



Sustainability report 2024
Kera Group Oy



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CEO's Greeting

The year 2024 marked an important turning point for us. We developed our first sustainability program based on a double materiality analysis, setting concrete goals to guide our development efforts in the coming years. At the same time, we have come to understand even more clearly that sustainability is not a static state, but a continuous process of learning, adaptation, and collaboration within a changing operating environment. We will continue to improve our operations, listen to our employees and stakeholders, and seek new ways to reduce our environmental impact and strengthen our social responsibility.

As a Finnish family business, sustainability is not a separate part of our operations—it is a way of acting in everyday life, decision-making, and long-term development. This report offers an honest and transparent overview of our progress and areas where work still remains.

Our goal is to proceed with determination, measurable actions, and openness. In this report, we share concrete measures, achievements, and areas for improvement that are leading us toward a more sustainable future. We thank all our employees, customers, and stakeholders for their trust and collaboration.

Kind regards,
Seppo Nieminen
CEO, Kera Group Oy





Basic Information

This sustainability report by Kera Group (the “Report”) has been prepared in accordance with the European voluntary sustainability reporting standards for SMEs (VSME). The reporting framework selected is Level B, which includes both the basic module and the extended module.

No information has been excluded from the report due to security classification or sensitivity. This is Kera Group’s first sustainability report, and the 2024 reporting version covers only the parent company. Comparative data is not yet available, as reporting begins with this reporting period.

Strategy and Sustainability

Kera Group Oy is a Finnish family-owned company that manufactures plastic products for the construction industry in Orimattila, Finland. Our core expertise is to provide daylighting solutions and smoke ventilation systems that enhance fire safety. Our main products include smoke vents, rooflights, automation solutions and various home and living solutions such as patio roofs, terrace frames, and terrace glazings. Our products and services are divided into two main categories: Light and Air, and Terrace Products.

In 2024, Kera Group’s revenue was approximately 17 million euros, and the company employed 105 people. Additional basic information can be found in the table below.

| | | | |
|----------------------|--|--|-----------------|
| Kera Group Oy | 22.23 | 20,65 m€ | 16,87 m€ |
| Legal form | NACE | Balance sheet | Revenue |
| 105 | Suomi | Orimattila | 61% |
| Number of Employees | Country of Primary Operations and Location of Significant Assets | Geographical Location of Owned, Leased, or Managed Sites | Equity Ratio |

Value Chain

Kera Group’s Light and Air business focuses on B2B specialist sales, with a customer base consisting mainly of construction companies, roofing contractors, and housing associations. For Keraplast outdoor products, the primary customers are retailers and hardware stores. The business is operated in all group’s units, and its main market area covers the Baltic Sea region.

The Group has subsidiaries in Finland (Riihimäki), Sweden, Norway, Denmark, Estonia, Latvia, Lithuania, and Poland. All units have in-house production, except for the Latvian unit. Export countries include, among others, Norway, Ukraine, and Bulgaria.

A key success factor for Kera Group is providing high-quality smoke control systems for both public and residential buildings. In Finland, smoke ventilation systems are legally required in, for example, multi-storey residential buildings, commercial and office buildings, hospitals, care facilities, hotels, and underground facilities such as parking garages.

The purpose of a smoke vent is to open in the event of a fire, allowing smoke and combustion gases to be discharged in a controlled manner from the building. A functioning smoke ventilation system enables the

formation of a smoke-free layer, significantly improving people’s chances of evacuation.

To ensure product safety, we carefully select materials and components that meet our high-quality standards. We work with reliable suppliers that provide actuators and automation components suitable for smoke vents.

All our product solutions are designed in compliance with current regulations – to be durable, user-friendly, and purpose-fit. Our product development increasingly emphasizes responsibility and the principles of sustainable development, which guide both material choices and production processes.



Policies, Practices, and Future Initiatives for Transitioning to a More Sustainable Economy

Sustainability is a core aspect of Kera Group's operations and is transparently integrated throughout the entire value chain – from design and manufacturing to the supply chain. Based on the double materiality analysis conducted in 2024, the Group has identified key focus areas for sustainability, which guide its strategic decisions and development efforts.

We actively promote the United Nations Sustainable Development Goals (SDGs) and have identified the specific goals that align with Kera Group's business operations and sustainability objectives. This ensures that our activities are sustainably oriented in the long term – environmentally, socially, and economically.

Double Materiality Analysis

In 2024, we conducted Kera Group's first double materiality analysis in accordance with the scope required by the European Union's Corporate Sustainability Reporting Directive (CSRD). The goal of the analysis was to identify key impacts, risks, and opportunities related to sustainability across the entire value chain.

The analysis process involved broad participation from the Group's management and external experts. A significant number of stakeholders were also engaged in the process, including board members, employees, representatives of subsidiaries, suppliers, and customers. Stakeholders assessed and commented on previously identified impacts and contributed their expectations and views on sustainability priorities.

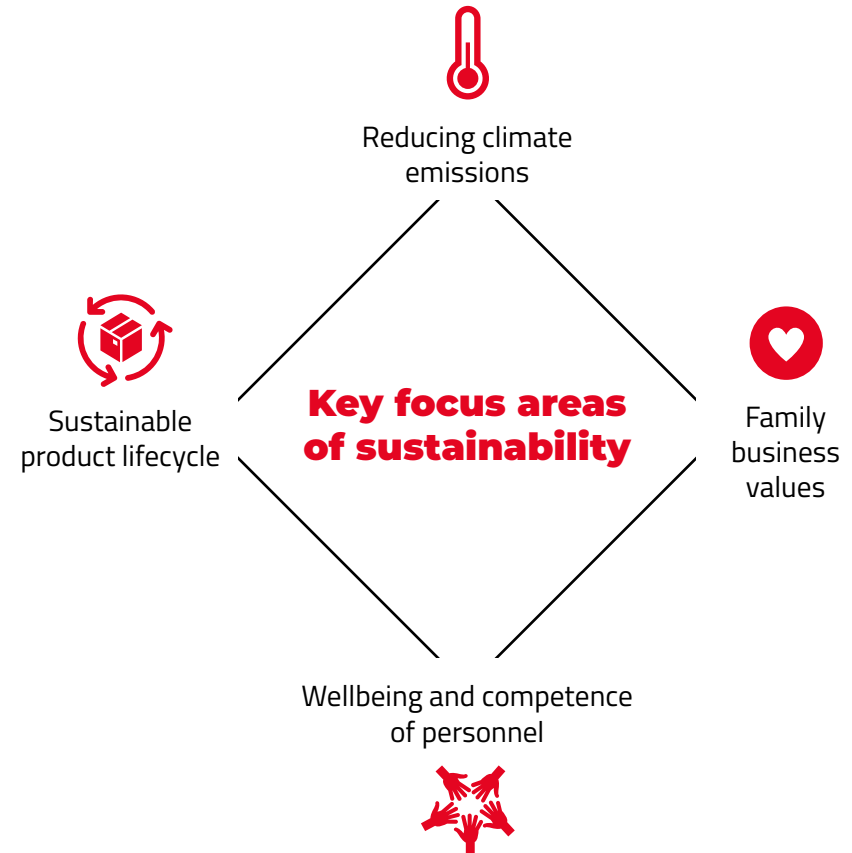
As a result, we identified impacts, risks, and opportunities related to E1, E5, and S3, as well as one company-specific impact.



Sustainability Program

The double materiality analysis formed the basis for our sustainability program. The key focus areas of our sustainability efforts are:

- **Reducing climate emissions** (SDG 13: Climate Action): As a manufacturing company, we focus on using low-carbon materials, minimizing waste, and employing energy-efficient production methods. This allows us to reduce our own carbon footprint and support sustainable development.
- **Sustainable product lifecycle** (SDG 9: Industry, Innovation and Infrastructure; SDG 11: Sustainable Cities and Communities): The product lifecycle is at the core of our operations, without compromising on quality or safety. We design products with a strong emphasis on durability and recyclability. Environmental impacts throughout the entire lifecycle must be kept to a minimum.
- **Family business values** (SDG 16: Peace, Justice and Strong Institutions; SDG 17: Partnerships for the Goals): As a family-owned company, our operations are deeply rooted in our values, which guide ethical decision-making and help us build long-term and responsible business. These values are reflected in our daily work and stakeholder relationships, steering us to act with honesty and sustainability.
- **Wellbeing and competence of personnel** (SDG 8: Decent Work and Economic Growth; SDG 10: Reduced Inequalities): Promoting employee wellbeing and professional development is crucial for sustainable business. We want our employees to succeed and grow in an ever-changing environment. A customer-oriented approach is built on a skilled and motivated personnel.



| | The organization has practices, actions, or future initiatives that support the mentioned sustainable development topic (Yes/No) | Are they publicly available? (Yes/No) | Do they include targets? (Yes/No) |
|--------------------------------------|--|---------------------------------------|-----------------------------------|
| Climate Change | Yes | No | Yes |
| Pollution | Yes | No | Yes |
| Water Resources and Oceans | Yes | No | No |
| Biodiversity and Ecosystems | Yes | No | No |
| Circular Economy | Yes | No | Yes |
| Own Employees | Yes | No | Yes |
| Employees is the Value Chain | Yes | No | Yes |
| Communities in the Area of Influence | Yes | No | Yes |
| Consumers and End Users | Yes | No | Yes |
| Business Practises | Yes | No | Yes |

In 2024, Kera Group also initiated the EPD (Environmental Product Declaration) process with the aim of providing customers with detailed information about the environmental impacts of our products. At the time of reporting, five EPDs have been published, and we expect the entire smoke vent product range to be covered by EPDs during 2025.

Improvements have also been made to the heating systems of our facilities during the year.

Key Flag Symbol and ISO 9001:2015

Keraplast glass products – especially terrace glazing and glass railings – have been awarded the Key Flag Symbol (Avainlippu) for Finnish origin.

Our company operates under the ISO 9001:2015 quality management system, which covers the manufacturing, installation, and marketing of light-transmitting structures and smoke ventilation systems. The certificate is valid until January 2028.



Energy and Greenhouse Gas Emissions

Energy

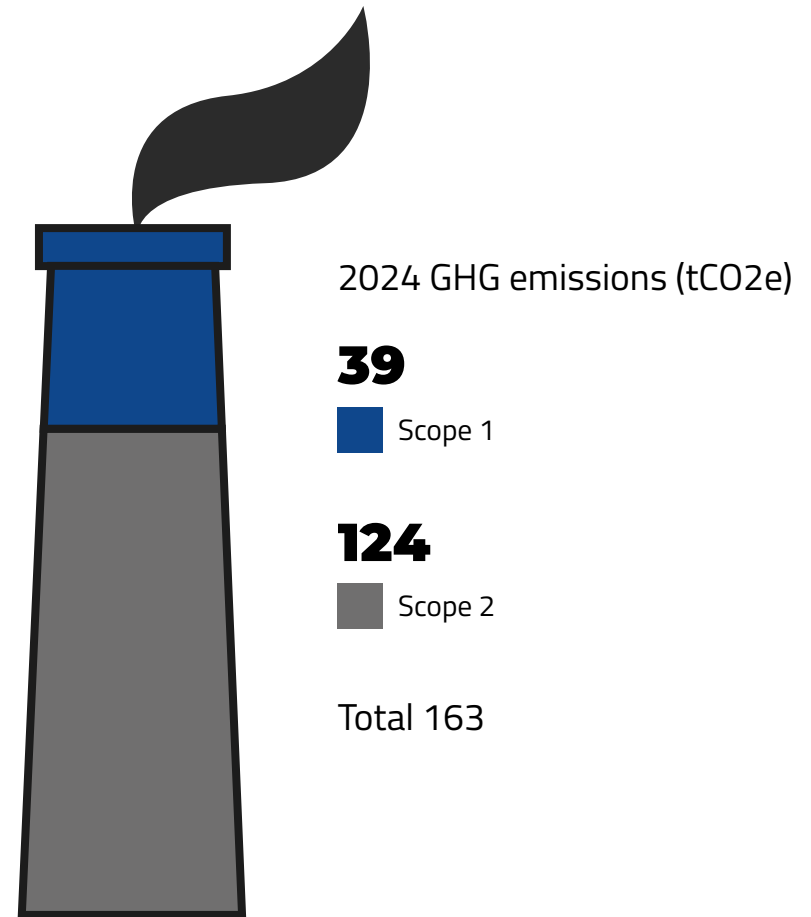
Energy consumption at Kera Group is primarily related to the production of plastic products, such as KERAPLAST® roof panels and KERAVENT® smoke vents. These processes require electricity for plastic forming, machine operation, and quality control. Additionally, electricity is used for lighting, ventilation, and air conditioning in warehouses and offices, as well as for logistics and administrative support functions. All consumed electricity comes from renewable energy sources, certified by guarantees of origin. The main sources are hydropower and wind power.

Fuels are used in installation vehicles as part of field operations related to automation system installations. This usage is directly linked to on-site installation and maintenance tasks at customer locations.

| Source | Renewable | Non-renewable | Total | CO2e/t |
|--------------------------|-----------|---------------|--------|--------|
| Electricity (Mwh) | 1168 | 0 | 1168 | 0 |
| Natural gas (MWh) | 0 | 741 | 741 | 149,8 |
| Gasoline (MWh) | 0 | 11,7 | 11,7 | 2,8 |
| Diesel (MWh) | 0 | 35,7 | 35,7 | 9,8 |
| | 1168 | 788,4 | 1956,4 | 162,4 |

Greenhouse Gases

The estimated gross greenhouse gas emissions are summarized below. The greenhouse gas intensity is 9,63 tCO₂e/ M€.





Energy Efficiency and Emission Reductions

In recent years, we have significantly reduced the use of natural gas for heating our facilities. We have made a substantial investment by transitioning to energy-efficient heat pump technology, which operates entirely on carbon-free electricity. Since 2020, our gas consumption has decreased by 58%, exceeding our previous reduction target of -54%.

In the properties we own, we continuously explore opportunities to improve energy efficiency and utilize renewable energy sources such as solar power. For example, our factory in Poland has been using solar electricity for several years.

Development of vehicle fleet and logistics

In Finland, our vehicle fleet consists of four company cars, two utility vehicles, and one general-purpose vehicle. When vehicles are naturally due for replacement, we evaluate the potential to switch to electric vehicles. Part of our forklift fleet is already electrified.

Our logistics services are outsourced, and the associated emissions fall under Scope 3. Although detailed calculations for these emissions are not yet available, they will be included as part of our future sustainability efforts.

Transition Plan

Kera Group currently does not have a separate transition plan for emission reductions. However, we believe that emissions will gradually decrease as technology and markets evolve. We especially expect low-emission solutions to become more widespread and logistics chains to naturally shift toward more emission-efficient operating models. We actively monitor developments in the industry and are ready to adopt new solutions as they become technically and economically feasible. Nevertheless, we have set our own emission reduction targets, which are presented below:

| Emission reduction targets | 2025 | 2030 |
|----------------------------|------|------|
| Scope 1 tCO2e | 38 | 36 |
| Scope 2 tCO2e | 122 | 116 |
| Total | 160 | 152 |

Climate Risks

Kera Group has not conducted a separate climate risk assessment, but transition and physical risks have been evaluated as part of the double materiality analysis. The assessment identified several key climate-related business risks:

- **Pricing of greenhouse gas emissions:** Economic instruments targeting CO₂ emissions, such as carbon taxes and emissions trading schemes, can increase costs and weaken financial performance. Energy-intensive sectors like the plastics industry are particularly vulnerable to fluctuations in emission allowance prices.
- **Substitution of products and services with low-emission alternatives:** Changes in consumer behavior and regulatory frameworks may require a shift toward lower-emission solutions. This transition may lead to additional costs in product development and marketing during the adaptation period.
- **Investment needs in low-emission technology:** Production methods may need to be updated to meet tightening environmental standards. This could require significant investments, for example, in renewable energy technologies or carbon capture solutions. The adoption of such technologies can involve considerable costs.
- **Rising prices of raw materials:** Regulations and market mechanisms may lead to increased prices for carbon-intensive raw materials, raising production costs and impacting competitiveness.

Assessment Method and Time Horizons

In the double materiality analysis, the materiality of environmental and social impacts was assessed by scoring the likelihood and severity of risks (based on extent, scope, and irreversibility). The materiality of financial risks and opportunities was evaluated by scoring likelihood and magnitude (extent and scope of impact).

The assessment covers three time horizons:

- Short-term risks: the current reporting period
- Medium-term risks: 1–5 years
- Long-term risks: more than 5 years



Water Consumption

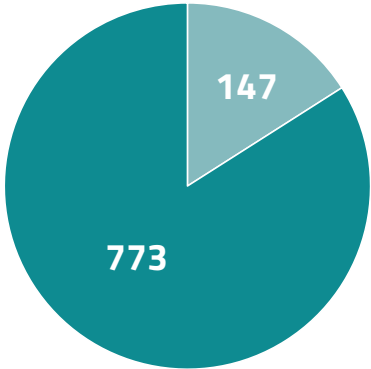
Water consumption has been calculated for Kera Group’s Orimattila and Käkelä sites. The powder coating facility located at the Orimattila plant accounts for approximately 22% of the site’s total water use, which partly explains the variation in consumption between locations.

The powder coating process requires extremely clean surfaces to ensure proper adhesion and a durable final result. For this reason, surfaces are thoroughly washed before coating. Pre-treatment often involves several steps, such as degreasing, rinsing, and possible phosphating — all of which require water. While the powder coating itself contains no solvents and does not require water during application, the water used in pre-treatment represents a significant portion of total consumption.

Water Consumption 2024

- Käkelä
- Orimattila

Total 920 m³





Resource Use, Circular Economy, and Waste Management

Principles of the Circular Economy

Kera Group incorporates the principles of the circular economy throughout the entire value chain – from product design and material selection to production processes. In product development, special attention is paid to recyclability and longevity. For example, smoke ventilation products are designed to last for the entire lifespan of a roof, often several decades. The estimated service life of rooflights is approximately 20 years.

Product lifespans are extended by offering spare parts and maintenance services that allow individual components to be partially or fully replaced. Kera Group's authorized maintenance partner, Savunpoistokumppani, provides nationwide maintenance services.

Our production processes are based on material efficiency. The manufacturing methods rely on mechanical processing, which allows for waste minimization already during the design phase. The use of recycled materials in production is steadily increasing as supplier availability improves. As of early 2024, all aluminum purchases have been made from 100% recycled material.

Material flow management is a key part of our circular economy strategy. Nearly all main raw materials are recyclable, and for example, surplus acrylic is sent to a partner who uses it to manufacture new products, such as water fixtures.

Waste

Kera Group's operations generate waste, including office waste as well as waste from product manufacturing and materials used in production. Of the total waste generated, 36% is mixed or energy waste, 63% is recyclable or otherwise recoverable, and 1% falls into other categories. Production processes and material flow management are described in more detail in the previous section.

A breakdown of the waste is provided in the table below:

| | Total | Directed to Recycling or Reuse | Directed to Final Disposal |
|---------------------------------|---------------|--------------------------------|----------------------------|
| Non-hazardous waste | tonnes | tonnes | tonnes |
| Aluminum profiles | 12,7 | 12,7 | |
| Acrylic | 27,7 | 27,7 | |
| Plastic | 4,5 | 4,5 | |
| Energy waste | 66,3 | 66,3 | |
| Cardboard | 9,3 | 9,3 | |
| Mixed waste | 32,5 | 32,5 | |
| Electrical and electronic waste | 0,4 | 0,39 | 0,01 |
| Metal | 64,8 | 64,8 | |
| Data protection material | 0,2 | 0,2 | |
| Paper | 1,3 | 1,3 | |
| Wood | 57,5 | 57,5 | |
| Construction waste | 8,6 | 8,6 | |
| Hazardous waste | 1,7 | 1,7 | |
| Total | 287,50 | 287,49 | 0,01 |

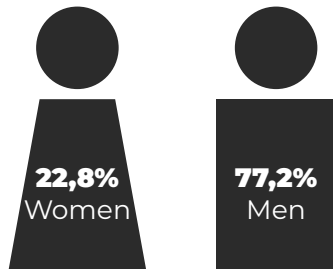
General Characteristics of Employees

Kera Group employs 105 permanent staff members, equivalent to 100 full-time employees. In addition, seasonal employees are hired annually under fixed-term contracts, typically amounting to 20–30 individuals. In 2024, a total of 32 seasonal employees were employed for varying durations. Women make up 22.8% of the permanent staff. The employee turnover rate in 2024 was 2%.

Additional Information About Employees

At the executive level, all members are male; however, the operational management team includes one female in a managerial position. Kera Group's Board of Directors consists of six full members, with an equal gender distribution: 50% women and 50% men. The deputy member is male.

In 2024, there was an average of two self-employed contractors and two temporary agency workers. During peak season, the number of agency workers increases, with the seasonal demand concentrated in the summer months.



Gender distribution of personnel

SUSTAINABILITY METRICS 2024 (GOAL)

Customer Satisfaction NPS

+66
(+70)

Employee Satisfaction eNPS

+29
(+40)

Sick leave %

3,9%
(<2,5%)

Employee Health and Safety

In 2024, there were 4 occupational accidents, 3 of which resulted in absences from work. There were no fatal incidents (0 cases).

Employee Compensation, Collective Agreements, and Training

All employees are subject to a minimum wage in accordance with national legislation or applicable collective agreements. 100% of employees are covered by collective bargaining agreements.

Training hours are detailed in the table below:

| Average Training Hours in 2024 | Total Hours | Per person |
|--------------------------------|-------------|------------|
| Women | 331 | 13,8 |
| Men | 515 | 6,4 |
| Total | 846 | 10,1 |

Additional Information About Own Employees – Human Rights Policies and Processes

As of 2024, Kera Group did not have a formal code of ethics or human rights policy in place; however, such a policy is planned for implementation in 2025.

| Human Rights Policies and Processes | Status |
|---------------------------------------|--------|
| Code of ethics or human rights policy | No |
| Whistleblowing channel | Yes |

Serious Negative Human Rights Violations

In 2024, there were no serious negative human rights violations.

| | Identified Human Rights Violations Related To: |
|---------------------|--|
| Child labor | No |
| Forced labor | No |
| Human trafficking | No |
| Discrimination | No |
| Accident prevention | No |



Sustainability Manager's Comment

In spring, we launched a project that led to the creation of a group-wide sustainability program and the identification of our key focus areas. We chose to focus on reducing climate emissions, ensuring a sustainable product lifecycle, embracing our family business values, and supporting the wellbeing and development of our personnel.

For us, sustainability means taking care of people, the environment, and the quality of our products – in every situation, even in difficult times.

During the reporting year, we have taken concrete steps toward a more sustainable business. We have reduced our emissions, increased the use of recycled materials, and invested in energy-saving technologies. At the same time, we have supported the development of our personnel and remained committed to ensuring that everyone feels they are a valued part of the Kera Group story. Responsible growth is only possible together.

Henna Mononen

Sustainability Manager, Kera Group Oy

