

SUSTAINABILITY REPORT

2025



VALLOX
PROMISE *of* FRESH AIR

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MD'S FOREWORD



Kari Laakso
Managing director
Vallox Oy

Dear reader,

You are reading the first Sustainability report of Vallox Oy. The purpose of this report is to give holistic and transparent overview on Vallox's sustainability efforts for our customers and other stakeholders.

Sustainability has been part of Vallox normal operations, even before it became a mainstream in the industry and business environment. We have maintained certified ISO 9001 and 14001 management systems since 2017, and started conducting the carbon footprint calculations of our own operations in 2021. This report is a natural continuation of these efforts.

The construction industry has a significant impact on carbon emissions and the environment. To respond to these challenges, we provide Environmental Product Declarations (EPDs) for most of our products. These enable our customers to incorporate sustainability considerations into planning, decision making and lifecycle assessments of buildings using our solutions. We contribute to the industry by developing and bringing to market energy-efficient solutions with lower environmental impact. For our products, the majority of carbon emissions arise during the use phase of their lifecycle. This drives us to continuously improve energy efficiency and minimize lifecycle emissions of our products. In 2025

we introduced new CFi products that maintain the airflows in balance. This technology significantly reduces the carbon footprint over the product's lifetime.

We also uphold our social responsibility by taking care of our employees and meeting – and aiming to exceed - the expectations placed on responsible employer. We contribute to our local community, for example by supporting sports activities at both professional and youth levels, and we prioritize the use of local subcontractors whenever possible and feasible.

We plan to update this report annually to create a solid basis for monitoring and reporting our sustainability performance going forward.

I hope this report meets your needs and we welcome your feedback for future development.

A handwritten signature in black ink, consisting of a stylized 'K' and 'L'.

Kari Laakso
MD

B1 GENERAL INFORMATION AND BASIS OF PREPARATION

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, if they are material to the company's operations, in accordance with the "if applicable" principle. This is Vallox's first sustainability report in accordance with the VSME standard.

This sustainability report has been prepared with the assistance of Reforest Finland Oy.

VALLOX'S BASIC INFORMATION:

Legal form:

Limited liability company

Basis for reporting:

Individual

Reporting period (fiscal year):

1.1.2025–1.12.2025

Sector code (NACE):

28.25

Manufacture of non-domestic cooling and ventilation equipment

Balance sheet total:

31,2 M€

Turnover:

33,8 M€

Number of employees:

135

headcount at the end of the reporting period

Country of primary operations:

Finland

Site address:

**Myllykyläntie 9-11,
Loimaa
FINLAND**

Sustainability-related certification:

**ISO9001, ISO14001,
CDP Discloser, Key Flag
symbol** (some products)

No information has been omitted from the report due to its confidential or sensitive nature.

VALLOX
HOME of FRESH AIR

C1 BUSINESS MODEL AND SUSTAINABILITY



Here at Vallox, we believe that sustainability means that we bear both social and environmental responsibility for our actions. We are constantly assessing the impacts of our operations and products on our stakeholders and the world around us. We consider the principles of sustainable development in our decision-making and practices.

Our main products are ventilation and air handling units with heat recovery. These units are designed for apartments and different kind of business premises, such as offices, production and warehouse spaces, public premises and sport facilities. In addition, we supply cooker hoods, fans and duct products. We have been in business for over 50 years, and in Finland, we are market leader in single-family home market.

Export is a significant part of our business, and we export to many European countries, with Germany being the largest market. Other important export destinations are Baltic countries and Poland. In Finland, consumer trade operates through wholesalers and retail channel, except a small scale online sales of filters. We also have direct B2B sales, e.g. to contractors and construction companies. In export countries, the intermediary is always the importer.

Our products are primarily energy-saving, which means that they have a positive environmental impact. We have created an environmental strategy, which we are continuously refining as part of our annual strategy and planning process. Our ventilation units equipped with heat recovery are energy-efficient, and the product lifecycle is long due to high quality and repairability.

B2 POLICIES AND PRACTICES TOWARDS A MORE SUSTAINABLE ECONOMY

	Has the undertaking put in place specific practices, policies or future initiatives for transitioning towards a more sustainable economy?	Are they publically available?	Does policy have targets?
Climate change	Yes	Yes	Yes
Pollution	Yes	-	-
Water and marine resources	-	-	-
Biodiversity and ecosystems	-	-	-
Circular economy	Yes	Yes	Yes
Own workforce	Yes	Yes	Yes
Workers in the value chain	Yes	-	Yes
Affected communities	Yes	Yes	-
Consumers and end-users	Yes	Yes	-
Business conduct	Yes	-	Yes

Vallox is committed to taking sustainability for the social and environmental impacts of its operations. We continuously assess the impact of our operations and products on our stakeholders and the world around us, and we take these factors into account in our practices and decision-making.

We have established policies and practices on key sustainability issues to support the practical implementation of our sustainability efforts.

Vallox is also committed to the UN Sustainable Development Goals (SDG). We have chosen four primary goals, which we can promote concretely through our operations and solutions. The following page highlights the key actions we have taken to support these goals.



7 - Affordable and clean energy

- Our products are based on heat recovery and they save energy
- Since early 2025, all energy for our factory comes from certified renewable sources, reducing the carbon emissions of our own operations by 75 %.
- We carry out annual energy-saving projects; for example, our factory has switched to LED illumination and the ventilation system renovation has contributed to lower electricity and heating energy consumption.
- Consumption of district heating has decreased by approximately 10 % between 2022 and 2025 (The impact of outdoor temperature has been eliminated)
- New CFI-products are saving energy when comparing to old MV-products



8 – Decent work and economic growth

- We are a local employer – both directly and indirectly
- Vallox ventilation units and cooker hoods have been granted the Key Flag Symbol, which symbolises Finnish work
- We offer traineeships and work experience opportunities for students
- We monitor job satisfaction with the eNPS metric
- We invest in occupational safety
- Our Code of Conduct guides our operations and supply network
- Our annual sickness absence rate has decreased since the epidemic and is now at 2.5 %



12 – Sustainable consumption

- We are constantly looking into new technologies and production methods that could enhance our use of resources.
- Whenever possible, we use recycling materials in our components and materials.
- The absolute amount of waste decreased by 35 % between 2022 and 2025.
- The carbon footprint caused by waste decreased by 8 % between 2022 and 2025.
- We use an environmental management system compliant with the ISO 14001 standard.



13 – Climate action

- We are committed to reducing the environmental impacts of our products during their life cycle
- Since beginning of 2025, all electricity used in our factory is from renewable sources
- We have set limits for the emission standard of company cars. The emissions from company cars decreased by 67 % between 2022 and 2025.
- We have switched to using bio-diesel in domestic deliveries. The emissions of these deliveries have decreased by over 90 %

C2 POLICIES AND PRACTICES TOWARDS A MORE SUSTAINABLE ECONOMY

Vallox operating policy defines the commitment to understanding the environmental impacts of its operations and continuously working to reduce them. The policy includes principles related to quality, occupational safety, environmental responsibility, and the company's own workforce.

ENVIRONMENTAL PRACTICES

Environmental topics addressed include energy efficiency, product lifetime, reduction of environmental impact, and circular economy principles. Our environmental strategy defines targets and development priorities for the coming years. Products are designed according to ecodesign principles, with particular emphasis on energy efficiency, which contributes to their positive environmental performance and supports climate change adaptation. Logistics and transportation are optimised through long-term cooperation with carefully selected partners, avoiding unnecessary intermediaries and transportation stages. For the biodiversity topic we have recognized that our most significant impacts are linked to raw material sourcing. Direct impacts from our own operations are currently considered limited, but we aim to increase understanding of our biodiversity impacts and encourage improved practices throughout the value chain.

SOCIAL COMMITMENTS

Vallox wants to be an responsible member of its community. We are e.g. one of the founding members of Loimaa Technology Cluster, use local sub-contractors whenever possible and collaborate with the local educational institutions. In addition, we support the local community by sponsoring sports and recreational opportunities for children and young people, which also enhances the well-being of our employees' families.

GOVERNANCE

We follow good governance practices and promote responsible corporate behaviour, fairness, and respect for human rights. Employees are committed to the company's Code of Conduct principles, and the rights of workers within the value chain are promoted through regular supplier audits and Supplier Code of Conduct commitments.

Examples of responsible behaviour



Supporting local youths through sponsorships: We want to promote a healthy lifestyle in particular among children and young people. Therefore we support our local sport clubs so they can organize opportunities to exercise and have fun.



One of the local subcontractors Vallox uses is the Loimaa Day and Work Activity Center “Toimari”. For example, supply bags for Vallox ventilation units are assembled there by people with developmental disabilities. It is very important for the people of Toimari to do real work, and in Vallox we find it important to offer them this possibility.



Vallox is the founding member of Technology Cluster, which is a network for companies in the technology industry in Loimaa. All partner network companies have the opportunity to develop and succeed together with Technology Cluster’s growing leading companies.



Vallox employees have been offered opportunities to do charity work. In the few recent years, they have had a possibility to e.g. support a charitable organization by their own choice in the holiday season or do one day voluntary work with full pay. Once a year it is allowed to donate blood during the working hours.

ENVIRONMENT



ENVIRONMENTAL STRATEGY

The goal of Vallox's environmental strategy is to take responsibility for the full life cycle of our products. We want, for our part, to contribute to the sustainable development of our built environment.

Ventilation can represent a significant share of a building's energy use and carbon footprint because energy is required both to operate the fans and to heat the supply air. HVAC solutions equipped with efficient heat recovery systems save a considerable amount of heating energy and hence reduce the carbon footprint over the buildings lifecycle.

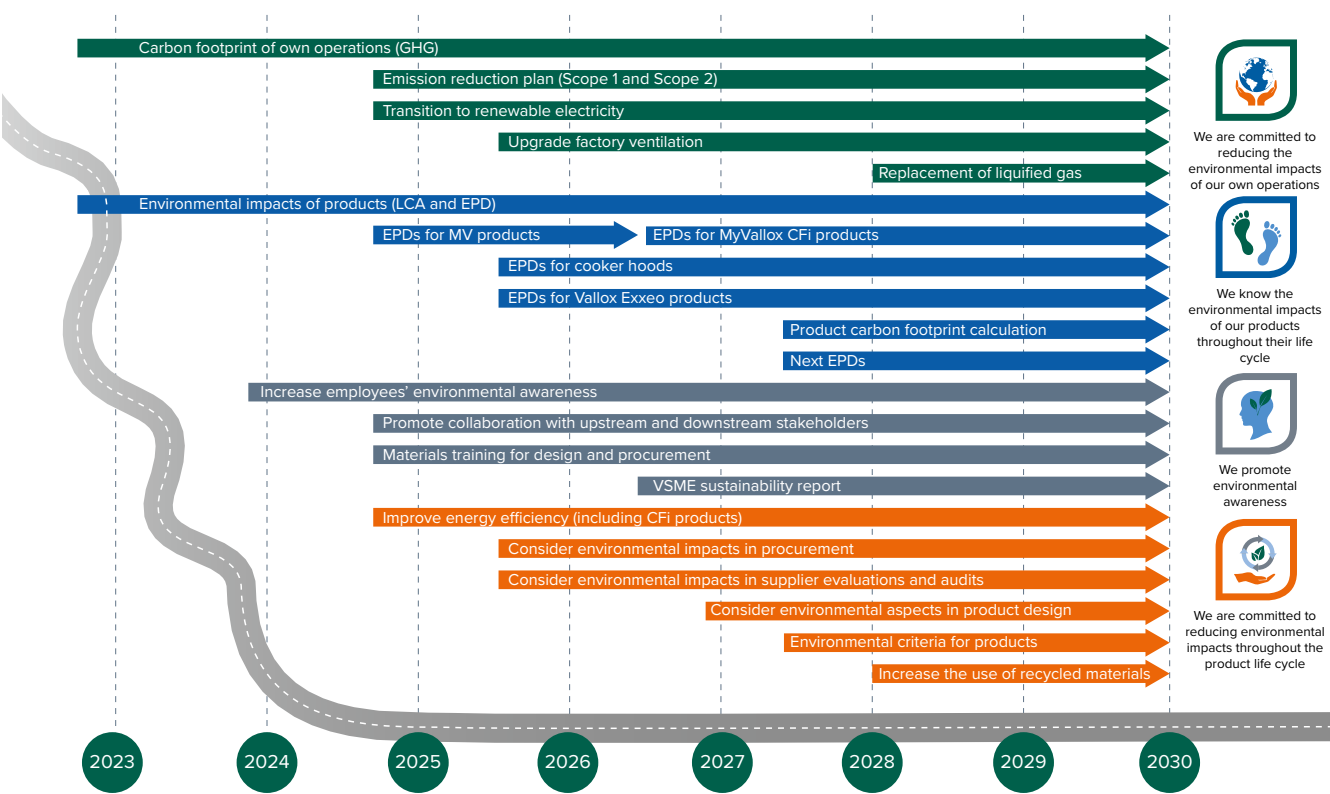
We are committed to knowing the environmental impacts of our products during their whole life cycle. For this reason, we have drawn up Environmental Product Declarations (EPD) for our heat recovery units as well as the cooker hoods and Vallox Exxco roof fans. The EPDs provide essential information for developers, designers and construction companies enabling them to compare products from the environmental viewpoint and make choices that promote sustainable development.



ENVIRONMENTAL ACTION

Vallox’s environmental strategy is supported by a structured roadmap that defines the direction of our sustainability efforts in the coming years. The roadmap translates our strategy into concrete, annually defined actions that guide the systematic improvement of our environmental performance.

As illustrated in the adjacent roadmap, our approach progresses step by step, focusing on identifying and reducing the environmental impacts of both our operations and products. In parallel, we aim to strengthen environmental awareness and engagement among our employees and stakeholders. This structured development path ensures continuous improvement and enables us to advance towards our long-term sustainability objectives in a consistent and measurable manner.



B3 ENERGY

We systematically monitor our energy consumption and continuously seek opportunities to improve energy efficiency. In addition to reducing energy use in our own operations, we aim to reduce the environmental impact of our products throughout their lifecycle. The adjacent table shows our total energy consumption in 2025.

All electricity used in our own facilities is sourced from renewable energy. Non-renewable electricity consumption mainly arises from off-site electric vehicle charging and electricity use in leased premises. Heating in our own facilities is provided through district heating, of which 81,4 %¹⁾ is generated from renewable sources. Fuel consumption includes gasoline and diesel used in company vehicles as well as liquid petroleum gas utilized in the paint shop. Energy values have been calculated using the conversion factors published by Statistics Finland²⁾.

Our products are designed to be durable and energy-efficient, supporting healthy indoor air quality while reducing overall energy consumption. Ventilation units with heat recovery improve the energy efficiency of buildings by recovering the heat produced by the primary heating system. In addition, Vallox

	<i>Renewable MWh</i>	<i>Non-renewable MWh</i>	<i>Total MWh</i>
Electricity	1222,0	193,2	1415,1
Heating	1177,0	269,8	1446,8
Fuels		624,8	624,8
Total (MWh)	2398,9	1087,8	3486,7

ventilation units are able to adjust the ventilation automatically according to demand which reduces the electricity consumption of the fans. Although energy is required during operation, these solutions reduce total lifecycle energy consumption compared to traditional ventilation systems and provide overall positive environmental impacts.

To support customers in assessing environmental impact, Vallox provides Environmental Product

Declarations (EPDs) for selected products. These third-party verified documents take also into account the energy consumption of our products across their entire lifecycle and support more sustainable decision making.

Our EPDs are available on our website.

1) www.klpaastolaskuri.fi

2) <https://stat.fi/en>

B3 + C3 GREENHOUSE GAS EMISSION

<i>Emission source</i>	<i>t CO2e</i>
Scope 1	142
Scope 2, market-based	95
Scope 2, location based	52
Scope 3	121 955
3.1 Purchased goods and services	7 636
3.2 Capital goods	79
3.3 Energy related activities	41
3.4 Upstream logistics	186
3.5 Waste and wastewater	6
3.6 Business travel	40
3.7 Employee commuting	117
3.9 Downstream logistic	1
3.11 Use of sold products	113 623
3.12 End-of-life treatment of sold products	209
Total, market-based	122 191
Total, location-based	122 131

Vallox has calculated the greenhouse gas emissions from its own operations in accordance with the GHG Protocol for several years. The most significant source of emissions is the use of sold products, accounting for approximately 93% of total emissions.

Vallox has not yet established GHG emission reduction targets or a climate transition plan. However, we have implemented continuous climate actions since obtaining its environmental certification in 2017. Efforts focus on mitigating environmental impacts across operations, including systematic measures to reduce waste generation and emissions from company vehicles, resulting in measurable improvements over time.

Carbon intensity is calculated by dividing gross GHG emissions by turnover.

<i>Scope</i>	<i>tCO2e / EUR</i>
Scope 1,2,3 location-based	0,00361
Scope 1,2,3 market-based	0,00362

C4 CLIMATE RISKS

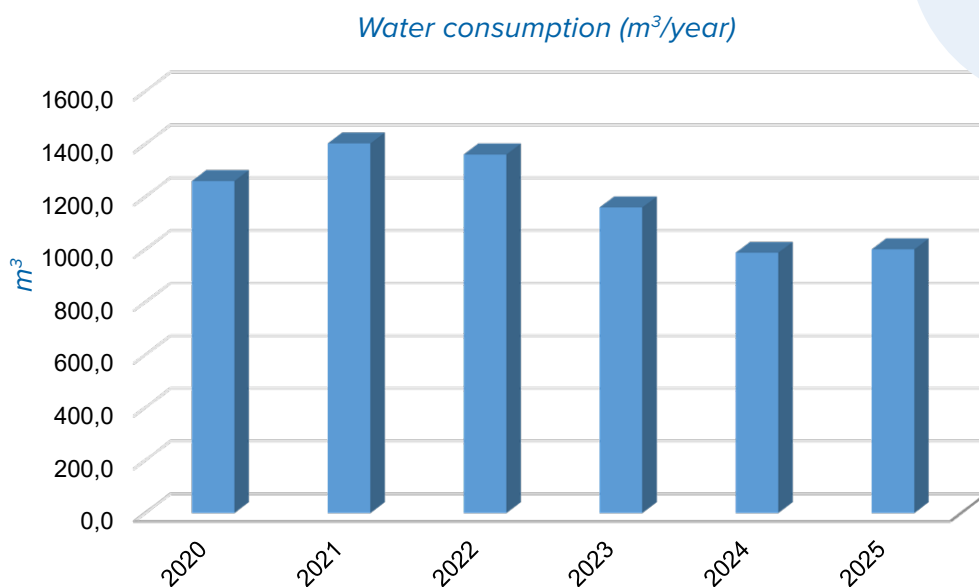
Vallox has identified the following climate-related risks affecting our operations, as shown in the table below.

<i>Risk</i>	<i>Description</i>
Physical risks	
Warming climate	As the climate warms, the need for cooling equipment is growing and ventilation alone is not sufficient
Natural catastrophes	Any event which changes the state of nature (tornado, heat wave, cyclone, storm, flood) can affect the supply chain. This would likely cause difficulties in obtaining materials (causing availability and/or transportation risks)
Increased cost of raw materials	Costs may increase because of several reasons; e.g. geopolitical instability or scarcity.
Transition risks	
Changing customer behaviour	Different environmental reporting and calculation requirements, and supplier evaluation based on the information availability. Requirements may vary from country to another. Deregulating the construction industry to boost construction activity may reduce the use of mechanical ventilation.
Non-compliance with legislation	Unable to get required, legislative, information from all suppliers in the value chain Not enough resources to meet all reporting requirements coming from EU-legislation.
Technology risk	Inability to invest on new environmentally friendly technologies can cause increased energy consumption

B6 WATER

Vallox's water consumption is negligible, and it is monitored regularly. The water used in the painting processes is in a closed-loop system and has no environmental impact.

The factory is connected to the municipal water supply network, and wastewater is treated at a treatment plant.



Water
withdrawal
2025:
938 m³

B7 CIRCULAR ECONOMY | WASTE

Vallox strives to reduce the amount of waste generated by our operations and monitor waste volumes on a regular basis. Reducing waste and increasing the recycling rate are also financially beneficial.

We promote circular economy principles and material efficiency throughout its operations and product lifecycle. Wherever possible, reusable transport packaging is used, and packaging materials such as boxes and pallets are returned to suppliers for reuse.



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<i>Waste</i>	<i>Amount [t]</i>	<i>Recycled or reused [%]</i>	<i>Incineration [%]</i>
Non-hazardous waste	367,96	97 %	3 %
Metal waste	284,9	100 %	
Wood waste	30,65	100 %	
Cardboard	27,8	100 %	
Plastic	3,3		
Energy waste	11,58		100 %
Biowaste	3,3	100 %	
Mixed waste	0,76		100 %
Other	5,67	100 %	
Hazardous waste	3,79	47 %	53 %
Total	371,75	96 %	4 %

B7 CIRCULAR ECONOMY | MATERIAL FLOW

Vallox products are designed for performance and durability, while enabling the disassembly and recycling of components and materials at the end of their life cycle whenever technically feasible. Recycling instructions are provided with products.

We have identified the need to increase the use of recycled materials and to enhance the integration of environmental considerations into product development and design; activities in this area are currently at an early stage. This development is supported by environmental training for designers and engineering personnel.

We focus on product durability and repairability, including offering electronics upgrade packages for certain products to extend product lifetime. In addition, we provide refurbishment solutions that enable existing ventilation units to be upgraded without full replacement or extensive surrounding renovations. These solutions enable the transition to more energy-efficient systems with lower material use and reduced costs.

Vallox has a long history of providing spare parts and training maintenance personnel to support long product lifecycles and continued product usability.

Material	Total amount [t]
Steel	1 215,1
Aluminium	80,0
Electronics (incl. steel and plastic)	87,6
Plastic	69,3
Other	367,4
Total	1 819,50



Service companies are regularly trained by Vallox

SOCIAL

VALLOX

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OUR VALUES

At Vallox, our daily operations are guided by the company's four values, which we have been defined together with our entire personnel.

- **Appreciation and respect:** We value and respect everyone's work at Vallox. We share information and listen to each other's opinions in order to find the best solutions.
- **Reliable partner:** Vallox is worthy of trust, and we expect our partners to stick to what has been agreed. We are active, friendly and helpful.
- **Quality of operations and products:** Our operations and products are of high quality and meet customer needs.
- **Continuous development:** We are constantly developing our competence, operations and products to lay the foundation for the company's long-term success.



B8 + C5 WORKFORCE | GENERAL CHARACTERISTICS

During the reporting period, Vallox employed 135 people (total headcount at the end of the reporting period). All employees have permanent contracts.

- Employee turnover rate was 7,41 % as 10 employees left during the reporting year.
- All employees are in Finland.

The gender distribution of the personnel was as follows:

Gender	Worker	White-collar	Total
Male	53	32	85 (63 %)
Female	31	19	50 (37 %)
Total	84	51	135 (100 %)

Additional workforce characteristics:

- Female-to-male ratio at management level: 40 %
- Self-employed: 0
- Temporary workers : 0



B9 WORKFORCE | HEALTH AND SAFETY

There were no recordable work-related accidents at Vallox during the year 2025.

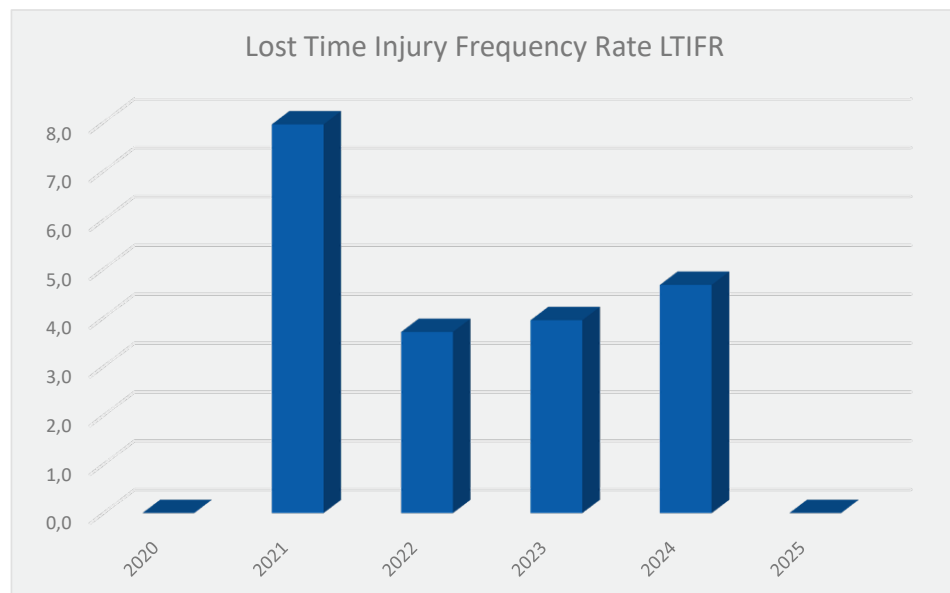
The company has a long-standing commitment to promoting workplace safety through a proactive and systematic approach. Preventive actions include regular training and annual risk assessments conducted in close cooperation between occupational safety representatives, HR and occupational healthcare services, with the active participation from the entire workforce.

Safety observations are collected continuously, and any identified risks or deficiencies are addressed without delay. The effectiveness of these measures is reflected in our LTIFR performance.

All our employees are trained in the use of defibrillators, and approximately 30 % of the workforce has received tailored first aid training within the past 24 months.

Vallox's greatest asset is its committed and skilled personnel. We aim to ensure a respectful, equal

and confidential working environment where all employees are treated fairly and have their voices heard. Employee well-being is supported holistically through comprehensive occupational healthcare services, covering both physical and mental health.



At Vallox, safety is never compromised.

B10 WORKFORCE | REMUNERATION, COLLECTIVE BARGAINING AND TRAINING

All Vallox employees are covered by collective bargain agreement.

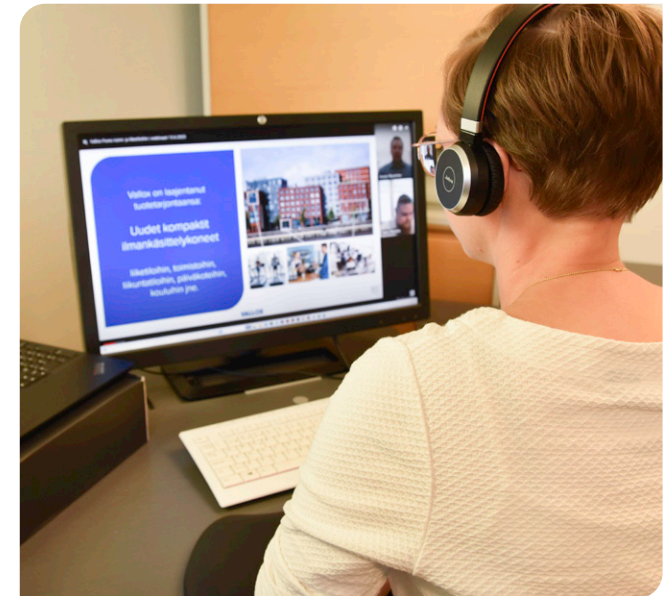
Collective Agreement for:

- Employees in the technology industry
- Salaried employees in technology industries, and
- Senior Salaried Employees

All employees receive pay that is equal or above applicable minimum wage determined by the national wage law or through a collective bargaining agreement.

The gender pay gap is not yet reported, as comparable employee groups have not yet been defined across all personnel categories.

At Vallox, all employees have opportunity to participate in necessary training during working hours, and money for employee training is budgeted annually. The need for training may arise from work-related requirements, the work community, or the individual's own motivation. Training and professional development needs are regularly monitored from both an individual and a team perspective. However, the total number of annual training hours per employee is not reported. This is due to limitations in data reliability, as only a portion of training-related time is captured through internal reporting systems. In addition, a substantial share of learning occurs through informal, work-integrated activities that are not consistently monitored.



C6 HUMAN RIGHTS POLICIES AND PROSSESSES

Vallox is committed to respecting the human rights of our employees and ensuring that our operations comply with international fundamental principles of working life.

We have a Code of Conduct for employees covering the following topics:

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

In addition, the guidelines comprehensively cover the principles of fair workplace as well as anti-corruption and anti-bribery principles.

The company has a whistleblowing channel for its own workforce for raising concerns. All reported concerns are taken seriously, investigated, and addressed appropriately.

C7 SEVERE NEGATIVE HUMAN RIGHT INCIDENTS

Vallox has not had any cases related to human rights violations, including child labour, forced labour, human trafficking, discrimination or other human rights violation.

We require our suppliers to commit to the Supplier Code of Conduct, which covers all the above mentioned critical human rights topics. We monitor the percentage of suppliers who have committed to our Code of Conduct and conduct regular audits of our suppliers to ensure the sustainability of the value chain. We are not aware of any confirmed human rights violations related to our value chain.

GOVERNANCE



B11 CORRUPTION AND BRIBERY

Honesty, integrity and fairness in all operations constitute the basis for Vallox's profitable and long-lasting business relations. The company does not approve of any form of corruption and bribery. The organization adheres to the principle of reasonable hospitality and does not give, pay, or accept illegal or inappropriate bribes. Any gifts and hospitality must be compliant with usual business practices and of reasonable value. We do not seek to gain advantages for ourselves or our close friends by taking advantage of our position.

Vallox has not had any cases related to corruption and bribery in 2025 or previous years.

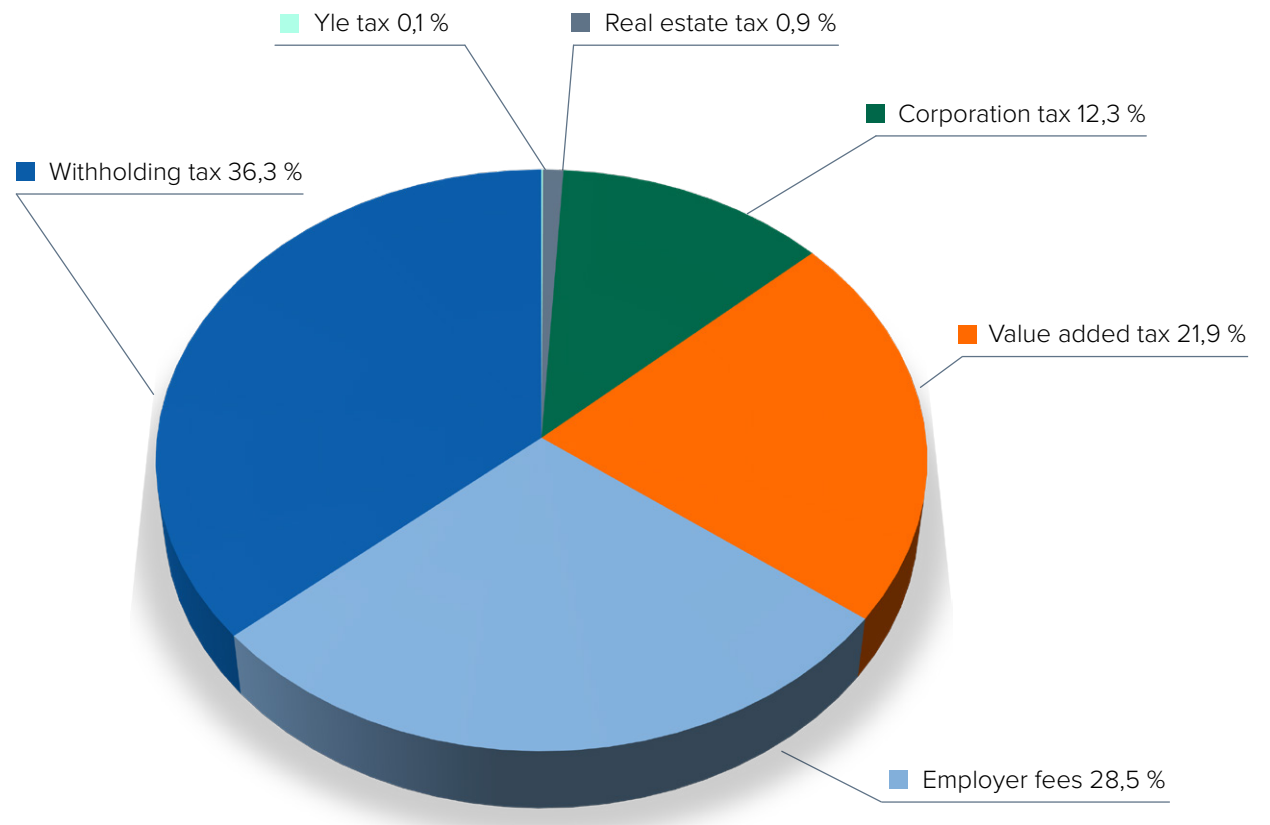
Vallox does not approve of any form of corruption and bribery.



TAX FOOTPRINT

As a Finnish company, Vallox pays all its taxes in Finland and thus does its part to keep the wheels of society turning. In 2025, our tax footprint—the total amount of taxes paid or remitted—was approximately €4.8 million.

The 2025 tax footprint of Vallox Oy



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B4: Pollution of air, water and soil Company's operations do not generate emissions into the air, water, or soil.	Not applicable
B5: Biodiversity No activities in or near areas that are sensitive in terms of biodiversity.	Not applicable
B6: Water	16
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C7: Severe negative human rights incidents	24
C8: Revenues from certain sectors and exclusion from EU reference benchmarks	Not applicable
C9: Gender diversity ratio of the governance body Board of Directors consists of three members, all of whom are male	



VALLOX

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