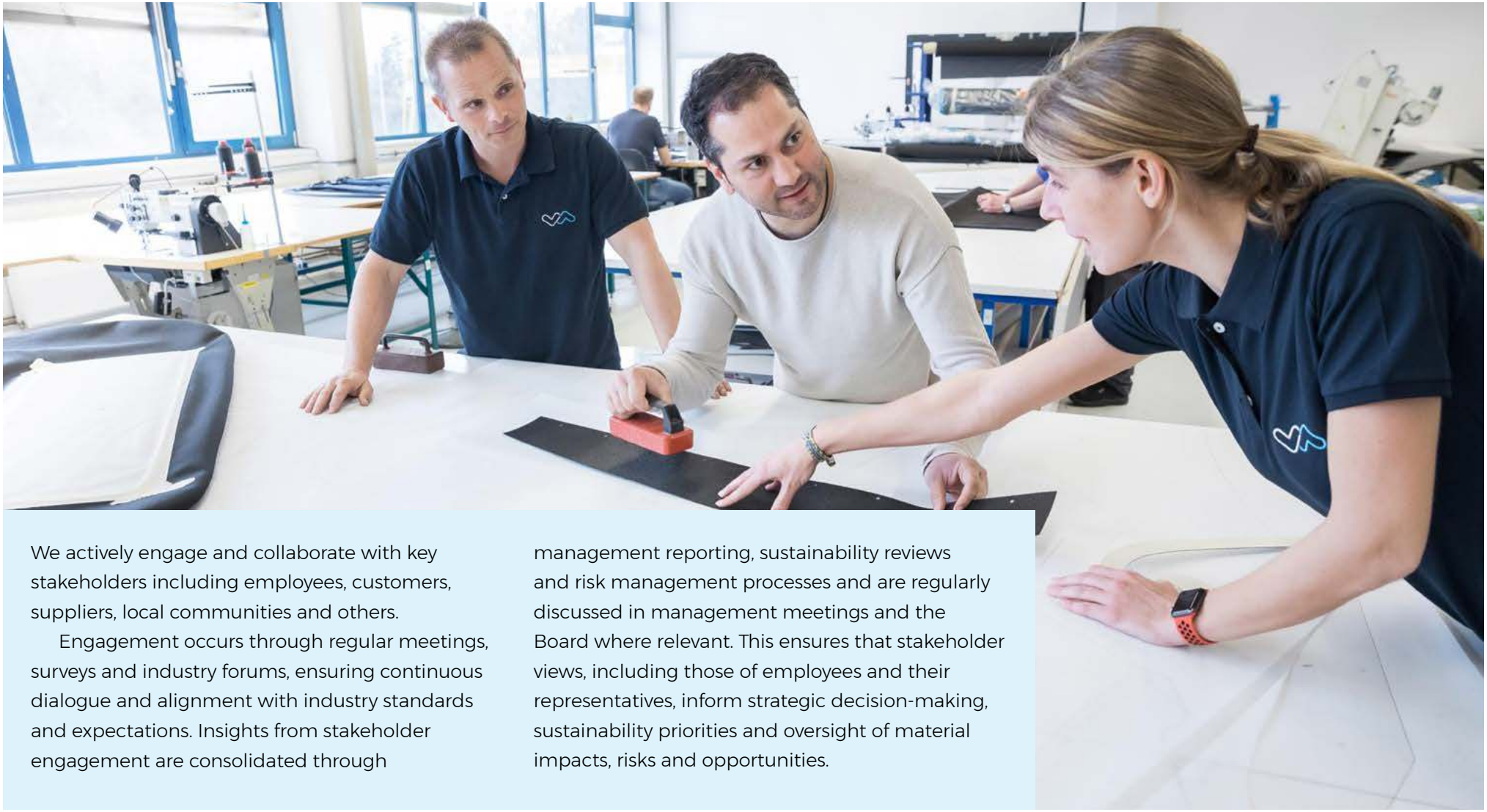
Our corporate culture is built on the five Commitments: Always Learn, Show Entrepreneurial Spirit, Deliver, Lead at All Levels and Respect. These commitments serve as guiding benchmarks for every employee and shape the Company's values. At the core is a commitment to respect our own work and our colleagues, customers, partners and stakeholders.

We emphasize the need for continuous learning and we acknowledge that we are never too busy or too good not to learn and improve. Our entrepreneurial spirit is characterized by innovation, clear strategic discipline and a dedication to achieving our ambitious sustainability targets. The commitment to deliver excellence underscores a global best-in-class approach, meaning that we want to be the best in everything we develop, manufacture, plan, test and offer. Leadership at all levels is emphasized as a personal responsibility, contributing to decision-making, risk management and a strong safety culture.



INTERESTS AND VIEWS OF STAKEHOLDERS

[SBM-2]



We actively engage and collaborate with key stakeholders including employees, customers, suppliers, local communities and others.

Engagement occurs through regular meetings, surveys and industry forums, ensuring continuous dialogue and alignment with industry standards and expectations. Insights from stakeholder engagement are consolidated through management reporting, sustainability reviews and risk management processes and are regularly discussed in management meetings and the Board where relevant. This ensures that stakeholder views, including those of employees and their representatives, inform strategic decision-making, sustainability priorities and oversight of material impacts, risks and opportunities.

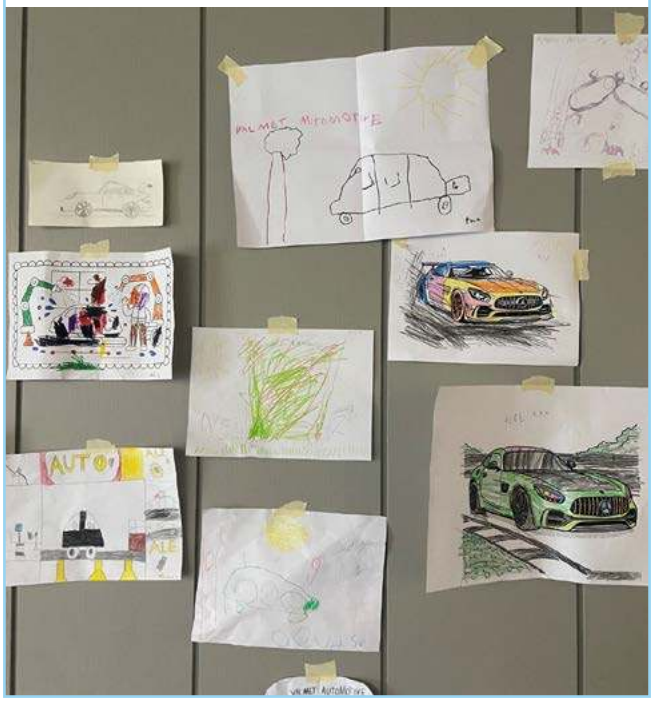
2025 ENGAGEMENT IN ACTION

ENGAGING FUTURE TALENT THROUGH ACADEMIC PARTNERSHIPS

We work with educational institutions in Finland, Poland and Germany in relevant fields to engage future talent and support long-term skills development. In 2025, this included participation in student events, guest lectures and factory visits, as well as a strategic partnership with Turku University of Applied Sciences and continued collaboration with University of Zielona Góra, University of Osnabrück and Satakunta University of Applied Sciences. Thesis projects, summer trainee positions and early-career opportunities are an integral part of this cooperation, strengthening both regional innovation and our future talent pipeline.

CELEBRATING TOGETHER AT OUR UUSIKAUPUNKI PLANT

In 2025, we brought employees, their families and the local community together at our Family Day and Summer Party at the Uusikaupunki plant, welcoming nearly 1,000 visitors. These events are an opportunity to connect, showcase our work together and share our story through games, plant visits, test drives and highlights from our history.



CREATING TOGETHER WITH OUR CUSTOMERS

In 2025, Roof and Kinematic Systems was awarded the Grand Innovation Award in Germany for the development of the front bow (dachkappe) for the Mercedes-Benz CLE Convertible roof. The solution was co-created through close collaboration with partners, including Mercedes-Benz AG, Röchling Automotive and Envalior.
The recognition highlights how strong development partnerships and cross-company teamwork enable, lightweight and more sustainable solutions.

STAKEHOLDERS INTERESTS, ENGAGEMENT AND IMPACT ON BUSINESS MODEL, STRATEGY & OPERATIONS

INTERESTS & EXPECTATIONS	CHANNELS & ENGAGEMENT	IMPACT ON BUSINESS MODEL, STRATEGY & OPERATIONS
EMPLOYEES		
· Safe working conditions · Fair treatment · Competence development · Career opportunities · Job security	· Internal communications · Surveys · Training · Career development · Management meetings · Employee representatives · Committees · Safety walks · Compliance channel · Code of Conduct	**Social** · Fosters a shared safety culture supported by ISO-certified health & safety management systems. · Shapes diversity, inclusion, and fair treatment practices, strengthening employer brand and talent retention. · Guides workforce planning and change management through structured negotiations and employee support measures. **Quality** · Ensures competence development to maintain operational effectiveness and consistent production quality in a changing business environment. **Business Conduct** · Reinforces ethical business conduct by promoting a strong compliance culture, integrity, transparency and responsible behavior through training, leadership example and the use of established reporting and escalation channels. **Environment** · Contributes to environmental performance through everyday operational practices and continuous improvement initiatives enabling our Sustainability Strategy.
CUSTOMERS		
· Creating added value · Fulfilling contractual requirements · To maintain the confidentiality, integrity, and availability of customers information and to protect customers personally identifiable information. · Security of sensitive information · Customers ethical requirements and certified processes	· Customer feedback · Meetings & workshops · Audits · Collaborative projects · Reports, including CDP- and other ESG-reporting	**Environment** · Shapes low-carbon manufacturing and science-based targets, driving emissions reduction, circular economy and energy efficiency. · Shapes service and product portfolio to meet customer needs in electrification and low-carbon mobility. **Quality** · Influences quality standards and continuous improvement across production processes, reinforcing reliability and customer trust. **Business Conduct** · Increases demand for certified, transparent governance and robust compliance structures, strengthening accountability and ethical practices. **Social** · Guiding expectations on health and safety and ISO-certifications · Expectations on supply chain management
OWNERS		
· Reputation, value add and sustainable growth · Risk management · Good governance	· Financial and sustainability reports · Board and Committee meetings · Shareholder meetings	**Business Conduct** · Guides risk management structures and internal governance processes, ensuring accountability and compliance. **Environment, social and quality** · Shapes strategic decision-making by integrating sustainability and risk management considerations into long-term business planning.
FINANCIAL INSTITUTIONS		
· Sustainable growth and value add · Risk management	· Financial and sustainability reports · Meetings	**Business conduct** · Drives high standards of transparency, governance, risk management and regulatory compliance. **Environment and Social** · Ensures alignment of strategy and capital allocation with environmental and social considerations.

INTERESTS & EXPECTATIONS	CHANNELS & ENGAGEMENT	IMPACT ON BUSINESS MODEL, STRATEGY & OPERATIONS
MUNICIPALITIES, SOCIETY AND AUTHORITIES		
· Collaboration to ensure the continuation of operation, license to operate, direct and indirect taxes, regulatory compliance, and investments · Safe, ethical and environmentally aware operation	· Collaboration projects · Meetings · Business forums · Local collaboration · Annual performance reports · Authority inspections	**Business Conduct** · Shapes compliance processes, permitting, and operational continuity, ensuring adherence to regulatory frameworks and governance standards. · Impacts local collaboration, community reputation, and "license to operate," reinforcing trust and long-term stakeholder relationships. **Social** · Influences expectations on workforce safety and labor standards. **Environment** · Influences requirements regarding environmental performance, including emissions, water, waste, and resource use, driving operational improvements and sustainability compliance.
SUPPLIERS		
· Co-operation as defined in contracts and forecasts · Adequate solvency · Long term agreements · Clear operating instructions for issues related to the environment · Risk management	· Communications · Collaborative projects · Supplier audits · Supplier Code of Conduct	**Quality** · Strengthens product quality and operational reliability through supplier standards and collaboration. **Environment** · Drives responsible sourcing and supplier sustainability assessments. · Impacts value chain emission (Scope 3) reduction. · Supports circular economy initiatives such as material efficiency, recycling, and waste reduction, reducing environmental impact across operations. **Social** · Supports labor risk due diligence and supply chain resilience. **Business Conduct** · Influences supply chain resilience, transparency, and risk management, strengthening governance and compliance throughout the value chain.
LABOR MARKET AND UNIONS		
· Ethical and employee-focused business · Reliable and interactive dialogue	· Dialogues between shop steward representing employees and management · Regular meetings	**Social** · Shapes workforce-related policies supporting fair labor practices and collective bargaining, reinforcing employee rights and engagement. · Impacts policy development related to health, safety, equality, and well-being, ensuring a safe and inclusive work environment. **Business Conduct** · Influences the organization's ethical conduct, risk management, and reputation, strengthening governance and stakeholder trust.
EDUCATIONAL INSTITUTIONS		
· Co-operation as defined in contracts · Thesis and educational collaborations	· Workshops, training · Thesis work · Partnership programs · Collaboration forums	**Social** · Supports workforce development and long-term talent availability by strengthening skills, competence development and employer attractiveness through education partnerships, thesis work and training collaboration. · Strengthens innovation capability by enabling access to research, emerging expertise and collaborative development aligned with future technology and manufacturing needs.

MATERIALITY

[SBM-3] [IRO-1] [IRO-2]

IDENTIFYING MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

We operate in a dynamic environment where sustainability-related impacts, risks and opportunities play a key role in our long-term success. These are systematically identified and assessed through a double materiality process led by the Group Finance and Sustainability team.

DOUBLE MATERIALITY ASSESSMENT PROCESS

STEPS	CONTENT
Defining and understanding the context	• **Double materiality principle:** Impact materiality evaluates our actual and potential, positive and negative impacts on people and the environment. Financial materiality assesses how sustainability-related factors affect (or could reasonably be expected to affect) our financial position, cash flows, access to finance or cost of capital over the short, medium or long term. • **Scope:** Covers all our operations and their respective value chains, including both upstream and downstream aspects. Following the divestment of IONCOR, our scope now covers two business lines: VA and RKS. • **Stakeholders:** Mapping key stakeholders and expectations
Identifying topics and scoring system	• **Key frameworks & industry standards:** ESRS topical list, sector, customer and peer assessments, due diligence processes and other frameworks. • **Scoring system:** Short, medium and long-term timelines: impact scoring (1–5) evaluates scale, scope, severity, irremediable character and likelihood, using company-specific scoring descriptions. Financial scoring (1–5): Assesses magnitude and likelihood, with defined financial figures for categories aligned with mainstream risk management process.
Assessing impact, risks and opportunities	• **Internal sources:** Risk management process and due diligence, safety data, emissions tracking, workforce diversity, employee surveys, etc. • **External sources:** WWF Water and Biodiversity risk assessments for all locations, industry benchmarks, ESG ratings, Life Cycle Assessments (LCA), Critical Raw Material Reports, and academic research. • **Regulatory guidelines:** CSRD, ESRS, EU Taxonomy • **Workshops and expert consultation:** Cross-functional workshops with internal experts from risk, health & safety, people, sustainability, purchasing, finance, and operations to ensure evaluation and scoring.
Prioritizing, consolidating and validating material issues	• **Prioritization:** Considering severity and likelihood, with particular attention to areas of heightened risk related to specific activities, business relationships and geographies. The assessment also considered the existence and effectiveness of prevention, mitigation and remediation measures when evaluating residual impacts and risks. • **Defining thresholds:** Financial and sustainability experts reviewing significance and ensuring scoring thresholds capture material topics to show a fair presentation of issues. • **Determining material topics:** Material topics were determined based on scoring results and judgement, applying defined impact and financial thresholds. • **Validating:** Results checked with internal subject experts, and 2024 process reviewed by external experts.
Reporting and disclosure	• **Internal:** To relevant business functions and Sustainability Steering Group with leadership from operations, finance, and compliance. • **External:** Annual Sustainability Report, CDP and other sustainability disclosures.

RESULTS AND INTERACTION WITH OUR STRATEGY AND BUSINESS MODEL

Our business model centres on manufacturing solutions and advanced kinematic systems for the automotive, defense and high-tech industrial sectors. Material impacts arise primarily from our manufacturing activities and complex supply chains, particularly in relation to greenhouse gas emissions, resource use and workforce practices. Key risks relate to the pace of market adoption, evolving regulation, resource use and labor practices, while opportunities may arise from low-carbon manufacturing solutions, operational efficiency and innovation in materials and processes. These factors inform strategic decisions such as improving energy efficiency, reducing emissions and advancing circular practices where they support operational performance and customer requirements. The following material issues have been identified:

MATERIAL TOPICS		UPSTREAM	OWN OPERATIONS	DOWNSTREAM
ENVIRONMENTAL STANDARDS				
E1 Climate change	Climate change mitigation	Emissions	Low carbon transition risks and opportunities related to business strategy, manufacturing and energy use	Emissions
E5 Circular Economy & resource use	Circular Economy & resource use	Material sourcing and their impact	Resource use efficiency and circular practices, including water management	
	Waste		• Waste generation and management • Waste flows and sorting	
SOCIAL STANDARDS				
S1 Own workforce	Health and Safety		Occupational health and safety in manufacturing operations	
	Secure employment & collective bargaining		Workforce capacity adjustments driven by changes in demand	
	Diversity		Structural underrepresentation of diversity, including in leadership positions	
S2 Value chain workforce	Labor risks	Potential labor risks in global, multi-tier value chains		
GOVERNANCE STANDARDS				
G1 Business conduct	Corruption and bribery prevention		Robust governance practices to support ethical and compliant business conduct	

KEY CHANGES FROM FY2024 DOUBLE MATERIALITY RESULTS

Compared to the previous reporting period, the double materiality assessment was updated to reflect changes in business scope following the divestment of IONCOR, updated EU guidance, enhanced scoring criteria and improved data inputs. The underlying methodology remained unchanged, although greater emphasis was placed on a top-down assessment approach. As a result, Pollution: Volatile Organic Compounds (VOCs), Training and Skills Development and Protection of Privacy, which were assessed as material in FY2024, are no longer considered highly material for the current reporting scope. While these topics remain relevant, they are integrated into broader material themes and are addressed within the relevant sections of this report. All topics remain under active monitoring but do not rank among the most material impacts, risks or opportunities in the 2025 assessment. Material topics are reviewed regularly and will be reassessed as conditions evolve.

ENVIRONMENTAL

MATERIAL ENVIRONMENTAL MATTERS: IMPACTS, RISKS, OPPORTUNITIES AND MANAGEMENT

[SBM-3] [IRO-2]

Our environmental approach focuses on reducing climate impacts, using resources efficiently and managing waste responsibly. As a manufacturing company, these topics are closely linked to our operational performance, regulatory compliance and long-term resilience.

MATERIAL TOPICS	IMPACT, RISK AND/OR OPPORTUNITY DESCRIPTION	POLICIES	TARGETS	ACTIONS	METRICS	MANAGEMENT
Climate Change Climate change mitigation	Climate change is a material topic due to actual greenhouse gas emissions arising from our own operations and value chain across the short, medium and long term. Potential impacts, risks and opportunities arise mainly from the transition to a low-carbon economy, evolving climate regulation and changing customer expectations. For manufacturing companies, these transition dynamics influence cost structures, access to financing and long-term competitiveness. At the same time, they create opportunities to strengthen our position as a low-carbon manufacturing partner through renewable energy use and scalable production systems supporting electric and other low-emission technologies. Energy is addressed within this topic as a key driver of emissions and mitigation through renewable energy sourcing and improving energy efficiency. These dynamics influence our strategy, operations and market positioning across all time horizons.	X	X	X	X	· Guided by our sustainability policy, Code of Conduct and Supplier Code of Conduct, with significant climate considerations included in risk management · Board oversight, with strategic direction and monitoring provided by the Sustainability Steering Group · Operational environmental management supported by ISO 14001-certified systems · Progress monitored through environmental KPIs on a quarterly and annual basis, with limited external assurance for Scope 1 and 2 emissions · Science-based climate targets set for 2030 covering Scopes 1–3 · Company sustainability training including climate change and energy topics mandatory for all office employees
Circular Economy & Resource Use	Circular economy and resource use are material topics in our own operations and value chain due to the wide range of inputs required for our manufacturing operations, including specialized materials and precision components. In contract manufacturing, we manage production-related materials, while customers typically select product-specific materials and suppliers. These customer-selected materials are included in our materiality assessment but generally score lower than materials under our direct control, as our ability to influence their impacts is more limited. Potential impacts, risks and opportunities relate to evolving regulation, supply chain dependencies and the need to improve material efficiency and circularity over the short, medium and long term. Water is used as an operational resource but due to low consumption levels and locations in areas of low water stress, it is not considered a material impact and is managed responsibly as part of resource use.	X	X	X	X	· Guided by our sustainability policy, Code of Conduct and Supplier Code of Conduct, and our Circular Economy Handbook in Finland, with significant risks integrated into risk management · Oversight by business area management and the Sustainability Steering Group, with progress reviewed through environmental KPIs, such as recycling rates and water withdrawals · Operational management supported by ISO 14001-certification · Supplier environmental performance is monitored through ESG-questionnaires · General Purchase Terms include topics such as REACH*-substances, maintaining environmental management systems etc.
Waste	Waste is an important consideration given the environmental impacts associated with waste generation. Effective waste management is essential to maintaining our licence to operate and meeting regulatory, societal and customer expectations in the short and medium term. At the same time, potential opportunities exist to improve cost efficiency and environmental performance through enhanced recycling and waste management practices, including partnerships for material recovery, higher recycling rates and increased reuse of packaging, supporting circular economy objectives across our operations over the medium to long term.	X	X	X	X	· Guided by our sustainability policy, Code of Conduct and Supplier Code of Conduct, and our Circular Economy Handbook in Finland, with significant risk integrated into risk management · Oversight by business area management and the Sustainability Steering Group, with progress reviewed through environmental KPIs, such as waste amounts · Operational management supported by ISO 14001-certification and 5S principles · Employees are trained and regularly refreshed on waste management and sorting requirements.

*Registration, Evaluation, Authorization, and Restriction of Chemicals

CLIMATE CHANGE

STRATEGY, RESILIENCE AND TRANSITION

[E1-1] [E1-3]

The ability to adapt to a lower-carbon economy is a key consideration in our strategy and long-term planning. As a system supplier, contract manufacturer and provider of industrial solutions, we support customers across multiple sectors as technologies, regulation and market expectations evolve.

In Valmet Automotive, since producing our first electric concept car in 2009, we have demonstrated the ability to adapt to changing propulsion technologies and customer needs. While production has focused on internal combustion engine vehicles, our manufacturing lines are designed for versatility, enabling efficient scaling of electric and hybrid vehicles as well as services for defense and other industries, including emerging low-carbon applications such as hydrogen-related technologies.

In Roof and Kinematics Systems, we develop convertible roofs and kinematic solutions that support vehicle efficiency, including aerodynamic designs that help optimize driving range, as well as manual and active charging flap solutions for electric vehicles. Our operations are not structurally tied to fossil-fuel-based technologies or a single propulsion solution.

Our assessment of climate resilience considers transition pathways aligned with EU climate policy including Fit for 55, Finland's Climate Act and broader decarbonization trends across mobility, energy and industrial production. These scenarios indicate growing demand over the short, medium and long term for flexible, energy-efficient and lower-emission manufacturing, alongside ongoing uncertainty regarding regulation, technology maturity and market adoption.

In response, our strategy focuses on adaptable production systems, advanced manufacturing capabilities and continuous efficiency improvements. Together with renewable energy sourcing, energy-efficiency measures and science-based emission reduction targets, this reduces exposure to transition risks, supports compliance with tightening regulation and enables us to support customers in lowering emissions in their supply chains.

While uncertainties remain, particularly around regulatory development and customer demand, our current actions and targets provide a foundation for managing climate-related risks and opportunities. We continue to develop our approach while we do not yet have a formal ESRS-aligned climate transition plan.

BUILDING HYDROGEN READINESS: PRACTICAL STEPS TOWARD FUTURE MANUFACTURING

CASE STUDY

Hydrogen can be a key enabler for the low-carbon transition, and we are taking practical steps to understand how this technology can be applied within industrial production. During 2025, we participated in two Business Finland–supported research projects, H_2 Bridge and H_2 Springboard, alongside leading technology companies and research partners, to strengthen national competence in hydrogen technology and industrial manufacturing.

Our focus is twofold: first, to assess the potential to act as a contract manufacturer for hydrogen production equipment, and second, to explore how hydrogen could be utilized in our own operations to help manage CO_2 emissions.

TESTING HYDROGEN IN PRACTICE

As part of the projects, we tested two forklifts, two passenger cars and a truck that were hydrogen powered at the Uusikaupunki plant. A temporary hydrogen refuelling station installed in September 2025 enabled operation alongside our battery-electric fleet in normal logistics use.

"Hydrogen is an emerging solution for the clean transition, and we want to understand its industrial potential" says Jukka Hakanen, Senior Project Manager at Valmet Automotive. "Our goal is to explore manufacturing components such as fuel cells and electrolysers and, at the same time, learn how hydrogen could lower emissions in our own operations"

STRATEGIC RELEVANCE

The hydrogen initiatives support our strategy to leverage manufacturing expertise and build readiness for future clean-energy sectors. While hydrogen is not yet a commercial business area, our participation in the H_2 programs highlights our commitment to applied research, collaboration and forward-looking industrial competence.

Through hands-on pilot projects like this, we continue to strengthen our role as a trusted industrialization partner for next-generation technologies that will drive the low-carbon transition.

CLIMATE CHANGE

The manufacturing sector is changing fast. Climate policy, customer expectations, and new technologies are reshaping how products are designed and how factories run. For us, climate change and energy matter because they affect both our environmental footprint and our ability to stay competitive over the short, medium and long term.

POLICIES

[E1-4]

Our sustainability policy and Code of Conduct set the foundation for climate and energy management. They commit us to reducing greenhouse gas emissions, improving energy efficiency and increasing the use of renewable energy across our operations.

These policies apply to all employees and sites and are supported by our Supplier Code of Conduct, which sets expectations for environmental responsibility, emissions reduction and energy performance among tier-1 suppliers. In addition, suppliers are encouraged to set science-based climate targets.

ACTIONS

[E1-5]

Since 2020, we have implemented a series of climate mitigation actions that have reduced Scope 1 and Scope 2 (market-based) emissions by more than 90%. Key actions include:

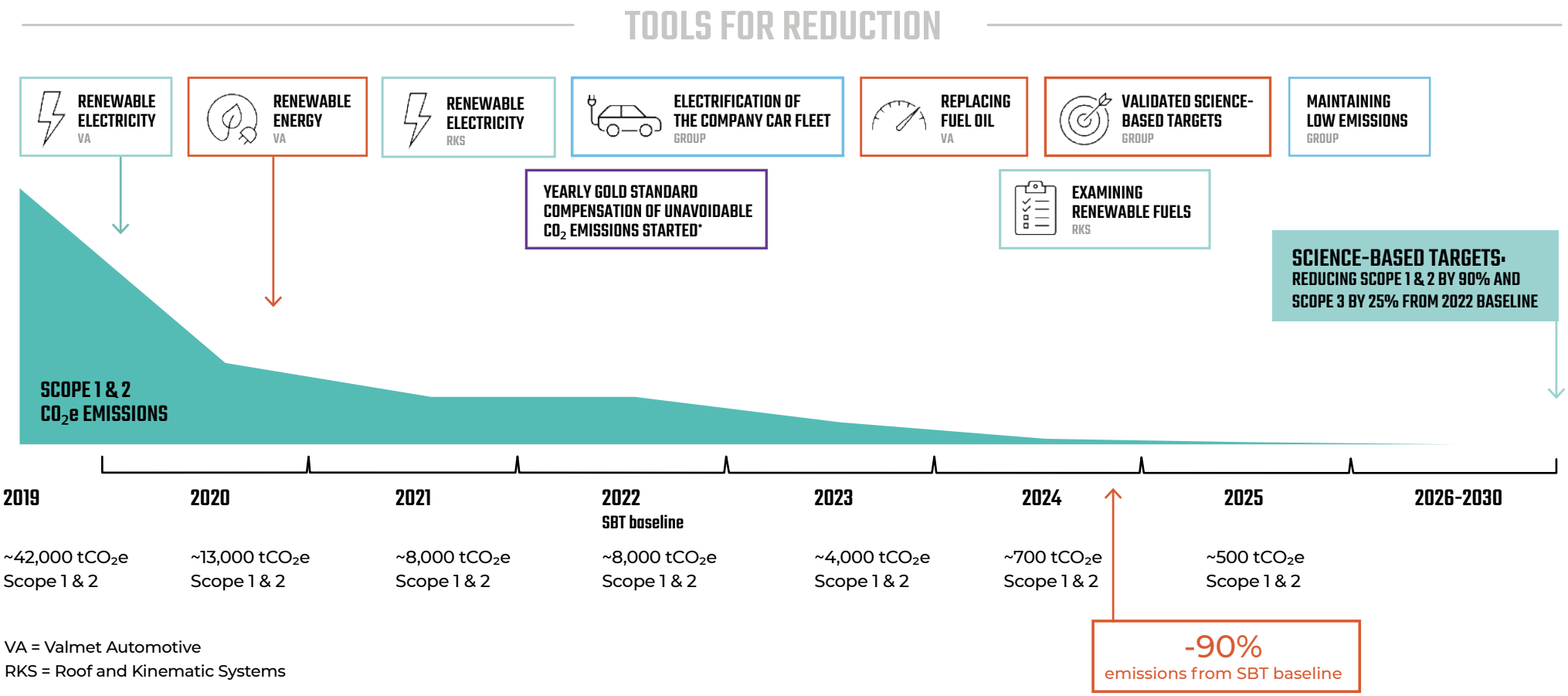
- transitioning to 97% renewable electricity across operations,
- increasing the use of renewable fuels, including renewable fuel oil (HVO),
- improving energy efficiency through process optimization, equipment upgrades and heat recovery
- expanding on-site renewable generation, including photovoltaic panels at new Roof & Kinematics production facilities, complementing existing solar installations in Uusikaupunki.

Remaining Scope 1 emissions are mainly related to fuel use for heating and facilities. We continue to assess alternative heating technologies at sites that currently rely on natural gas.

To support energy management and efficiency, we participate in Finland's Energy Efficiency Agreement coordinated by Motiva and conduct comprehensive energy audits at least every four years. In 2025, we also took part in Finland's Energy Saving Week to raise awareness of responsible energy use in daily operations.

Value chain emissions account for more than 90% of our total climate footprint. We focus on practical reduction measures such as improving logistics efficiency, piloting low-emission logistics solutions, strengthening waste management and recycling, and updating value chain climate roadmaps during 2026.

REDUCTION ACTIONS FOR OWN EMISSIONS (SCOPE 1 AND 2)



VA = Valmet Automotive
RKS = Roof and Kinematic Systems

SCIENCE-BASED TARGETS

[E1-1] [E1-6]

Our climate targets have been validated by the Science Based Targets initiative (SBTi) and guide our transition towards a low-carbon future.

- Reduce absolute Scope 1 and Scope 2 (market-based) emissions by 90% by 2030 (2022 baseline at 7,670 tCO_2e)
- Reduce absolute Scope 3 value chain emissions by 25% by 2030 (2022 baseline at 149,050 tCO_2e)

Progress against our science-based targets shows that our Scope 1 and Scope 2 emissions reduction target has been achieved relative to the 2022 baseline, primarily through renewable energy sourcing, while Scope 3 emissions continue to fluctuate mainly due to changes in production volumes rather than structural emission reduction actions. Going forward, the focus of our 2026 climate roadmaps is to identify value chain measures to support Scope 3 emission reductions.

Targets and KPIs are set annually to align with business conditions and support long-term climate targets. Progress is reviewed regularly by management and the Board.

TARGET REVIEW

As our business model and operating environment continue to evolve, we plan to review our validated science-based targets during 2026–2027. This review will assess whether adjustments or re-validation are needed to maintain alignment with SBTi criteria, regulatory developments and operational realities.

TARGET METHODOLOGY

Our science-based targets cover our own operations (Scope 1 and Scope 2, market-based) and our value chain (Scope 3), and are set in accordance with the GHG Protocol, based on an operational control approach. They apply across all business areas and locations. Our Scope 1 and Scope 2 (market-based) target is aligned with limiting global warming to 1.5 °C, while our Scope 3 target is aligned with a well-below 2 °C pathway.

2022 was selected as the base year for our science-based targets as it is a representative operations period with sufficiently robust data, in line with SBTi requirements. Base year recalculations follow the SBTi 5% significance threshold, and the base year will be reviewed over time in case of significant structural, operational, or data changes.

When setting our greenhouse gas emission reduction targets, we considered future developments that may affect both emissions and achievable reductions. These include changes in production volumes, evolving customer demand for low-carbon solutions, regulatory developments and the availability of new technologies. The targets assume continued improvements in energy efficiency and increased use of low-carbon energy sources, while recognizing that shifts in production mix and market conditions may influence absolute emissions over time.

METRICS

[E1-8] [E1-9]

We monitor climate and energy performance using a combination of Group-level and site-specific metrics. Core indicators include:

- Scope 1, Scope 2 (market- and location-based) and Scope 3 greenhouse gas emissions,
- total energy consumption and energy mix,
- share of renewable energy in total energy use,
- energy intensity metrics where production comparability allows.

In 2025, the remaining Scope 1 and Scope 2 (market-based) emissions totaled 464 tCO_2e. These residual emissions were fully compensated through the retirement of verified carbon units (VCUs) from a third-party verified solar power project in Vietnam, certified under the Gold Standard. The project supports renewable energy deployment and contributes to selected UN Sustainable Development Goals. The use of verified carbon units is supplementary and does not replace emission reductions; our primary focus remains on reducing emissions at source. No additional carbon credits were purchased during the reporting year.

Changes observed in Scope 3 emissions to date are mainly attributable to production volume fluctuations rather than emission-reduction measures. To address this, we are preparing updated climate reduction roadmaps in 2026, with a stronger focus on value chain levers such as logistics and suppliers.

E1-8 BIOGENIC EMISSIONS

tCO_2e	2025		
	VA	RKS	Total
Scope 1	2731	1	**2732**
Scope 2	6968	0	**6968**
Scope 3	946	24	**970**

DATA METHODOLOGY

Greenhouse gas (GHG) emissions are calculated with reference to the GHG Protocol using an operational control boundary. Following the divestment of IONCOR, its emissions have been excluded from both the reporting and comparative year figures for clarity and comparability. This deviates from the operational control boundary, as the Group had operational control over IONCOR for part of 2025.

Emissions are primarily based on measured activity data (e.g. meter readings, fuel consumption and energy invoices). Where data is unavailable, estimates are applied using appropriate proxies (e.g. floor area), in line with recognized practices. Scope 1 and 2 emissions use recognized emission factors, such as DEFRA.

Scope 3 emissions are calculated using a combination of primary data (e.g. supplier and transport data) and secondary data (including industry-average and spend-based estimates). Due to data limitations, certain categories rely on estimates, with ongoing efforts to improve data quality.

Scope 1 and 2 emissions for FY2025 have been subject to independent third-party limited assurance. The assurance does not cover the restated 2024 figures. While FY2024 emissions were previously assured, the updated figures presented (excluding IONCOR) have not been assured.

Biogenic CO_2 emissions are reported separately with reference to the GHG Protocol to distinguish biomass-related emissions from fossil-based sources.

E1-8 GROSS SCOPE 1 AND 2 GHG EMISSIONS

tCO_2e	2024			2025			% CHANGE	2022 (SBT BASELINE)	% CHANGE (2025 vs 2022)
	VA	RKS	Total	VA	RKS	Total	Total %	Total	Total %
Scope 1	165	528	693	49	415	**464**	-33%	7647	-94%
Scope 2 Location-based	5731	1575	7306	4443	1575	**6018**	-18%	NA	NA
Scope 2 Market-based	17	0	17	0	0	**0**	-100%	23	-100%
Total Scope 1 + Scope 2 market-based	**182**	**528**	**710**	**49**	**415**	**464**	**-35%**	**7670**	**-94%**

E1-8 GROSS SCOPE 3 GHG EMISSIONS

tCO_2e	2024			2025			% CHANGE	2022 (SBT BASELINE)	% CHANGE (2025 vs 2022)
Scope 3 Emissions*	VA	RKS	Total	VA	RKS	Total	Total %	Total	Total %
Category 1: Purchased Goods and Services	8292	36804	**45096**	11325	48318	**59643**	+32%	60207	-1%
Category 2: Capital Goods	3193	1675	**4868**	560	1182	**1742**	-64%	9608	-82%
Category 3: Energy Upstream	4175	640	**4815**	3715	516	**4232**	-12%	7479	-43%
Category 4: Transportation	21866	378	**22244**	27330	2075	**29405**	+32%	68997	-57%
Category 5: Waste	889	2	**891**	884	2	**885**	-1%	1982	-55%
Category 6: Business Travel	404	130	**534**	267	70	**337**	-37%	119	+183%
Category 7: Employee Commuting	2803	479	**3282**	2528	464	**2993**	-9%	323	+827%
Category 8: Upstream Leased Assets	3	17	**20**	1	42	**43**	+115%	0	N/A
Category 9: Downstream Transportation and Distribution	0	844	**844**	0	2140	**2140**	+154%	157	+1263%
Category 10: Processing of Sold Products	0	0,1	**0,1**	0	0,1	**0,1**	0%	0	N/A
Category 11: Use of Sold Products	0	162	**162**	0	244	**244**	+51%	136	+79%
Category 12: End-of-life Treatment of Sold Products	0	13	**13**	0	9	**9**	-31%	42	-79%
Category 13: Downstream Leased Assets	0	0	**0**	79	0	**79**	N/A	0	N/A
Total Scope 3 Emissions	**41625**	**41144**	**82769**	**46690**	**55062**	**101752**	**+23%**	**149050**	**-32%**

*Please note that the totals may slightly differ due to rounding

E1-7 ENERGY CONSUMPTION AND MIX

	2024			2025		
Energy consumption	**VA**	**RKS**	**Total**	**VA**	**RKS**	**Total**
Fuel consumption from coal and coal products (MWh)	0	0	**0**	0	0	**0**
Fuel consumption from crude oil and petroleum products (MWh)	232	449	**681**	163	194	**357**
Fuel consumption from natural gas (MWh)	9	2078	**2087**	0	2018	**2018**
Fuel consumption from other fossil sources (MWh)	0	0	**0**	0	0	**0**
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	15	0	**15**	0	0	**0**
Total fossil energy consumption (MWh)	256	2527	**2783**	163	2212	**2375**
Share of fossil sources in total energy consumption (%)	0%	49%	**3%**	0%	45%	**3%**
Consumption from nuclear sources (MWh)	18	0	**18**	2	0	**2**
Share of consumption from nuclear sources in total energy consumption (%)	0%	0%	**0%**	0%	0%	**0%**
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	1852	0	**1852**	2047	0	**2047**
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	74850	2598	**77449**	71182	2711	**73893**
The consumption of self-generated non-fuel renewable energy (MWh)	0	0	**0**	0	0	**0**
Total renewable energy consumption (MWh)	76702	2598	**79300**	73229	2711	**75940**
Share of renewable sources in total energy consumption (%)	100%	51%	**97%**	100%	55%	**97%**
Total energy consumption (MWh)	**76976**	**5125**	**82101**	**73394**	**4923**	**78317**

DATA METHODOLOGY

The data covers electricity, district heating and cooling, fuels used in production and facilities. Where available, energy consumption is based on direct measurements, such as meter readings, utility invoices and fuel purchase records. Energy data is reported in megawatt-hours (MWh) and reflects consumption during the reporting period.

In cases where direct measurement is not available, energy consumption is estimated using appropriate proxies, such as floor area, based on generally accepted calculation methodologies. Estimates are used only where necessary and are reviewed periodically to improve accuracy as measurement coverage expands. Energy quantities are converted to MWh using standard calorific values and recognized conversion factors. The energy mix is determined by classifying energy sources as renewable or non-renewable based on supplier information, certificates or guarantees of origins and contractual arrangements.

CIRCULAR ECONOMY, RESOURCE USE AND WASTE

Circular economy, resource use and waste are material topics for us due to the scale and complexity of our manufacturing operations and the wide range of materials, components and packaging they require. In contract manufacturing, we manage production-related materials, while customers typically select product-specific materials and suppliers. Efficient resource use and robust waste management support cost control, regulatory compliance, customer requirements and climate mitigation, while reducing environmental impacts and advancing circular economy objectives across our operations.

POLICIES

[E5-1]

Our sustainability policy and Code of Conduct define our commitment to responsible use and management of materials, waste prevention, water and chemicals, and avoiding degradation of biodiversity, soil, air or water quality. These policies apply across all operations and to all our employees.

Our Supplier Code of Conduct extends these expectations to all our tier-1 suppliers, requiring compliance with environmental permits, minimization of environmental impacts and continuous improvement in material efficiency.

Responsible sourcing is further supported by expectations aligned with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, particularly for tin, tantalum, tungsten and gold.

Operationally, resource and waste management are supported by site-specific procedures defining waste streams and hierarchies, responsibilities, sorting requirements and reporting practices. In VA, these are complemented by a Circular Economy Handbook to embed circular principles into daily operations. Supporting daily practices, our operational excellence model incorporates the 5S methodology, focusing on organizing spaces to enable work to be performed efficiently, effectively and safely thus helping to minimize waste.

ACTIONS

[E5-2]

CIRCULAR ECONOMY AND RESOURCE EFFICIENCY

Circular economy practices are implemented through our True Green Initiative, which focuses on improving material efficiency, reducing losses, strengthening internal awareness and supporting circular solutions for materials, packaging, energy and water. Employee engagement plays a key role, supported by structured idea management processes that turn improvement proposals into measurable actions.

Across our production sites in Finland and Poland, we work with suppliers, customers and service partners to keep materials in circulation. Practical examples include the reuse and return of packaging to suppliers, repair and reuse of wooden pallets, recycling of ICT equipment and workwear, and rental or donation models for office furniture. These actions reduce demand for virgin materials, improve cost efficiency and support regulatory compliance.

ENVIRONMENTAL MANAGEMENT AND COMPLIANCE

All production sites operate under ISO 14001-certified environmental management

systems, providing a structured approach to managing resource use, environmental impacts and compliance with permits. This systematic management supports not only material efficiency and waste control, but also broader pollution prevention and operational resilience.

As part of this approach, emissions to air remain consistently well below permit limits. For example, volatile organic compound (VOC) emissions in 2025 were 18 g/m² (2024: 16 g/m²), in line with our annual target of 18 g/m² for 2025 and below the applicable environmental permit limit of 30 g/m². Calculations are verified every two years by a third-party.

WATER AS PART OF RESPONSIBLE RESOURCE MANAGEMENT

Water is an operational input at our Uusikaupunki plant, mainly in paint shop and pre-treatment processes. Water is not a material topic due to low overall consumption and operations located in areas with low water-stress risk. Nevertheless, we manage water responsibly as part of our circular resource use and environmental management practices.

Water use and wastewater management are governed by environmental permits, industrial wastewater agreements and Best Available Techniques (BAT) requirements. Consumption is monitored through metering, efficiency improvements are implemented where feasible, and performance is reported annually. We prioritize the use of less-treated raw water for cooling and washing processes, reducing demand for potable water and pressure on municipal systems.

Wastewater is pre-treated on site where necessary and monitored in accordance with permit requirements before discharge. Preventive measures, including the ability to isolate stormwater systems in emergency situations, support environmental protection and regulatory compliance. We work closely with local authorities and water utilities and maintain transparent reporting as part of our sustainability disclosures. We also report annually to CDP Water, achieving a score of B for the reporting year 2024.

E3-4 WATER METRICS

	2024			2025		
WATER m³	**VA**	**RKS**	**Total**	**VA**	**RKS**	**Total**
Total water consumption of processed water	320	0	**320**	352	0	**352**
Total water consumption in areas with water stress	0	0	**0**	0	0	**0**
Total water withdrawal	78600	4486	**83086**	62314	7146	**69460**
Total water discharge	78280	4486	**82766**	61962	7146	**69108**

UPSTREAM RESOURCE USE, CRITICAL MATERIALS AND SUPPLIER ENGAGEMENT

Our upstream impacts related to resource use and circularity arise primarily from materials and components sourced from suppliers under our direct control. While our ability to track resource flows and material composition beyond tier-1 suppliers is currently limited, we have established foundational systems to set expectations and monitor environmental and social performance. All tier-1 suppliers are expected to sign our Supplier Code of Conduct, which includes requirements on environmental protection, responsible material use and compliance with applicable legislation. Although full coverage has not yet been achieved, we monitor signature rates and engagement trends and work systematically with suppliers to increase coverage and alignment over time.

Supplier performance is further monitored through targeted ESG* self-assessment questionnaires, Conflict Minerals Reporting (CMRT) and contractual requirements embedded in our General Purchase Terms. They address topics such as the management of REACH substances, the maintenance of environmental management systems and responsible sourcing practices. For selected materials, we also assess the sourcing of critical minerals, with expectations aligned with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, particularly for tin, tantalum, tungsten and gold. These measures provide a baseline for managing upstream resource-related impacts, risks and opportunities supporting circular economy objectives, while we continue to improve data quality, traceability and transparency across the value chain over time.

WASTE MANAGEMENT AS A CIRCULAR OUTCOME

Waste is managed as an outcome of resource use, in line with the waste hierarchy. We handle both non-hazardous and hazardous waste streams, including packaging materials, metals, plastics, wood, biowaste and hazardous waste. Waste is sorted at source, responsibilities are clearly defined within operations, and hazardous waste is always handled separately and directed to appropriate treatment in full compliance with legal requirements. Employees involved in hazardous waste handling receive appropriate training and clear operational guidance.

We prioritize waste prevention, reuse and recycling, working closely with waste management partners to improve recycling performance. Residual waste is directed to energy recovery where recycling is not feasible.

*Environmental, social and governance

METRICS AND TARGETS

[E5-3] [E5-5]

We monitor circular economy and waste performance through KPIs across all business areas.
Key metrics include:

- Recycling rate for non-hazardous waste with a target of 70% in our operations by 2027
- Total waste generated
- Waste cost per manufactured product (with an annual target for VA)
- Water withdrawal (total volumes and per manufactured product with annual target for VA)

Our primary circular economy target is to achieve a 70% recycling rate for non-hazardous waste across all business areas by 2027, supported by annual, site-specific targets aligned with operational conditions. In 2025, the recycling rate for non-hazardous waste reached 86%.

Water efficiency is monitored as cubic metres per manufactured product at VA. In 2025, water intensity exceeded the target due to increased cooling demand during the summer period. Corrective actions, including repairing leaks and shutting down unnecessary water flows, were implemented to restore efficiency and support continuous improvement.

E5-5 WASTE AMOUNTS

	2024				2025			
Waste amounts (t)	**Total %**	**Total**	**VA**	**RKS**	**Total %**	**Total**	**VA**	**RKS**
Amount of total waste generated (t)	100 %	**1905**	1655	250	100 %	**3881**	3529	352
Amount of total non-recycled waste generated (t)	36 %	**686**	543	143	29 %	**1111**	932	179
Percentage of non-recycled waste (%)		**36 %**	33 %	57 %		**29 %**	26 %	51 %
Amount of non-hazardous waste (t)	66 %	**1264**	1025	239	94 %	**3635**	3299	336
Amount of recycled non-hazardous waste (t) - total	59 %	**1132**	1025	107	80 %	**3109**	2942	167
Amount of recycled non-hazardous waste (t) - reuse	4 %	**70**	59	11	2 %	**66**	63	3
Amount of recycled non-hazardous waste (t) - recycling	40 %	**761**	665	96	69 %	**2696**	2532	164
Amount of recycled non-hazardous waste (t) - other recovery operations	16 %	**301**	301	0	9 %	**348**	348	0
Amount of disposed non-hazardous waste (t) - total	7 %	**132**	0	132	14 %	**526**	357	169
Amount of disposed non-hazardous waste (t) - incineration	7 %	**132**	0	132	14 %	**526**	357	169
Amount of disposed non-hazardous waste (t) - landfilling	0 %	**0**	0	0	0 %	**0**	0	0
Amount of disposed non-hazardous waste (t) - other disposal operations	0 %	**0**	0	0	0 %	**0**	0	0
Amount of hazardous waste (t)	34 %	**643**	631	12	6 %	**246**	230	16
Amount of recycled hazardous waste (t) - total	5 %	**87**	87	0	1 %	**44**	44	0
Amount of recycled hazardous waste (t) - reuse	0 %	**5**	5	0	0 %	**0**	0	0
Amount of recycled hazardous waste (t) - recycling	1 %	**14**	14	0	0 %	**3**	3	0
Amount of recycled hazardous waste (t) - other recovery operations	4 %	**68**	68	0	1 %	**41**	41	0
Amount of disposed hazardous waste (t) - total	29 %	**554**	543	11	5 %	**202**	186	16
Amount of disposed hazardous waste (t) - incineration	29 %	**554**	543	11	5 %	**202**	186	16
Amount of disposed hazardous waste (t) - landfilling	0 %	**0**	0	0	0 %	**0**	0	0
Amount of disposed hazardous waste (t) - other disposal operations	0 %	**0**	0	0	0 %	**0**	0	0

RECYCLING RATE (WITHOUT HAZARDOUS WASTE)

	2024	2025	2027 TARGET
Valmet Automotive	71%	88%	70%
Roof & Kinematic Systems	43%	50%	70%

WASTE TYPES BY BUSINESS AREAS

	2024			2025		
	Total	VA	RKS	**Total**	VA	RKS
Amount of energy waste (t)	**349**	207	142	**285**	243	42
Amount of biomass to waste (t)	**31**	31	0	**23**	23	0
Amount of metals to waste (t)	**305**	296	9	**2133**	2040	93
Amount of plastics to waste (t)	**29**	28	1	**150**	150	0
Amount of paper, carton, cardboard to waste (t)	**188**	170	18	**268**	199	69
Amount of wood to waste (t)	**32**	32	0	**34**	34	0
Amount of wooden pallets (t)	**88**	88	0	**87**	84	3
Amount of glass to waste (t)	**30**	29	1	**33**	26	7
Amount of textiles to waste (t)	**0**	0	0	**127**	0	127
Amount of other waste (t)	**852**	773	79	**742**	731	11
Total	**1905**	1655	250	**3881**	3529	352

*Please note that the totals may slightly differ due to rounding

DATA METHODOLOGY

We are currently unable to fully disclose quantitative information under ESRS E5-4 and E5-5 due to limitations in data availability and methodological maturity. A structured implementation plan is in place to develop data collection, methodologies, and controls, with the aim of progressively expanding disclosures in future reporting periods. Please note, if comparing the tables on page 41, the difference in reported percentages is due to the chosen denominators (out of total waste or out of total non-hazardous waste).

Environmental data is based on a combination of direct measurements, supplier reports and verified service-provider data. Waste data is primarily sourced from contracted waste management providers and reported by weight. Hazardous and process chemical waste is excluded from recycling rate calculations and always managed separately. Water use is measured through on-site metering and calculated as withdrawal minus discharge.

PEOPLE-LED INNOVATION FOR RESOURCE EFFICIENCY

[E5-3] [E5-5]

We believe that innovation starts with our people. To harness employee creativity and drive continuous improvement, we have implemented a structured idea management process. This enables our employees to submit ideas and proposals for workplace enhancements, safety improvements, and sustainability initiatives.

Some of our implemented ideas from 2025 include:

- Reducing water consumption by improving paint oven usage and paint waste
- Decreasing energy use by optimizing oven shutdown timing and lowering water test temperature
- Cutting material waste and defects through better protection and process adjustments

Our approach fosters a culture of engagement and accountability, ensuring that ideas are tracked, evaluated, and rewarded.

CIRCULAR ECONOMY PRACTICES

The following examples illustrate how we apply circular principles in practice across sharing, maintenance, reuse and recycling to improve resource efficiency in our daily operations.

SHARING

Sharing is a core circular economy principle that increases the use of existing assets and reduces the need for new resources such as shared workstations and tools.

MAINTENANCE & REPAIR

Maintenance and repair are essential to extending the lifespan of equipment and reducing the need for new materials. We support this through proactive maintenance practices and the 5S workplace organization model, which helps keep tools and machinery in good condition, improving efficiency and durability across our plants.

RESUSE AND MANUFACTURING

Reuse and remanufacturing help retain the value of materials and components before recycling becomes necessary. We apply this principle by reusing and repairing wooden pallets through service partners, with only non-reusable pallets directed to material recycling or energy recovery.

RECYCLING

Recycling allows materials at the end of their life cycle to be returned into productive use, reducing reliance on virgin resources and limiting landfill waste. We recycle worn work clothes into new fibers, recover IT equipment through certified partners and collaborate with customers and suppliers to develop more sustainable packaging solutions.

SOCIAL

MATERIAL SOCIAL MATTERS: IMPACTS, RISKS, OPPORTUNITIES AND MANAGEMENT

[SBM-3] [IRO-2]

Social topics are integral to our operations and long-term value creation, particularly in a manufacturing environment where employee safety, workforce practices and supply chains are critical.

MATERIAL TOPICS	IMPACT, RISK AND/OR OPPORTUNITY DESCRIPTION	POLICIES	TARGETS	ACTIONS	METRICS	MANAGEMENT
Own workforce Health & safety	Manufacturing operations involve heavy machinery and complex production environments, making onsite health and safety a core operational and cultural priority. Short-term potential risks include workplace accidents and production disruptions, while longer-term aspects relate to safety culture, skills retention and compliance with occupational health and safety regulations. Strong safety performance supports reliable operations, employee well-being and long-term productivity.	x	x	x	x	· Management oversight, guided by our Code of Conduct, H&S policy and guidelines · Managed under ISO 45001, our VA operating system, internal and external audits, and embedded in risk management · Metrics and targets (LTIF, TRIF, safety observations) are tracked monthly and reviewed by management · Proactive safety culture and systems, as well as continuous training programs that enhance well-being and reduce incidents
Own workforce Secure employment and collective bargaining	Employment stability is influenced by market cycles, customer demand and capacity adjustments. In the short to medium term, fluctuations may require workforce flexibility, including adjustments with layoffs or furloughs and short-time work. Effective workforce planning, social dialogue and collective bargaining are critical to managing change responsibly, maintaining skills and supporting long-term operational resilience.	x	x	x	x	· Management oversight, guided by our H&R policy, Code of Conduct, collective agreements and people guidelines · Managed under people function, and embedded in risk management · Qualitative and quantitative metrics and targets, including employee satisfaction. · Regular dialogues with employee representatives and management, structured change negotiations, change-security training for affected employees · Continuous improvement through annual workforce planning, employee engagement and transparent communication
Own workforce Diversity	Diversity, including at leadership levels, plays a critical role in decision-making, organisational culture and long-term competitiveness in manufacturing. Historically limited diversity representation represents a structural risk in the short to medium term. Over the long term, strengthening diversity presents an opportunity to broaden talent pipelines, enhance innovation and support sustainable business performance.	x		x	x	· Management oversight, guided by our H&R policy, Code of Conduct and local people guidelines including our equality and non-discrimination plans · Managed under people function, and embedded in risk management · Fostering an inclusive culture through training, implementing fair pay structures, and robust compliance and grievance channels.
Value chain Labor risks in the supply chain	Manufacturing supply chains are often global, multi-tiered and dependent on specialized materials and components, which can limit direct visibility over upstream labor practices. This creates potential risks related to working conditions, labor rights compliance and ethical standards in the supply chain. In the short to medium term, insufficient transparency or supplier non-compliance may result in reputational risk, customer concerns or supply disruptions.	x	x	x	x	· Guided by the Supplier Code of Conduct · Management through contractual requirements and periodic targeted reviews · Performance followed with supplier self-assessments (SAQs) and minerals reporting integrated into procurement processes · Grievance channels are available for reporting potential misconduct and are overseen by Group legal, with significant matters escalated to the Board · Ongoing development of supplier and due diligence practices aims to strengthen risk identification and responsible business conduct over time

Unless otherwise stated, disclosures in this section relate to our own employees with direct employment contracts. Non-employees (rented workforce) are primarily engaged at the Roof & Kinematic Systems manufacturing site in Żary, Poland, and are included in the disclosures only if specifically mentioned.

OWN WORKFORCE

[S1-5], [S1-6]

Our people make up a diverse workforce across locations in Finland, Poland and Germany, operating within our two business areas Valmet Automotive and Roof & Kinematic Systems. Our teams include both office-based and factory employees, representing many nationalities and professional backgrounds. We have identified key impacts on our workforce, particularly in health and safety, secure employment and collective bargaining, and diversity.

NATIONALITIES	~ 50		
WORKFORCE LOCATION	75% FINLAND	20% POLAND	5% GERMANY
ROLE	65% FACTORY WORKERS	35% OFFICE WORKERS	
GENDER	69% MEN	31% WOMEN	

*Active and inactive own employees (direct contract) as of December 31, 2025

GENERAL POLICIES AS A FOUNDATION

[S1-1]

Our Code of Conduct is the basis for how we work together. It sets clear expectations for ethical behaviour in all our locations and outlines our commitment to respecting human rights and providing safe, fair and supportive working conditions for everyone.

We are committed to equal opportunities and a workplace free from harassment or discrimination. This includes protection regardless of gender identity, marital status, pregnancy, race, age, sexual orientation, religion, political beliefs, disability or family situation.

Aligned with international conventions and standards, the Code of Conduct reflects the principles of the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. As an employer, we uphold labor rights as defined by the Fundamental Conventions of the International Labour Organization (ILO) and the International Bill of Human Rights. The code strictly prohibits any direct or indirect use of child labor, forced labor, wage slavery, involuntary labor or any form of coercion, abuse or exploitation.

In addition, our human resources and health & safety policies support a high-skilled, innovative and flexible workforce. They commit us to providing fair, safe and healthy working conditions, supported by strong management engagement and shared responsibility across the organization. We have a grievance policy that explains how employees can report inappropriate behaviour, such as harassment or discrimination, and how concerns are handled fairly and consistently.

ENGAGEMENT AND WORKERS' REPRESENTATIVES

[S1-2] [S1-7] [S1-16]

We engage in regular and systematic dialogue with our personnel to ensure that employee perspectives are heard and reflected in decisions affecting working conditions, organizational development and workplace well-being. Engagement is embedded in day-to-day operations and takes place through multiple formal and informal channels across all sites.

Workers' representatives, including shop stewards and union representatives, play a central role in our engagement model. Regular dialogue between employee representatives and management covers topics such as health and safety, working conditions, organizational changes and employment matters. These discussions provide information to management decision-making and support responsible change management.

Engagement with employees takes place through a combination of regular meetings, employee surveys, feedback tools, committees and direct dialogue with management, including an open question channel to the CEO.

Employees have access to multiple channels to raise concerns or needs, including:

- local shop stewards and employee representatives,
- line management and the People function,
- safety, idea and initiative committees,
- anonymous feedback tools, and
- a confidential whistleblowing channel, which includes protection against retaliation.

The effectiveness of these channels is assessed by monitoring their use, reviewing response times and follow-up actions, and considering feedback from employees and representatives. Outcomes and recurring themes are escalated to management and, where relevant, to the Board.

CHANNELS FOR WORKERS TO RAISE CONCERNS

We are dedicated to fostering a respectful and safe workplace for all employees. To support this commitment, we have implemented a grievance policy that offers clear guidelines for addressing inappropriate behaviour, including harassment and discrimination. The policy serves as a comprehensive framework, outlining the steps to take when such incidents arise and detailing how they are managed according to their severity.

In accordance with this policy, all reported cases are thoroughly investigated, with hearings conducted to ensure fairness and transparency. The process aims to clarify the situation and appropriate measures are then determined to address the issue at hand. If necessary, follow-up actions are implemented to ensure that these measures have been effective in resolving the concern and maintaining a safe and respectful environment.

We have established a whistleblowing channel that enables employees and the broader workforce to report suspected non-compliance or misconduct. This channel ensures that individuals can raise concerns safely and anonymously, if preferred. This approach allows us to actively monitor and address any issues that arise, ensuring that the values outlined in our policies are consistently upheld across the organization. Negative actions against an employee who reports a suspected violation in good faith are not tolerated. For more details on our compliance channels and how we manage reported concerns, please refer to the Business Conduct section.

In 2025, one minor incident of discrimination was recorded through people processes and was addressed internally with appropriate mitigation responses. No human rights incidents were identified, and no fines, penalties or compensation for damages were incurred.

HEALTH & SAFETY

Health and safety are core to how we operate as a manufacturing company. Strong safety practices protect people in complex assembly environments, ensure legal and contractual compliance, support efficient operations and underpin our long-term success.

POLICIES

[S1-1]

Our health and safety policy focuses on the prevention of work-related risks, the protection of employee and visitor well-being, compliance with safety regulations, continuous risk assessment and training, open reporting of safety observations, and ongoing investment in safe and reliable operations.

The policy has been developed with input from employees, management, safety committees and health and safety experts.

Site-level instructions and guidelines complement the policy and are communicated through onboarding and regular training, covering safe working practices, ergonomics, equipment use, incident and near-miss reporting, and other safety requirements. These policies apply to employees and non-employees working on site.

ACTIONS

[S1-3]

We carry out continuous health and safety actions across all plants, implemented through our own operations and supported by certified management systems, including ISO 45001, as well as external collaboration such as participation in Finland's Zero Accidents Forum.

We foster a Safety First culture that prioritizes prevention and continuous improvement in everyday operations to prevent, mitigate and remediate material negative impacts. This culture is reinforced through systematic safety practices, open dialogue and shared responsibility at all organizational levels. Collective culture is supported by benefits to employees when safety performance and targets are strong. All employees receive general safety training, complemented by task-specific and hazard-related instruction tailored to their roles and work environments. Contract partners working on our premises are also obliged to complete mandatory safety training and, for larger projects, to submit a detailed safety plan.

Employees are encouraged to report safety observations, near misses and incidents through internal reporting channels. All reports are reviewed through structured investigation and corrective action processes overseen by qualified specialists.

Employee well-being is supported through occupational health services, well-being programs and preventive initiatives, with health and safety information communicated through multiple channels to ensure awareness and consistent application across sites.

Where operational or business pressures may arise, safety requirements are not compromised, but preventive measures are embedded into planning and decision-making.

Together, our actions contribute to reduced accident rates, improved risk identification and a consistent safety culture across sites.

VA has received highest rating Level 1 - World´s forefront of occupational safety from the Vision Zero Forum for the years 2024 and 2025.

METRICS AND TARGETS

[S1-4] [S1-13]

We monitor health and safety performance using ESRS metrics and selected industry-standard safety KPIs, including LTI, LTIF, TRI and TRIF*, complemented by culture-focused indicators such as safety observations and management safety walks.

All our personnel including non-employees in manufacturing sites are covered by a Health & Safety Management System. During the reporting period, no work-related fatalities from accidents or ill health were recorded.

In 2025, we focused on preventing accidents and strengthening a proactive safety culture across our manufacturing operations. Actions included process and chemical safety improvements, winter and traffic safety measures, enhanced occupational health support, psychosocial well-being initiatives, regular safety training and active employee involvement through safety observations and committees.

We have annual targets for LTIF, management safety walks and safety moments. Performance is monitored through defined metrics, audits and management reviews, informed by engagement with employees and health and safety representatives. Insights from audits, committees and workplace feedback are used to assess effectiveness and continuously improve actions and outcomes.

PROACTIVE SAFETY CULTURE

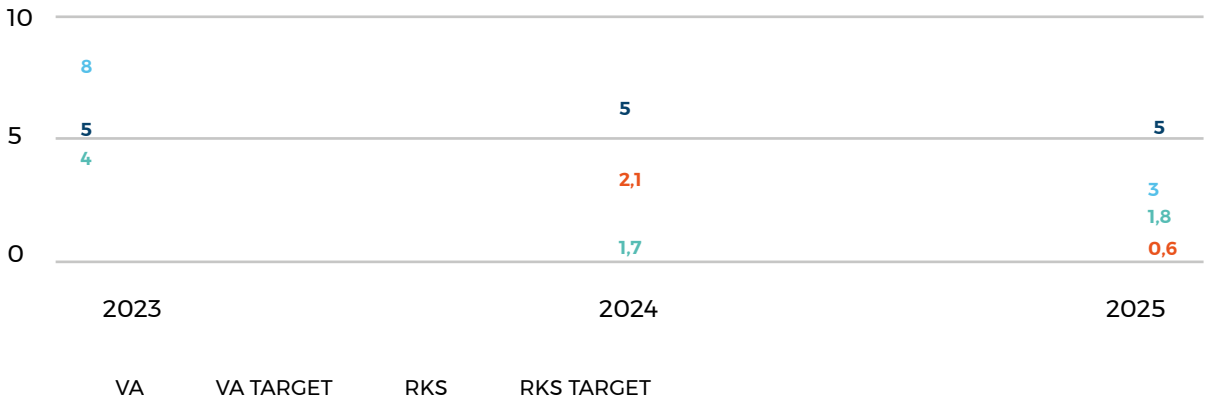
Indicators supporting continued improvement in injury prevention and risk awareness

850
SAFETY OBSERVATIONS

51
MANAGEMENT WALKS
2025: TARGET 54

726
SAFETY MOMENTS
2025: TARGET 480

INJURY RATE (LTIF)



H&S METRICS

	VA	RKS
Fatalities	0	0
LTI	1	2
LTIF	0,6	1,8

DATA METHODOLOGY

A safety moment is a short, focused discussion to raise awareness of specific safety topics, share lessons learned, and reinforce safe working practices in daily operations.

We currently report health and safety performance using internally established indicators (such as LTI, LTIF, TRI and TRIF) and will further align our metrics and calculation methodologies with ESRS requirements as the standards are finalized and implemented. Currently, our reporting is not fully aligned with the ESRS.

*LTI = Lost Time Injury; LTIF = Lost Time Injury Frequency; TRI = Total Recordable Injuries; TRIF = Total Recordable Injury Frequency.

SECURE EMPLOYMENT & COLLECTIVE BARGAINING

As a manufacturing company operating in cyclical markets, fluctuations in customer demand may affect workload and employment levels. We recognize that employment stability and fair treatment are critical to employee well-being, skills retention and long-term operational resilience.

POLICIES

[S1-1]

Our approach to secure employment is guided by our Code of Conduct, human resources policy and applicable collective agreements, which together establish the principles for fair treatment, social dialogue and responsible workforce management.

Collective bargaining and cooperation with employee representatives are integral to these policies and form a core mechanism for managing employment-related impacts in line with legal, contractual and ethical obligations.

These policies commit us to transparent decision-making, respect for employee rights and responsible management of organizational change, while supporting long-term capability planning and sustainable employment across our operations.

ACTIONS

[S1-3]

We maintain continuous dialogue with employee representatives and trade unions across our locations and initiate formal change negotiations in accordance with national legislation, collective agreements and our internal people policies when significant organizational changes arise. Where possible, we prioritize temporary measures over permanent reductions to preserve employment and safeguard critical industrial competencies. In 2025, we conducted formal change negotiations in Finland and restructuring in Germany, resulting in temporary layoffs and terminations.

To support employees affected by organizational changes, we apply a structured offboarding and transition framework. In Finland, this includes the statutory change security model, providing employer-funded training or coaching to support employability. We also cooperate with local employment authorities, trade unions and support programs to provide practical assistance during transition periods.

Collective bargaining coverage varies by country in line with national labor market practices and legal frameworks. In Finland, 80–100% of employees covered by collective agreements. In Germany (RKS), coverage is estimated at 60–79%. In Poland (RKS), collective bargaining coverage is estimated at 0–19%, reflecting the local labor market structure.

Internal communication is strengthened during change processes through regular updates, dedicated information channels and direct dialogue opportunities, and employees are encouraged to raise concerns through their representatives, people contacts or other established channels.

Employee satisfaction and the impacts of employment-related changes are monitored through regular employee surveys with defined response-rate targets. These include an annual people survey complemented by lighter, continuous feedback tools, with results reviewed by management and used to inform action planning and continuous improvement.

Training and skills development are essential to maintaining a skilled and adaptable workforce aligned with both Company and industry standards. All employees participate in onboarding, annual training, and annual performance and

development reviews, which support individual development planning. Development is further supported through health and safety training, structured induction, mentoring, on-the-job learning, job rotations and external courses, complemented by flexible digital learning. To ensure inclusivity, training is available in English, Finnish, German, and Polish.

Job security risks related to the low-carbon transition are limited, as our manufacturing capabilities and product portfolio are aligned with low-carbon technologies such as electric vehicles and are not dependent on internal combustion engine propulsion, supporting workforce resilience over the short to long term.

METRICS AND TARGETS

[S1-4] [S1-6]

We monitor secure employment and collective bargaining through a combination of quantitative workforce metrics and employee engagement indicators. Key metrics include employee turnover rate, employee satisfaction and engagement, and headcount development over time.

In 2025, approximately 90% (1,653) of our workforce was directly employed and 10% (182) external as rented employees. The use of external workers was limited to our operations in Poland and supports operational flexibility in a cyclical manufacturing environment while maintaining overall employment stability.

Rather than setting fixed numerical targets for workforce structure, we focus on maintaining responsible turnover levels, stable headcount development and high employee engagement, supported by continuous social dialogue and collective bargaining. Progress is reviewed regularly by management and employee representatives, and insights are used to assess the effectiveness of our policies and actions and to support continuous improvement.

S1-5 CHARACTERISTICS OF EMPLOYEES: TURNOVER RATE

TURNOVER BY EMPLOYEE	TURNOVER RATE 2025 FOR FEMALES	TURNOVER RATE 2025 FOR MALES	TOTAL TURNOVER RATE 2025
Valmet Automotive	3%	10%	8%
Roof and Kinematic Systems	8%	16%	12%

DATA METHODOLOGY

Employee turnover is calculated as the number of employees who leave the company during the reporting period due to voluntary resignation, dismissal, retirement or death in service, divided by the average employee headcount. Previous year's numbers are not included due to changing calculation methodology towards ESRS standards. The calculation covers the undertaking's own employees only.

DIVERSITY

We operate in an international environment and see our diverse workforce as a strength. Our employees represent approximately 50 nationalities, bringing different perspectives that support collaboration, problem-solving and resilience. We embed equality in our day-to-day practices while strengthening diversity in management within a traditionally less diverse sector.

POLICIES

[S1-1]

Our approach is guided by our human resources policy and Code of Conduct. These set clear expectations for non-discrimination, equal opportunities, and respectful behavior across the organization. Aligned with these, we have tailored local people guidelines for Finland, Poland and Germany that allow for national law and local market alignment.

The policies outline our commitment to treating everyone fairly and with respect, regardless of gender, nationality, background or role.
For us, diversity is about equal treatment and transparency in practice, including recruitment, career development and pay. To support this, we have transparent guidelines on pay structures, role expectations, training and performance reviews accessible through our employee intranet.

ACTIONS

[S1-3]

We work to build an inclusive organizational culture through transparent people processes, targeted training, and effective compliance and grievance mechanisms that support equal treatment across the organization.

Equality and non-discrimination are supported through plans and practices that define measures such as promoting equality, accessibility and a positive employee experience across roles and locations.

Employee perspectives are gathered through periodic people surveys which include questions on equality, inclusion and fairness, and the results are reviewed by management and used to define targeted action plans where improvement needs are identified.

Fairness and transparency in people processes are supported through structured job evaluation and regular reviews of role requirements and remuneration practices. Compensation is based on role requirements, individual performance, and Company performance, and pay structures are reviewed annually. In our production operations, these processes are underpinned by formal cooperation structures that include trained employer and employee representatives, ensuring consistent and equitable application of job classifications and role requirements. In line with our Code of Conduct, we ensure that employee remuneration meets or exceeds applicable statutory minimum wage requirements and that minimum working hour requirements for non-employees are respected.

S1-5 CHARACTERISTICS OF EMPLOYEES: GENDER

GENDER (HEADCOUNT 31.12)*	VA	RKS	TOTAL NUMBER OF EMPLOYEES FY2025	TOTAL NUMBER OF EMPLOYEES FY2024
Male	918	229	1147	1294
Female	317	189	506	555
Not reported	0	0	0	1
Total	1235	418	1653	1850

*Includes active and inactive personnel 31.12.2025

METRICS AND TARGETS

[S1-4]

We monitor diversity and equality through key metrics such as gender pay equality, gender distribution across the workforce and management, and employee turnover by gender (included in the secure employment section).

We have not identified significant gender-based pay disparities or contract types. In addition, recruitment processes are monitored to ensure balanced representation in candidate pools, and current recruitment practices reflect a broadly balanced level of representation.

Rather than setting standalone quantitative diversity targets, our focus is on embedding equality and inclusion into everyday decision-making and people processes, including recruitment, transparent pay structures, performance management and succession planning.

DATA METHODOLOGY

Our workforce data includes all individuals employed under a direct employment contract in accordance with national laws. Employee information is sourced from our people management system. Workforce metrics are calculated using headcount as of December 31, 2025, providing a consistent and comparable snapshot. Headcount is used because our sector has limited seasonal variation, reducing the risk of distortion in annual trends. Our headcount differs from the FY2025 financial statements, as the sustainability report includes inactive employees e.g. furloughs; the financial statements include only active personnel.

S1-5 CHARACTERISTICS OF EMPLOYEES: COUNTRY

COUNTRY (HEADCOUNT 31.12)	VA	RKS	TOTAL NUMBER OF EMPLOYEES 2025	TOTAL NUMBER OF EMPLOYEES 2024
Finland	1235	0	1235	1346
Germany	0	92	92	143
Poland	0	326	326	361
Total	1235	418	1653	1850

S1-5 CHARACTERISTICS OF EMPLOYEES: CONTRACT TYPE BROKEN DOWN BY GENDER

CONTRACT TYPE BROKEN DOWN BY GENDER (HEADCOUNT 31.12)	FEMALE	MALE	NOT REPORTED	TOTAL
Number of permanent employees FY2025				
Valmet Automotive	315	915	0	1230
Roof and Kinematic Systems	162	208	0	370
Total	477	1123	0	1600
Number of permanent employees FY2024				
Valmet Automotive	342	1009	1	1352
Roof and Kinematic Systems	169	243	0	412
Total	511	1252	0	1764
Number of temporary employees FY2025				
Valmet Automotive	2	3	0	5
Roof and Kinematic Systems	27	21	0	48
Total	29	24	0	53
Number of temporary employees FY2024				
Valmet Automotive	3	3	0	6
Roof and Kinematic Systems	41	39	0	80
Total	44	42	0	86
Number of non-guaranteed hours employees FY2025				
Valmet Automotive	0	0	0	0
Roof and Kinematic Systems	0	0	0	0
Total	0	0	0	0
Number of non-guaranteed hours employees FY2024				
Valmet Automotive	0	0	0	0
Roof and Kinematic Systems	0	0	0	0
Total	0	0	0	0

WORKERS IN THE VALUE CHAIN

Our operations rely on complex, multi-tier manufacturing supply chains where direct visibility into upstream workplaces is limited. In manufacturing-intensive value chains, this can increase potential risks related to working conditions, particularly in upstream tiers. Such risks may result in adverse impacts on workers and may also lead to reputational, customer-related or operational risks.

POLICIES

[S2-1]

Our approach to workers in the value chain is guided by our Supplier Code of Conduct, which sets expectations for responsible business conduct across social, environmental and ethical topics. The Supplier Code of Conduct addresses, among others, working conditions, health and safety, fair and equal treatment, non-discrimination and respect for labor rights.

The Supplier Code of Conduct is aligned with recognised international standards and frameworks, including:

- the UN Guiding Principles on Business and Human Rights
- the OECD Guidelines for Multinational Enterprises
- the Fundamental Conventions of the International Labour Organization
- the International Bill of Human Rights

The Supplier Code of Conduct explicitly prohibits, under all circumstances, the use of child labor, forced or compulsory labor, and any practices that are coercive, abusive or exploitative.

The Supplier Code of Conduct applies to all tier-1 suppliers and is embedded in tendering and contracting processes. Acceptance of the Supplier Code of Conduct is required. However, monitoring and enforcement across supply chains remain challenging and continue to evolve.

ENGAGEMENT WITH VALUE CHAIN WORKERS

[S2-2]

Engagement with value chain workers currently takes place indirectly, primarily through our tier-1 suppliers. We gather information on labor practices, human rights policies, health and safety management and governance structures through supplier self-assessment questionnaires (SAQs) for selected suppliers. The results support our due diligence processes and help identify areas requiring improvement.

Value chain workers and other stakeholders also have access to anonymous reporting channels to raise concerns confidentially. These channels form part of our whistleblowing framework, as described in the Business Conduct (G1) chapter, and are overseen by Group legal and reviewed by management.

ACTIONS, METRICS AND TARGETS

[S2-3] [S2-4]

Our supply chain due diligence approach is under ongoing development to reflect our evolving operating environment and expanding manufacturing scope. Current due diligence activities include:

- Identification of risks through our double materiality assessment
- Supplier sustainability self-assessments (SAQs)
- Conflict and extended minerals reporting
- Sustainability-related requirements in General Purchase Terms, including environmental, human rights and health and safety responsibilities

The SAQ is a structured self-assessment tool. Suppliers completing the SAQ are expected to meet minimum requirements, including having:

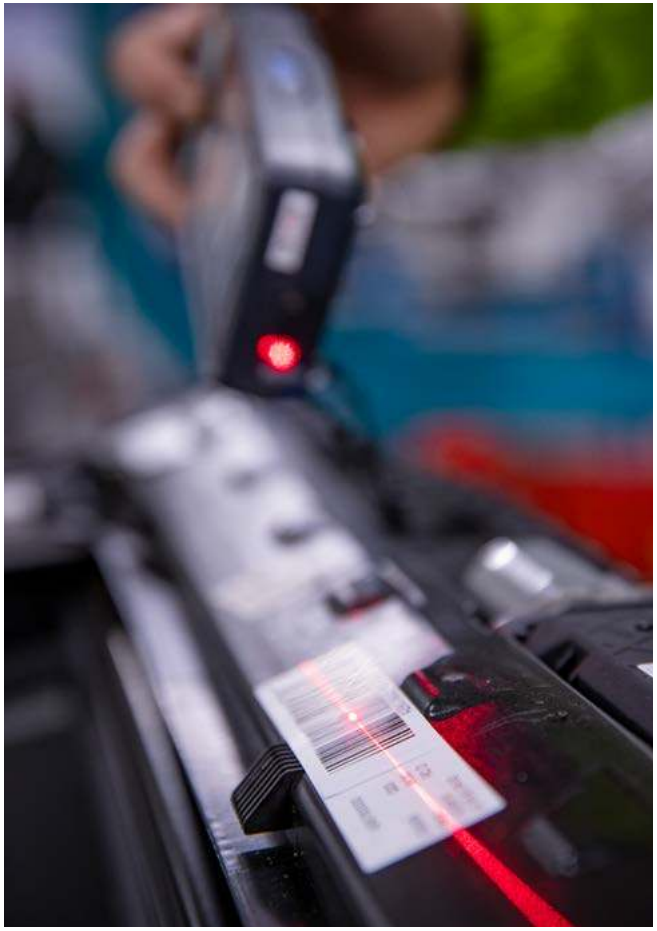
- a Code of Conduct
- a Health and Safety policy
- a Human Rights policy addressing child labour and modern slavery
- a Business Ethics policy
- an Environmental policy
- Sustainability expectations for their own suppliers

Relevant suppliers are expected to trace and disclose the origin of conflict minerals (tin, tantalum, tungsten and gold) and selected extended minerals such as cobalt and mica, using the Responsible Minerals Initiative's CMRT and EMRT templates.

We recognize that data quality, coverage and response rates vary, and that consistent reporting across multi-tier supply chains requires ongoing improvement. Strengthening due diligence systems, data reliability and supplier engagement remains a key focus area.

While we have previously set targets related to supplier engagement and assessment coverage, some metrics and targets were temporarily paused or under review during the reporting year due to organisational changes.

Going forward, we are reviewing and restructuring our metrics and targets to ensure they are meaningful, comparable and fit for purpose. Updated targets will be defined as revised processes and data maturity allow for consistent tracking.



BUSINESS CONDUCT

BUSINESS CONDUCT

Business conduct topics are fundamental to our operations and long-term value creation, supporting ethical behaviour, regulatory compliance and trust in highly regulated manufacturing activities.

MATERIAL RESPONSIBLE BUSINESS CONDUCT IMPACTS, RISKS, OPPORTUNITIES AND MANAGEMENT

[SBM-3] [IRO-2]

MATERIAL TOPICS	IMPACT, RISK AND/OR OPPORTUNITY DESCRIPTION	POLICIES	TARGETS	ACTIONS	METRICS	MANAGEMENT
Business Conduct	Responsible business conduct and a strong ethical culture, including robust anti-corruption and anti-bribery practices, are essential in highly regulated manufacturing sectors such as automotive and defense. Effective governance and compliance mechanisms help manage complex supply chains, meet stringent regulatory and customer requirements, reduce the risk of fraud, corruption and data misuse, and safeguard business continuity, reputation and long-term value creation. In 2025, our new ownership structure brings expectations regarding transparency, responsible political engagement and interactions with public authorities.	x	x	x	x	· Guided by the Code of Conduct, supported by mission policies (integrity & compliance, and information security), and policies covering governance, authorization, risk management and treasury · Compliance integrated into risk management, overseen by legal, the Audit Committee and the Board · Mandatory annual compliance training for all office workers, ensuring accessible information on processes and our whistleblowing channel · KPIs are tracked and reported to the Board · Robust data management and security under ISO 27001 and alignment with the EU Whistleblowing Directive

POLICIES

[G1-1]

Our approach to responsible business conduct is guided by the Code of Conduct, which is supported by a set of mission policies, including on integrity & compliance and information security, as well as governance policies covering governance, authorization, risk management and treasury. Together, these policies form a coherent framework that promotes ethical behavior, compliance with applicable laws and regulations, and a culture of integrity across all operations.

The Code of Conduct sets out clear expectations for ethical conduct, including anti-corruption and anti-bribery, prevention of conflicts of interest, protection of confidential information, respect for human rights and compliance with legal and regulatory requirements. It applies to all employees, members of management and the Board, and is embedded in day-to-day decision-making through defined roles, responsibilities and approval processes.

Our governance and authorization policies establish the structure for oversight, accountability and decision-making, ensuring that ethical principles and compliance requirements are consistently implemented, monitored and escalated where necessary. Protection of whistleblowers is embedded in our governance and authorization policies and implemented through our confidential compliance channel, in alignment with the EU Whistleblowing Directive. These policies support effective internal controls and reduce the risk of misconduct, fraud or misuse of information.

Responsible business principles extend to all our tier-1 suppliers through the Supplier Code of Conduct, which defines expectations for business integrity, labor rights, health and safety, environmental responsibility and responsible supply chain practices.

Our policies related to anti-corruption and anti-bribery are designed to align with internationally recognized principles on preventing corruption, including those reflected in the United Nations Convention against Corruption.

ACTIONS, METRICS AND TARGETS

[G1-2] [G1-3] [G1-4]

Governance structures, formal guidelines and defined authorization processes are embedded in daily operations to support the proactive management of business conduct risks. They define responsibilities, approval thresholds and escalation pathways, enabling early identification and prevention of misconduct.

Compliance training covering ethical principles, anti-corruption and anti-bribery is a core preventive measure. The training emphasizes practical application through real-life scenarios and is mandatory at regular intervals for all office employees, including members of the Board, management and the Sustainability Steering Group, as well as higher-risk functions such as sales and sourcing. Completion rates were 83% in VA (including Group functions) and 93% in RKS, compared to 98% overall in 2024. Our target is to maintain annual completion rates of at least 92%, which includes coverage of identified high-risk functions and roles by 2026. Progress is tracked annually through the learning management system and reviewed by the people function, legal and reported to the Board.

We maintain a confidential whistleblowing and compliance channel accessible to all employees and external stakeholders. Reports are handled by the legal function under defined investigation and escalation procedures, with protection against retaliation. Significant cases and compliance performance are reported to management and the Board.

Business conduct performance is monitored through training completion rates, the number of reports received via the compliance channel, and confirmed incidents of corruption or bribery. A report refers to any concern submitted through the channel, while confirmed incidents reflect cases substantiated following investigation. During the reporting period, zero reports were received through the compliance channel. No suspected incidents of corruption or bribery were identified.

POLITICAL ENGAGEMENT

[G1-5]

Following the change in ownership during the reporting year, the Finnish State is the majority owner of the Group's parent company, Valmet Automotive Oyj. This ownership structure brings along expectations regarding transparency, responsible political engagement and interactions with government and other authorities.

We do not make political donations or provide financial or in-kind contributions to political parties, candidates or campaigns. Accordingly, the total monetary value of political contributions during the reporting period was zero in all geographies.

Our interactions with public authorities and policymakers are conducted in line with our Code of Conduct and applicable EU and national legislation. Political engagement is limited to transparent and lawful participation in industry dialogue and regulatory discussions relevant to our operations, such as the industrial operating environment, sustainability regulation, manufacturing conditions and skills development. In accordance with applicable law, we report all our activity in the Finnish Transparency Register. Our positions seek to support stable, predictable regulation that enables long-term investment and responsible industrial development aligned with our material topics such as responsible business conduct.

At national level, we participate in industry dialogue through membership in Confederation of Finnish Industries (EK) and Technology Industries of Finland which represents manufacturing and technology companies in discussions related to industrial policy, skills and health and safety culture.

Since September 2025, one member of the Board of Directors is a representative of the Finnish State's ownership steering department, which appointment reflects the ownership structure change at the end of August 2025. No other members of the administrative, management or supervisory bodies held comparable positions in a public administration or regulatory authorities in the two years preceding their appointment.

ANNEX

INDEX

EUROPEAN SUSTAINABILITY REPORTING STANDARDS (ESRS) INDEX BASED ON THE NOVEMBER 2025 DRAFT STANDARDS

DISCLOSURE REQUIREMENT	FULL NAME OF DISCLOSURE REQUIREMENT	REFERENCE	IN THIS REPORT*
BP-1	Basis for preparation of the sustainability statement	General Disclosures I About This Report	Complete
BP-2	Specific information if the undertaking uses phasing-in options	General Disclosures I About This Report	Partial
GOV-1	The role of the administrative, management and supervisory bodies in relation to sustainability	General Disclosures I Sustainability Governance	Partial
GOV-2	Integration of sustainability-related performance in incentive schemes		Not reported
GOV-3	Statement on due diligence		Not reported
GOV-4	Risk management and internal controls over sustainability reporting	General Disclosures I About This Report	Complete
SBM-1	Strategy, business model and value chain	General Disclosures I About This Report General Disclosures I About Us General Disclosures I Value Chain General Disclosures I Sustainability Strategy	Complete
SBM-2	Interests and views of stakeholders	General Disclosures I Interests and Views of Stakeholders	Complete
SBM-3	Interaction of material impacts risks and opportunities with strategy and business model, and financial effects	General Disclosures I Materiality Environmental Social Business Conduct	Partial
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities and material information to be reported	General Disclosures I Materiality	Complete
IRO-2	Material impacts, risks and opportunities and disclosure requirements included in the sustainability statement	General Disclosures I Materiality Environmental Social Business Conduct	Partial

*The ESRS Index based on the November 2025 draft standards has been subject to an internal coverage review.

DISCLOSURE REQUIREMENT	FULL NAME OF DISCLOSURE REQUIREMENT	REFERENCE	IN THIS REPORT*
E1-1	Transition plan for climate change mitigation	Environmental I Climate Change I Strategy, Resilience and Transition Environmental I Climate Change I Science-Based Targets	Partial
E1-2	Identification of climate-related risks and scenario analysis		Not reported
E1-3	Resilience in relation to climate change	Environmental I Climate Change I Strategy, Resilience and Transition	Partial
E1-4	Policies related to climate change mitigation and adaptation	General Disclosures I Policies, ethical guidelines and culture Environmental I Climate Change I Policies	Complete
E1-5	Actions and resources in relation to climate change mitigation and adaptation	Environmental I Climate Change I Actions & Metrics	Partial
E1-6	Targets related to climate change	Environmental I Climate Change I Science-based Targets	Complete
E1-7	Energy consumption and mix	Environmental I Metrics and Targets	Complete
E1-8	Gross scope 1, 2, 3 GHG emission	Environmental I Climate Change I Metrics I Gross Scope 1, 2, 3 GHG Emissions	Partial
E1-9	GHG removals and GHG mitigation projects financed through carbon credits	Environmental I Climate Change I Actions & Metrics	Complete
E1-10	Internal carbon pricing		Not reported
E1-11	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities		Not reported
E5-1	Policies related to resource use and circular economy	General Disclosures I Policies, ethical guidelines and culture Environmental I Circular Economy I Policies	Complete
E5-2	Actions and resources related to resource use and circular economy	Environmental I Circular Economy I Actions	Complete
E5-3	Targets related to resource use and circular economy	Environmental I Circular Economy I Metrics and targets	Complete
E5-4	Resource inflows		Not reported
E5-5	Resource outflows	Environmental I Circular Economy I Metrics and targets	Partial
S1-1	Policies related to own workforce	General Disclosures I Policies, ethical guidelines and culture Social I General Policies as a Foundation Social I Health & Safety I Policies Social I Diversity I Policies Social I Secure Employment & Collective Bargaining I Policies	Complete
S1-2	Engagement with own workforce and workers' representatives, existence of channels for own workforce to raise concerns or needs and approaches to remedy	Social I Engagement and Worker's Representatives	Partial

*The ESRS Index based on the November 2025 draft standards has been subject to an internal coverage review.

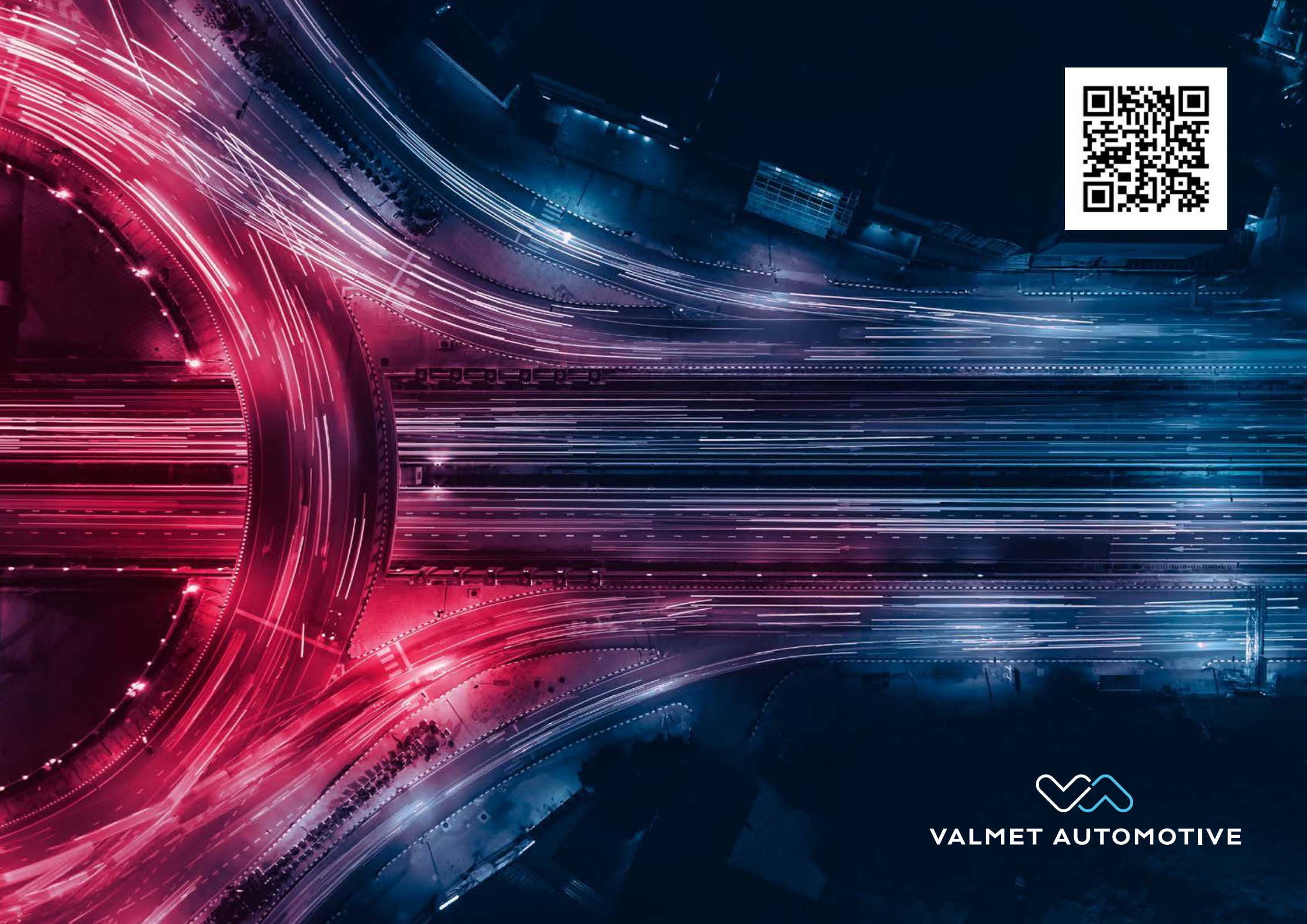
DISCLOSURE REQUIREMENT	FULL NAME OF DISCLOSURE REQUIREMENT	REFERENCE	IN THIS REPORT*
S1-3	Actions and resources related to own workforce	Social I Health & Safety I Actions Social I Diversity I Actions Social I Secure Employment & Collective Bargaining I Actions	Complete
S1-4	Targets related to own workforce	Social I Health & Safety I Metrics and Targets Social I Secure Employment & Collective Bargaining I Metrics and Targets Social I Diversity I Metrics and Targets	Partial
S1-5	Characteristics of the undertaking's employees	Social I Secure Employment & Collective Bargaining I Metrics and Targets Social I Diversity I Metrics and Targets	Complete
S1-6	Characteristics of non-employees in the undertaking's own workforce	Social I Secure Employment & Collective Bargaining I Metrics and Targets	Complete
S1-7	Collective bargaining coverage and social dialogue	Social I Secure Employment & Collective Bargaining I Metrics and Targets	Partial
S1-8	Diversity metrics	General Disclosures I Sustainability Governance	Complete
S1-9	Adequate wages	Social I Diversity	Partial
S1-10	Social protection		Not material, Not reported
S1-11	Persons with disabilities		Not material, Not reported
S1-12	Training and skills development metrics		Not material, Not reported
S1-13	Health and safety metrics	Social I Health & Safety I Metrics and Targets	Complete
S1-14	Work-life balance metrics		Not material, Not reported
S1-15	Remuneration metrics		Not material, Not reported
S1-16	Incidents of discrimination and other human rights incidents	Social I Engagement and Worker's Representatives	Complete
S2-1	Policies related to workers in the value chain	General Disclosures I Policies, ethical guidelines and culture Social I Workers in the Value Chain I Policies	Partial
S2-2	Engagement with workers in the value chain, existence of channels for workers in the value chain to raise concerns or needs and approaches to remedy	Social I Workers in the Value Chain I Policies I Engagement with Value Chain Workers	Partial

*The ESRS Index based on the November 2025 draft standards has been subject to an internal coverage review.

DISCLOSURE REQUIREMENT	FULL NAME OF DISCLOSURE REQUIREMENT	REFERENCE	IN THIS REPORT*
S2-3	Actions and resources related to workers in the value chain	Social I Workers in the Value Chain I Actions, Metrics and Targets	Partial
S2-4	Targets related to workers in the value chain	Social I Workers in the Value Chain I Actions, Metrics and Targets	Partial
G1-1	Policies related to business conduct	General Disclosures I Policies, ethical guidelines and culture Business Conduct I Responsible Business Conduct I Policies	Complete
G1-2	Actions related to business conduct	Business Conduct I Responsible Business Conduct I Actions, Targets, & Metrics Social I Workers in the Value Chain I	Complete
G1-3	Targets related to business conduct	Business Conduct I Responsible Business Conduct I Actions, Targets, & Metrics	Complete
G1-4	Metrics related to corruption or bribery	Business Conduct I Responsible Business Conduct I Actions, Targets, & Metrics	Complete
G1-5	Metrics related to political influence, including lobbying activities	Business Conduct I Responsible Business Conduct I Political Engagement	Partial
G1-6	Metrics related to payment practices		Not material, Not reported

*The ESRS Index based on the November 2025 draft standards has been subject to an internal coverage review.

VALMET AUTOMOTIVE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