



SUSTAINABILITY STATEMENT 2025

UNMODIFIED EXCERPT FROM THE ANNUAL REPORT 2025



SUSTAINABILITY

SUSTAINABILITY STATEMENT

The following sustainability statements have been prepared according to the Finnish Accounting Act with reference to the European Sustainability Reporting Standards (ESRS) and EU Taxonomy Regulation. In the first chapter of the sustainability statements, we give a detailed account of our double materiality assessment conducted in 2024 and provide an overview of the ESRS topics that we identified as material. In the following sections, we report on our impacts, ambitions, policies, strategies, actions, resources and progress towards targets for each of these material topics. For a detailed overview of all the ESRS disclosure requirements addressed in this report and a list of datapoints that derive from other EU legislation, please see the Sustainability Statement appendices.

GENERAL (ESRS 2)

Basis for preparation

The data is consolidated according to the same principles as the financial statements. Thus, the consolidated quantitative ESG data comprises the group company Fortaco Group HoldCo Oyj and subsidiaries controlled by Fortaco Group. No information has been omitted due to intellectual property, impending developments or other sensitive information.

In the process of conducting our Double Materiality Assessment we reviewed Fortaco's value chain upstream and downstream in order to get a realistic understanding of all the impacts, risks and opportunities sustainability may have on Fortaco or Fortaco on various sustainability topics and the information disclosed in these statements are reaching out to the very end of the value chain, both upstream and downstream, where required, applicable and possible.

The accounting policies have been applied consistently over the financial year and for comparative figures unless otherwise stated.

Consolidation of all quantitative data follows the principles above, unless otherwise specified in the accounting policy for each reported data point in the sections E, S, and G.

Estimates and judgements

We use assessments and estimates for the reporting of some data points, e.g. our scope 3 emissions. We regularly reassess our use of estimates and judgements based on the development of ESG reporting, source data availability, and other factors. Changes in estimates are recognized in the period in which the estimate in question is revised. In addition, we make judgements when we apply the accounting policies. For further information on the key estimates, judgements, and assumptions applied, can be found in the pages with quantitative ESG data tables.

For adjustments to financial numbers, we follow the financial statements. For adjustments to ESG information, we indicate where we have restated the data.

Governance

Administrative, management and supervisory bodies

Fortaco has a Supervisory Board, which role is to oversee the management of the company, which is the responsibility of the Board of Directors (Management Board) and the Managing Director. The Supervisory Board consists of three to six (3-6) members elected by the General Meeting. The Supervisory board does not include workers' representatives. When selecting members of the Supervisory Board, it is ensured that the competence profile supports Fortaco's current and future business operations. In terms of diversity, essential factors are the members' complementary education, know-how, experience in different industrial sectors and operating environments, as well as personal characteristics, such as age and gender.

The Board of Directors consists of at least one (1) and at most five (5) ordinary members elected by the General Meeting. In 2025, the Board of Directors consisted of one ordinary member Mika Mahlberg, President and CEO, and one deputy member Kimmo Raunio, Senior Executive Vice President and CFO. The Board of Directors supervises the company's operations and management, deciding

on significant matters concerning strategy, investments, organisation and finance. Fortaco's Board of Directors is Fortaco's highest body overseeing sustainability, and it approves the policies guiding Fortaco's operations.

Principles concerning sustainable business are defined in the Code of Conduct, as well as policies and other documentation such as those related to procurement, People and HR, legal compliance, quality, risk management, contracts, data protection, information security, taxation, health and safety, and communication. Policies are approved by the Board of Directors.

Changes in the operating environment are addressed as needed in updating targets and policies. The Group Leadership team, appointed by the Board of Directors, approves Fortaco's strategic sustainability targets, and the Director of Group Sustainability is responsible for target implementation. The Group Leadership team consists of executives covering needed experience, skillset and know-how to develop the group and businesses as well as operational activities in accordance with the goals confirmed by the Supervisory Board.

In 2025, the progress made towards targets has been reported to the Group Leadership Team quarterly and Board of Directors sporadically, while key performance indicators have been reported more regularly. Fortaco business sites has reported a selection of sustainability indicators monthly

to the group's Senior Leadership Team. Sustainability is reported to the Supervisory Board at least once a year. Sustainability is incorporated into the business strategy as well as in long-term business and investment plans, risk assessments, and annual action plans. Environmental, Social, and Governance aspects are taken into consideration on a wide spectrum depending on the situation. For example, the strategy process utilizes the results of the risk assessments on a general level. Implementation and processes related to sustainability is under constant improvement and development to become and then remain at the core of our operations.

Sustainability is a standard point on the agenda of the Group Leadership Team's meetings. Sustainability is presented by the Group Director of Sustainability, member of the extended Senior Leadership Team, while related topics such as health and safety, data security, and employee training are presented by Fortaco's other experts and executive management responsible for respective area. The reviews ensure the Board of Directors' and Group leadership team's understanding and competence are up to date in sustainability matters.

In 2025, all members of the Group Leadership Team and the Senior Leadership Team participated in Sustainability trainings provided internally at Fortaco but with external experts involved, and external trainings as needed. Additionally, the local

leadership teams of business site Breitenau, Gliwice, Narva and Wrocław have received training in Sustainability, a campaign continuing in 2026.

Fortaco's Group Sustainability Director coordinates in collaboration with relevant functions and units the work related to material impacts, risks and opportunities, and reports identified gaps in skills and expertise to the Group Leadership Team. Also functions responsible for policies, targets and actions related to a particular impact, risk or opportunity may act on gaps. For example, the People and HR organisation has appointed a manager to lead Corporate Social Responsibility (CSR) initiatives to ensure social sustainability topics are addressed sufficiently. More about Fortaco's social sustainability actions in section S1-S3.

In 2025, the Board of Directors and the Group Leadership Team focused on topics such as updates to sustainability targets and policies, finalization of the group's climate program, employees' wellbeing and development, occupational safety, information security, and regulatory development related to sustainability. The Group Leadership Team supervised the implementation of sustainability measures such as new and updated policies, compliance with new regulations, updated expectations and requirements towards suppliers, and improved dialogue with customers. Impact, risks and opportunities identified through the double materiality assessment conducted in spring 2024 have been reviewed and no changes has been made. More about targets and action plans for the material

topics in chapters for Environment (E), Social (S) and Governance (G).

Sustainability-related performance has not yet been integrated into incentive schemes or remuneration policies. In the future we will develop our target-setting model and investigate how to sufficiently encourage continuous assessment and improvement of sustainability matters through remuneration.

Due diligence statement

Fortaco carries out sustainability due diligence to identify and monitor its impacts on the environment and people connected to the business. Fortaco has embedded environmental, human rights, and governance due diligence into its management systems and in key processes. See the

table Core elements of due diligence, for a mapping of information provided in this Sustainability Statement about the due diligence process.

Risk management and internal controls

All corporate functions and business sites are responsible for ensuring that group-wide initiatives are implemented to meet Fortaco's sustainability goals. In 2025, we integrated all identified sustainability impact, risks and opportunities into our group-wide risk management system, which is incorporated to assess the probability and impact of risks and opportunities regularly as of the full implementation. In the risk assessment process sustainability risks are covered more generally, including topics such as environment, climate change and well-being of our employees. The

wider spectrum of sustainability impact, risks, and opportunities are assessed more thoroughly in the Double Materiality Assessment. The risk assessment includes applying internal control in line with established processes, and centralized reporting of business operations to the Group Leadership Team in accordance with Fortaco's general internal control governance model and the annual cycle.

Fortaco has identified specific risks related to the sustainability reporting process. These include limited visibility into the upstream value chain, particularly beyond first-tier suppliers, scattered data, and sustainability reporting process under constant development. Currently, our suppliers are not required, or do not yet have the ability, to share complex data

	2025	2024
Supervisory board	5	4
Executive members	0	0
Non-executive members	5	4
Female members	0 %	0 %
Male members	100 %	100 %
Gender diversity ratio	0 %	0 %
Independent members	0 %	0 %
Board of directors	2	2
Executive members	2	2
Non-executive members	0	0
Female members	0 %	0 %
Male members	100 %	100 %
Gender diversity ratio	0 %	0 %
Independent members	0 %	0 %

Accounting principles

Gender diversity ratio

Calculated as an average ratio of female to male board members per December 31st.

Independent members

Fortaco has dual boards, a supervisory board consisting of independent executives elected by the General Meeting. The board of directors is a management board consisting of one ordinary member and one deputy member. In 2025, Fortaco adopted a more conservative approach to assessing independence and updated the figures for 2024 accordingly.

Core elements of due diligence	Section in the sustainability statement
a) Embedding due diligence in governance, strategy and business model	ESRS 2 ESRS G1
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 ESRS S1, S2, S3 ESRS G1
c) Identifying and assessing adverse impacts	ESRS 2 ESRS E1, E2, E4, E5 ESRS S1, S2, S3 ESRS G1
d) Taking actions to address those adverse impacts	ESRS 2 ESRS E1, E2, E4, E5 ESRS S1, S2, S3 ESRS G1
e) Tracking the effectiveness of these efforts and communicating	ESRS 2 ESRS E1, E2, E4, E5 ESRS S1, S2, S3 ESRS G1

needed for e.g. emission calculations. This makes it challenging to obtain reliable and verifiable data required for CSRD-compliant reporting.

We are still developing our sustainability management capabilities to manage these new requirements from various stakeholders. To address the risks, we are strengthening the dialogue with our suppliers and clarifying our expectations towards them, working towards improved value-chain transparency. At the same time, we are fostering internal sustainability competencies to improve internal control. Together with the limited assurance by an external auditor, these steps will help ensuring that the information in this report is reliable.

In the double materiality assessment 20 material risks were identified covering all aspects (Environment, Social and Governance) of sustainability, mainly in our own operations and upstream value chain. For more information about identified risk see the section for Material Sustainability topics, and sections for topical standard disclosures. More information about the processes of internal control, internal audit and risk management, is available in section Business conduct (G1).

Fortaco's risk management policy (Risk Management Handbook) outlines how we in a structured way organize the roles, responsibilities and processes of our business to reduce risks and to take advantage of opportunities according to the strategy.

Group-wide policies that are in place, to mitigate risks and promote opportunities, with our Code of Conduct serving as an ethical foundation. The code also describes our approach to sustainable business operations, people and society, and environmental issues. Fortaco strives for globally consistent and transparent practices, to ensure stakeholders can reliably assess the company's operations and development.

Reflecting our commitment to sustainability, 77 percent of our operations are certified in accordance with ISO 14001:2015 (environmental) and ISO 9001:2015 (quality) management standards. Additionally, 36 percent of our operations hold the ISO 45001:2018 (health and safety) certification.

Sustainability reporting is in line with Fortaco's group-level principles and processes for statutory reporting, risk management and internal control. In sustainability reporting, internal control is based on risk identification and focus on the most material risks identified, as well as the best practices of internal control. The sustainability reporting control environment is based on Fortaco's values, the management's commitment to sustainable operations, a corporate culture including ethics and sustainability, policies promoting sustainable operations, professional employees, and transparent operations.

Sustainability reporting is centrally coordinated by the Group

Sustainability Director, part of the Group Finance team. The Sustainability Director oversees and is responsible for the Sustainability statements. ESG data is collected and reported in all Business Sites and functions, by experts in respective field.

Strategy

Strategy, business model and value chain

Fortaco serves as the leading brand-independent strategic partner to the heavy off-highway equipment. Our operations in multiple European business sites and technology hubs support global customers who are the leading OEMs in their own industry sectors like agriculture, construction equipment, container handling, defence, forestry, marine and energy, material handling, and mining. Fortaco's offering is versatile including assemblies, vehicle cabins, and steel fabricated components as well as technology services and zero emission solutions. Information about Fortaco's financials and net sales available in note 2.1 Net sales of the Financial Statements.

Viewing the transition to a carbon-neutral economy as an opportunity, we consider zero-emission solutions crucial for mitigating climate change impacts. By offering these solutions, reducing exhaust emissions and usage of natural resources, we want to enable decarbonization in our customers' industries. Fortaco has not yet set any sustainability related goals

to specific products, services, customer categories, geographical areas or relationships with stakeholders.

Beyond providing value for owners, Fortaco contributes economically and socially as an employer, taxpayer, and buyer of goods and services. Fortaco provides employment and business opportunities to a wide range of stakeholders and indirectly builds wealth in local communities. We predominantly purchase raw materials, components, energy, and services from suppliers in European countries. Some direct suppliers are customer nominated as Fortaco collaborates closely with customers from development to the commercialization of new solutions.

Our employees, with their expertise and motivation, are central to the company's success and bring the company's strategy to life. More information about our people, such as the head count per country can be found in the section for Own workforce (S1).

An illustration of Fortaco's value chain and identified material sustainability impacts, risk and opportunities can be found in the section for Double Materiality Assessment. Identified impacts identified in our own operations are present and highly connected to Fortaco's business model and nature of operations. Fortaco's strategy and business model enables positive impact in the downstream value chain. See the table in section Material Sustainability topics for an overview of Fortaco's impacts.

The material impact, risks and opportunities do not change our business model or strategy significantly, and we see no need to adjust the direction, only continue the path we are on, setting goals, planning change and implementing actions. We expect Fortaco's current strategy and business model to have the sufficient capacity to address material impacts and risk, and to take advantage of opportunities. A resilience analysis has been conducted on a high level for all sustainability risks and as part of the transition plan preparation a more thorough resilience analysis has been conducted for Climate related risks. The climate risk resilience analysis has conducted according to definition in ESRS E1.

Interests and views of our stakeholders

Stakeholder engagement is an integral part of our business. Through ongoing dialogue, we strive to understand their positions, concerns, and expectations. The insight gained through this continuous interaction serves to inform our due diligence processes, double materiality assessment, operational development, and decision-making, allowing us to align with industry trends, and the interests and views expressed by stakeholders. See the stakeholder table for more information on which channels and form of dialogue we utilize to engage with each stakeholder group.

The views and interests of affected stakeholders regarding our sustainability-related impacts are

Key stakeholders	How engagement is organised	Purpose of engagement	Examples of outcomes from the engagements
Employees	<ul style="list-style-type: none"> • Internal communication • Employment relations and occupational health and safety representation • Personal development dialogues • Surveys and workplace assessments • European Works Council dialogues • Fortaco Behaviour Model workshops 	<ul style="list-style-type: none"> • Including employees' perceptions and experiences • Contributing to a sustainable workplace and working life • Improve wellbeing and work satisfaction • Improve cooperation with trade unions • Creating culture based on company values 	<ul style="list-style-type: none"> • Internal policy updates • Improvement and action plans • Communications from management • Global initiatives and campaigns • Behaviour Ambassadors from Trade Unions
Customers	<ul style="list-style-type: none"> • Continuous discussions and support • Joint projects for emission reduction and sustainability • Customer data requests 	<ul style="list-style-type: none"> • Building trust and strong collaboration • Providing sustainable solutions • Enabling customers to achieve their targets • Understanding expectations 	<ul style="list-style-type: none"> • Product/service improvements • Sourcing process improvements • Shared sustainability knowledge • Responses to customer queries
Suppliers	<ul style="list-style-type: none"> • Periodical dialogue • Supplier due diligence • Workshops and industry collaborations • Supplier self-assessments and on-site audits 	<ul style="list-style-type: none"> • Compliance with our code of conduct • Promoting sustainability • Decarbonising our supply chain • Mitigating risks 	<ul style="list-style-type: none"> • Streamlined supplier expectations • Supplier improvement plans • Informed selection of suppliers • Improved sustainability data quality
Owners and investors	<ul style="list-style-type: none"> • Investor calls and data requests • Periodic investor updates • Reporting 	<ul style="list-style-type: none"> • Understanding expectations • Build and maintain an attractive business • Enhancing transparency 	<ul style="list-style-type: none"> • ESG rating improvement plans • Responses to investor queries • Internal policy updates
Governments and regulators	<ul style="list-style-type: none"> • Reporting 	<ul style="list-style-type: none"> • Ensuring regulatory compliance 	<ul style="list-style-type: none"> • Aligning business model and strategy • Value creation and risk mitigation from compliance
Civic and non-profit organisations	<ul style="list-style-type: none"> • Collaboration on community projects • Donations to NGOs • Contributions to research projects 	<ul style="list-style-type: none"> • Contributing to local initiatives • Addressing concerns of communities • Supporting means important to our people 	<ul style="list-style-type: none"> • Site-specific initiatives on e.g. community development • Monetary donations to non-profit organisations • Enabled work possibilities for Ukrainian refugees
Industry and sustainability associations	<ul style="list-style-type: none"> • Joint initiatives and programmes • Inputs into strategic directions • Events, workshops and knowledge sharing 	<ul style="list-style-type: none"> • Gain insight on sustainability trends • Initiate sustainability development • Working to tackle sustainability challenges in the industry • Understanding views of value chain workers 	<ul style="list-style-type: none"> • Alignment on sustainability practices and measurement standards • Design of value chain workers initiatives
Local communities	<ul style="list-style-type: none"> • Programmes and events for employees' families • Partnerships for community benefits 	<ul style="list-style-type: none"> • Building trust and community support • Support community wellbeing • Addressing community concerns, questions, and feedback 	<ul style="list-style-type: none"> • Support of local projects

communicated to our Group Leadership team at least twice a year by the Group Sustainability Director (general sustainability and environmental matters), the Senior Vice President People and HR (employee related matters) and the Group QHSE Director (Health and Safety matters). The constant dialogue with stakeholders leads also to regular but less formal updates to Fortaco's business sites' leadership teams, Group Functions and the Group Leadership Team Members. The Supervisory board is informed annually by the CEO and CFO.

In 2025, strategy and business model has not been amended because of interest or views of its stakeholders. However, external stakeholders such as owners, investors, customers and regulators are raising their expectations regarding sustainability performance and accountability. Fortaco meets these expectations and requirements for example by innovating new solutions, investing in sustainability actions and improving the sustainability know-how among our own people.

Impact, risk, and opportunity management

Double materiality assessment

In the spring of 2024, in preparation for CSRD-compliant reporting, we conducted a Double Materiality Assessment (DMA) with external guidance and support. The DMA was guided by ESRS principles and the EFRAG guidance and leveraged our previous materiality assessment conducted in 2022. The assessment followed a structured, step-by-step approach, where impacts, risks and opportunities were assessed through a value chain analysis, incorporating both inside-out (organizational impact) and outside-in (financial exposure) perspectives. Where quantification was possible, data-driven assessments were conducted and supplemented by qualitative insights.

Stakeholder input was collected from internal subject-matter experts and from selected customers, suppliers, and industry organisations.

In 2025, the DMA results were reviewed against operational and market changes. Fortaco conducted a comprehensive climate-related risk- and scenario analysis, assessing risks and opportunities related to climate change and energy. This analysis resulted in updates to the impact, risks, and opportunities identified under Climate Change (E1). No other changes have been significant enough to amend the previously reported DMA results.

To ensure continuous compliance we will refine our DMA process, methodology, and stakeholder engagement practices in the coming year. The outcome presented here is a true and fair representation of our impacts, risks and opportunities for 2025.

Approach and methodology

Our DMA methodology is derived from EFRAG and ESRS principles, linking all identified impacts, risks, and opportunities to relevant ESRS topical standards. The score of material impacts, risks and opportunities determined their placement in the DMA matrix, which function as basis for prioritization.

Scope

Our assessment focused on sustainability impacts directly associated with our operations and value chain, as well as potential risks and opportunities to business continuity across our value chain. The value chain assessments were based on both internal knowledge, commonly available information, and stakeholder interviews. Due to this being the first Double Materiality assessment Fortaco has conducted, all areas and factors were emphasized equally.

The key principles guiding our methodology included the following:

- Both positive and negative impacts were considered.
- Impacts were assessed as either actual or potential.

- Financial risks and opportunities were evaluated as potential effects caused by sustainability matters

Stakeholder engagement

For our DMA, internal subject-matter experts from both the business sites and Group functions were engaged. External stakeholders such as customers, suppliers and the industry association were consulted to understand how they may be impacted by Fortaco's business activities, and Fortaco by them. Throughout the process we leveraged insights from our functions that are in continuous dialogue with our stakeholders and that have a good overview of their interests and views. External stakeholders were not directly consulted to the same extent as internal experts and nor have external stakeholders reviewed the outcome of our DMA.

In addition, our continuous engagement activities in the communities in which we are present are a solid basis for assessing the impacts, risks and opportunities most material to us.

Scoring of impact, risk and opportunities

The utilised methodology for assessing 'scale', 'scope', and 'irremediability' follow the guidelines provided by EFRAG in October 2023.

1. 'Scale' was assessed as the magnitude of impact on the environment or people, after considering mitigation of current actions.

2. 'Scope', was assessed as how extensive the impact is based on parameters such as geographical coverage, percentage of affected stakeholders, or financial spend that the impact relates to.

3. 'Irremediability', refers to the difficulty level (in terms of cost and time) of the evaluated impact's remediation measures. Financial, technological and operational requirements were considered in the evaluation of irremediability and measures taken before occurred impact (e.g. emission reduction measures).

Each parameter was evaluated based on the known proof of evidence, experience, data, measurement or other reliable observation. Additionally, the impact categorization included two dimensions: actuality and potentiality. Actual impact is where the connection and actual impact is known to exist, or there are good reasons to expect so. Potential impact is where there is no clear evidence for the impact. For potential impacts, risk and opportunities, an additional parameter of 'likelihood' was scored.

Financial impact was assessed based on the most obvious financial implications caused by the impact, risk or opportunity. As impacts, risks and opportunities can have multiple impacts chains which triggers financial implications, we included the most obvious recognized financial implications, and risk mitigation actions that are already in place.

The potential magnitude of financial effects was scored as 'low', 'medium', or 'high' using relevant time horizons of short-, mid-, or long-term. The assessment of financial scaling of risks and opportunities and their likelihood was done with substance-expertise and Fortaco's group leadership team. The financial risk assessment model leverages the risk classifications and risk assessment model that Fortaco is using for other business risks. Quantification in monetary terms was supplemented with qualitative assessments due to the complexity of defining exact values for potential sustainability risk scenarios.

Fortaco has taken a cautious approach in its DMA and set the materiality thresholds at 'high', meaning if any of the parameter scores was identified as 4 or higher on a scale from 1-5, the sustainability matter has been defined as material.



Process

Fortaco's DMA process includes a value chain analysis, impact assessment, and financial assessment. The process contains 6 steps, and appropriate stakeholders were engaged for each step.

1. Definition of Fortaco's value chain and stakeholders. Fortaco's value chain was analysed from the perspective of the industry, upstream, own operations and downstream. Firstly, an analysis of the industry trends and characteristics was conducted. Following, the upstream value chain was analysed on a high level with key emphasis on direct spend and the steel supply chain, which was identified as the most important supply stream and production material for Fortaco.

The next step included review of Fortaco's strategy and business model to identify and verify key stakeholders. This DMA process step was concluded with an analysis of Fortaco's key customer industries and recycling processes. This step also included identification of experts in the business sites and group functions with insights into the topics and deep knowledge of our business within each area.

2. Identification of impacts, risks, and opportunities. Impacts include those impacts, risks, and opportunities connected with Fortaco's own operations and upstream and downstream value chain, including

Fortaco's products and services, as well as business relationships.

The identification process included documentation review, interviews with internal and external stakeholders as well as review of previous assessment. The outcome was a long list of actual and potential sustainability related impacts, risks, and opportunities related to raw material extraction, production and manufacturing of relevant or critical raw materials and utilities, own processes, customers, end use and end-of life processes.

3. Materiality assessment of identified impacts, risk, and opportunities. The identified sustainability impacts, risks and opportunities were assessed by their scale, scope, irremediability and likelihood. All identified impact, risks and opportunities, and respective scoring on all parameters were tracked in a DMA tool. For each impact also the rationales, sources, related business areas or value chain actor was documented.

4. Assessment of financial impact. The potential financial effects of the identified impacts, risks and opportunities were assessed. For this, relevant stakeholders were engaged to ensure appropriate consideration of sustainability risks and opportunities. These included internal subject-matter experts, the Fortaco group leadership team, as well as the owner of Fortaco's corporate risk management process. Financial risks and opportunities were documented in the DMA tool.

5. Review and validation of the results. The identified and assessed sustainability-related impacts, risks and opportunities have been subsequently categorized following our scoring methodology approach and linked to the ESRS.

Consolidated overviews of the DMA were presented to and discussed with internal stakeholders and management. Finally, the determined materiality threshold yielded a final list of 24 material matters that were assessed as 'high' impact or above.

Fortaco aims at revisiting the DMA process annually to review and re-evaluate scope, process, stakeholder engagement and outcome to ensure the most material sustainability impacts, risks and opportunities are reacted on. A more qualified and quantified re-assessment will be conducted at least every five years or more often when sufficient.

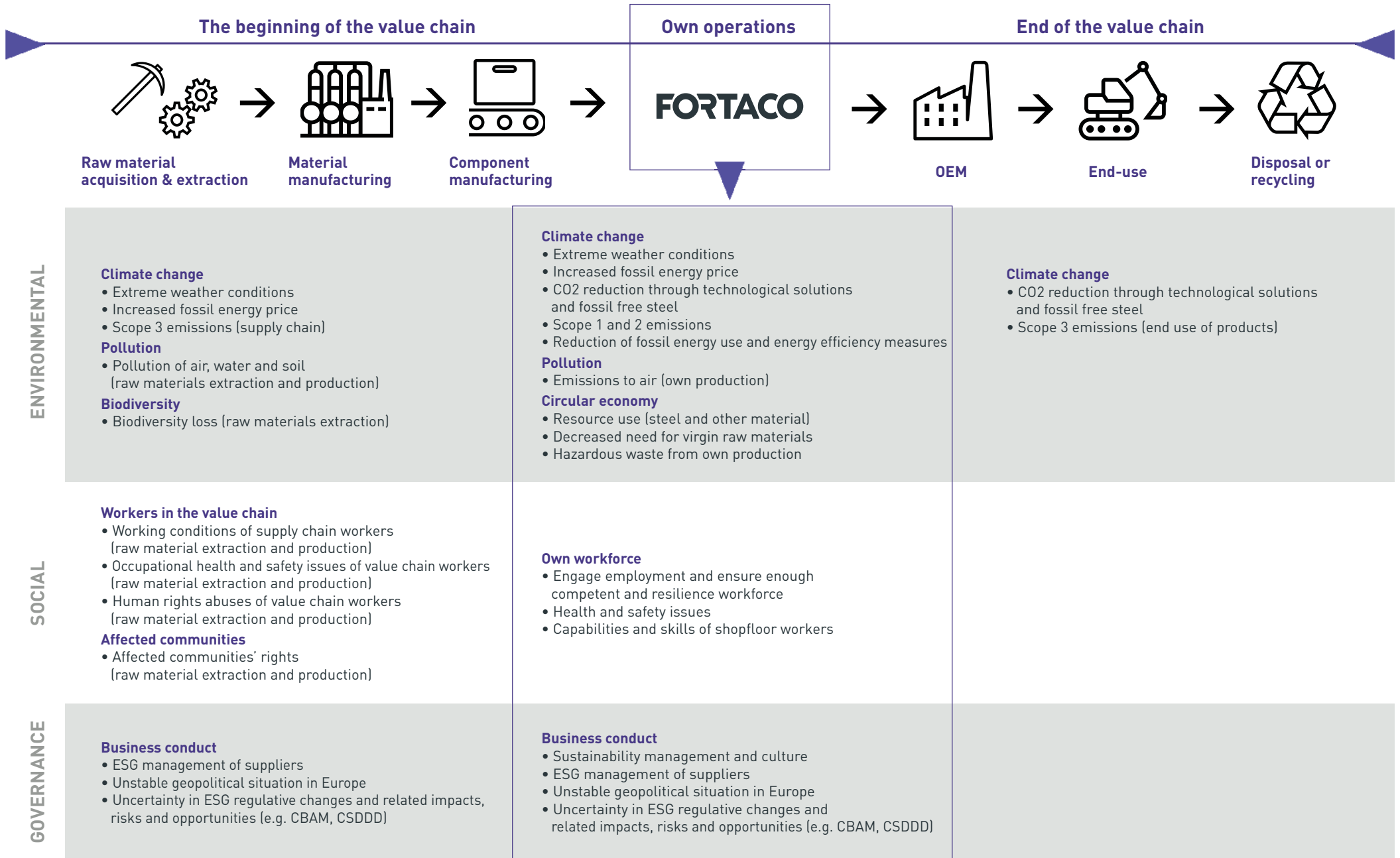
Outcome

The sustainability impacts, risks and opportunities that we have identified as material for Fortaco are 42. Each material matter has been linked to the ESRS, showing that of the topical standards E1, E2, E4, E5, S1, S2, S3, and G1 include topics that are material sustainability matters to Fortaco. Sub-topics classified as high (a value of 4-5 of 5) were determined as material sub-topics. Sub-topics and sub-sub-topics of low materiality are not addressed in these sustainability statements.

The environmental impacts, risks and opportunities we have, are closely linked to our strategic efforts to deliver zero emission solutions to our customers while minimizing our own negative impact on the environment. The deployment of new emission free solutions mitigates climate impacts further down the value chain but also requires significant amounts of natural resources such as steel with negative impacts on the climate, the environment and biodiversity.

Our own people and workers in Fortaco's value chain are also heavily impacted by working conditions, safety measures and labour rights.

Fortaco's value chain and material sustainability impacts, risks and opportunities:





Material sustainability topics

The following tables list the sustainability-related impacts, risks and opportunities we have identified and assessed as material through our double materiality assessment process. Eight out of the ten ESRS topical standard are material to Fortaco. Our scoring includes mitigation actions that are already part of our daily operations to reduce or mitigate any negative impacts or risks.

More information on our material impacts, risks and opportunities, and how we respond to the effects of them, is included in the topical sections under 'Environment', 'Social', and 'Governance'.

E1 Climate change			
Material impact, risk or opportunity	Location	Sub-topic	Short description
Climate change adaption			
Physical risk (long-term)	Own operations, upstream value chain		Increased risk of extreme weather conditions causing damages or disruptions and require investments in own operations and supply chains.
Climate change mitigation			
Positive impact (long-term)	Upstream and downstream value chain		CO2 reduction through technological solutions and by using fossil free steel
Negative impact (short-, medium- and long-term)	Own operations		Scope 1 and 2 emissions related especially to infrastructure and heating, e-coating, and painting.
Negative impact (medium- and long-term)	Upstream and downstream value chain		Scope 3 emissions related to especially purchased goods and services, transportation and distribution, business travel and end use of products.
Transitional risk (medium-term)	Own operations		Green transition and related regulation can increase the price of steel and fossil free steel, requiring adjustments to customer agreements and pricing.
Transitional opportunity (medium- and long-term)	Own operations, downstream value chain		Low-emission solutions and transparent reporting can provide a competitive edge and strengthen brand value.
Energy			
Positive impact (medium-term)	Own operations		Reduction of fossil energy and fuels through increase of renewable energy share in facilities, machinery, and by electrifying and automating. Enables Scope 2 emission reduction.

E2 Pollution			
Material impact, risk or opportunity	Location	Sub-topic	Short description
Pollution of air			
Negative impact (short-, medium- and long-term)	Own operations		Pollution to air in form of dust and heavy metals from metal fabrication such as welding processes, as well as volatile organic compounds (VOCs) released from painting processes, and emissions from transportation.
Negative impact (short-, medium- and long-term)	Upstream value chain		Noise and pollution of air and noise related to raw material extraction and production of materials such as iron ore/steel, copper, and glass.
Regulatory risk (medium-term)	Own operations		Extra costs for investigation and investments of measurement technologies (e.g. heavy metal, VOC emissions).
Strategic risk (long-term)	Upstream value chain		Reputational impacts of unmanaged air pollution and noise caused by suppliers especially in the supply chains of steel, iron ore, copper, aluminium, and glass.
Pollution of water			
Negative impact (short-, medium- and long-term)	Upstream value chain		Pollution of water related to the extraction and production of especially iron ore and steel.
Pollution of soil			
Negative impact (short-, medium- and long-term)	Upstream value chain		Pollution and contamination of soil as a result of extraction and production of iron ore and steel.

E4 Biodiversity			
Material impact, risk or opportunity	Location	Sub-topic	Short description
Direct impact drivers on biodiversity loss			
Negative impact (short-, medium- and long-term)	Upstream value chain		Biodiversity loss as a result of activities in raw material extraction of steel and iron ore, copper, aluminium, glass and rubber. Impacts related to e.g. land, freshwater and sea use change, tree cover loss, protected or conserved areas.
Strategic risk (medium-term)	Upstream value chain		Reputational risk related to biodiversity loss in form of, threatened species, ecosystem services, conflict with agriculture or indigenous people, integrated land management, and deforestation caused by suppliers of steel, copper, glass, aluminium and rubber.

E5 Circular Economy			
Material impact, risk or opportunity	Location	Sub-topic	Short description
Resources of inflows, including resource use			
Negative impact (short- and medium-term)	Own operations		The impact related to the use of material such as steel, glass, paint chemicals, and aluminium, all causing negative environmental impact in their supply chain.
Positive impact (long-term)	Own operations		Decreased need for virgin raw materials and increase of material efficiency through circular design of products impacts positively. For example, the use of recycled insulation materials and plastics.
Operational opportunity (medium-term)	Upstream and downstream value chain		Circular design and responsible sourcing and production including material and resource efficiency, use of alternative materials, and optimizing use of production materials enables minimized use of materials.
Waste			
Negative impact (short- and medium-term)	Own operations		Generation of hazardous waste, e.g. toxic waste from machining and painting.

S1 Own workforce			
Material impact, risk or opportunity	Location	Sub-topic	Short description
Working conditions			
Positive impact (medium- and long-term)	Own operations	Secure employment	Engaging employment and enough competent and resilient workforce enabled through investments in automation, digitalisation, internal rotation and training, mentoring and change management.
Positive impact (medium- and long-term)	Own operations	Health and safety	Automation, robotics, new techniques and machinery reduce physical load for employees and improve working conditions.
Negative impact (short- and medium-term)	Own operations	Health and safety	Demanding working conditions and human errors cause various health problems, diseases, and accidents on the shop floor.
Operational risk (medium-term)	Own operations	Secure employment	Inability to maintain flexibility and resource-efficiency in fast, mainly inorganic, growth and increasing personnel with cultural diversity.
Operational risk (long-term)	Own operations	Health and safety	Decreasing productivity and higher costs related to health due to increasing employee health issues as a result of demanding working conditions.
Equal treatment and opportunities for all			
Positive impact (short-, medium- and long-term)	Own operations	Training and skills development	Fortaco supports and provides opportunities for employees to improve capabilities and skills.
Operational risk (medium-term)	Own operations	Training and skills development	Challenges to recruit technically competent and engaged shopfloor workers when education level as well as technical and language skills of younger generations and agency workers do not meet the need in many countries.
Operational opportunity (medium-term)	Own operations	Training and skills development	Investment in automation, digitalisation, internal rotation and training, mentoring and change management to ensure enough competent and resilient workforce.

S2 Workers in the value chain			
Material impact, risk or opportunity	Location	Sub-topic	Short description
Working conditions			
Negative impact (short- and medium-term)	Upstream value chain		Unfair terms and conditions of employment related to extraction and production of certain materials.
Negative impact (short- and medium-term)	Upstream value chain	Health and safety	Occupational health and safety impacts of workers in the extraction and production phase of certain materials.
Strategic risk (short- and medium-term)	Upstream value chain		Risk of hidden mistreatment of supply chain workers, particularly in raw material extraction and production processes of materials such as steel, glass, and aluminium. Failure to address issues may lead to significant reputational damage and ethical concerns for businesses reliant on these supply chains.
Strategic risk (medium- and long-term)	Upstream value chain	Health and safety	Potential issues related to occupational health and safety of supply chain workers, particularly in raw material extraction and production processes of materials such as steel, glass, and aluminium. Failure to address the issues may lead to reputational damage for businesses reliant on these supply chains.
Other work-related rights			
Negative impact (short- and medium-term)	Upstream value chain		Serious human rights abuses related to extraction and production of materials such as steel, glass, aluminium and rubber.
Strategic risk (medium-term)	Upstream value chain		Serious human rights abuses of employees in raw material extraction and production processes of key materials cause reputational risk to businesses reliant on these supply chains.

S3 Affected communities			
Material impact, risk or opportunity	Location	Sub-topic	Short description
Communities' economic, social, and cultural rights			
Negative impact (short- and medium-term)	Upstream value chain		Infringement of rights related to communities in the extraction and production of certain raw materials.
Strategic risk (medium-term)	Upstream value chain		Sourcing battery materials from certain countries supports the limitation of freedom of expression for local communities.
Strategic risk (medium-term)	Upstream value chain		Reputational risk caused by infringement of rights related to communities in the extraction and production of certain raw materials.



Based on the double materiality assessment water and marine resources (E3), as well as consumers and end users (S4) are not material sustainability topics for Fortaco. When evaluating potential or actual, direct or indirect, water-related impacts, risks, and opportunities, we utilised the results of previous biodiversity assessments including water risk analysis of own locations. We also utilized insight from the ISO14001 certified management system which sets common requirements for the company's business sites to assess and mitigate material environmental risks. Additionally, open industry and location data was leveraged. Water-related business risks were assessed from a physical, regulatory and reputational angle. In the assessment of water-related impacts, risks and opportunities affected communities were not directly consulted.

G1 Business conduct			
Material impact, risk or opportunity	Location	Sub-topic	Short description
Corporate culture			
Strategic risk (medium- and long-term)	Own operations		In the midst of acquisitions and integrations, creating a unified corporate culture regarding responsibility is a challenge.
Strategic risk (medium- and long-term)	Own operations		The pressures from legislation and stakeholders are growing and new skills are required to maintain required sustainability expertise.
Strategic risk (medium- and long-term)	Upstream value chain		A materialized ESG risk may cause significant reputational damage to Fortaco. ESG risk assessments should be fully integrated in the value chain risk management processes.
Management of suppliers			
Strategic risk (medium-term)	Upstream value chain		Small- and medium sized suppliers typically lack knowledge and resources about sustainability.
Strategic opportunity (medium-term)	Upstream value chain		Improving Supplier ESG requirements and compliance control and development on Fortaco Group level.
Corruption and bribery			
Strategic risk (short- and medium-term)	Upstream value chain		Fortaco's supply chains are long, and raw materials may originate from countries where corruption is part of the country's culture.



ENVIRONMENT

EU taxonomy for sustainable finance

The EU taxonomy for sustainable finance The European Union Sustainable Finance Taxonomy Regulation (the EU taxonomy) requires large companies subject to the CSRD to disclose the extent to which their economic activities have a substantial positive environmental impact. The EU taxonomy is intended to encourage financial markets to invest and finance more sustainably. It sets the criteria for activities that the EU has classified as environmentally sustainable.

Economic activities with the most significant need and potential to make substantial contribution are in the taxonomy referred to as eligible activities. Eligible activities that also meet set criteria are referred to as aligned activities in the taxonomy. The criteria allow companies to demonstrate their contribution to six environmental objectives: (1) climate change mitigation, (2) climate change adaptation, (3) sustainable use and

protection of water and marine resources, (4) pollution prevention and control, (5) transition to a circular economy, and (6) protection and restoration of biodiversity and ecosystems. To assess eligibility, Fortaco's operations have been reviewed against the economic activities listed in Annexes I and II of the delegated regulation, and complementary regulations published by the European Commission. Our approach to identifying and reporting sustainable economic activities consists of:

1. Eligibility assessment: mapping of economic activities to taxonomy activity descriptions and NACE codes.
2. Substantial contribution assessment: screening of eligible activities against technical screening criteria.
3. Do no significant harm (DNSH) assessment: screening of Fortaco's procedures to ensure that our operations do not cause significant harm to relevant environmental objectives. Screening conducted at an appropriate level for each environmental objective.

4. Minimum safeguards assessment: a review of Fortaco's corporate social safeguards to ensure that our operating instructions, company policies, and management system are compliant with the UN Guiding Principles on Business and Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work.

Currently the majority of Fortaco's business, i.e., the manufacturing of vehicle cabins, steel fabrications and assemblies, does not fall within the scope of the taxonomy. As a result of the assessment, the only economic activity that was identified as taxonomy eligible is CE 5.2 Sale of spare parts. However, in 2025 the activity's share of Fortaco's turnover, capital expenditure (Capex), and operational expenditure (Opex) was less than the reporting threshold of ten percent.

The three financial indicators must be reported according to their definition in the taxonomy. The definitions of Capex and Opex differ from their definition in the IFRS. Fortaco has calculated the financial indicators in accordance with the taxonomy

regulation and interpreted the regulation conservatively.

Total Capex (denominator) has been presented and measured in accordance with the investments presented in the consolidated financial statements. These include investments in tangible and intangible assets and additions to right-of-use assets. Total Capex also includes the tangible and intangible assets acquired in a business combination, as well as right-of-use assets. Additions to goodwill are excluded. Total Opex (denominator) includes expenses related to the maintenance and repair of premises and buildings, as well as short-term leases.

Since the identified activity's (CE 5.2. Sale of spare parts) taxonomy-eligible share of turnover, Capex, and Opex was 0 per cent in 2025, and the taxonomy-alignment of the activity is therefore not required to be reported, steps 2-4 of the process described above, have not been carried out in the 2025 assessment.

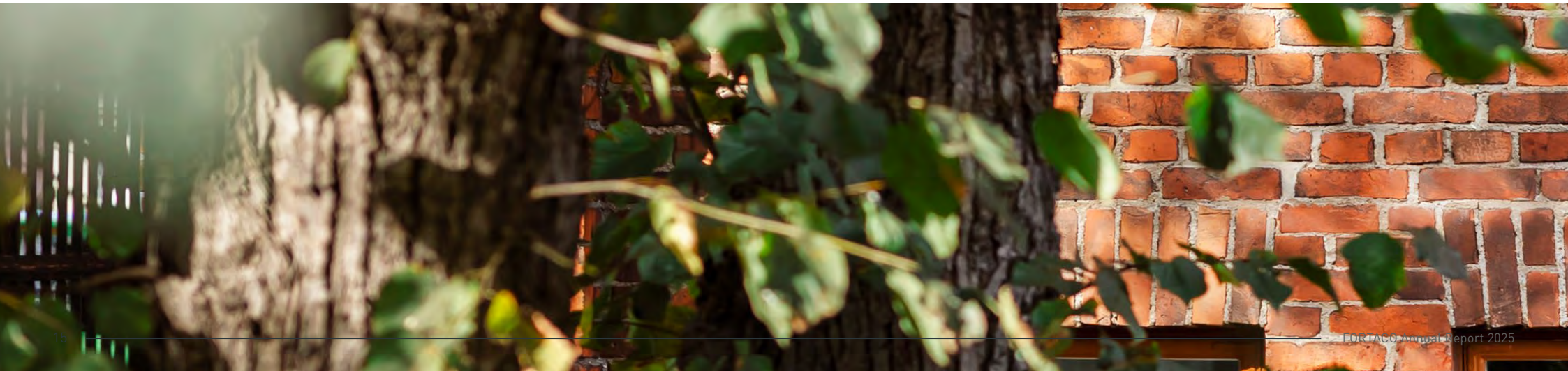
For Fortaco's spare parts to be considered taxonomy-eligible they

should relate to equipment classified under the NACE code C28.22 Manufacturing of lifting and handling equipment and they must be parts that can replace a part of a product and thus enable the intended functioning of the product. Most of the components and parts included in Fortaco's offering are not necessary for the proper functioning of the customer's product or are not used in lifting and handling equipment, but in equipment covered by other NACE codes. We consider spare parts related to personal safety to be necessary for the proper functioning of the products.

Fortaco offers zero-emission solutions for the heavy off-highway vehicle industries and supports more sustainable logistics in these industries. We expect Fortaco's eligibility to increase as the taxonomy evolves to include more sectors relevant to Fortaco's operations. Fortaco continues to develop taxonomy-related reporting and complies with new guidance when it is published by the EU.

Financial Year 2025

KPI	Breakdown by environmental objectives of Taxonomy aligned activities														
	Total	Proportion of Taxonomy eligible activities	Taxonomy aligned activities	Proportion of Taxonomy aligned activities	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Proportion of enabling activities	Proportion of transitional activities	Not assessed activities considered non-material	Taxonomy aligned activities in previous financial year 2024	Proportion of Taxonomy aligned activities in previous financial year 2024
Turnover	348 MEUR	0 %	0 €	0 %	-	-	-	-	-	-	-	-	0 %	0 €	0 %
CapEx	12 MEUR	0 %	0 €	0 %	-	-	-	-	-	-	-	-	0 %	0 €	0 %
OpEx	3 MEUR	0 %	0 €	0 %	-	-	-	-	-	-	-	-	0 %	0 €	0 %



Climate change (ESRS E1)

We strive to do business in a sustainable manner and enable our customers to achieve their net zero targets. This aspiration drives our determination to deliver emission free solutions and care for climate change mitigation and adaption throughout our own operations. With our efforts we want to do our share in the transition towards a sustainable future.

Our approach and governance

Accountability for our sustainability commitment and targets lies with Group Leadership Team and is steered by our Group Sustainability Director. Climate-related factors are not yet considered in the remuneration, but we are to investigate how we best can do this in the future.

We recognize our responsibility for the climate change related impacts our operations have, and our key role in enabling our customers to reach their respective sustainability targets. Fortaco has not yet a policy for climate change or included in its current policies how to manage impacts and risks related to climate change. The preparations of including climate change related impacts, risks and opportunities into policies has been started in already 2024 and continues.

Impact, risks, and opportunities

Material impacts, risks and opportunities related to climate change have been identified in our double materiality assessment which is described in the section for Double materiality assessment under ESRS 2.

Fortaco's material impacts, risks and opportunities related to climate change in our own operations and value chain				
Sub-topic	Short description	Impact/ Risk/ Opportunity	Location	Time horizon
Climate change adaption	Increased risk of extreme weather conditions which cause damages or disruptions and require investments in own operations and supply chains. As Europe has become the fastest warming continent with other extreme weather conditions it may cause e.g. power outages. Increased extreme weather phenomena affect also throughout global supply chains e.g. mining, production phases, logistics and transportation.	Physical risk	Own operations, upstream value chain	Long-term
Climate change mitigation	Reduction of CO2 emissions in the value chain with Fortaco's technology solutions, needing less raw materials, built with fossil free steel, and including innovative sustainable solutions.	Positive impact	Upstream and downstream value chain	Long-term
Climate change mitigation	Scope 1 and 2 emissions resulted from especially infrastructure and heating, as well as production line phases e-coating and painting.	Negative impact	Own operations	Short-, medium- and long-term
Climate change mitigation	Scope 3 emissions related to especially purchased goods and services (mainly steel), transportation and distribution, business travel and end use of products. New Business Site Gliwice's operations increased scope 3 emissions due to transportation and distribution to/from the site.	Negative impact	Upstream and downstream value chain	Medium- and long-term
Climate change mitigation	Green transition and related regulation will increase the price of steel and fossil free steel, requiring adjustments to customer agreements and pricing.	Transitional risk	Own operations	Medium-term
Climate change mitigation	Low-emission solutions and transparent reporting can provide a competitive edge and strengthen brand value.	Transitional opportunity	Own operations, downstream value chain	Medium- and long-term
Energy	Reduction of fossil energy and fuels through energy efficiency measures and increase of renewable energy share in facilities and machinery, and by electrifying and automating production phases. Enables Scope 2 emission reduction.	Positive impact	Own operations	Medium-term

Climate scenario risk analysis

At Fortaco we see sustainability actions as one of the ways to strengthen our resilience and ability to stay competitive in a future with increasing stakeholder expectations, regulation requirements, and climate change challenges. Addressing material impact, risks and opportunities can lead to new partnerships, innovative projects with customers, and other commercial opportunities.

Material impacts, risks and opportunities related to climate change were identified first in 2024, in our double materiality assessment described in the section for Double materiality assessment under ESRS 2. In 2025, we conducted a thorough climate-related risk and scenario analysis where we reviewed risks and opportunities, overwriting results of the DMA.

Identification of climate-related risks and scenario analysis

The primary objective of the scenario analysis was to identify and evaluate physical and transition risks and opportunities across the company's entire value chain, including upstream, own operations, and downstream activities. The scenario analysis was conducted in accordance with ESRS E1-2 requirements to ensure comprehensive identification and assessment of climate-related risks and opportunities during autumn 2025.

Physical risks are categorized as acute and chronic, while transition risks relate to indirect impacts associated

with the low-carbon transition. The selection of scenarios aligns with ESRS application requirements including one Paris Agreement-aligned scenario (transition risks and opportunities) and physical risk scenarios based on global warming of over 2°C and 4°C. The analysis covers three time-horizons: short-term (≤ 1 year), medium-term (2–5 years), and long-term (> 5 years).

Scenario selection is based on IPCC scenarios RCP4.5 and RCP8.5 (physical risks) and IEA Net Zero by 2050 (transition risks), with assessments tailored to the company's industry, value chain, and geographic locations. Data sources included IPCC reports and the IPCC Interactive Atlas tool. A literature review provided background information and sector-specific studies on the impacts of these scenarios.

The analysis involved compiling a list of climate-related risks and opportunities from internal and external sources. These relate to Fortaco's value chain, critical assets, raw materials, services, stakeholders, and locations of operation. Sources included internal documents and DMA materials. Physical hazards identified as potentially causing risks upstream, in own operations, or downstream included key chronic hazards such as temperature changes, wind patterns, and precipitation changes and types, as well as acute hazards such as storms and floods. Relevance was determined based on location and business activities.

The assessment was conducted utilizing the knowledge of an expert panel consisting of Fortaco operational and financial specialists. The panel evaluated the likelihood and financial impact of identified risks and opportunities. Participants included individuals with a strong understanding of our value chain, financial metrics, and business strategy. Physical and transition risks and opportunities were distinguished and assessed based on relevant scenarios, emphasizing clarity and a deep understanding of scenario impacts. Climate-related risks and opportunities were evaluated financially, including changes in asset value, cash flow, operating margin, and access to capital. Financial impacts were evaluated using a 0–5 magnitude scale combined with probability ratings in line with the DMA and assessed across three time horizons: short-term (≤ 1 year), medium-term (2–5 years), and long-term (> 5 years).

Resilience in relation to climate change

In relation to the double materiality assessment, we have in 2025, conducted a resilience analysis of the identified material climate-related risks and opportunities. Resilience to climate-related risks was assessed through scenario analysis and considering both transitional and physical risks as well as related opportunities. The process engaged Fortaco's operational and financial specialists as well as external sustainability experts.

As a physical risk, extreme weather events pose a growing threat to own operations and supply chains.

In the medium term, investments in cooling systems and renewable energy (e.g., solar panels) will be essential to maintain productivity and protect machinery. For the long term, resilience will depend on adapting transportation routes and sourcing strategies to reduce supply chain disruptions. These measures will require capital allocation and operational planning to ensure continuity under severe climate scenarios.

The frequency and severity of extreme weather events may differ from scenario assumptions, and the timing of chronic hazards such as heatwaves is uncertain. The effectiveness and cost of planned cooling and renewable energy solutions also depend on future technological developments.

Regulatory requirements and the green transition are expected to drive up the cost of steel and low-emission alternatives, increasing material transition risk. In the short term, the impact is moderate, and its likelihood is expected to rise over time. To remain resilient, Fortaco must continuously monitor regulatory developments, engage customers in pricing discussions, and adjust agreements accordingly. Strategic implications include the need for proactive customer inclusion and pricing scenario analysis to mitigate financial exposure.

Offering low-emission solutions and transparent reporting can strengthen brand value and provide possible financial opportunities. Continuous

market analysis and customer engagement are critical to leverage opportunities effectively.

Uncertainty remains about the pace and scope of regulatory changes, while market reactions to pricing adjustments and acceptance of low-emission products are unpredictable. Additionally, fluctuations in the cost and availability of fossil-free materials may exceed current projections.

Fortaco's strategy and business model will need to evolve to address these risks and opportunities. Key actions include:

- Investments in energy efficiency and facility upgrades, such as installing cooling systems to address rising temperatures in operating countries.
- Supply chain diversification and route optimization to enhance resilience.
- Regulatory and pricing analysis to manage transitional risks.
- Market positioning through offering low-emission products and transparent reporting.



Fortaco's planned resilience measures are expected to reduce the magnitude of risks by approximately 20% and the likelihood by around 50% in the long term, while also strengthening identified opportunities. While especially the physical risks may appear regardless, the resilience actions significantly decrease the likelihood for negative financial impacts. None of the risks exceed manageable level (magnitude 3) and the actions to mitigate them are resourced already in investment plans.

As a result, we consider Fortaco's business strategy well-positioned for future challenges. We consider Fortaco's business strategy well-positioned for future challenges. The risk management plan and actions to enhance climate opportunities are efficient and Fortaco's operations are resilient under the analysed scenarios. The demand for our solutions supports growth, while the decarbonization and electrification in the medium term presents additional opportunities.

Although physical hazards may occasionally disrupt Fortaco's operations and supply chain, our approach to anticipate, prepare for, and adapt to disruptions will help minimizing interruptions, ensuring they remain manageable and do not result in significant financial losses. In the future when we have conducted a scenario analysis, we aim to analyse the resilience of our business by looking at climate-related transition and physical risks and opportunities.

When addressing the impacts, risks

and opportunities of climate change we divide our efforts into three streams, the upstream value chain, our own operations, and downstream value chain.

Upstream value chain

We recognize that a green transition is not possible without collaboration with actors in our value chain. We engage particularly with our first-tier suppliers and strive to build relationships where we can actively call to action for activities in line with the goals of the Paris Agreement.

Most of our upstream value chain emissions come from hard-to-abate sectors like steel and transportation. We have therefore identified some strategic levers that we are working on embedding, in order to reduce emissions from our supply chains:

- Engaging with suppliers on the integration of decarbonization strategies in their operations. We strive to activate our engagement with key suppliers, who account for the major share of our total procurement spend and cover carbon-intensive sectors of our supply chains. This includes the adoption of science-based targets, transparent climate reporting, and decarbonization of their value chains.
- Low-emission products are essential to the green transition. We contribute towards the scaling of new technologies and fossil-free steel by reducing uncertainties for our

suppliers and further incentivising their investments in low-emission technologies.

Fortaco's own operations

We have calculated our Scope 1 and 2 emissions to be approximately 10% of our emissions, and upstream Scope 3 emissions to approximately 90%. We assume that our downstream Scope 3 emissions are also material, but Fortaco has no operational control of the end-of-life phase, and we can best impact through circular thinking in product design. Although emissions from Fortaco's own operations are minor in the big picture, we recognize the responsibility to decarbonize.

The overarching science-based targets we are setting will be supported by mid-term decarbonization targets. In addition to tracking and monitoring our company-wide emissions reduction progress, we can utilise the climate targets internally to anchor our other strategic initiatives. These include, for example, decarbonisation of our supply chains for materials and components.

Downstream value chain

To contribute to the global net-zero goal in the most impactful way, we are committed to go beyond reducing our own emissions and support our customers in their green transition. To address negative impacts, we are setting targets and plans to actively engage and partner with suppliers enabling us to provide customers with

zero emission solutions as alternatives to the traditional offerings, and to engage with customers to understand their sustainability needs better.

Some of our customers have set net zero targets that have been approved by the Science Based Targets initiative (SBTi) and we can support them by, for example, enabling emission reduction related to extraction of steel and manufacturing of main components.

Fortaco's Zero Emission Solutions-team focuses on improving the company's readiness to support the green transition in customer industries. The team's activities are aligned with the company's technology vision for 2030 and aims to further strengthen Fortaco's R&D work to develop its offering and utilize emission-free steel. Our zero emission solutions offering includes:

- Applications of green steel and other eco-materials in mass production.
- Development of highly productive and environmentally friendly manufacturing processes.
- Research and development of lightweight and extended lifetime components.
- Expanding of Fortaco's offering related to electrification: integrated thermal management, battery pack weldments and assemblies.

Actions

In 2025, actions related to our material impacts, risks and opportunities have been mainly focused on our own operations and upstream value chain. Each business site is accountable for their actions and their alignment with the group's targets. Energy or emissions consumption reductions of for example energy efficiency improvements are collected and calculated once a year. In 2025, we made some progress towards being able to monitor reductions more systematically by adding training and improving data collection templates. Some examples of climate change related actions during the year are:

- Modernization of compressed air systems: Several sites replaced aging air compressor units with new, higher efficiency equipment. In addition to the machinery upgrades, control systems were modernised to optimise operating time and reduce unnecessary running hours. At the Wroctaw and Janów Lubelski sites, heat recovery systems were installed to utilise waste heat from compressors, thereby reducing the need for additional heating energy.
- Transition to LED lighting: Fortaco completed the remaining conversions from traditional lighting to LED technology across production and warehouse areas. In the end of the year, all Fortaco units were operating with LED lighting as the primary lighting solution.

- Optimised building automation and heating controls: Energy consumption reduction were achieved at the Wroctaw and Kurikka sites through improvements to building automation systems and the adjustment of heating parameters during non operational hours.
- Reallocation of inefficient building use: In Narva business site, an older and less energy efficient building was repurposed as an unheated storage facility, reducing heating demand.
- Heat source development: In Sablé business site, the installation of a heat pump instead of gas-based heating is reducing the heating energy consumption and environmental footprint.

Fortaco is in the beginning of its sustainability journey and promotes sustainability internally through communication, training and campaigns. In 2025, we continued to grow awareness and ownership of environmental and climate actions, for example in meetings or webinars with each business site, with the Group Leadership Team, and the Senior Leadership team. Fortaco also actively responds to customers' increasing demand for sustainable products and services such as LCA requests, low emission steel solutions, and refurbishments. The emissions reduction activities will be continued in 2026 and beyond in accordance with Fortaco's climate program. In 2026 and beyond we:

- continue to investigate and targets (SBTs) and a transition plan, we identified the need to further assess the financial impacts of the transition. While we understand the general cost implications of decarbonizing our operations, more granular, business-site-level analysis is required to enable Fortaco's Board to approve the SBTs and the transition plan. The cost analysis is planned for 2026.

Fortaco has no EU Taxonomy-eligible or aligned activities related to climate change mitigation or climate change adaption. See further details in the section EU Taxonomy.

Actions taken in 2025 did not require significant Capex or Opex as disclosed in the Financial Statements. However, as part of our Climate Program to set science-based targets (SBTs) and a transition plan, we identified the need to further assess the financial impacts of the transition. While we understand the general cost implications of decarbonizing our operations, more granular, business-site-level analysis is required to enable Fortaco's Board to approve the SBTs and the transition plan. The cost analysis is planned for 2026.

Metrics and targets

In 2023, Fortaco set a Group-level energy consumption reduction target for the period 2023–2025, aiming to achieve cumulative energy consumption reduction actions equivalent to 10 percent of the 2022

baseline energy consumption. In 2022, total energy consumption across the nine business sites belonging to Fortaco Group at that time was 69,358 MWh. When adjusted to exclude sites divested during 2023–2025, the recalculated baseline is 52,592 MWh.

Because the target covers a three-year period, energy consumption reduction actions could contribute cumulatively depending on their implementation date between 2023 and 2025. This target-setting approach was selected to minimise the impact of production-volume fluctuations and weather-related variations in heating and cooling demand. Based on the adjusted baseline, the cumulative energy-saving target for 2023–2025 was 5,259 MWh.

To be aligned with the Paris Agreement and to align our core business activities with our sustainability ambition, we have in 2025 prepared science-based targets and transition plans in accordance with ESRS E1-1 DR 17 that will be approved by the Supervisory Board and can then be submitted to the SBTi. The setting of GHG emission reduction targets is part of our Climate Programme, and the aim is for the Supervisory Board to approve the program in 2026. Setting science-based targets and a transition plan requires thorough preparations and calculations. The transition plan includes decarbonisation actions related to our own operations and our value chain.

Key decarbonisation levers identified to reach our energy consumption target are consumption reduction through energy efficiency solutions, fuel switching and increased use of renewable energy. In the process of creating a climate program we will identify key levers and their estimated potential also for scope 3 emissions.

The energy consumption reduction target is not linked to a specific policy and covers consolidated energy consumption of our own operations. Target is based on calculations of possible scenarios including consideration of energy efficiency or reduction solutions. It has been assumed reduction in energy will also decrease Scope 1-2 emissions.

Internal stakeholders from all business sites have been heard during target setting and support in their action plans is provided from group function. Target, underlying measurements or related processes has not been changed since target setting in 2023. Fortaco plans on setting new energy consumption reduction targets as part of or in addition to the Climate Programme.

Energy

Progress toward the target of 10 percent energy consumption reduction has been reviewed annually through Fortaco's regular environmental management processes. Since the target applied specifically to business sites within Fortaco during 2023, the sites in Breitenau (Austria), Sablé (France), and Gliwice (Poland) units were not required to report energy-saving actions under the same framework.

Cumulative energy-saving actions realized during the target period were as follows:

2023: 2,221 MWh
2024: 3,417 MWh
2025: 4,461 MWh
Total: 10,099 MWh

The total achieved savings exceed the target by 92 percent, delivering almost double the planned reduction. This strong performance indicates that the first phase of energy efficiency initiatives generated results better than anticipated, particularly at sites with significant initial savings potential.

When looking at the total energy consumption it decreased by two percent in 2025 compared to 2022, and nine percent compared to 2024.

Financial aspects related to climate change GHG removals, carbon credits and internal carbon pricing

In 2025, Fortaco has not participated in projects aiming at enhancing natural sinks or innovating technical solutions to remove GHGs from the atmosphere in our own operations or our value chain. Fortaco has also not financed GHG emission reductions and removals from climate change mitigation projects with purchased carbon credits. Fortaco has not yet implemented an internal carbon pricing scheme. GHG removal projects, purchase of carbon credits and internal carbon pricing schemes are all interesting development possibilities and as Fortaco implements science-based targets and transition plans, we will investigate options and best practice and related to these.

As part of the double materiality assessment financial effects from risks and opportunities have been subjectively evaluated on a scale from 1-5. A score of 1 indicates low magnitude, with only minor negative impact on operations or concerns only a small area of the organisation, while a score of 5 represents extreme magnitude where Fortaco's strategic objectives are significantly compromised, financial losses can be major, Fortaco's reputation significantly hurt or key operations interrupted. In the future we are developing our analysis of financial effects and investigate how to apply science-based data in the calculations.

Energy consumption and mix	2025	2024
Coal and coal products (MWh)	-	-
Crude oil and petroleum products (MWh)	1,937	2,084
Natural gas (MWh)	17,289	19,130
Other fossil fuels (MWh)	2,944	3,484
Electricity, heat, steam and cooling from fossil fuels (MWh)	24,238	13,871
Total fossil energy consumption (MWh)	46,408	38,569
Share of fossil sources in total energy consumption (%)	68%	52%
Total nuclear sources consumption (MWh)	6,211	11,378
Share of nuclear sources in total energy consumption (MWh)	9%	15%
Fuels from renewable sources (MWh)	41	390
Electricity, heat, steam, and cooling from renewable sources (MWh)	14,984	23,838
Self-generated non-fuel renewable energy (MWh)	518	527
Total renewable energy consumption (MWh)	15,543	24,755
Share of renewable sources in total energy consumption (%)	23%	33%
Total energy consumption (MWh)	68,162	74,702
Energy intensity (MWh/MEUR)	196	210

GHG intensity per net revenue	2025	2024	2025/2024
Location-based GHG emission intensity, tCO ₂ eq/MEUR	872	944	-8%
Market-based GHG emission intensity, tCO ₂ eq/MEUR	880	944	-7%

Accounting principles

Total energy consumption

Includes energy from fossil-based sources and renewable sources. Purchased electricity of business site Gliwice is estimated. Total energy consumption is the same as total energy consumption from activities in high climate impact sectors.

Energy consumption reduction

The scope of the internal energy consumption reductions covers both heat and energy consumption and process optimization reductions at our business sites (i.e. reduction of fuel and electricity consumption). Projects are included when they are fully implemented and operational.

Energy intensity

Calculated as energy consumption per net revenue. Fortaco operations are part of the Manufacturing sector, described in NACE Section C as defined in Commission Delegated Regulation (EU) 2022/1288, and is therefore classified as one of the high climate impact sectors. The net revenue (dominator) can be found in the financial statements note 2.1 Net sales.

Accounting principles

GHG emission intensity

Calculated as total scope 1-3 GHG emissions (where scope 2 is either market-based or location-based) divided by total net sales (dominator) as it is presented in the financial statements note 2.1 Net sales.

Accounting principles

Scope 1 GHG emissions

Scope 1 emissions are reported in accordance with the Greenhouse Gas (GHG) Protocol and include all direct emissions from operations over which Fortaco has operational control. The emissions are calculated based on actual energy consumption and emission factors provided by energy suppliers.

Scope 2 GHG emissions

Scope 2 emissions are reported in accordance with the GHG Protocol and include indirect emissions from the generation of electricity and district heating purchased and consumed where Fortaco has operational control. The emissions are calculated based on actual measured energy consumption.

In the market-based approach, contract-specific emission factors are applied for purchased electricity, while the location-based approach uses country-specific factors by the Association of Issuing Bodies. In 2025, more detailed information on the origin of energy was received from electricity providers, enabling more accurate estimation of market-based emissions. Emissions from district heating was calculated applying country-specific electricity generation residual mix, in all countries except Finland where contract-specific factors were applied. No removals or carbon credits were included in the emission calculations.

As green certificates are not widely used, this results in larger difference between the calculation approaches. In 2025, contractual instruments covered 6 percent of total electricity and district heating purchases, of which 100 percent were bundled instruments.

GHG emissions scope 1-3	Retrospective						Milestones and target years
	2022	2024	2025	2025 / 2024	2030	2050	Annual % target / Base year
Scope 1 GHG emissions							
Gross Scope 1 GHG emissions (tCO2eq)	5,907	6,107	4,933	-19%	-	-	-
Share Scope 1 GHG emissions from regulated emission trading schemes (%)	-	-	-	-	-	-	-
Scope 2 GHG emissions							
Gross location-based GHG emissions (tCO2eq)	19,485	17,408	15,877	-9%	-	-	-
Gross market-based GHG emissions (tCO2eq)		17,203	18,507	8%	-	-	-
Significant scope 3 GHG emissions							
Total gross indirect GHG emissions (tCO2eq)		313,161	282,909	-10%	-	-	-
1. Purchased goods and services (tCO2eq)		311,517	281,153	-10%	-	-	-
3. Fuel- and energy-related activities (tCO2eq)		6	6	6%	-	-	-
4. Upstream transportation and distribution (tCO2eq)		1,638	1,750	7%	-	-	-
Total GHG emissions							
Total GHG emissions (location-based)	25,392	336,676	303,719	-10%	-	-	-
Total GHG emissions (market-based)	5,907	336,470	306,349	-9%	-	-	-

Scope 3 GHG emissions

Scope 3 emissions are reported based on the GHG Protocol and cover material upstream and downstream value chain activities. Only one of the scope's 15 sub-categories is material to Fortaco. All other are non-material (less than 1 percent of Scope 3 emissions) or not applicable on Fortaco. We have chosen to disclose also emissions for the subcategories [3] Fuel- and energy related activities and [4] Upstream transportation and distribution.

Where available, emissions are calculated using verified product-level emission factors obtained directly from suppliers or Environmental Product Declarations

(EPDs). These factors represent the highest quality of upstream life-cycle data and are applied primarily to steel components purchased in significant volumes. Product-specific emission factors are used on 18 percent of the materials for which physical weight is known.

When product-specific emission factors are unavailable but physical weight is known, Fortaco uses general material-specific emission factors from the OpenCO2 database. The underlying data sources include the World Steel Association, DEFRA and European Commission's life-cycle datasets. 37 percent of the emissions are calculated based on this method.

For purchases where no physical quantity data is available (63 percent of total emissions), Fortaco applies factors from Exiobase, using spend-category-specific intensities. This method is used fully on category 4 and indirect purchases in category 1. All monetary values are adjusted for inflation to ensure methodological consistency with the reference year of the emission factors used.

Emissions for 2024 have been recalculated during 2025 to match new accounting principles, to correct errors and utilize updated emission factor data.

GHG emissions outside of scope 1-3

In 2025, Fortaco did not separately calculate biogenic emissions (CO₂, CH₄ and N₂O) arising from the combustion or biodegradation of biomass (Scope 1) or from Scope 3, where product-specific emission factors and Exiobase emission factors were applied. Biogenic emissions are included in the CO₂eq figures presented in the table. Separate disclosure of biogenic emissions is planned as part of the 2026 emission accounting development.

No emissions were subject to regulated emission trading schemes.

Pollution (ESRS E2)

Our approach and governance

Fortaco commitment to environmental matters is communicated through our EHS Handbook (policy). It highlights our approach that we aim to be in harmony with our environment, always improving our resource efficiency and achieving full compliance with legal requirements and regulations. Importance of environmental matters including pollutions and emissions control is understood by implementing environment management systems according to ISO 14001 for each of the Fortaco Business sites. Only the recently acquired (in 2023) business site in Breitenau, Austria lacks the environmental management system. Its implementation is scheduled for 2027.

The focus of our currently operating environmental management system is Fortaco own operations. There are guidelines in place to manage and control emissions to air, water and soil (referred as pollution). The main approach is to continuously meet the targets set in our environmental permits for different emissions and improve our resource efficiency by decreasing the number of pollutants compared to volume of production.

Environmental impacts, risks and opportunities are evaluated annually, and it include evaluation of emissions to air, soil and water. Regular environmental assessments and audits are

organised to ensure functioning of the environment management system. Fortaco internal audit schedule has been set to evaluate environmental issues in compliance with ISO14001 and ESG requirements for all Business sites during a 3-year period.

Potential supply chain related environmental impacts in form of emissions are monitored in the supplier selections process through review of implemented environmental management systems of potential suppliers.

Accountability for our commitments and targets related to pollution lies with Group Leadership Team and is steered by our Group QHSE Director in collaboration with our Group Sustainability Director.

Impact, risks, and opportunities

The material impacts, risks and opportunities related emissions have been identified in environmental aspect assessment as defined in ISO14001 standard. These evaluations have been confirmed and adjusted in our double materiality assessment (described in the general section ESRS 2 of the Sustainability Statement) based on the available data and statistics about emissions to air, water and soil in our operations. In due diligence processes over the past years all our business sites have been screened on both the current operation impacts and the past and historical impacts to environment.

Sub-topic	Short description	Impact/ Risk/ Opportunity	Location	Time horizon
Pollution of air	Pollution to air in form of dust and heavy metals from metal fabrication such as welding processes, as well as volatile organic compounds (VOCs) released from painting processes, and emissions from transportation.	Negative impact	Own production	Short-, medium- and long-term
Pollution of air	Noise, vibrations, dust and other air emissions from the extraction, and transportation of iron ore/steel, copper, glass and aluminium. Frequently dumping of processed rocks generates noise and dust pollution in the iron ore mining industry, also common diesel-powered generators add to air emissions by producing CO2 and other noxious emissions. The transportation of iron ores causes air emissions and noise leading to potentially significant secondary impact. These risks may lead to a number of environmental and social impacts, especially when not properly controlled.	Negative impact	Supply Chain	Short-, medium- and long-term
Pollution of water	Pollution of water related to the extraction and production of especially iron ore and steel. The steel making processes use significant amounts of water for activities such as the extraction process, washing, dust suppression, slurry transport and for the maintenance of the site and to supply water to the workforce.	Negative impact	Supply chain	Short-, medium- and long-term
Pollution of soil	Pollution and contamination of soil as a result of extraction and production of iron ore and steel. 50% of iron mines are located in forests and vegetation is removed for mine constructions. Spills of fuel and chemicals contaminate soil and have both direct impact and indirect cumulative impact on the immediate environment.	Negative impact	Supply chain	Short-, medium- and long-term
Pollution of air	Extra costs for investigation and investments of measurement technologies such as heavy metal and VOC emissions.	Regulatory risk	Own production	Medium-term
Pollution of air	Reputational impacts of unmanaged air pollution and noise caused by suppliers especially in the supply chains of steel, iron ore, copper, aluminium, and glass.	Strategic risk	Supply chain	Long-term

Below a summary of Fortaco's impacts, risks and opportunities related to pollution in our own operations and value chain. Main impacts and risks are related to our own production and the raw material extraction and production in our supply chain

Pollution in our own operations

In Fortaco's own operations emissions to air are mainly generated in welding operations as welding fumes, dust particles, heavy metal contamination and from painting as VOC emissions. These emissions (pollution) are considered as regular operation related. In some of our business sites, the annual amounts of emissions and pollutants are set in respective environmental permits. Those pollutants are monitored regularly as set in the environment permits. Business sites' EHS organisation is responsible for monitoring and reporting pollutants to local authorities.

Environmental management and environmental performance are guided by the requirements of our business sites' certified environmental management systems. To ensure compliance, resource efficiency and meeting the targets for protecting our environment we:

- regularly review of legislative requirement and ensuring compliance,
- review and if needed update our environmental goals and targets,

- identify and annually evaluate our environmental impacts and operational risks related to environmental impacts,
- regularly test and define emergency procedures,
- identify environmental training needs and organise necessary training,
- explore opportunities with chemical and paint suppliers to use less hazardous chemicals products we purchase

These actions are managed and coordinated at Business sites, Group EHS is monitoring and in case supports with guidance and Group best practices.

A key goal is to actively engage in preventive environmental work. Business Site employees must continuously observe their work environment, actively make EHS observations and adopt immediate corrective action if required.

All Fortaco's employees have the right and responsibility to report a situation that may cause a leakage or malfunction. Any infringement of environmental permit limits and significant deviations are investigated, and corrective actions are determined. The site's leadership is always in charge of the possible investigations, as well as the adequacy and implementation of corrective actions.

Pollution in our value chain

Our efforts to monitor and minimize Fortaco's impacts and risks related to pollution in the supply chain are bound to the engagement and relationship we have with our suppliers. With our Supplier Handbook, which we expect all direct material suppliers to sign, we ask for commitment to be actively engaged with environmental concerns. Specific policies outlining Fortaco's efforts to manage specifically emissions to air, soil, water and noise in the supply chain, has not yet been established but is generally embedded in the Supplier Handbook's and Code of conduct's sections on Environmental impacts. Our possibilities to manage indirect impact in our value chain is something we will investigate in the future.

Metrics and targets

On group level Fortaco has not set specific targets for decreasing pollution. However, we monitor pollution as part of maintaining environment permits for all business sites and to improve our resource efficiency by decreasing the number of pollutants compared to volume of production. Environment permits are based on each country legislation with different requirements and limits for pollution; thus, no Group consolidation has been prepared. Environmental targets set on site level are expected to decrease emissions close to limit values.

In 2025, the only monitored emission target at Group level, related to pollution is the energy reduction

target, which impacts the carbon-dioxide equivalent (CO₂eq) emissions to air. The intention is to decrease the energy consumption by 10% from 2022 base year by the end of 2025. In December 2025, also science-based decarbonisation targets have been set and monitoring starts in 2026. The energy targets and decarbonisation targets are described in section Climate change (E1).

No environmental impacts, claims or compensation related to the pollution of air, water and soil were recorded in 2025, nor was there any media coverage on these topics. Fortaco had no deviation from environmental permits during 2025. This has been verified through environmental audits conducted at selected sites and during annual environmental reporting sessions. The Fortaco EHS Handbook provides guidance on the reporting process and timelines to be followed in the event of environmental deviations.

Reducing pollution in the value chain can be challenging as impact possibilities are limited. However, there is material impact and risk related to pollution in Fortaco's supply chain, and we will investigate how this impact and risk should be addressed most properly.

Emissions to air in our own operations

In Fortaco standard operations emissions to air is considered as one of the main impacts on the environment. Nevertheless, none

of the air pollutants coming from Fortaco's operations reaches disclosing threshold set in Annex II of Regulation (EC) No 166/2006 of the European Parliament and of the Council (European Pollutant Release and Transfer Register "E-PRTR Regulation").

Fortaco's most common air pollutants originate from its welding operations. In recent years investments have been made to improve indoor air quality by removing and filtering welding fumes, both through source exhaust and background welding fume ventilation. These actions have reduced dust particle levels and improved the overall efficiency of the ventilation systems.

In 2025, no additional investments were made to improve indoor air quality or air emissions, as the installed filters and ventilation units are performing as expected. Welding also generates ozone, and nitrogen oxides formed in the arcs. These amounts have not been estimated as the amounts generated in the process are naturally very small.

Wet painting generates VOC emissions, which are assessed and monitored using calculation templates provided by the paint supplier for each product, based on actual consumption. In 2025, Fortaco invested in both e-coating and wet painting in business site Breitenau (Austria). While the primary goal was to improve efficiency and reduce continuity risks, the updated technical equipment in both processes also resulted in reduced pollutant emissions.

In addition to VOC emissions, our production sites in Estonia, Poland, and Slovakia regularly analyze their air emissions as required by local environmental permits. Monitoring is based on self-reporting, where sites submit information through an online portal to authorities on the quantities of consumed welding wire, paints, and solvents. Based on consumption figures, pollutants such as VOCs, solid particles, and TOC are calculated, and environmental fees are determined according to the emission amounts. In Slovakia, the environmental permit additionally requires an external air-emission (including Ni, Mn, Zn, Sn, TOC, solid dust particles, NO, and CO) measurement once every six years. This measurement was conducted in September 2025, and no emission limits were exceeded.

Biodiversity and ecosystems (ESRS E4)

Our approach and governance

At Fortaco, we recognize our

responsibility and possibilities to impact positively on biodiversity and ecosystems. In the double materiality assessment, it was identified that our material impact on biodiversity is located upstream in the value chain, connected to mining and extraction of raw materials. We have not identified material negative impact related to land degradation, desertification, soil sealing or threatened species, in Fortaco's operations under normal conditions, nor in the value chain that we have operational control over. We ensure that all needed environmental permits of our sites are up to date. More about our environmental permits in section Pollution (E2).

We are aware that best practice around biodiversity is rapidly evolving. For us to develop our approach and policies we need to frequently update our biodiversity assessment, understand the adverse effects that our own operations and mining have on wildlife, habitats, and ecosystems, and thereafter, identify the possibilities we have to impact positively on biodiversity. Fortaco has not yet assessed the resilience of our business model and strategy to biodiversity and ecosystems-related risks.

Impact, risks, and opportunities

The material impacts, risks and opportunities related to biodiversity and ecosystems have been identified in our double materiality assessment which is described in the general section (ESRS 2) of the Sustainability Statement.

At Fortaco we have identified that our work related to biodiversity is influenced by various factors, including the EU's biodiversity strategy for 2030, the Global Biodiversity Framework, and national legislation in the countries where we operate. In our biodiversity impact assessment, we have used sources such as Natura 2000, WWF Biodiversity Risk Filter, and data of The Key Biodiversity Area Partnership. As our double materiality assessment reveals, our most material impacts are related to raw material extraction and production of materials used in Fortaco products. Potentially affected communities and ecosystems, or transition or physical risks have not been specifically reviewed in the process.

In 2025, we updated our biodiversity assessment to confirm that none of Fortaco's sites, also the most recently acquired ones, are located within protected areas. As the protected

areas can change over time, we consider it essential to review all locations regularly and incorporate new science-based data from various frameworks.

Of our nine business sites only two are located near protected areas: Janow Lubelski (Poland) is located in an industrial zone less than one kilometer from Lasy Janowskie Landscape Park, and Breitenau (Austria) is located in an industrial zone approximately one kilometer from Feuchte Ebene.

A third-party assessment conducted in 2018 for the Janów Lubelski site concluded that Fortaco's operations do not negatively affect the nearby sensitive area under normal conditions. A similar assessment has not been conducted in for the Breitenau site as we consider environmental impacts and risks of the site to be mitigated and managed through environmental

permits and an ISO certified Environmental Management System.

Biodiversity related to our material risk and impact is not yet addressed in our policies and related actions. Biodiversity was identified as material in the materiality assessment conducted in 2024. The direct drivers of biodiversity loss in Fortaco's supply chain were considered when we in 2025 reviewed policies covering our supply chain. However, no changes were yet made in reviewed policies.

Sub-topic	Short description	Impact/ Risk/ Opportunity	Location	Time horizon
Direct impact drivers of biodiversity loss	Biodiversity related impacts are one of the key environmental impacts in metals and mining industry. Impacts relate to e.g. land, freshwater and sea use change, tree cover loss, protected/conserved areas. Although Fortaco's possibilities to affect impacts are limited, there are growing information needs on biodiversity due to upcoming regulations and customers surveys in the future. Fortaco's impact is related to the biodiversity loss in raw material extraction of steel and iron ore, copper, aluminium, glass and rubber.	Negative impact	Downstream value chain	Short-, medium- and long-term
Direct impact drivers of biodiversity loss	Biodiversity loss caused by suppliers of steel, copper, glass (Silica), aluminium and rubber (e.g., threatened species, ecosystem services, conflict with agriculture or indigenous people, integrated land management, and deforestation) form a reputational risk to Fortaco.	Strategic risk	Upstream value chain	Medium-term



Though biodiversity and ecosystem protection has not been addressed in policies yet, Fortaco has adopted actions that indirectly mitigates our impacts and risks. Local environmental permits and ISO certifications are examples of how we mitigate in our own production. By applying supplier selection criteria and conducting supplier screenings as well as audits, all including environmental aspects, we have able to mitigate some of our impact in the supply chain. More about supplier selection and our relationships with suppliers can be found in section Business Conduct (G1).

In 2025, we reviewed the biodiversity assessment and confirmed that there are no material changes to biodiversity impacts, risks or opportunities since the previous evaluation. Going forward, in 2026, we will reassess

the biodiversity impact of our own operations as part of updating the DMA. In case biodiversity is continuously identified as material, we will start identifying our key impacts on biodiversity in our upstream value chain, e.g. by identifying which materials have the greatest impact on biodiversity, reviewing the biodiversity risk of those supply chains, and cooperate with our suppliers on mitigating negative impacts on biodiversity.

As a strategic partner for many customers, Fortaco also sees this as an opportunity to improve its reputation, aiming to increase the knowledge sharing of sustainability issues with customers and suppliers (especially steel suppliers).

In the future we will also clarify our biodiversity ambition and integrate

KPIs to our ESG reporting framework. We will investigate the dimensions of integrating biodiversity into supplier requirements and map possibilities to engage our people in local projects improving biodiversity and mitigating negative impact on the environment.

Accountability for outlining policies and targets related to biodiversity lies with Group Leadership Team and is steered by our Group Sustainability Director.

Metrics and targets

Impacting positively on the value chain as far up as material extraction is challenging and we work on firstly identifying the possibilities to impact positively that Fortaco have. In our own locations mitigating risks related to biodiversity is significantly

easier and we will investigate the possibilities and needs to set targets for mitigating our negative impact, and impact positively in the areas our business sites are located. Fortaco's current target is to maintain the local environmental permits and certifications in own operations. No specific targets have yet been set for upstream biodiversity impacts and risks.

In long-term we strive to set specific biodiversity targets and plan actions related to our material impact and risk in the upstream value chain. We also want to ensure alignment with biodiversity related frameworks, and new regulations guide our continued development and engagement with biodiversity, including outlining policies, setting targets and planning actions.

Fortaco has business sites under operational control in Breitenau (Austria), Gliwice (Poland), Holič (Slovakia), Janów Lubelski (Poland), Kurikka (Finland), Narva (Estonia), Sablé (France), Sastamala (Finland) Wrocław (Poland). Of the sites Janow Lubelski and Breitenau are located near protected areas. The Business sites manufacturee steel fabrications for material handling, construction, mining and energy sectors. The business sites Environment Management System is certified according to ISO 14001:2015 and demonstrates Fortaco's commitment to reduce our environmental footprint, like pollution and waste generation, and as well improve our energy performance. No material impacts with regards to land-use change or conditions of ecosystems have been identified.



Resource use and circular economy (ESRS E5)

Our approach and governance

In Fortaco's operations we aim to follow circular economy principles, minimising waste and emissions, and keeping natural resources in use for as long as possible. The use phase of Fortaco's products can last for decades, so investing in low emission and resource-efficient products means our customers can reduce their environmental impact. Being a preferred partner, and being able to select trustworthy partners, is paramount for the whole Fortaco value chain. Sustainable business practices and systematic risk management are crucial for creating long-term value and financial stability. Our environmental management and continued environmental performance are guided by the requirements of the production site's certified management systems.

Our manufacturing of off-highway vehicle equipment relies on various metals, plastics, glass, rubbers and chemicals for paints. We are looking for ways to improve promotion of responsible supply chains for the key materials we rely on. For more information about social aspects of our sourcing of minerals and metals, see section S2 on workers in the value chain.

The major share of our upstream carbon emissions comes from the extraction and processing of materials

for our products (approximately 90 percent) – steel alone accounts for 63 percent of our sourced materials. By incorporating circular principles across our business, we can reduce carbon emissions, support our customers in meeting their targets, while also ensuring responsible waste management. Our approach to circularity evolves around three principles:

1. Reduce and optimise resource usage by rethinking design and offering. We want to engage with key suppliers and customers to promote the use of recycled and recyclable materials, particularly in high-impact categories like steel. We also continuously look for possibilities to minimize the use of materials by optimizing processes and innovating new solutions.
2. Maximise the value of our components and products. We investigate opportunities for repairing, refurbishing, and reusing key components to prolong their lifetime, and we aim to make our products recyclable. Our technology teams support our customers with change management and after market needs during the entire product life cycle. Fortaco has a dedicated PLM ecosystem to manage engineering, product information and documentation needs.
3. Repair, recover or recycle all materials possible before they reach their end-of-life stage in our manufacturing processes. Making the most out of scrap metal, repairing and reusing

wooden pallets, and recycling plastics are just the start.

Impact, risks, and opportunities

The material impacts, risks and opportunities related to resource use and circular economy have been identified in our double materiality assessment which is described in the section for double materiality assessment under General (ESRS 2). Impacts, risks and opportunities have mainly been assessed by utilizing internal information and knowledge about Fortaco's resource use and circularity. The information and knowledge we have about the value chain is obtained through close relationships with suppliers and customers. Information about affected stakeholders and communities has also been collected from open sources by a third party on behalf of Fortaco in order to assess material sustainability matters.

Accountability for our circularity efforts lies with our Group Leadership team and is divided into three streams. Commitment and targets related to waste from our own operations are managed and coordinated at Business sites, while Group QHSE Director is monitoring, supporting and guiding best practices. Accountability for our commitments and targets related to circularity in product design and Fortaco's offering lies with VSP Technology, and VSP Sourcing and IT.

Resource inflows

Fortaco is reliant on significant amounts of steel and of other critical materials such as copper, glass and rubber. However, renewable energy supply chains are under pressure, and bottlenecks and material scarcities are already defining the pace of green transition in many markets. We can reduce some of these pressures through circularity efforts. By considering the origin and mix of materials, and by increasing recycling and reusing, we can reduce the need for raw materials and reduce unpredictability in our supply chain while minimising carbon emissions throughout the value chain.

Fortaco's supplier policy (Supplier Handbook) covers themes such as material certifications and materials of concern. The policy and sourcing operations is accounted for by SVP Sourcing and IT. Circularity and minimized use of materials in our products is led by SVP Fortaco Technology. Additionally, the EHS Handbook outlines expectations, recommendations and tools for resource efficiency in the production process.

Our main actions related to sustainable resource use and the circular economy we have taken in 2025 are:

- Implemented steel material efficiency metrics to track the proportion of steel used in finished products versus scrap or waste. This is specially relevant for sites with plate cutting operations, where optimized nesting layouts help improve material utilization. Currently, not all sites are able to report steel material efficiency and reported performance ranges from 68-78 percent.
- We increased collaborations with steel suppliers regarding low-emission steel products and increased the share of low-emission steel in the steel products we purchased.

In 2026 and beyond, we continue our work related to material efficiency and circular economy in our product design, supply chain, and own operations. Efforts will be seen in avoiding downgrading and instead retain the quality and value of metals and other wasted material. We focus the actions on our three principles: Reduce and optimise resource usage, maximise value, and repair, recover or recycle all materials possible.

Waste

To support the promotion of circularity and waste management in our business, we have taken waste elimination to our values. EHS Handbook covers expectations, recommendations and tools for resource and waste management

in all Fortaco’s activities and locations. With this we also want to address our aim of minimizing the use of raw materials and to provide the direction for sustainable sourcing of resources. More about the EHS Handbook under Pollution (E2).

Environmental impacts of Fortaco’s waste management facilities are minimized in accordance with the environmental permits and operated according to Fortaco’s operational management system. Most of the waste is delivered to external waste management companies, whose operations are subject to environmental permits, for processing or disposal. The sustainability of waste management operators is ensured in supply agreements.

Some circularity related actions Fortaco has taken in 2025:

- Full rearrangements of waste handling facilities in business sites Janow, Narva, and Wrocław to limit unintended mixture of wastes, avoid risks of potential spills and impacts from weather conditions, and improve recyclability.
- In all sites, improvement of guidelines and training on correct waste management to ensure maximal recycle rate of waste.
- In business site Narva, the process for repairing and using broken wooden pallets that previously have been sent to incineration has been successfully implemented to the full. The project was initiated in 2024 and since implementation more than 22 000 pallets, i.e. close to 100 percent, have been repaired and taken back in use.

Metrics and targets

We are in the beginning of structuring our circularity approach and have voluntarily set targets to

a) improve our recycling rate, defined as the share of utilized and recycled waste out of total waste excluding scrap steel. The target is a 65 percent recycling rate by 2028. Recycled waste in 2025 was 43 percent representing an improvement compared to 34 percent in 2024. Current efforts focus on investigating recycling possibilities for each waste category, as well as improving waste sorting and reporting.

b) increase steel material efficiency, measured as the ratio of steel materials used in products to the total amount of purchased steel materials, to 80 percent by 2030 Measurement practices and monitoring procedures for this metric are however yet to be defined and implemented.

Each business site has set its own targets to support the Group objective, and progress will be monitored both at the site level and at the Group level. Naturally, sites with in-house plate preparation operations including nesting, plasma cutting, and/or laser cutting, will show different levels of steel material efficiency compared to sites that purchase ready-to-weld components.

These targets are incorporated into the Fortaco EHS Handbook under the objective of improving material efficiency. The targets have been developed internally, while also taking into account input from customers during site visits, audit discussions, and customer sustainability questionnaires.

No numerical targets have been set for waste categories or the volume of hazardous waste; however, sites are instructed to implement actions to increase recycling and, where recycling is not feasible, to prioritize waste-to-energy recovery.

Our products are most often tailored to customer’s needs and designed in close collaboration with customers. For Fortaco, there is opportunity to work with customers to increase

Sub-topic	Short description	Impact/Risk/Opportunity	Location	Time horizon
Resource inflows, including resource use	Resource use is a major driver of other environmental impacts such as climate change, pollution, water and marine resources and biodiversity. The impact relates to Fortaco’s use of steel, glass, rubber, plastic and paints, copper, and aluminium.	Negative impact	Own operations	Short- and medium-term
Resource inflows, including resource use	Decreased need for virgin raw materials (insulation material, plastics etc) and increase of material efficiency, through circular design of products enables positive impact. For example, the use of recycled insulation materials and plastics.	Positive impact	Own operations	Long-term
Waste	Generation of hazardous waste, e.g. toxic waste from machining and painting.	Negative impact	Own operations	Short- and medium-term
Resource inflows, including resource use	Circular design and responsible sourcing and production enables minimized use of materials. Material and resource efficiency, use of alternative materials and optimizing use of production materials (design, sourcing, logistics and utilising IoT, automation and AI analytics) is increasingly demanded by customers.	Operational opportunity	Upstream and downstream value chain	Medium-term

the use of e.g. recycled insulation materials and plastics and also optimizing the use of production materials through design, sourcing, and utilising IoT, automation and AI analytics). Measurable targets related to circularity in the value chain (inflows and circularity of our products) are yet to be set and focus is laid in accordance with our three principles: Reduce and optimise resource usage, Maximise value, and Repair, recover or recycle all materials possible. Minimisation of steel, which is Fortaco's primary raw material, is under constant improvement and in many cases, it is already possible for customers to choose green steel, low-carbon steel or recycled steel.

Inflows

We strive to promote circularity and waste management both upstream and downstream the value chain, in addition to our own operations. We strive to minimize waste in our production by reusing and recycling, when possible, we also work together with suppliers and customers to minimize emissions in the products we deliver. An overall objective is to minimise the use of virgin resources and to provide the direction for sustainable sourcing of materials and components.

Of the materials and products Fortaco sources, approximately 50 percent by spend is constituted by steel parts (plates, hot rolled steel sheets, solid bars, castings, open die forgings, etc.). Thereafter approximately 20 percent

are electrical components (cables harnesses, electronic devices, lights, etc.) and 20 percent mechanical components (hydraulics and pneumatics, wiper systems etc.). We predominantly purchase raw materials, components, energy, and services from several suppliers, mainly from European countries.

Fortaco has in 2025 not collected information on amounts of recycled and used components on group level. As individual customers have requested their respective information, we planned in 2024 to start monitoring the amount of recycled and reused components on an annual level starting in 2025. However, the development continues into 2026 as the need for updated data management system is required for fluent monitoring.

Waste

From the point of view of recycling, steel is a valuable raw material that retains its properties well, and due to its magnetism, it is easy to separate. For this reason, steel is one of the most recycled raw materials in the world. For us it is essential to recycle scrap steel from our production and to improve recycling rates of other raw materials we utilize.

In Fortaco's operation waste is mainly steel scrap generated from production processes, but also plastics and different packaging materials. We continuously strive to reduce hazardous waste, primarily from the paint shop, machining and cutting oils. Our processes do not

consume significant amounts of water, and the water is often reused or recycled. Water is mostly used in our E-coating lines for cabin manufacturing and for the washing of products before painting.

The total amount of non-recycled waste from Fortaco's operations is 1,696 tonnes, 15 percent of total waste. The total amount of hazardous waste is 471 tonnes, of which none is radioactive.

Waste (tonnes)	2025	2024
Diverted from disposal	9,625	9,250
Hazardous	-	-
Reused	-	-
Recycled	-	-
Recovered	-	-
Non-hazardous	9,625	9,250
Reused	-	-
Recycled	9,625	9,250
Recovered	-	-
Directed to disposal	1,696	1,674
Hazardous	471	660
Incinerated	-	-
Landfill	-	-
Other disposal	471	660
Non-hazardous	1,225	1,014
Incinerated	875	648
Landfill	349	366
Other disposal	-	-
Total waste	11,320	10,924
Share of non-recycled waste of total waste	15%	15%

Accounting principles

Waste by type and disposal method

The waste volumes include waste transferred from Fortaco properties, including production, warehouses and transportation. Waste is collected and stored based on categories defined in the list of wastes (Directive 2008/98/EC). Waste is stored on Fortaco property in temporary waste storage areas before transported to rightful handling by authorised waste handling companies. Disposal can be incineration, landfill disposal, or hazardous waste treatment, and is defined for each waste type in the list of wastes directive. Amounts of waste are reported based on invoices received from waste utilisation companies and categorised into landfill, recycled waste, incinerated waste. Fortaco does not currently collect and consolidate Group-level data for each waste category as defined in the European Commission's List of Waste (LoW), 2000/532/EC.

Inflows (tonnes)	2025	2024
Total products and materials	81,200	74,400
Biological materials	-	-
Technical materials	1,990	-

Accounting principles

Products and materials

Total weight of products and materials used in Fortaco's products. Actual weight data has been available for 74 percent (57 percent in 2024) of the direct spend, and the rest has been estimated utilizing available weight and spend data. Double counting has been avoided by only including data from external purchases. The number for 2024 has been restated due to error correction and updated calculation method of estimates. A qualitative estimate of the amount of technical materials for 2024 cannot be provided due to limited data availability.



SOCIAL

Own workforce (ESRS S1)

Our approach and governance

We strive to provide a safe and inspiring working environment to all employees and external workers working on Fortaco's premises, especially those in blue collar roles in our production processes. We aim to be an attractive employer, and to develop and retain qualified and motivated people as our people are one of the corner stones of the foundation of Fortaco. Our company operates in line with the principle "We care, you learn. Your future, our Fortaco." This motto reflects our commitment to creating an environment where people feel supported, valued, and encouraged to grow. Additionally, at Fortaco we prioritize leadership, team building, and highly engaged people over managers and hierarchy.

Impact, risk, and opportunities

Fortaco's business model is highly people-driven. The expertise, engagement, and safe performance of our employees and contracted workers are essential to delivering quality, reliability, and continuous improvement across our operations. Effective integration into our strategy and business model strengthen our competitiveness and support sustainable growth.

Material impacts, risks and opportunities related to own workforce including external workers contracted by Fortaco

have been identified through our double materiality assessment, as described under ESRS 2. The material impact, risks and opportunities directly affect our ability to remain flexible and resource-efficient amid fluctuating demand, inorganic growth, and increasing cultural diversity.

Our strategy and operating model also affect our people. Automation and digitalization are changing competence requirements and increasing the need for systematic upskilling, while safety-critical production processes make strong health and safety performance a business-critical priority.

To manage this, own workforce topics are embedded in our management systems and annual planning. This is supported by initiatives such as leadership and competence development, wellbeing and engagement actions, and the continuous strengthening of our health and safety culture.

Since July 2025, when Fortaco sold its operations in Serbia, all Fortaco entities operate within the European Economic Area. Compliance with local legislation and group wide management systems in place mitigates the risk of incidents, such as forced labour or child labour, that are against the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises and International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work.

Sub-topic	Short description	Impact/ Risk/ Opportunity	Location	Time horizon
Working conditions; Secure employment	Engaging employment and enough competent and resilient workforce enabled through investments in automation, digitalisation, internal rotation and training, mentoring and change management.	Positive impact	Own operations	Medium- and long-term
Working conditions; Health and safety	Demanding working conditions on shopfloor and human errors have negative impact such as causing respiratory problems and diseases, neurological problems, disorders and diseases of the musculoskeletal system, sensory impairments and damage, other accidents on the shopfloor.	Negative impact	Own operations	Short- and medium-term
Working conditions Health and safety	Automation, robotics, new techniques and machinery reduced physical load for employees and improve working conditions.	Positive impact	Own operations	Medium- and long-term
Equal treatment and opportunities for all, Training and skills development	Fortaco supports and provides opportunity for employees to improve capabilities and skills. Deficiencies in school systems in many countries result in a lack of skilled employees.	Positive impact	Own operations	Short-, medium- and long-term
Working conditions, secure employment	Inability to maintain flexibility and resource-efficiency in fast, mainly inorganic, growth and increasing personnel with cultural diversity. Substantial financial risks related to fluctuating market and demand.	Operational risk	Own operations	Medium-term
Working conditions, Health and safety	Decreasing productivity and higher costs related to health due to increasing employee health issues as a result of demanding working conditions.	Operational risk	Own operations	Long-term
Equal treatment and opportunities for all, Training and skills development	Challenges to recruit technically competent and engaged shopfloor workers when education level as well as technical and language skills of younger generations and agency workers do not meet the need in many countries.	Operational risk	Own operations	Medium-term
Equal treatment and opportunities for all, Training and skills development	Investment in automation, digitalisation, internal rotation and training, mentoring and change management to ensure enough competent and resilient workforce.	Operational opportunity	Own operations	Medium-term

Our processes and controls to identify and address negative impacts on our people cover risk assessment, analysis of accident and incident data, regular employee consultations, as well as analysis of insight data collected through Fortaco's mental health program, various channels for reporting and interaction (e.g. the Pulse survey, our whistleblowing channel, and local problem reporting channels), and also by analysing training and development results.

Risk assessments include for example evaluation of employee health and safety, exposing potential negative impact such as accidents, occupational diseases, and stress. Workplace accident and incident data is also collected and analysed to determine root causes and preventive measures are planned accordingly. To minimize actualization of the potential negative impact of health and safety hazards we organize Safety Days.

Topics related to Fortaco's own people are managed by the People & HR (P&HR) team, led by Group Leadership Member responsible for P&HR. The team has appointed a dedicated professional to advance Corporate Social Responsibility and ESG topics related to our people. In addition, the QHSE, Manutech, Legal and Sustainability departments collaborate on activities that impact on Fortaco's people. Beyond Human resources, allocates targeted financial resources to initiatives that enhance safety, training, wellbeing and health.

Working conditions

Working conditions and the guidelines for how we treat our people are covered in our Code of conduct, our EHS Handbook, Safety Handbook, and HR policy (People Handbook) and in our HR Manual. The policies have been approved by the Group Leadership Team and together they cover all subjects to material impacts, risks and opportunities related to ESRS S1 as well as all employees and contractors 'working at Fortaco business sites.

Implementation of the People Handbook and HR manual is accounted for by Fortaco's People and HR team, led by Vice President People and HR. Read more about the Safety Handbook below in the section about Health and Safety, and see section G1 Business Conduct for more about our code of conduct. We respect key international human and labour rights standards included in the International Bill of Human Rights and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work.

Our Code of Conduct and People policy highlights our dedication to ensuring freedom of association, the right to collective bargaining, elimination of forced or compulsory labour, effective abolition of child labour, and elimination of discrimination in employment and occupation, among other critical issues. In our work with human rights, we are guided by the authoritative global frameworks, UN Guiding Principles on Business and Human Rights

and the OECD Guidelines for Multinational Enterprises.

Fortaco's People and HR strategy emphasizes effort on engaging employment and ensuring enough competent and resilience workforce. To support the strategy and mitigate the risks, our action plans include for example training programs, skill development, and mentoring. The offering for skill development and offering is customised depending on the employee role and interests.

In 2025 we have continued the work on translating Fortaco's values into practical and consistent behaviour models. Workshops have been arranged in our business sites in Wroclaw and Gliwice, Poland, in Narva, Estonia, and the group offices in Vantaa, Finland and Wroclaw, Poland, with the aim to create models that enhance performance, innovation, and engagement among our people.

Health and safety

Fortaco's ambition and vision is to have zero accidents. Creation of a safe working environment requires intentional effort building awareness, setting guidelines, and monitoring working conditions. Therefore our safety systems include several elements to ensure safe working conditions. We recognize that awareness and safe behaviour are critical for incident prevention, which is why we expect every employee, at every level of the organization, to take responsibility for safety.

At Fortaco, safe working conditions include:

- Safety on equipment, to ensure that only proper tools, machinery, and equipment are being used.
- A continuous process of identifying and reducing workplace hazards, both to remove unsafe conditions and to train ourselves to recognize them.
- Guidance and awareness of safe working practices.
- Personal protective equipment (PPE) to prevent potential injuries.

To support our zero-accident mindset, Fortaco has introduced and implemented nine Golden Safety Rules to reflect the main hazards workers face in their everyday work. These rules have been developed to align worker behaviour and maintain safety processes at our places of work. The Golden Safety Rules apply to all Fortaco employees.

We have established a policy for health and safety (Safety Handbook), setting the standards for how we protect and ensure the well-being of our employees and good working conditions. The policy covers all our employees and facilities. Fortaco's Group QHSE Director is accountable for adequate policies and management systems group wide while General Managers of each Business site is responsible for the implementation locally. We have implemented workplace accident prevention procedures to ensure the safety and well-being of our employees.

We prioritise and protect the physical, social, and psychological safety of everyone in the workplace. Material risks and negative impacts are especially in focus in our health and safety related work. The production environment can be especially demanding in some parts of the process. Welding, carbon arc gouging, e-coating and painting cause ergonomic challenges, emission or dust, or high noise levels. The demanding working conditions and human errors may lead to respiratory problems and diseases, neurological problems, disorders and diseases of the musculoskeletal system, sensory impairments and damage and other accidents on the shopfloor.

We believe that personal health and wellbeing are fundamental drivers for living a balanced life where people can realise their potential. Therefore, it is fundamental to our operations that we have a robust health and safety management system in place and that we foster a culture that promotes our employees' health and safety. Fortaco's management system for occupational health and safety is fulfilling the requirements of the ISO 45001 Occupational Health and Safety management system in all business sites except those in Austria and France. Certifications are currently available in Narva and Kurikka, and we intend to annually add one more site to the certification.

Continuous monitoring of safety performance involves different safety

measures such as safety deviation reporting workplace risk evaluation, safety toolbox talks and several trainings both regulatory required and safety awareness related. Fortaco uses lost time incident frequency (LTIF) as a key lagging indicator and safety action frequency being the leading indicator used.

At Fortaco we have identified mental health to be an increasingly important part of holistic health. When it comes to mental health, our mission is to offer support to our people when life gets challenging. Our main goal is to create a supportive environment where everyone feels heard, valued, and empowered. We are dedicated to building a strong company culture where mental health is openly discussed and understood. To provide support in an early phase we have trained six mental health ambassadors in different locations. The ambassadors' role is to be low threshold contacts when employees face stress, anxiety, or just need someone to talk to.

In 2025, we organised webinars on mental health and conducted workshops in local factories. To teach about health more widely within the workplace People & HR share insightful blogs, interesting articles, and practical tips and tricks to help employees taking care of their mental well-being. Accountability for our activities related to well-being lies with the Senior Vice President People & HR.

Training and skills development

Fortaco operates in an environment of fluctuating demand, dynamic workforce needs, and growing competition for skilled shopfloor professionals. To respond, we invest in engaging employment and structured competence development, supported by internal rotation, mentoring, and change management. These efforts ensure a resilient workforce capable of meeting evolving business requirements.

Innovation and high quality are core elements of our business model. By strengthening commitment, competence and supporting continuous learning, we reinforce both our organisational culture and operational efficiency. We offer targeted training, upskilling opportunities, and initiatives that promote health, safety, and well-being.

At Fortaco we strive to build a high-trust culture and prepare our team for uncertainty. By connecting people, and providing opportunities to grow, we lay the foundation for sustainable transformation, benefitting both individuals and the company. We believe that when our employees are motivated and thrive, the whole organisation moves forward. Therefore we support each employee in achieving their goals and advancing in their role.

We also want to ensure that every employee feels empowered to contribute ideas and express

themselves openly. To support this, we have in 2025 trained yet another group of Fortaco leaders in emotional intelligence and launched a series of dynamic psychological safety workshops. The objective of these workshops is to cultivate a shared understanding and provide practical tools for nurturing psychological safety, with the ultimate goal of an inclusive, innovative and collaborative culture.

Our commitment to cultivating and expanding a skilled workforce is outlined in our HR policy (People Handbook). We firmly believe that for employees to thrive, perform effectively, and experience growth, it is essential for them to comprehend their role within the organisation and be aware of future opportunities that may arise. This also mitigates material risks related to training and skills development, as well as minimizes negative impact while enables opportunities.

The training and development of Fortaco people start upon hiring. For new hires Fortaco has implemented a standardized onboarding process, available in all local languages, where the process flow and tasks of responsible persons have been described in detail.

Throughout the employment our people are trained in professional and personal skills required in their respective roles, and voluntary trainings are also available as classroom training and in Fortaco's e-learning portal

Apprix. The e-learning management system was established with the sole purpose of developing our people and all employees have access. We provide our employees with access to external training delivered by professional training organizations.

To streamline communication and ensure a smooth process for requesting and attending external training, we have developed a dedicated Fortaco Group Training Procedure. We are organizing webinars and investigating different forms of personnel education.

For white-collar employees Fortaco has also established development discussions that are held with a direct superior. Discussions are conducted twice annually. In the first discussion, the previous year's achievements are reviewed, and goals are set for the coming year, and mid-year the status is reviewed. The development discussion process is a framework to help to ensure that our employees know and understand what is expected from them, and that they have the skills and ability to deliver what is expected. In 2025, 100 percent of our white-collar employees had all their planned development discussions with a superior.

Fortaco provides several individual trainings and training modules in a e-training portal, for example a training for Hiring Managers to ensure groupwide standard. In 2025, the month of September we designated as Training month across the whole Group. Trainings, such as Code of

conduct, Anti-harassment, Anti-bribery, and Whistleblowing were arranged both as e-training and classroom training. All mandatory trainings are available in all local languages.

In 2025, we have focused our actions related to training and development on:

- Leadership Development – Training and supporting our managers
- Mentoring Program – Creating opportunities for production employees to learn and grow
- Succession and Skill Matrix App – Making the most of these apps to plan careers and skills

Engaging with own workforce and workers' representatives

We are committed to creating a zero-accident culture where everyone feels psychologically safe to raise concerns, and address matters to them. We support this through safety equipment, employee training, employee surveys, channels for reporting risks and raising concerns anonymously (see Business Conduct (G1) for more information on our whistleblowing channel), encouragement of participation in workers' associations, biannual personal development discussions, and various working-culture campaigns. The perspectives of our people is utilized in the People and HR strategy and HR annual planning in order for Fortaco to stay attractive as an employer but also sustainable as a business.

The annually conducted anonymous employee survey Pulse gathers insights on satisfaction, working conditions, motivation and challenges. The survey is a sufficient tool for us to collect insight into employees' perceptions of Fortaco as an employer, their daily work experiences, their relationships with supervisors and senior management, and other factors impacting working life. The survey results serve as a valuable foundation for dialogue and identifying areas to further improve the workplace. Social dialogue and cooperation with trade unions helps us identify and remove workplace barriers. Engagement with the workforce is managed by the People & HR team led by Senior Vice President People & HR.

Fortaco held its first European Work Council (EWC) in 2014. Since then, the Council has gathered annual and functions as a forum where employee representatives and Fortaco Group Leadership Team discuss openly and communicate the Fortaco strategy, business plans and financial plans. Employee representatives are elected in compliance with the legislation of each country, collective agreement or labour market practices. We selected also two EWC members as Fortaco DNA model ambassadors to help with concept implementation in the shopfloor level.

We are promoting the Fortaco Engagement Award for best employees who are role models and encourage the rest of our people to improve their daily lives.

Remediation and channels to raise concerns

In all Fortaco's business sites we have implemented adequate management systems to identify, prevent, mitigate, and remedy any potential adverse human rights impacts, whether they are related to our own employees or contracted non-employees. In cases where we identify potential adverse human rights impacts, we are committed to promptly and effectively providing and enabling remedies. Our grievance and remediation approach includes addressing any adverse human rights impacts on individuals, workers, and communities that we have caused or contributed to.

Access to remedy helps ensure fairness, justice, and protection for individuals and communities. It allows people to seek recourse and find a solution when they believe that their rights have been violated, promoting a more equitable and fairer workplace. If any employee feels they have experienced an instance of bullying, discrimination, or harassment, they are encouraged to raise concern so that effective identification and resolution of issues can be ensured. This is possible through one of the many channels Fortaco provides:

- **Whistleblowing line:** An anonymous whistleblowing system is available to all employees, enabling the reporting of issues related to ethics, safety, or regulatory compliance. For more information on our whistleblowing channel and how we protect whistleblowers against retaliation, see section G1 on business conduct.
- **Direct Contact with Supervisors:** Employees are encouraged to openly communicate their concerns to their direct supervisors, allowing for prompt responses at the operational level.
- **P&HR Department and Union Representatives:** Employees can report their concerns to the P&HR department or union representatives, who provide support and advocate for employee interests.
- **Regular Employee Meetings:** Fortaco organizes regular meetings where employees can openly share their comments and concerns directly with the management team.
- **Local Systems for Filing Requests and Complaints:** Through the local management platforms and channels, employees can submit requests or complaints in an organized and recorded manner.

Fortaco has adopted a systematic approach to evaluate the effectiveness of remedial measures implemented in response to reported issues or identified risks. The evaluation methods include:

- **Regular Reviews:** Remedial measures are monitored through periodic reviews of operational processes allowing us to assess their impact and effectiveness. Results are utilized by the local Business site management and incorporated into improvement plans.
- **Key Performance Indicators (KPIs) Analysis:** Fortaco uses key performance indicators (KPIs) to assess the effectiveness of its measures, including the number of reported and resolved issues, response times to reports, and employee satisfaction levels after implementing remedial actions.
- **Employee Feedback:** Regularly collected feedback from employees through surveys and discussions helps identify whether the implemented measures have achieved the desired outcomes.
- **Corrective Action Tracking System:** All remedial actions are recorded in a central compliance management system. This system enables monitoring progress in their implementation and identifying areas that require further improvement.

We have also implemented concrete actions to ensure the effectiveness of the remedial measures and to create an environment where employees feel safe, raising their concerns. Systematic evaluations and a variety of reporting channels are integral to the company's strategy, supporting its

commitment to building a responsible and sustainable organization.

We take proactive steps to ensure that our employees are aware of and reminded about the grievance mechanisms available. This awareness is built into various aspects of our employee experience, including:

- **Code of conduct training:** As part of our training programme, we include specific modules on our grievance and complaints handling policy. According to the training policy, every Fortaco employee is required to complete Code of Conduct training at least once a year. To encourage participation, enhance awareness, and highlight the importance of adhering to the code of conduct, we organise annually a dedicated "Code of Conduct Month."
- **Internal information campaigns:** We regularly communicate with our employees through various internal channels, including emails, newsletters, and our intranet, to remind them about the availability of grievance channels and encourage their use.

We are dedicated to ensuring that our employees not only have access to these channels but also have the knowledge, confidence, and psychological safety to utilise them when necessary. Fortaco as an organization has the responsibility to take all reported cases seriously and provide fair outcomes for investigated cases

that take all parties' needs into consideration. Read more in section G1 Business Conduct.

Metrics and targets

Fortaco's targets related to identified material impact, risks, and opportunities are long-term goals to improve health, safety and wellbeing of our employees. Not all are yet time-bound with set baseline and monitored action plan, but we have set overall goals for development of our leadership and culture, introducing new tools and solutions to make work easier, improving wellbeing, health and safety, as well as employee engagement.

Fortaco's primary indicator of safety is the Lost Time Injury Frequency (LTIF). It is acknowledged that the LTIF alone does not communicate the full picture of the group's safety performance. Thus, employees are encouraged to report safety observations and improvement ideas in our safety reporting portal.

Fortaco targets to continuously decrease its LTIF, which is reported monthly to the group management. Safety action frequency is the number of reported health, safety and environment events (observations, deviations, safety rounds and safety toolbox talks) in Fortaco safety tool. The target is to introduce the same practices to new business sites and to increase the amount of safety actions. In 2025, the amount increased by 14 percent to a total of 5,697 preventive safety actions (approximately 3 per employee) were

made to improve safety conditions and reduce workplace hazards. Actions are made in all business sites except the Breitenau and Sable units, where similar safety actions with monitoring is being implemented.

Our employee engagement target is to improve the score measured in the Pulse Survey described below under the section for Working conditions. The target has no set baseline but is monitored annually in group management reporting and an action plan is defined according to the results, attempting to also improve the results annually.



	2025	2024
Employees who have left Fortaco	437	576
Employee turnover rate	17%	25%
Employee satisfaction survey results	35%	38%
Employee amount change	12%	-2%

Headcount by country			
Country	2025	2024	
Austria	244	231	
Estonia	429	405	
Finland	487	407	
France	355	285	
Poland	926	733	
Serbia	-	92	
Slovakia	126	146	

Headcount by contract type and gender in 2025					
	Female	Male	Other	Not disclosed	Total
Number of permanent employees	285	1,949	-	-	2,234
Number of temporary employees*	22	311	-	-	333
Number of non-guaranteed hours employees*	22	311	-	-	333
Total number of employees	307	2,260	-	-	2,567

Headcount by contract type and gender in 2024					
	Female	Male	Other	Not disclosed	Total
Number of permanent employees	248	1,885	-	-	2,133
Number of temporary employees*	27	139	-	-	166
Number of non-guaranteed hours employees*	27	139	-	-	166
Total number of employees	275	2,024	-	-	2,299

Working conditions

VIn 2025, the number of employees remained steady with a slight increase of 12 percent at the end of 2025 compared to 2024. The main contributor to the decrease in the absolute headcount were due to the sale of Business Site Gruza in Serbia.

Fortaco's target setting process involves collaboration with employees and union representatives. Through joint consultations, we define key goals related to workplace safety, training, and professional development, allowing employees to influence priorities and propose solutions. The annual Pulse Survey provide insights

into organizational needs, and their results guide goal setting for the upcoming period. To track performance, each business site implements Survey Corrective Action Plans, ensuring continuous improvement. We transparently report on progress, including metrics such as the number of health and safety trainings conducted, workplace accident reductions, and employee engagement improvements. These reports are shared with employees and union representatives, fostering accountability and informed decision-making. Lessons learned from performance tracking help refine future targets, reinforcing our commitment to a safe and supportive work environment.

Headcount by gender		
Gender	2025	2024
Female	307	275
Male	2,260	2,024
Other	-	-
Not reported	-	-
Total employees	2,567	2,299

Head count by contract type and country in 2025						
	Austria	Estonia	Finland	France	Poland	Slovakia
Number of permanent employees	224	375	424	301	803	107
Number of temporary employees*	20	54	63	54	123	19
Number of non-guaranteed hours employees*	20	54	63	54	123	19
Total number of employees	244	429	487	355	926	126

Head count by contract type and country in 2024							
	Austria	Estonia	Finland	France	Poland	Serbia	Slovakia
Number of permanent employees	224	380	379	270	668	84	128
Number of temporary employees*	7	25	28	15	65	8	18
Number of non-guaranteed hours employees*	7	25	28	15	65	8	18
Total number of employees	231	405	407	285	733	92	146

Accounting principles

Number of employees

Head count data is based on records from Fortaco's People & HR systems as of December 31st. Redundant employees are recognised until the expiry of their notice period, regardless of whether they have been released from all or some of their duties during their notice period. The group employment on average can be found in the financial statements can be found in note 2.6. Personnel expenses. Personnel expenses. Fortaco's operations in Serbia were sold in 2025 and therefore left out from the headcount in 2025.

* All non-guaranteed hours employees are also temporary employees.

Turnover rate

Calculated as the number of employees who have left the company relative to the average number of employees in the financial year. The number for 2024 has been restated due to error formula error.

Employee satisfaction survey results

Fortaco conducts a comprehensive employee satisfaction survey once a year. With a few exceptions, all employees are invited to participate in the survey. The following employees are omitted from the survey results: employees who joined the company shortly before the employee satisfaction survey, employees who resigned shortly after the employee satisfaction survey, interns, consultants, advisors, and external temporary workers who do not have an employment contract with Fortaco.



Incidents and complaints	2025	2024
Discrimination incidents	0	1
Severe human rights incidents	0	0
Filed complaints	21	19
Monetary penalty paid for damages (EUR)	0	0

Accounting principles

Discrimination incidents

The total number of substantiated discrimination incidents, including harassment, during the reporting period

Filed complaints

The total number of complaints filed through Fortaco's internal channels to raise concerns. Includes complaints of all categories whether substantiated or not.

Monetary penalty paid for damages

The total amount of fines, penalties, and compensation for damages as a result of reported incidents and complaints including severe human rights incidents.

Anti-discrimination

Fortaco does not yet have a separate process for monitoring complaints filed externally with national contact points under the OECD Guidelines for Multinational Enterprises. However, we continuously develop our processes and intend to include such complaints in the future. More about our grievance mechanisms under G1 – Business conduct. Incidents concerning the occupational safety and other work-related rights of suppliers' employees, are discussed in more detail under S2 – Workers in the value chain.

Health and safety

To ensure the health and safety of our employees and contractors, we constantly monitor our safety performance and implement relevant and effective actions where and when needed. In 2025, we continued our work to preserve our robust health and safety records while expanding our business activities. This entails continuing preventive and mitigating

efforts such as safety days, internal audits, inspections, personal risk dialogues, emergency drills, and safety trainings.

In 2025, as part of the Fortaco Mental Health Program we trained seven health ambassadors to support colleagues in need of mental support as part of our health and safety measures. The program continues and includes Mental Health Protocols available in the local languages of all our business sites.

We organize webinars for all interested employees on topics such as mental health, stress management and emotional intelligence. These sessions form an important part of our broader mental health initiatives, aimed at strengthening psychological resilience, promoting emotional well-being, and equipping our people with practical tools to navigate everyday challenges. By investing in these programs, we support a healthier, more engaged, and more balanced workplace for everyone.

Health and safety	2025	2024
Covered by ISO 45001 -management system	36%	35%
Fatalities	0	0
Total recordable injuries (TRIs)	42	49
Total recordable injury rate (TRIR)	11	12
Total recordable work-related ill health cases	0	2
Lost days	745	723

Accounting principles

Covered by ISO 45001 -management system

The share of own and external workers covered by an ISO 45001-certified management system. Fortaco's health and safety management system covers 100% of business sites including also external workers.

Fatalities

Number of people working for Fortaco who lost their lives as a result of a work-related incident such as injury or ill health. Includes also external workers such as contractors, and covers work related travelling such as commuting.

Total recordable injuries (TRIs)

The total number of recordable work-related injuries.

Total recordable injury rate (TRIR)

Calculation representing the number of work-related injuries per one million hours worked. The hours worked is based on the total annual working hours of Fortaco's employees.

Total recordable work-related ill health cases

The number of cases of recordable work-related ill health. The number may include cases of former employees.

Lost days

The total number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health. Data is collected in hours and converted into days by dividing by 8 hours.

Workers in the value chain (ESRS S2)

Our approach and governance

Fortaco's operations impacts people working across our supply chains indirectly through setting requirements and expectations, by collaborating and building trusting relationships with, and improving transparency with direct suppliers. Fortaco's own operations are located only in Europe, where the risk of serious human rights violations in the operations is considered low.

Through our code of conduct and supplier policy (Supplier handbook) we expect the companies we work with to run their business and supply chains in compliance with national laws and with respect for international labour and human rights standards defined by the UN Guiding Principles on Business & Human Rights, the OECD's Guidelines for Multinational Enterprises, as well as the core conventions of international labour organizations, such as the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. So not only do we at Fortaco make sure that we respect labour and human rights in everything we do, but also that we reduce the risk of people in our value chain being adversely impacted.

In our products we use materials such as steel, plastics, glass, and paints. Some of our key materials are extracted or produced in countries where the likelihood of adverse impacts on human and labour rights

is high, and we must therefore do everything we can to avoid harmful effects on workers and communities. Fortaco's possibilities to affect impacts in the value chain beyond direct suppliers are limited. We aim to source our materials only from trusted suppliers who we have passed our screenings and committed to our Code of Conduct, but we need to understand how we can support, respect and protect the rights of workers and communities involved in the minerals and metals supply chains beyond direct suppliers.

Fortaco is connected to workers in the value chain through its supplier relationships. The impacts on value chain workers originate indirectly from Fortaco's business model and strategy. The impacts have not led to adaptations in the business model or strategy. Fortaco continuously identifies and assesses potential and actual impacts and defines preventive and mitigating actions accordingly. Dependences related to workers in the value chain have not been identified.

Impact, risk and opportunities

The material impact, risks and opportunities related to workers in the value chain have been identified in our double materiality assessment which is described in the general section ESRS 2 of the Sustainability Statement. In the process we have analysed stakeholder groups in our value chain and how Fortaco's operations directly or indirectly impacts the groups. For the analysis we have utilized external expertise

and openly available information about e.g. raw material extraction, metal manufacturing, and transportation, and also internal expertise about Fortaco's value chain processes, actors, and supplier criteria.

In the materiality assessment we identified material impacts and risks related to workers in the value chain. The impacts and risks are related

to mainly blue collar and female workers in raw material extraction and production where working conditions, labour rights, human rights, and health and safety are topics of concern.

The possibilities to impact treatment of workers in the value chain are limited but we will investigate and act where we can, for example by

set higher expectations on our direct suppliers and request more transparency regarding sustainability of materials that we source. Fortaco has not yet publicly outlined a formal policy to uphold human rights, including labour rights in the value chain, and to manage the material impacts, and risks related to value chain workers. Material impact and risks related to workers in the value

Sub-topic	Short description	Impact/ Risk/ Opportunity	Location	Time horizon
Working conditions	Unfair terms and conditions of employment related to extraction and production of materials such as steel, glass, aluminium and rubber.	Negative impact	Upstream value chain	Short- and medium-term
Working conditions; Health and safety	Occupational health and safety impacts of workers in the extraction and production phase of materials such as steel, glass, aluminium and rubber.	Negative impact	Upstream value chain	Short- and medium-term
Other work-related rights	Serious human rights abuses related to extraction and production of materials such as steel, glass, aluminium and rubber.	Negative impact	Upstream value chain	Short- and medium-term
Working conditions	Risk of hidden mistreatment of supply chain workers, particularly in raw material extraction and production processes of materials such as steel, glass, and aluminium. Mistreatments include unfair employment terms, inadequate wages, excessive working hours, and limited freedom of association. Failure to address the issues may lead to significant reputational damage and ethical concerns for businesses reliant on these supply chains.	Strategic risk	Upstream value chain	Short- and medium-term
Working conditions; Health and safety	Potential issues related to occupational health and safety of supply chain workers, particularly in raw material extraction and production processes of materials such as steel, glass, and aluminium. Failure to address the issues may lead to reputational damage for businesses reliant on these supply chains.	Strategic risk	Upstream value chain	Medium-and long-term
Other work-related rights	Serious human rights abuses of employees in particularly in raw material extraction and production processes of materials such as steel, glass, and aluminium cause reputational risk to businesses reliant on these supply chains. The human right abuses often take form as disciplinary practices and violence, forced labour, child labour, limitation of women's rights, discrimination and diversity issues.	Strategic risk	Upstream value chain	Medium-term



chain were for the first time identified in the double material assessment conducted in 2024. Initial efforts to define an overarching approach and policy, set targets and plan actions were initiated that same year, progress in 2025 was limited due to competing priorities. Further development of this work is planned as conditions allow

Currently Fortaco's Code of Conduct and Supplier Handbook (supplier policy) include related themes such ethical business conduct, labour rights and human rights, and safe working conditions. However, management of identified material risks related to value chain workers will be reviewed and mitigation actions developed further in the future. For more information on our Code of Conduct and Supplier Handbook, see section G1 on Business Conduct.

We have recognised that the risks we have assessed to be material, are worsened by small suppliers' struggles with market pressures, which hinder their ability to meet sustainability requirements, and by limited oversight of larger suppliers. Fortaco's Code of conduct is therefore attached to the General terms and conditions of supplier contracts. In the standard agreement practices we expect our suppliers to familiarize themselves with our Code of Conduct and act according to expectation set in them. We strive to continuously develop the collaboration related to sustainability and in 2025 we for example prepared a separate Supplier Code of conduct that we plan to introduce to our suppliers in 2026.

Engaging with value chain workers

The material impacts and risks are related to external workers in raw material extraction and production. To reach the very beginning of the supply chain Fortaco needs to work with each direct supplier and understand how they work towards their supply chain. Fortaco is in regular contact with suppliers through e.g. periodical dialogue, workshops and collaborations, supplier self-assessments and audits. However, Fortaco has not yet adopted a formal process to engage with workers other than first-tier suppliers.

Active engagement with supply chain workers can help us to obtain insights into labour conditions and the implementation of specific suppliers' management systems. We can fully utilize this opportunity as we develop our supplier relationships, and our work to manage impact, risk, and opportunities in the value chain.

More about our relationships with suppliers and the development of them including communication, self-assessments and audits can be found in section G1 on Business Conduct.

Remediation and channels to raise concerns

We strive to address all concerns and grievances through remediation actions that are proportionate to the impact identified. Our responsibility covers both Fortaco's own people and workers in our value chain whenever

we have caused or contributed to a negative human rights or health and safety impact.

In 2025, Fortaco received no reports of non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises involving value chain workers its upstream and downstream value chain.

Also Fortaco's stakeholders (including value chain workers) are encouraged to report ethical concerns or suspected legal non-compliance. External stakeholders can use Fortaco's whistleblowing channel when regular reporting routes are not suitable or available. Currently, anyone with the channel link can submit a report with the same level of protection as Fortaco employees, and in 2026 the channel will become easily accessible via the new Fortaco website. Further information on our Code of Conduct, whistleblowing channel, and protections against retaliation is available in section G1 on business conduct.

Serious human rights violations and significant health and safety incidents are managed by an incident team, which evaluates the situation and determines required mitigation and remedy actions. Actions to provide or contribute to remedies for material negative impact on value chain workers are tailored to the nature

of the case. Fortaco assesses the effectiveness of remedy provided by following up on corrective action plans and arranging visits when needed.

In 2025, as an action to address material impact and risks, we have prepared a supplier code of conduct that sets clear expectations to our suppliers, emphasising also the establishment of accessible grievance mechanisms for their workers and other stakeholders. The supplier code of conduct is based on Fortaco's code of conduct which has previously set the minimum requirements, and we plan to take the code into use during 2026. In cases where we would identify shortcomings, we would collaborate with our suppliers to develop improvement plans.

Metrics and targets

In our double material assessment three material impacts and risks were identified relating to workers in the value chain, more precisely in the extraction and production of raw materials. We recognize the responsibility and importance to address those risks, however, we have not yet set targets for in relation to the material topics. In the future, we will review current processes to investigate development possibilities, and based on gaps, plan targets and actions for mitigating the material risks related to value chain workers.

Affected communities (ESRS S3)

Our approach and governance

Fortaco's material impacts and risks related to communities are located in the supply chain of the materials we use in our products. The iron ore mining sector may provide new employment opportunities in resource-rich countries such as Brazil, Australia and China, but here local communities and indigenous people, such as residents living and working around mines, have historically been affected negatively by such activities. A shortage of decent jobs in a producing region may lead to people advocating for mining projects, despite potential other negative environmental and social impacts.

Fortaco's possibilities to affect impacts in the value chain are limited.

We aim to source our materials only from trusted suppliers and we need to understand how we can support, respect and protect the rights of communities involved or affected in the supply chains. Fortaco's Code of Conduct guides us as we pursue business in a responsible manner, including economic-, social-, and environmental issues, in several countries.

Impact, risks, and opportunities

The material impacts, risks and opportunities related to affected communities have been identified in our double materiality assessment which is described in the general section ESRS 2. All potential affected communities upstream and downstream in the value chain have been reviewed by utilizing internal and external sustainability and industry expertise, and by reviewing literature and databases containing information

on supply chains, industries, Human Rights Risk maps etc.

We have identified risks and impacts on communities living and/or working near raw material extraction and production sites upstream in our value chain, especially in countries such as China, Australia and Brazil. The risks include potential health issues caused by pollution, disruption of livelihoods and cultural heritage for indigenous peoples, and labour rights violations such as forced and child labour. Communities may also face displacement, environmental degradation, and social tensions tied to mining and industrial activities. The negative impacts on communities are considered widespread in the industry for mining and raw material extraction.

Our approach to managing our impacts and risks aims to avoid and

mitigate negative impacts for affected communities while choosing business partners carefully. Negative impacts can be mitigated for example by reducing environmental harm and pollution, engaging with affected communities to protect their rights and cultural heritage, strengthening employees' rights, and ensuring safe working conditions. Fortaco enables this by enhancing supply chain monitoring and supporting suppliers in meeting ESG requirements.

Our commitment to uphold human rights of everyone and engage with communities is outlined in our Code of conduct, which gives us guidance on how we treat others, conduct business, and protect our corporate assets. Through our code of conduct and supplier policy (Supplier Handbook) we expect the companies we work with, to run their business and supply chains in compliance with national laws and with respect for international labour and human rights standards. So not only do we at Fortaco make sure that we respect labour and human rights in everything we do but we also strive to reduce the risk of people in our value chain being adversely impacted.

Material impacts related to affected communities in Fortaco's supply chain are managed by the Group Sustainability Director in collaboration with Group Leadership Members responsible for People and HR, as well as Supply Chain and IT. The supply chain organisation is accountable for the engagement and interaction with

suppliers while the P&HR, with its one professional appointed to drive CSR and ESG topics related to our people share expertise on engagement with marginalized people and local communities. In 2025, no severe human rights issues and incidents connected to affected communities have been reported to Fortaco.

For more information on our Supplier Handbook and Code of conduct, how they address human rights impacts, see section G1 on business conduct. See also S1 – Own workforce and S2 – Workers in the value chain for more details about our commitments related to human rights in the value chain. Indigenous people are not addressed specifically in the policies. In 2025, Fortaco did not have management processes and practices for engagement with the affected communities in the extraction and production of materials, only for engagement with direct suppliers. Material impact and risks related to affected communities were for the first time identified in the double material assessment conducted in 2024 and the needed work to outline a general approach and policy, set targets and plan actions has not been priority during this reporting period.

Sub-topic	Short description	Impact/ Risk/ Opportunity	Location	Time horizon
Communities' rights	Infringement of rights related to communities in the extraction and production of raw materials such as iron ore or steel, aluminium, copper, glass and rubber.	Negative impact	Upstream value chain	Short- and medium-term
Communities' rights	Sourcing battery materials from certain countries supports the limitation of freedom of expression for local communities.	Strategic risk	Upstream value chain	Medium-term
Communities' rights	Reputational risk caused by infringement of rights related to communities in the extraction and production of raw materials such as iron ore or steel, aluminium, copper, glass and rubber. Suppliers may infringe on rights such as residential and indigenous rights, community and stakeholder engagement, cultural heritage, resettlement and displacement, and community health and safety.	Strategic risk	Upstream value chain	Medium-term



Remediation and channels to raise concerns

We strive to improve on our abilities to address and remedy negative impacts on communities affected by our operations. We work towards our supply chain through our first-tier suppliers, which we screen, assess and audit regularly in accordance with our supplier policy and related processes. By collaborating with suppliers on sustainability in the value chain we aim to improve awareness and to mitigate our risks and negative impacts. Affected communities can always raise concerns by directly contacting Fortaco's local or group operations, for example, through the business units' contact persons. As part of the remake of Fortaco's external webpages, we are also making it confidentially report any ethical concerns or non-compliance with legislation through Fortaco's whistleblowing channel. The remake was started in 2025 and will be finalized

in 2026. For more information on our whistleblower channel and how we protect whistleblowers against retaliation, see section G1 on business conduct.

Metrics and targets

The ultimate vision is to operate in a way that has minimal negative impact and maximal positive impact on communities in our value chain. Although Fortaco had not yet in 2025 set specific targets and actions linked directly to material impacts and risks related to affected communities, many of our actions mentioned in the environmental related sections (E1-E2, E4-E5) and section S2, have impact further upstream in the supply chain and take us closer to our vision for affected communities. For example, management of negative impacts and promotion positive impacts including systematically reducing environmental impacts and engaging with suppliers on sustainability in the value chain, has broader impact.

GOVERNANCE

Business conduct (ESRS G1)

Our approach and governance

Our business conduct is guided by applicable legislation, our values, Code of Conduct and various policies approved by Fortaco's Group Leadership Team. We are committed to operating in accordance with the UN Guiding Principles on Business and Human Rights and require the same of our business partners. Through our Code of conduct and policies, we strive to uphold a healthy corporate culture with a high level of integrity, providing guidance to all employees on the

expected behaviour at Fortaco and in interactions with stakeholders. The code addresses topics such as running a fair business, anti-bribery and anti-corruption, working with political decision makers and civil servants, entertainment, and reporting suspected misconduct. It is overseen by our Group Legal Director and reported to the Board of Directors

At the beginning of 2025, Fortaco continued implementing the legal compliance policies related to anti-bribery and anti-corruption, whistleblowing, competition compliance, data protection and trade compliance, that were approved in 2024. Also, the Code of Conduct and other policies

were updated to comply with changes in legislation and the company's operating strategies. Our stand against corruption and bribery is laid out in our Code of Conduct while the Anti-Bribery and Anti-Corruption Policy sets out the rules for preventing and detecting bribery and corruption risks in our operations. The Anti-Bribery and Anti-Corruption policy provides detailed guidelines, according to which business can be conducted in a transparent and honest manner when offering and accepting gifts, hospitality and other forms of benefits. Our policies do currently not include animal welfare as it is not seen as material in our operations and in cases where animals would

be involved, we follow local European legislation and recommendation.

Fortaco carries out internal audit assessments on a regular basis. The audits are for example, focusing on governance, quality, sourcing, IT controls, and sales at business site level, and indirectly including sustainability topics. Sustainability will in the future be included as a separate topic, however, in 2025 there was no scheduled plan for the implementation. Internal audit is an independent and objective assurance and consulting activity to evaluate if Fortaco's processes and operations function as expected. Internal audit function evaluates the effectiveness and efficiency of Fortaco's risk management, internal control, and governance processes. Internal audit activities are conducted based on identified needs, covering different risk types and business processes. Independence is enabled with a direct reporting line to the Board of Directors. Additionally, internal audit reports to executive management for daily administrative purposes. Objectivity is enabled by an impartial attitude and avoidance of conflicts of interest.

Impact, risks, and opportunities

The material impacts, risks and opportunities related to business conduct have been identified in our double materiality assessment which is described in the section for Double Materiality Assessment under ESRS 2.

Corporate culture

Upon joining the company, and thereafter at least every second year, all employees are expected to complete our e-learning course in the Code of Conduct. The Code of Conduct and the e-learning module were updated in 2025. They cover our key ethical principles and describe best practice related to business sustainability.

Additionally, in 2025, September was designated as Training Month across the entire Fortaco Group. During this period, all employees were invited to complete four key e-learning modules:

- Code of Conduct
- Whistleblowing
- Anti-Harassment
- Anti-Corruption

The goal of this initiative was to strengthen our shared understanding of ethical behaviour and to foster a safe, respectful, and transparent workplace for everyone.

Various trainings are available in multiple languages in Fortaco's e-learning portal. They are for example related to insider information, the Corporate Sustainability Reporting Directive, time management, and conflict resolution. We also train our people locally in classroom trainings or online for example in fire safety, emotional intelligence and mental health. Upon joining the company new employees are trained in our business conduct and ways to operate.

Sub-topic	Short description	Impact/ Risk/ Opportunity	Location	Time horizon
Corporate culture	In the midst of acquisitions and integrations, creating a unified corporate culture regarding responsibility is a challenge.	Strategic risk	Own operations	Medium- and long-term
Corporate culture	The pressures from legislation and stakeholders are growing and new skills are required to maintain required sustainability expertise.	Strategic risk	Own operations	Medium- and long-term
Corporate culture	A materialized ESG risk may cause significant reputational damage to Fortaco. ESG risk assessments should be fully integrated in the value chain risk management processes.	Strategic risk	Upstream value chain	Medium- and long-term
Management of relationships with suppliers	Small- and medium-sized suppliers typically lack knowledge and resources about sustainability.	Strategic risk	Upstream value chain	Medium-term
Corruption and bribery	Fortaco's supply chains are long, and raw materials may originate from countries where corruption is part of the country's culture.	Strategic risk	Upstream value chain	Short- and medium-term
Management of relationships with suppliers	Improving Supplier ESG requirements and compliance control and development on Fortaco Group level.	Strategic opportunity	Upstream value chain	Medium-term

Throughout the employment we want to support individual development and wellbeing by offering not only good working conditions but also training in their individual roles. The completion of e-learning courses and classroom training is regularly monitored by People and HR and reported to the Group Leadership Team.

Our commitment to business integrity is supported by Fortaco's whistleblowing channel. It is currently available in ten different languages on Fortaco's intranet. In 2026, the channel will be made easily accessible also for external stakeholders as part of the remake of Fortaco's external webpages. Our commitment to whistleblower protection is outlined in our Code of Conduct and the Whistleblowing Policy. Fortaco's whistleblowing channel enables submitting reports anonymously and securely, and we are committed to protecting whistleblowers in accordance with applicable laws. In addition, we have established a standard operating procedure to ensure that reports are rigorously and objectively investigated.

Management of relationships with suppliers

Corporate responsibility is an integral part of Fortaco's supply chain management. We aim to develop relationships based on honesty, fairness, transparency and mutual trust throughout our supply chain. As part of our supplier development program, Fortaco has procedures in place to screen, approve, and audit business partners.

During the supplier selection and assessment phase, Fortaco may perform various audits to evaluate supplier capability. Suppliers that initially do not fulfil requirements may be allowed to develop action plans to correct any deficiencies and then request a re-audit to verify implementation of these plans.

When necessary, we also audit critical processes of sub-suppliers to verify that proper controls are in place throughout the entire supply chain. The audit form includes for example questions about quality, health and safety, and environment. We regularly review and develop our audit procedures and forms, and we currently update them to extend the included scope of sustainability, so that topics such as human rights and climate change, can become part of the audit. Supplier screenings are carried out by Fortaco in collaboration with suppliers while audits are conducted by Fortaco and a third-party auditor.

Our Supplier general terms and conditions sets forth the foundation for all relationships and interactions with our suppliers, and they refer to also Fortaco's Code of Conduct and Supplier Handbook. We expect our suppliers to comply with all applicable laws and regulations and to adhere to good business conduct. In our supply chain, we also encourage suppliers to implement similar requirements for their suppliers and to take responsible business behaviour upstream in the entire supply chain.

In our agreements with suppliers, we require a commitment by the suppliers to matters set out in Fortaco's Code of Conduct and our legal compliance policies. In addition, our agreements with suppliers include environmental and social requirements. We understand the potential sustainability risks of our supply chain, and this guides our procurement and sourcing activities. To evaluate performance and identify any gaps or adverse impacts, we employ a combination of risk screenings, extended risk screenings, which may occur both before and after contract signing.

Contracts with suppliers are accompanied with general terms and conditions including information about payment terms. The general terms and conditions are applied unless otherwise agreed upon or prescribed in mandatory legislation in relevant jurisdiction. In some cases, the payment terms can be adjusted to differ from the general terms and conditions. To prevent late payments Fortaco has adequate financial systems and internal controls that all suppliers and invoices must pass through.

We are looking to further develop our relationship with suppliers and business partners by improving our due diligence processes, updating the risk model used in screenings, harmonizing processes and implement sustainability to a higher degree in screenings, self-assessments and audits of suppliers. We are committed to continuous improvement and see

great possibilities and responsibility in incorporating sustainability in our work with supply chains.

Anti-corruption and anti-bribery

Our stand against corruption and bribery is laid out in our Code of Conduct. Our Anti-Bribery and Anti-Corruption Policy on the other hand sets out the rules for preventing and detecting bribery and corruption risks in our operations. According to the Anti-Bribery and Anti-Corruption policy, suspected breaches are reported to Group Legal or via Fortaco's whistleblowing channel, which initiates the investigation process.

The Anti-Bribery and Anti-Corruption Policy provides detailed guidelines,

according to which business can be conducted in a transparent and honest manner when offering and accepting gifts, hospitality and other forms of benefits. Caution is particularly required when dealing with corporate executives and managers responsible for decision-making in sales, purchases and sourcing as well as when dealing with public officials.

All Fortaco personnel, including 100% of functions at risk, must participate in mandatory anti-bribery and anti-corruption training which is organized in cooperation between Group Legal and People & HR functions.

We have identified the need to screen our suppliers on a wide variety of topics. Currently we mainly screen

Incidents of corruption or bribery	2025	2024
Number of convictions	0	0
Fines for violation of anti-corruption and anti-bribery laws, EUR	0	0
Code of conduct training		
Employees required to complete the code of conduct training, %	100%	100%
Employees who have completed the code of conduct training, %	87%	100%

Accounting principles

Convictions

Total number of incidents leading to bribery or corruption convictions of Fortaco during the financial year.

Fines for violation of anti-corruption and anti-bribery laws

Total fines in euros paid related to convictions during the financial year.

Code of Conduct training

The share of employees that have completed training in Fortaco's code of conduct within the past two years. The share is relative to the amount of employees invited to take the course.



sanctions and government watch lists while we investigate how to add screening related to ethics, compliance, anti-bribery and anti-corruption. Before entering high-risk partnerships such as joint ventures or acquiring businesses we perform more comprehensive partner due diligence processes covering a wide selection of topics including sustainability. Through the screening process, we could review how potential business partners prevent, detect, and address allegations or incidents of corruption and bribery.

Fortaco employees and stakeholders are encouraged to report any ethical concerns and suspected non-compliance with laws. Fortaco employees are recommended to contact their direct superior, or local representative of the People & HR if they have any concerns. It is also possible to contact a manager of higher rank or Legal Director.

In addition, Fortaco has a whistleblowing channel as an early warning system to reduce risks and to handle reports of violations and suspected misconduct. The whistleblowing channel offers a supplementary reporting channel in cases where it is not possible or appropriate to report concerns or suspected misconduct through regular reporting channels. The whistleblowing reporting tool is

acquired from a third-party service provider, and it allows submitting reports anonymously, securely and in compliance with laws regarding data protection and privacy. The whistleblowing channel serves also external stakeholders. Fortaco is committed to protecting whistleblowers in accordance with applicable laws. Fortaco's Whistleblowing Team has access to reports and ensures appropriate handling, assessment and escalation of reports in accordance with the Whistleblowing Policy.

As business conduct starts from within, in 2025, we trained Fortaco's employees in legal matters related to compliance policies, including anti-bribery and anti-corruption, whistleblowing, competition compliance, data protection and trade compliance.

Metrics and targets

At Fortaco we have set targets and KPIs to measure business conduct and ethical operations. These relate to our corporate culture and reaches out to the supply chain. We follow up and ensure all our employees participate in the Code of Conduct training upon joining the company and thereafter at least once every second year.

We also aim at in the long-term, by 2030, having 80 percent of our direct suppliers' commitment to Fortaco's

code of conduct. In 2025, Fortaco started assessing the baseline. For resource optimisation reasons the project was not finalised but continues in 2026. In 2025, we had 3 suppliers (less than 0,5 percent of spend) in high-risk corruption countries and we plan to investigate suitable targets to mitigate our risks in parallel with assessing the baseline for suppliers' commitment to our Code of Conduct is identified.

Reports submitted to Fortaco's whistleblowing channel may be of various kind, including allegations related to bribery, fraud, and other inappropriate or illegal conduct. Each report is investigated thoroughly and objectively. In 2025, Fortaco continued developing the whistleblowing channel and started to monitor the substantiation rate (percentage of reports found to be valid after investigation) to assess the functioning of the whistleblowing channel and to ensure that the whistleblowing channel is being used appropriately. In 2025, none of the reported cases were critical to our business or caused adjustments to our financial results. None of the cases lead to convictions for Fortaco.

Management of sustainability and ethical business is monitored in Fortaco's supply chain by supplier screenings, assessments, and audits.

The number of supplier screenings and due diligence activities conducted is determined by procurement priorities from year to year.

In 2025, Fortaco has not been fined or convicted for violating any anti-bribery or anti-corruption laws.

In 2025, it took Fortaco on average of 50-52 days to pay an invoice from when the invoice is received by Fortaco or the scope of supply has been fully delivered to Fortaco. Payments are process according to the Fortaco Group Payment Policy where payment dates are defined. Unless otherwise is agreed upon or prescribed in mandatory legislation in relevant jurisdiction, the standard payment in Fortaco's general terms and conditions for purchases is on average 48 days for all main supplier categories. In case of smaller suppliers, the payment conditions can be reconsidered individually and differ from the general terms.

The development of Fortaco's contractual payment terms is followed on regular basis. However, in 2025, there was no regular follow-up on how actualized payments aligned with the payment terms. Based on selected scope, we estimate that 30 percent of payments are aligned with the contractual payment terms. Fortaco is not party to any legal proceedings due to late payments.

SUSTAINABILITY STATEMENT APPENDICES

Datapoints derived from other EU legislation (ESRS 2)

The following tables list all the datapoints in cross-cutting and topical standards that derive from other EU legislation.

Datapoints derived from other EU legislation (ESRS 2)								
Disclosure Requirement	Datapoint		SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality	Page
ESRS 2 GOV-1	21 (d)	Board's gender diversity	x		x		Material	41
ESRS 2 GOV-1	21 (e)	Percentage of board members who are independent			x		Material	41
ESRS 2 GOV-4	30	Statement on due diligence	x				Material	41
ESRS 2 SBM-1	40 (d) i	Involvement in activities related to fossil fuel activities	x	x	x		Not material	
ESRS 2 SBM-1	40 (d) ii	Involvement in activities related to chemical production	x		x		Not material	
ESRS 2 SBM-1	40 (d) iii	Involvement in activities related to controversial weapons	x		x		Not material	
ESRS 2 SBM-1	40 (d) iv	Involvement in activities related to cultivation and production of tobacco			x		Not material	
ESRS E1-1	14	Transition plan to reach climate neutrality by 2050				x	Material	57
ESRS E1-1	16 (g)	Undertakings excluded from Paris-aligned Benchmarks		x	x		Material	55, 57
ESRS E1-4	34	GHG emission reduction targets	x	x	x		Material	57, 59
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	x				Material	58
ESRS E1-5	37	Energy consumption and mix	x				Material	58
ESRS E1-5	40-43	Energy intensity associated with activities in high climate impact sectors	x				Material	58
ESRS E1-6	44	Gross Scope 1, 2, 3 and Total GHG emissions	x	x	x		Material	59
ESRS E1-6	53-55	Gross GHG emissions intensity	x	x	x		Material	58
ESRS E1-7	56	GHG removals and carbon credits				x	Not material	
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks			x		Phased in	
ESRS E1-9	66 (a); 66 (c)	Disaggregation of monetary amounts by acute and chronic physical risk; Location of significant assets at material physical risk		x			Phased in	
ESRS E1-9	67 (c)	Breakdown of the carrying value of its real estate assets by energy-efficiency classes		x			Phased in	
ESRS E1-9	69	Degree of exposure of the portfolio to climate-related opportunities			x		Phased in	

Datapoints derived from other EU legislation (ESRS 2)								
Disclosure Requirement		Datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality	Page
ESRS E2-4	28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation emitted to air, water and soil	x				Material	61
ESRS E3-1	9	Water and marine resources	x				Not material	
ESRS E3-1	13	Dedicated policy	x				Not material	
ESRS E3-1	14	Sustainable oceans and seas	x				Not material	
ESRS E3-4	28 (c)	Total water recycled and reused	x				Not material	
ESRS E3-4	29	Total water consumption in m3 per net revenue on own operations	x				Not material	
ESRS 2- SBM 3 - E4	16 (a) i		x				Material	62
ESRS 2- SBM 3 - E4	16 (b)		x				Material	62
ESRS 2- SBM 3 - E4	16 (c)		x				Material	62
ESRS E4-2	24 (b)	Sustainable land / agriculture practices or policies	x				Not material	
ESRS E4-2	24 (c)	Sustainable oceans / seas practices or policies	x				Not material	
ESRS E4-2	24 (d)	Policies to address deforestation	x				Not material	
ESRS E5-5	37 (d)	Non-recycled waste	x				Material	66
ESRS E5-5	39	Hazardous waste and radioactive waste	x				Material	66
ESRS 2- SBM3 - S1	14 (f)	Risk of incidents of forced labour	x				Material	67-68
ESRS 2- SBM3 - S1	14 (g)	Risk of incidents of child labour	x				Material	67-68
ESRS S1-1	20	Human rights policy commitments	x				Material	67-68
ESRS S1-1	21	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8				x	Material	67-68
ESRS S1-1	22	Processes and measures for preventing trafficking in human beings	x				Material	67-68
ESRS S1-1	23	Workplace accident prevention policy or management system	x				Material	69
ESRS S1-3	32 (c)	Grievance/complaints handling mechanisms	x				Material	70-71
ESRS S1-14	88 (b) and (c)	Number of fatalities and number and rate of work-related accidents	x			x	Material	74
ESRS S1-14	88 (e)	Number of days lost to injuries, accidents, fatalities or illness	x				Material	74

Datapoints derived from other EU legislation (ESRS 2)								
Disclosure Requirement		Datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality	Page
ESRS S1-16	97 (a)	Unadjusted gender pay gap	x		x		Not material	
ESRS S1-16	97 (b)	Excessive CEO pay ratio	x				Not material	
ESRS S1-17	103 (a)	Incidents of discrimination	x				Material	74
ESRS S1-17	104 (a)	Non-respect of UNGPs on Business and Human Rights and OECD Guidelines	x		x		Material	74
ESRS 2- SBM3 – S2	11 (b)	Significant risk of child labour or forced labour in the value chain	x				Material	75
ESRS S2-1	17	Human rights policy commitments	x				Material	75
ESRS S2-1	18	Policies related to value chain workers	x				Material	76
ESRS S2-1	19	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	x		x		Material	76
ESRS S2-1	19	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			x		Material	76
ESRS S2-4	36	Human rights issues and incidents connected to its upstream and downstream value chain	x				Material	76
ESRS S3-1	16	Human rights policy commitments	x				Material	77
ESRS S3-1	17	Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines	x		x		Material	77-78
ESRS S3-4	36	Human rights issues and incidents	x				Material	78
ESRS S4-1	16	Policies related to consumers and end-users	x				Not material	
ESRS S4-1	17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	x		x		Not material	
ESRS S4-4	35	Human rights issues and incidents	x				Not material	
ESRS G1-1	§10 (b)	United Nations Convention against Corruption	x				Material	80
ESRS G1-1	§10 (d)	Protection of whistleblowers	x				Material	80-81
ESRS G1-4	§24 (a)	Fines for violation of anti-corruption and anti-bribery laws	x		x		Material	80
ESRS G1-4	§24 (b)	Standards of anti-corruption and anti-bribery	x				Material	80-81



ESRS disclosure requirements complied with

The following tables list all the ESRS disclosure requirements in ESRS 2 and the topical standards which are material to Fortaco. Topical standards E3 and S4 are below our materiality thresholds and have therefore been omitted.

ESRS Requirement		Page
ESRS 2	General Disclosures	
BP-1	General basis for preparation of the sustainability statement	40
BP-2	Disclosures in relation to specific circumstances	40
GOV-1	The role of the administrative, management and supervisory bodies	40-41
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	40-41
GOV-3	Integration of sustainability-related performance in incentive schemes	41
GOV-4	Statement on due diligence	41
GOV-5	Risk management and internal controls over sustainability reporting	41-42
SBM-1	Strategy, business model and value chain	42
SBM-2	Interests and views of stakeholders	42-43
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	44
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	45
IRO-2	Disclosure Requirements in ESRS covered by the undertaking's sustainability statement	45

Environmental information		Page
ESRS E1	Climate change	
ESRS 2, GOV-3	Integration of sustainability-related performance in incentive schemes	41
E1-1	Transition plan for climate change mitigation	57
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	54
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THE WAY FORWARD

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