

Sustainability Report

01/01/2024-31/12/2024

Prepared in accordance with the
EU VSME Standard

(Voluntary Sustainability Reporting Standard for non-listed SMEs)

POWERED BY:



ACTIONABLE GREEN ANALYTICS

Greetings from the ESG Team

At Leinolat Group, we are proud to present our first ESG report. This report reflects the results of years of determined sustainability work carried out across our entire organization.

Sustainability is a shared effort that touches every part of our organization. One of the most significant challenges we faced during the work leading up to this report was integrating high-level sustainability concepts into daily business operations. Through open discussions, training, and collaboration with professionals, we have created ambitious yet achievable sustainability strategies. Sustainability is already an integral part of our quality, environmental, and occupational safety standards. Our concrete actions include proper recycling, improving energy efficiency, and fostering diversity within our work communities. Our quality control principles — doing it right the first time, using resources efficiently, and sourcing locally — support responsible manufacturing. Our current sustainability efforts include carbon footprint calculations, double materiality analyses, increased transparency, third-party verifications, and the modernization of our facilities.

We recognize that developing sustainable business practices is an ongoing journey. For us, sustainability is not just about meeting legal requirements or external expectations, but about a genuine desire — as individuals — to make sustainability an integrated part of every aspect of our business. In doing so, we strengthen our competitiveness both as a provider of products and services and as an employer. We strongly believe that the companies that succeed in the future will be those that invest in responsible actions. Growing expectations not only challenge us — they also strengthen our resolve to meet and exceed them.

Companies have a significant role to play in driving real change. Our vision is that sustainability becomes a natural, embedded part of daily business. In this way, we help secure a better world for future generations.

Leinolat Group ESG TEAM

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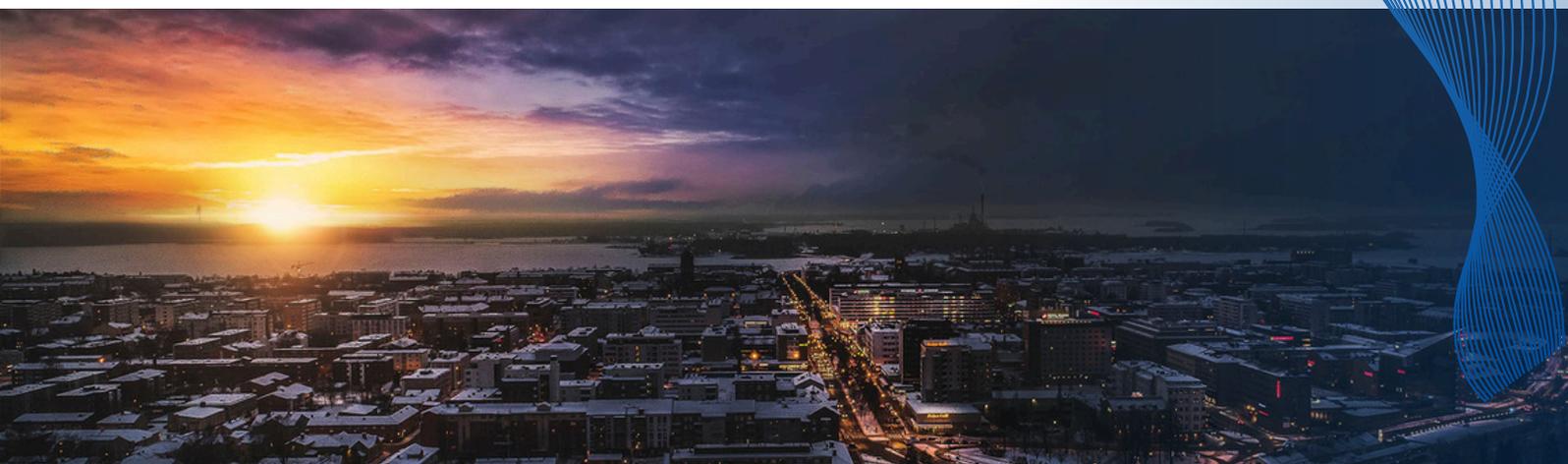
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Our Sustainability Report

This report has been prepared in accordance with the EU's voluntary sustainability reporting standard for non-listed SMEs (VSME). The report adheres to the content requirements of both the basic and comprehensive modules of the VSME standard.



Company:

Legal form: Limited liability company (Ltd)
 Industry (NACE): 2511 Manufacture of metal structures and parts of structures
 Country of incorporation: Finland
 Group level reporting: Yes



Group Key Financials:

2024

Turnover (1000 €) 46 100
 Balance sheet total (1000 €): 33 246
 Number of employees (end of fiscal year): 249

Key Operational Locations:



Type	Country	Address
Registered address	Finland	Tapionkatu 7, Vaasa, 65230
Property	Finland	Tapionkatu 7, Vaasa, 65230
Property	Finland	Vasaratie 15, Vaasa, 65350
Property	Finland	Vasaratie 17, Vaasa, 65350
Property	Finland	Reininkatu 12, Vaasa, 65170
Property	Finland	Ampujantie 32, Laihia, 66400
Property	Finland	Tolkintie 23, Isokyrö, 61500
Property	Finland	Hovioikeudenpuistikko 19, Vaasa, 65100

Group Subsidiaries



Name	Business-ID	Country	Address
Leimec Oy	2360024-4	Finland	Tapionkatu 7, Vaasa, 65230
Uwira Oy	0950615-5	Finland	Vasaratie 15, Vaasa, 65230
Kilkanen Oy	2249932-4	Finland	Reininkatu 12, Vaasa, 65170
T-Drill Oy	0548785-8	Finland	Ampujantie 32, Laihia, 66400
Bobi.com	2786631-4	Finland	Hovioikeudenpuistikko 19 A, Vaasa, 65100



Our Sustainability-related Certificates:



Company	Certificate	Valid until
T-Drill	Quality Management Standard ISO 9001	28.02.2027
T-Drill	Environmental Management Standard ISO 14001	28.02.2027
Leimec	Quality Management Standard ISO 9001	18.05.2026
Leimec	Environmental Management Standard ISO 14001	18.05.2026
Kilkanen	Quality Management Standard ISO 9001	10.09.2027
Kilkanen	Environmental Management Standard ISO 14001	10.09.2027
Uwira	Quality Management Standard ISO 9001	21.10.2027
Uwira	Environmental Management Standard ISO 14001	21.10.2027
Uwira	Occupational Health and Safety Management Standard ISO 45001	21.10.2027
Uwira	Welding Quality Management Standard ISO 3834-2	21.10.2027
Uwira	Ecovadis Bronze Medal	31.12.2025

Business Model

Leinolati Group's products:

- Piping fabrication machines for pipe branching, cutting, and flanging
- Modular piping systems and structures for various applications and demanding conditions
- Industrial ventilation and air handling solutions
- Contract manufacturing of machined components
- Sheet metal products

Description of the company's key markets:

Leinolati Group is a company specialized in providing solutions for the metal industry, with broad expertise in the field. The group consists of six companies that offer products and solutions for the energy, marine, oil and gas, automotive, process, and HVAC industries. Over 85% of our production is exported to customers around the world.

Description of the company's key business relationships:

Leinolati Group and its subsidiaries are committed to accelerating the sustainability transition together with our customers and suppliers. Our advanced solutions help our customers scale their positive sustainability impacts more rapidly across the key sectors of our economy.



Kilkanen Oy: Installation

Selected references:
 Wärtsilä, Caterpillar, ABB, MAN Energy Solutions, Rolls-Royce, Siemens Energy, Aker, APL/NOV, Hitachi, LG, Daewoo, DeLaval, Johnson Controls, Continental, Parker, BAE Systems

Sustainability Strategy

Leinolat Group is committed to responsible business practices, with social responsibility playing a central role. The success of the company is built on its people, which is why we place a strong emphasis on employee well-being, safety, and equality.

Employee Well-being and Safety:

Leinolat Group prioritizes the well-being and safety of its employees through the following measures:

- Promoting well-being at work: We offer benefits such as the ePassi program, access to gym services, a company bike benefit, and wellness and recreation days for our staff.
- Improving occupational safety: Our goal is zero workplace accidents. To support this, we have implemented safety practices such as "near miss" reporting forms and initiatives to improve workplace ergonomics.
- Developing leadership culture: We invest in employee engagement and conduct workplace surveys, which are used as a basis for making concrete improvements to our operations.

Diversity and Equality:

Leinolat Group promotes equality and diversity through the following measures:

- Cultural diversity: Our group employs individuals from various nationalities and backgrounds, and we view diversity as an important strength. We have developed practices to support the integration of employees from different cultural backgrounds, particularly at Uwira Oy.
- Employment practices: We support diverse career paths by hiring both experienced professionals and young talents. In 2024, we are conducting a salary review to meet the requirements of the Pay Transparency Directive and to analyze the current state of pay equity.

Community and Stakeholder Engagement:

- Summer jobs and collaboration with educational institutions: We offer internships, apprenticeship opportunities, and summer jobs, as well as support for students' theses and project work.
- Societal engagement: We participate in local community initiatives, recruitment events, and collaborate with educational institutions at various levels in multiple forms.

Workplace Community Survey and Development Measures:

Each year, Leinolati Group conducts a workplace community survey. Based on the survey, the following areas are assessed:

- Meaningfulness and functionality of work
- Collaboration within the work community
- Leadership and supervisory work
- Skills development
- Work ability and resources

Based on the results, we have identified the following areas for improvement:

- Further development of leadership and supervisory practices
- Functionality of the work community
- Interactivity and its enhancement

Conclusions and Future Goals:

Leinolat Group will continue its active investment in social responsibility to ensure a safe and supportive working environment. The goals for 2025 include:

- Further improving occupational safety and reducing workplace accidents
- Strengthening employee development pathways
- Expanding collaboration networks to promote a more sustainable working life
- Adhering to the principles of responsibility in all operations and committing to continuous improvement in building a better workplace

In 2025, T-Drill Oy became the first company within Leinolat Group to achieve Great Place To Work certification, and the plan is to pursue certification for all companies within the Leinolat Group.

Climate Commitment

Our company has made an esgResilience Level 1 climate commitment. Our commitment includes:

- **Annual measurement of Scope 1–3 emissions**
- **Annual reporting of Scope 1–3 emissions**
- **Advancing the reduction of Scope 1 and 2 emissions**

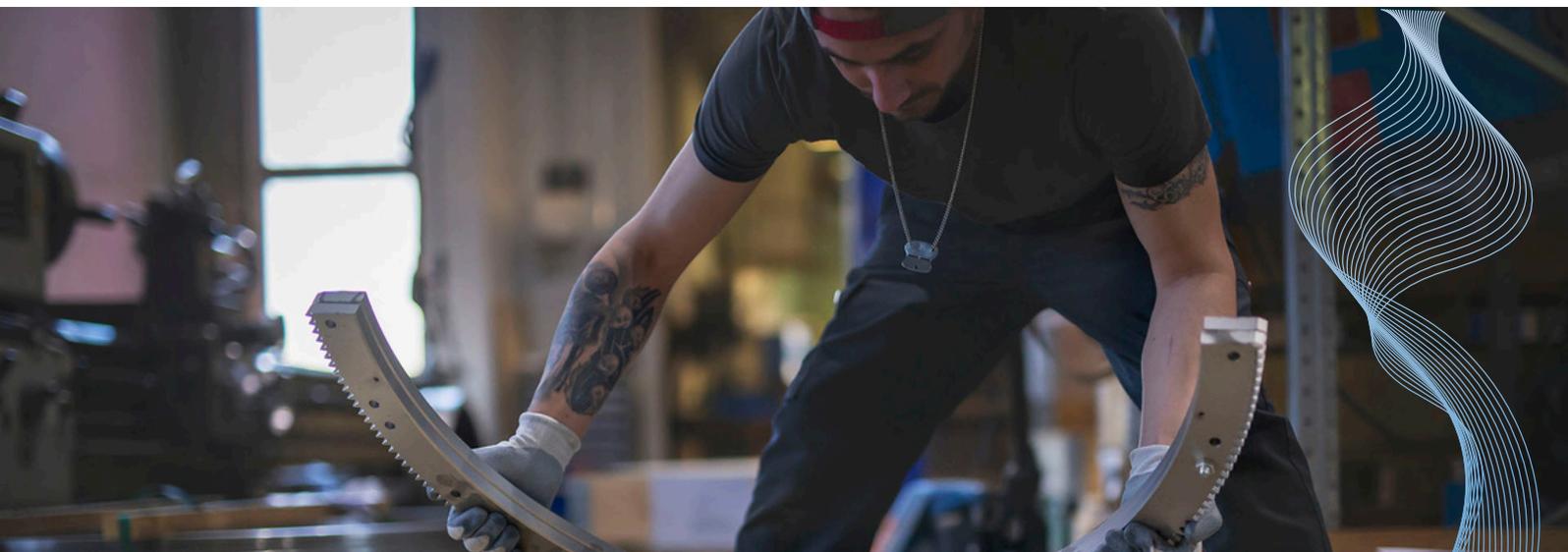
Through this commitment, we are working toward developing more sustainable business practices. During 2025, Leinolat Group plans to establish an emissions reduction target and a related roadmap to support its reduction efforts.

Business Development

Practices, policies and future initiatives for transitioning towards a more sustainable economy:

Sustainability Topic:	Publicly Available:	Target Set:	Description:
Practice: Own Workforce	No	No	One of Leinolati Group’s core principles is to treat all employees equally and fairly in all situations. Regardless of religion, family status, gender, ethnic origin, nationality, age, or any other personal characteristic, everyone must have the same rights, responsibilities, and opportunities.
Initiative: Climate Change	No	No	Leinolati Group plans to establish an emissions reduction target and a related roadmap to support emission reductions during 2025.

Picture: Kilkanen Oy - Assembly



Emissions

Emissions

(tonnes CO2e): 2024

Scope 1 : 45

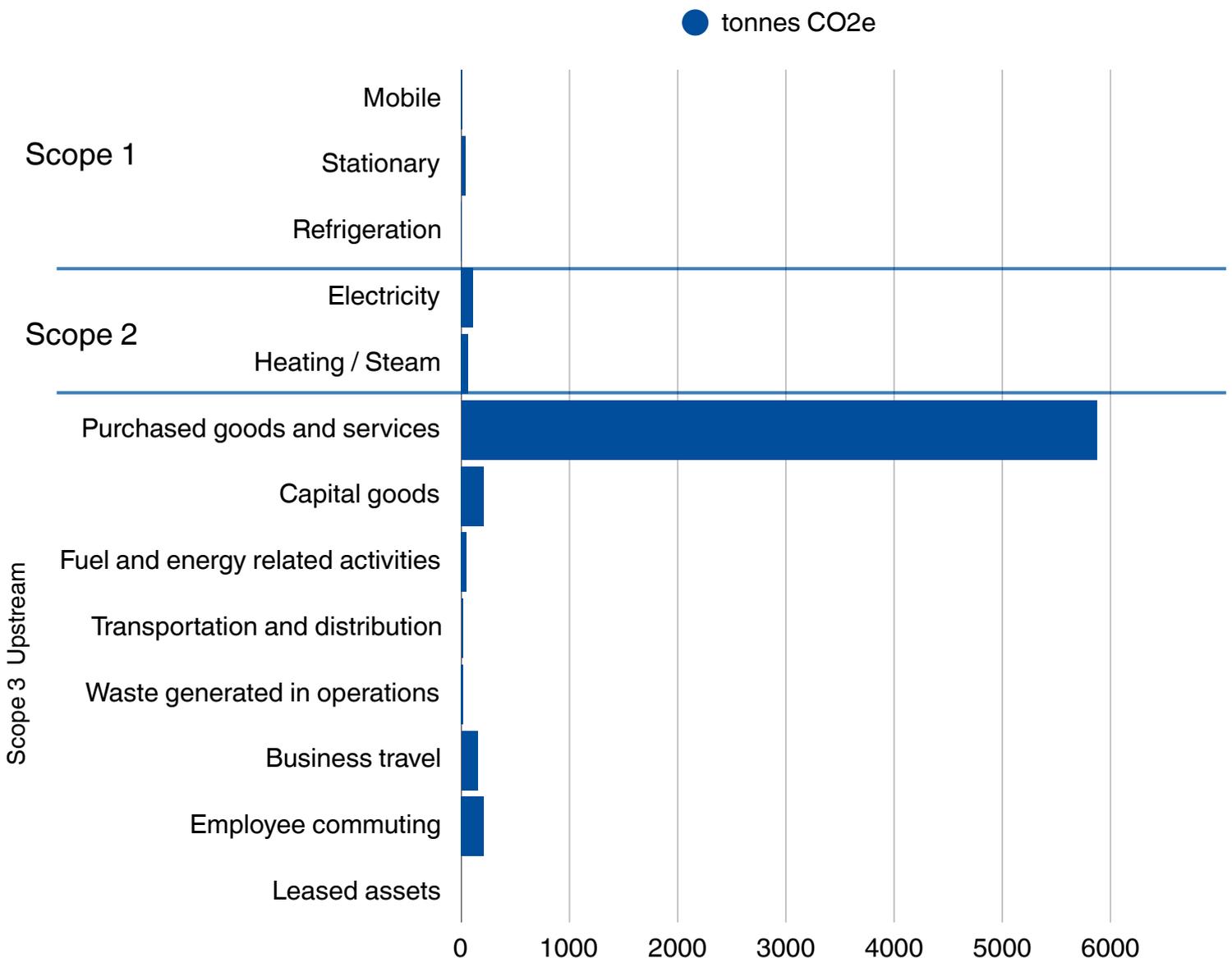
Scope 2 : 174

Scope 3 : 7118

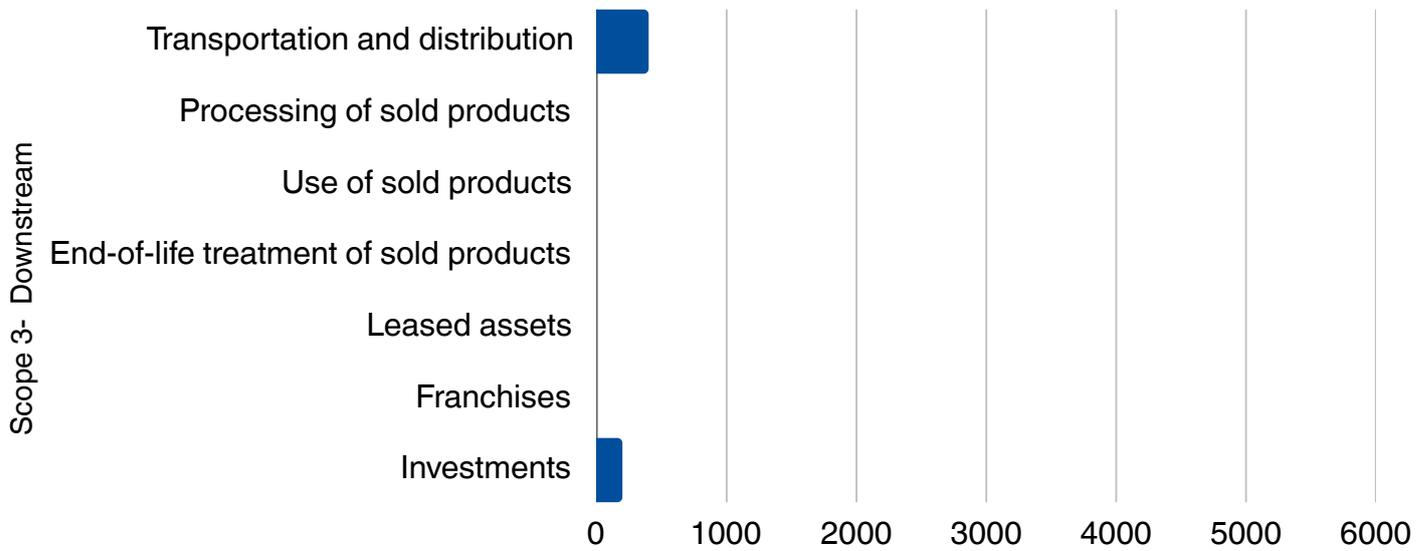
Total: 7339

The company's emissions have been calculated in accordance with the GHG Protocol and are categorized into Scope 1, 2, and 3 emission classes.

Emission breakdown 01/01/2024-31/12/2024



● tonnes CO2e



Carbon intensity

(tonnes CO2e / € m turnover)

2024

Scope 1 & 2:	4,77
Scope 1, 2 & 3:	159,19

Environmental Impacts

Energy consumption 2024	Renewable source (MWh)	Non-renewable source(MWh)	Renewable (%)
Fuels:	0	190	0%
Purchased electricity:	681	2156	24%
Purchased heat / steam:	1267	885	59%
Energy generated by the company:	200	0	100%
Total:	2148	3231	40%

Water 2024

m3

Water withdrawal:	2102
Waste water:	2102
Water consumption:	0

Circular economy principles

Our company applies the principles of the circular economy in its operations: the raw materials used are primarily metals, which are recycled.

Waste 2024

tonnes

Normal waste:	11,73
Hazardous waste:	4,88
Waste directed to recycling or reuse:	16,61
Total waste:	16,61

Recycling of waste 2024

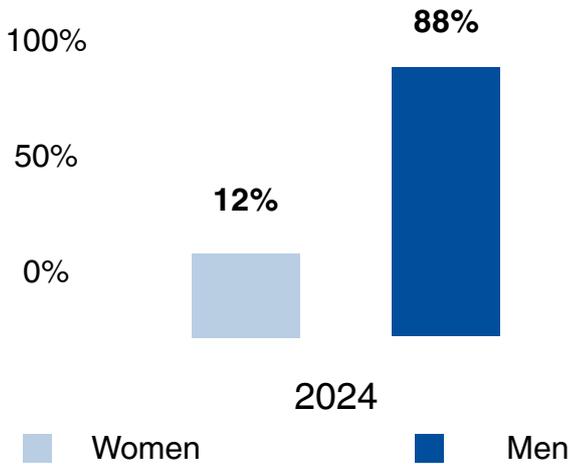
Rate of recycled waste: 100%

Employees

Number of employees **2024**

Employees at fiscal year end: 249

Employee gender distribution



Picture: Kilkanen Oy, Vaskiluoto, Vaasa – produces 200 MWh of solar electricity, which accounts for 15% of the company’s total energy consumption.

Employment contracts and employee turnover: **2024**

Collective bargaining coverage of contracts:	100%
Permanent contracts:	97%
Temporary contracts:	3%
Employee turnover:	11%

Training hours 2024 **Annual hours**

Employee average: 4,81

The company does not have available data on the average training hours of employees by gender.

Accidents during 2024

Number of accidents:	9
Rate of accidents*:	3,6

*The frequency of accidents at work describes the number of accidents in relation to the number of hours worked. It is calculated according to the VSME standard per 200 000 hoursworked.

Remuneration 2024

Employee remuneration: All workers are paid at least minimum wage

Unadjusted gender pay gap (%)*: -6,85 %

*The unadjusted pay gap does not take into account factors that affect salary, such as years of experience, education, working hours, etc.

The pay gap has been calculated using the formula: (Average salary of men – Average salary of women) / Average salary of men

Governance

Board gender diversity 2024

Women:	2
Men:	4
Diversity (% Women / Men):	50%

Human rights policy:

Our company has a human rights policy and a designated responsible person.

Our human rights policy covers:

- Child labour 
- Forced labour 
- Human trafficking 
- Discrimination 
- Accident prevention 

Human rights incidents

Our company has not observed any human rights violations by its own staff in relation to child labour, forced labour, human trafficking, discrimination or the prevention of accidents. Our company has also not identified any human rights violations involving workers in the value chain, affected communities, consumers or end-users.

Complaints mechanism

Our company has a complaints handling mechanism in place for company staff.

Picture: Leimec Oy - Assembly



Basis for Reporting

Sustainability Reporting Process

This sustainability report was produced using the reporting and analytics service of esgResilience Oy. Designed specifically for SMEs, the service supports companies in calculating emissions, assessing the environmental impact of their operations, and identifying other relevant sustainability factors in line with the EU voluntary VSME sustainability reporting standard.

Emissions Calculation

esgResilience service includes a GHG Protocol compliant emissions calculator. For Scope 1 and 2 emissions, the latest emission factors published by national operators are used. Scope 2 emissions are calculated according to the VSME standard using a location-based methodology. Scope 3 calculations use a wide range of emission factors (supplier-based, activity-based and consumption-based) depending on availability. The 90,000+ scientifically validated emission factors from the international Climaq.io service are used as the main source.

Comprehensive Sustainability Reporting

The Sustainability Report outlines the company's commitment to responsible and sustainable business practices. Produced through an automated process, the report ensures data objectivity and transparency. In addition to comprehensive environmental responsibility, it addresses key topics related to social responsibility and good governance, in alignment with the VSME standard.

Comments on the application of the VSME standard:

The report primarily follows the VSME standard as is. The exact coordinates of the sites have not been reported; instead, address information has been provided. If a specific reporting requirement does not apply to the company (e.g., no climate risks identified – C4), the requirement has been omitted from the report. Voluntary VSME reporting requirements have been excluded (e.g., sections where the phrasing is "The company may report...").

About the service:

esgResilience is a service developed by experts in green finance, sustainable business development, climate risk and sustainability reporting.

esgResilience Ltd is the only Finnish company participating in EFRAG's VSME community to develop sustainability reporting standards for SMEs at European level. Established in 2022, the expert community will play an important role in the development of the EU VSME standard.

VSME Index

The VSME Index is designed to help readers identify and locate VSME reporting data within the report. Please note that VSME disclosure requirements not applicable to the company has been excluded from the sustainability report, in accordance with VSME standards.

Basic module:	Page
B1: Basis for preparation	1
B2: Practices, policies and future initiatives for transitioning towards a more sustainable economy	7
B3: Energy	9
B3: Greenhouse gas emissions	8
B4: Pollution of air, water and soil	Not applicable
B5: Biodiversity	Not applicable
B6: Water	9
B7: Resource use, circular economy and waste management	9
B8: Workforce – General characteristics	10
B9: Workforce – Health and safety	10
B10: Workforce – Remuneration, collective bargaining and training	10
B11: Convictions and fines for corruption and bribery	Not applicable

Comprehensive module

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C1: Strategy: Business Model and Sustainability Initiatives	3-6
C2: Practices, policies and future initiatives	7
C3: GHG reduction targets and climate transition	6
C4: Climate risks	Not applicable
C5: Additional (general) workforce characteristics	-
C6: Additional own workforce information - Human rights policies and processes	11
C7: Severe negative human rights incidents	11
C8: Revenues from certain sectors and exclusion from EU reference benchmarks	Not applicable
C9: Gender diversity ratio in the governance body	11

Picture: Kilkanen Oy - Block Machining



