

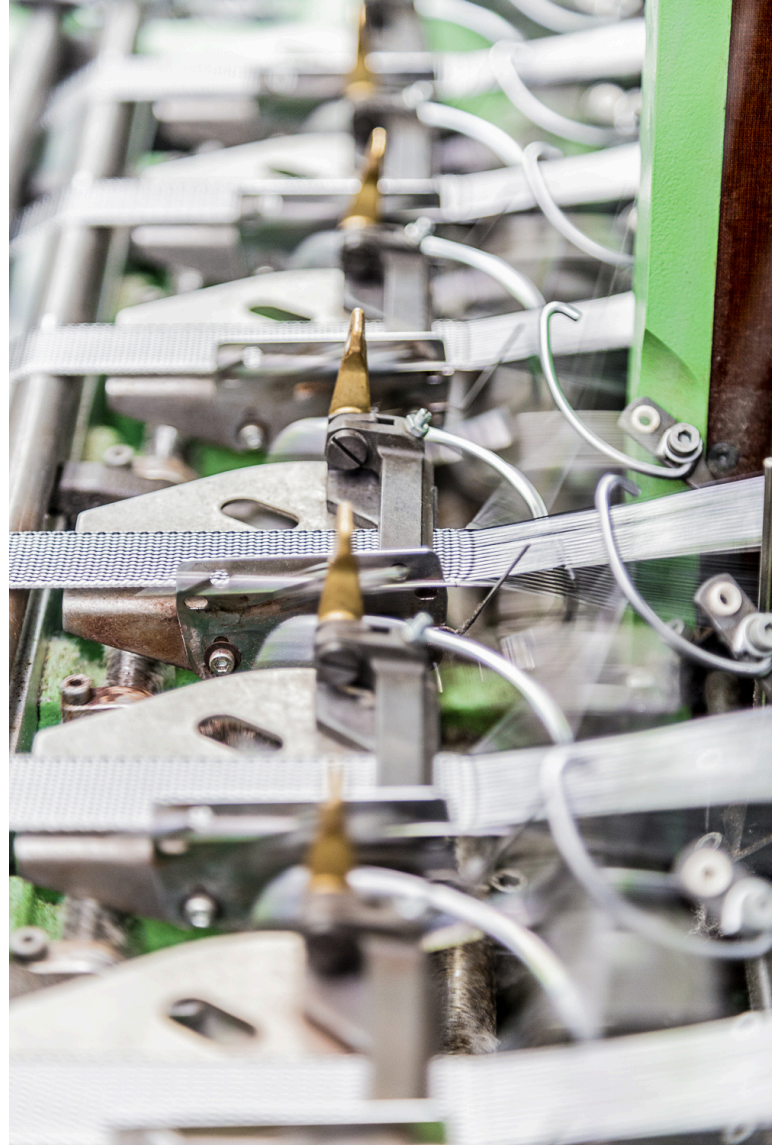


FINN-NAUHA OY

SUSTAINABILITY REPORT 2025
ACCORDING TO VSME STANDARD BASIC MODULE

COMPANY

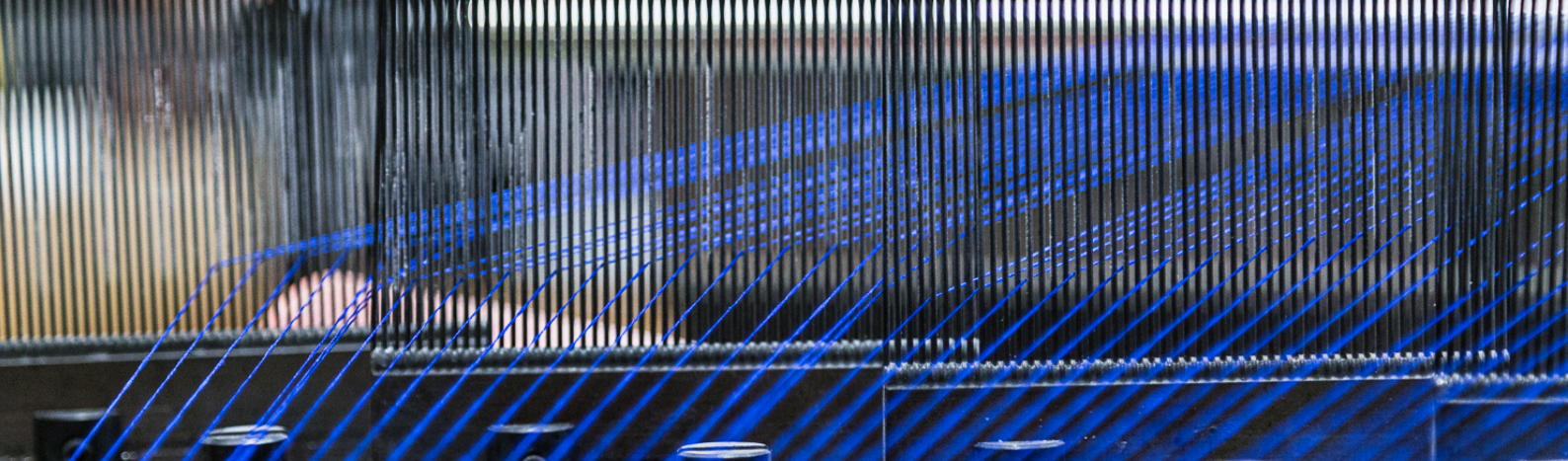
**FINN-NAUHA IS
KNOWN FOR ITS QUALITY
AND RELIABLE DELIVERY**



Finn-Nauha is a Finnish family business that combines decades of experience of weaving and braiding techniques, product structures and weaves with its solid knowledge of modern high-tech fibres and threads.

Thanks to our long history, we are experts in both traditional and modern materials. We work in close cooperation with our customers, material suppliers and universities. We can find solutions for demanding product development challenges. Our production also includes an extensive range of traditional webbing, cords and braiding for the sewing industry, also available in elastic form.

By working together with our customers, we can find the best solutions for their technical challenges and develop and improve the product until it serves its purpose in the best possible way.



BASIC INFORMATION

| | |
|----------------|---------------|
| REPORTING TIME | 010125-311225 |
|----------------|---------------|

| | |
|-------------------------|---------|
| COUNTRY OF REGISTRATION | FINLAND |
|-------------------------|---------|

KEYFIGURES

| | |
|---------------|-----|
| TURNOVER (M€) | 2.9 |
|---------------|-----|

| | |
|-----------|----|
| EMPLOYEES | 25 |
|-----------|----|

ENVIRONMENT

POLICIES

The company operates a long-established quality management system originally developed in the early 1990s based on ISO 9001 principles, with practical alignment to ISO 9002 (production and quality assurance). The system is not currently certified, but includes documented procedures for production control, documentation, responsibilities and personnel training.

PRACTICES

Our company manufactures textile components for industrial applications. Our operations are based on long-term customer relationships and a strong commitment to quality. We are aware that the textile industry is closely linked to global environmental and sustainability challenges. For this reason, we have defined our current practices, documented policies and future actions that guide us towards a more sustainable economy. The company monitors, for example, the amount of material waste, electricity consumption, heating energy and fuel consumption on an annual basis.

GREENHOUSE EMISSIONS

Greenhouse gas emissions calculated in accordance with the GHG Protocol, covering the emission sources identified as material to the company's operations.

| | t CO ₂ ekv |
|--|-----------------------|
| SCOPE 1 | 0.5 |
| SCOPE 2 | 199.4 |
| SCOPE 3 * | 650.2 |
| tot. | 836.7 |
| EMISSION INTENSITY (t CO ₂ ekv/2.9) | 288.5 |

*Raw material emissions have been calculated for PES, aramid, glass, and PVDF yarns, which collectively account for approximately 96% of yarn materials used in production. The calculations are based on average emission factors for each material.

OBJECTIVES FOR THE FUTURE

We are continuously seeking ways to improve our environmental performance. In 2026, we will transition fully to carbon-free electricity. Sustainability work will be carried out in collaboration with the company's management and personnel, including relevant training. The goal is to explore opportunities to develop voluntary emissions reporting as part of the company's sustainability efforts.

Our company has implemented several practices to support more sustainable business operations. Production lighting has been upgraded to LED, and from 2026 onwards we will use CO₂-free wind power supplied by the local electricity grid. We purchase raw materials strictly according to orders to avoid unnecessary inventory waste, and we manage production efficiently to minimise second-quality output. We work together with our partners to find solutions for any surplus materials, and continue to explore recycling options for raw materials.

The company has initiated the certification processes for OEKO-TEX STANDARD 100 and ISO 9001. The certifications are targeted for completion by end of 2026.

RESOURCES USE, CIRCULAR ECONOMY AND WASTE MANAGEMENT

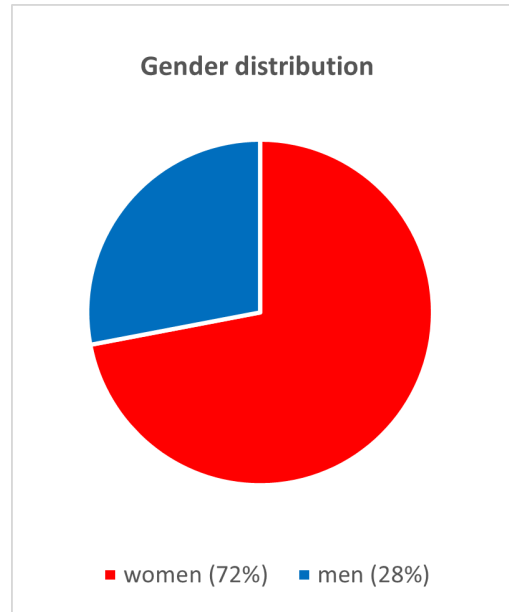
We minimize the amount of waste we produce. Currently, all waste generated at our factory is incinerated as energy waste. We actively seek and monitor possible circular economy opportunities for surplus material. The goal is to generate as little waste as possible through well-planned operations.

In the coming years, we will pay more attention to sorting plastic (including PP cones). As a member of the producer organization Suomen Pakkauskierrätys RINKI Oy, we report an assessment of the packaging we receive.

The liquors remaining from the finishing process are sorted into separate collection containers according to the chemicals they contain (bleach, water repellent, dyes, hardening agents and flame retardants).

SOCIAL

Labor force – general information: In 2025, Finn-nauha Oy employs 26 people, of whom 25 work full-time and 1 works part-time.



Health and safety: All employees have access to occupational health care in accordance with the Finnish Occupational Health Care Act and the Textile and Fashion Industry Collective Agreement.

We provide a safe working environment. We continuously assess occupational health and safety risks in collaboration with our employees to ensure full compliance with all applicable guidelines and regulations.

The company operates under sector-specific collective bargaining agreements. We encourage and support employee training and continuous learning. We will begin monitoring employee wellbeing annually through an NPS survey from 2026.

FINANCIAL

Since 1990, Finn-nauha has maintained the highest AAA credit rating. This rating reflects our excellent financial performance, positive track record, and strong payment behaviour.

AAA is the highest possible credit rating in Finland, held by only approximately 10–13% of Finnish companies. Achieving it requires a strong payment history, sound financials, and a clean background record. The rating demonstrates that a company is a highly reliable business partner, and is issued by Dun & Bradstreet (formerly Bisnode).

As a trusted partner, we work closely with our customers and monitor customer satisfaction through prompt and responsive engagement.



We are committed to promoting community wellbeing. Among other initiatives, we support the work of Save the Children Finland and participate in the Hyvä mieli (Good Mind) campaign. We have also been involved in supporting the continuity of schools in a small local community

GOVERNANCE

Finn-nauha Oy

Domicile: Keuruu Haapamäki

Financial year: 1 January – 31 December

This sustainability report covers our operations for the period:

1 January – 31 December 2025.

Chief Executive Officer since January 2020:

Ilkka Suokko

Board of Directors since April 2025:

Tuomas Reijonen, Mika Reijonen, Jukka Reijonen, Johanna Suihkonen

Board of Directors:

The Board of Directors has defined sustainability as a key strategic priority. The Board is responsible for the sustainability strategy, approves sustainability targets, and approves the sustainability report.

Chief Executive Officer:

The CEO is responsible for sustainability management and its implementation in day-to-day operations. Responsibility for the sustainability strategy has been assigned individually to members of the management team.

Sustainability is translated into practical actions and operational changes through managers. Training sessions will communicate the targets, the overall picture, and the steps required to achieve them. Responsibility for implementation is shared, and every member of staff has a role to play in meeting our sustainability objectives.

THE BASIS FOR REPORTING

| VSME INDEX | |
|------------|--|
| B1 | Basis for preparation |
| | This report has been prepared in accordance with the disclosure requirements of the comprehensive module of the VSME standard for Finn-Nauha Oy. The company operates in the manufacture of technical and industrial textiles (SIC 13960) and its area of operations is Finland. |
| B2 | Practices, policies and future initiatives for transitioning towards a more sustainable economy |
| | Page 3 |
| B3 | Energy and greenhouse gas emissions |
| | Page 4 |
| B4 | Pollution of air, water and soil |
| | Not applicable |
| B5 | Biodiversity |
| | Not applicable |
| B6 | Water |
| | Water consumption in the production process is minimal. |
| B7 | Resource use, circular economy and waste management |
| | Page 5 |
| B8 | Workforce – General characteristics |
| | Page 6 |
| B9 | Workforce – Health and safety |
| | Page 6 |
| B10 | Workforce – Remuneration, collective bargaining and training |
| | Page 6 |
| B11 | Convictions and fines for corruption and bribery |
| | Not applicable |
| <i>B4</i> | <i>Pollution of air, water and soil</i> |
| | The company's operations do not generate significant direct emissions to air, water or soil, and it is not legally obligated to report on them. |
| <i>B5</i> | <i>Biodiversity</i> |
| | The operations have no significant impact on biodiversity, and the company does not have facilities located in environmentally sensitive areas. Therefore, reporting is not necessary. |
| <i>B11</i> | <i>Convictions and fines for corruption and bribery</i> |
| | The company has not received any convictions or fines related to corruption or bribery. |