KOSKISEN

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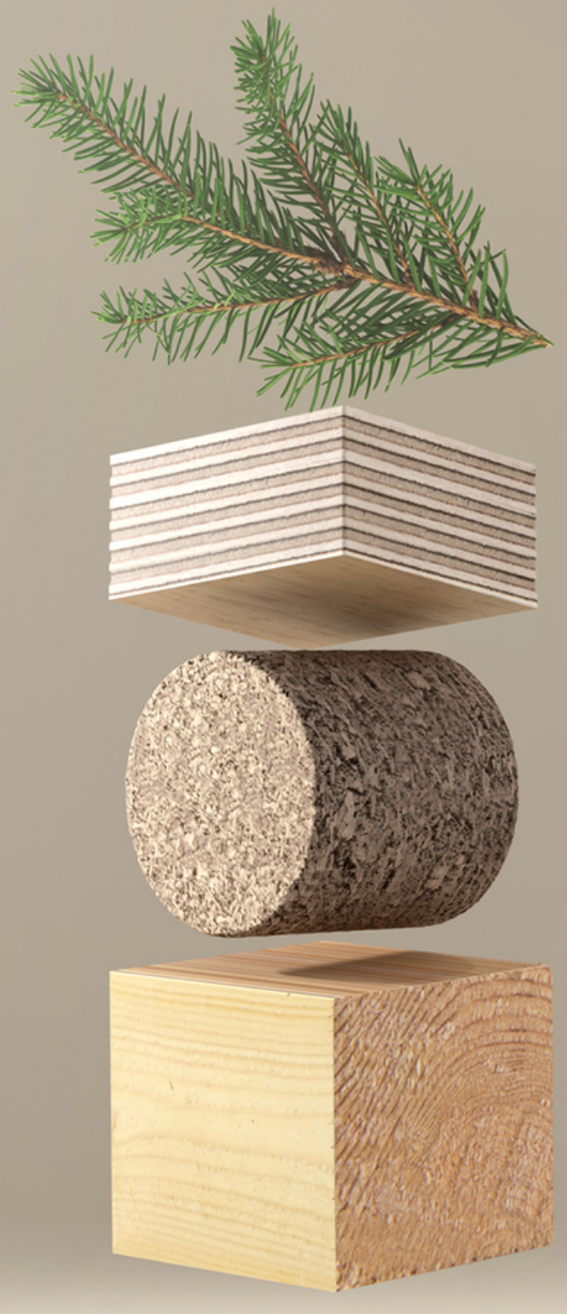
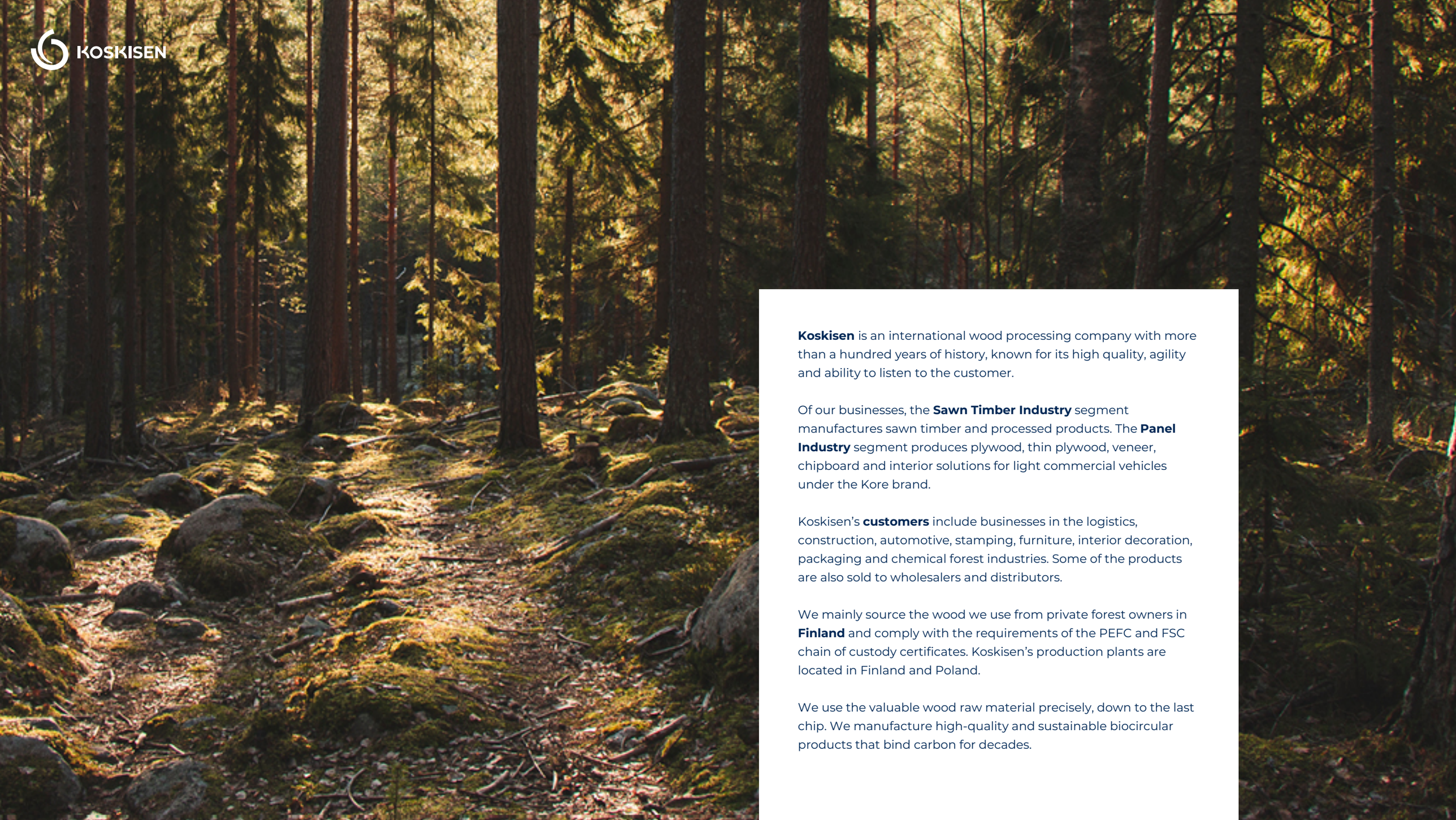
Annual report **2025**





Koskisen is an international wood processing company with more than a hundred years of history, known for its high quality, agility and ability to listen to the customer.

Of our businesses, the **Sawn Timber Industry** segment manufactures sawn timber and processed products. The **Panel Industry** segment produces plywood, thin plywood, veneer, chipboard and interior solutions for light commercial vehicles under the Kore brand.

Koskisen's **customers** include businesses in the logistics, construction, automotive, stamping, furniture, interior decoration, packaging and chemical forest industries. Some of the products are also sold to wholesalers and distributors.

We mainly source the wood we use from private forest owners in **Finland** and comply with the requirements of the PEFC and FSC chain of custody certificates. Koskisen's production plants are located in Finland and Poland.

We use the valuable wood raw material precisely, down to the last chip. We manufacture high-quality and sustainable biocircular products that bind carbon for decades.

KOSKISEN

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On the path to sustainable growth in 2025

Koskisen continues to lead the way as an innovative forerunner in versatile wood products. We create value for our customers, employees, shareholders, and society as a whole.

REVENUE

355

MEUR

Revenue increased by 26% compared with the corresponding period.

ADJUSTED EBITDA

29

MEUR

The adjusted EBITDA margin was 8.1%.

KOSKISEN'S PERSONNEL

1,014

number of employees

The acquisition of Iisveden Metsä's business increased the number of employees in the Group.

62%

of revenue from international markets

91%

of wood raw material certified

97%

of wood procurement personnel have participated in biodiversity training

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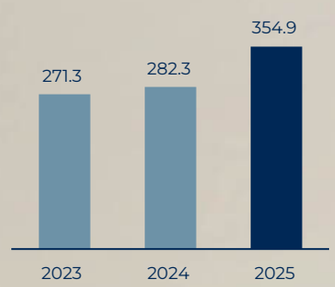
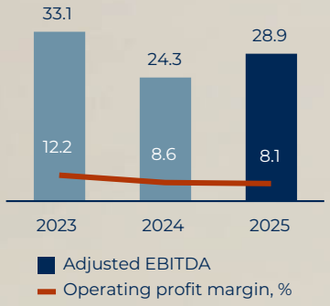
KEY FIGURES

Koskisen in numbers

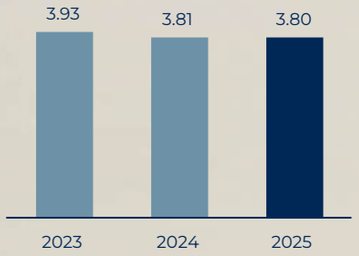
REVENUE
EUR million



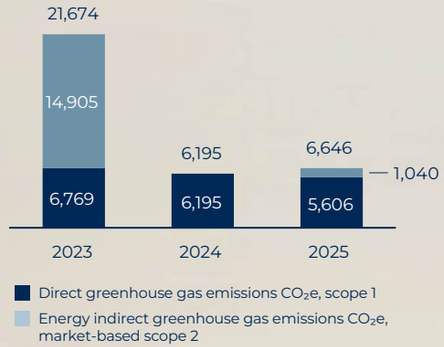
PROFITABILITY
EUR million, %



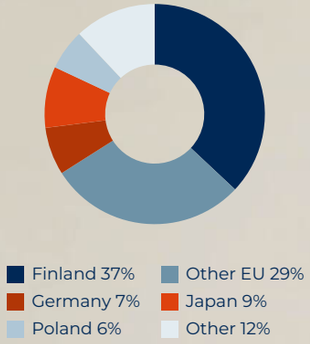
EMPLOYEE SATISFACTION SURVEY OVERALL INDEX



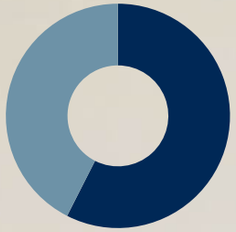
GREENHOUSE GAS EMISSIONS, SCOPE 1–2
tCO_2-ekv



REVENUE BY GEOGRAPHICAL AREAS 2025



REVENUE BY SEGMENTS 2025*



* Share of external revenue

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Key events in 2025

50 years of chipboard production

Koskisen's chipboard factory has been producing high-quality, clean chipboard for the furniture and construction industries for 50 years. Commissioned in late summer 1975, the factory was established at a time when the use of chipboard was rapidly expanding, with wide applications in interior design and construction. Today, Koskisen has the capability to maintain a unique product portfolio and to tailor boards to customer specifications through close collaboration. The company produces approximately 100,000 m³ of both uncoated chipboard and chipboard coated with various materials.

The acquisition of Iisveden Metsä completed

The acquisition of Iisveden Metsä's business operations is a key part of Koskisen's sustainable growth strategy, under which the Group aims to increase its revenue to EUR 500 million by the end of 2027 through both organic and inorganic growth. The acquisition will support both goals: it will directly increase the revenue of Sawn Timber Industry by about one-third, while ensuring the availability of raw materials and enabling organic growth in Panel Industry. Iisveden Metsä's wood procurement area is good from the point of view of birch procurement, which excellently supports the growth of Panel Industry.

Koskisen connected the district heating networks of its two factory sites

The primary purpose of building the district heating interconnection is to meet the increased energy consumption of the Sawn Timber Industry, which has grown due to the higher capacity of the Järelä sawmill. The addition of thermal energy enables an increase in sawn timber production. By interconnecting the district heating networks, unused capacity can also be fully utilized, thereby improving the production's energy efficiency.

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The Zero product family expanded

Koskisen launched a new thin plywood product, Zero ThinPly, made entirely from bio-based materials, containing no added formaldehyde, phenolic compounds, or urea. The new bio-based adhesive used in the product is non-toxic and shows virtually no difference in strength compared to traditional adhesives. The bio-bonded thin plywood is intended for indoor use, for example in laser-cut design products such as lamps, jewelry, and various interior decoration items, where Koskisen's traditional thin plywood is already widely used. It is particularly well-suited for indoor air-critical applications, where strict formaldehyde emission limits apply.

New channel kilns resolves bottlenecks in the final stage of production

The increase of Järvelä sawmill's production from the current level of 400,000 m³ towards 450,000 m³ progressed. To increase sawn timber production, the company is investing in new channel kilns that will expand drying capacity by approximately 15 per cent. In addition to higher drying capacity, the investment will also improve product quality. The investment will ensure sufficient drying capacity for production volumes of up to 450,000 m³. The new channel kilns are scheduled to be completed in summer 2026.

Recycled material for chipboard

Koskisen piloted the use of discarded wooden packaging materials – such as pallets – generated in the retail distribution chain as raw material for chipboard production. During the pilot, Koskisen developed a unique recycled wood cleaning process, the first of its kind in Finland. The recycled raw material cleaning process developed during the pilot has resulted in an exemplary circular economy product, which matches the performance and properties of chipboard made from virgin wood chips and sawdust. Increasing the use of recycled material in chipboard products is one of our key sustainability goals of Koskisen.

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The first phase of the panel industry's investment programme completed

The equipment installations for the first phase of the investment programme were taken into production use at the end of 2025. The investments carried out in the first phase focused, among other things, on automating and modernising drying, coating, and puttying processes. The total value of the first-phase investments was approximately EUR 12 million. The second phase of the investment programme will be implemented during 2026.

Strengthening forest biodiversity

The operating guidelines for Koskisen Criteria, which steer wood procurement and harvesting, were updated to compile practical measures for strengthening forest biodiversity. During the year, training based on the updated guidelines was provided to the company's own forestry personnel as well as to a broad group of professionals working at Koskisen's forest sites. Training based on the guidelines enhances understanding of the background and benefits of nature-supporting actions. This understanding promotes the context-specific application and cost-effectiveness of the measures, as well as dialogue with forest owners. As a result of the training, the Koskisen Criteria have been embedded in everyday practice, establishing consistent principles that guide operations across all forest sites.

Launching briquette production increases the degree of refinement of by-products

Koskisen started the production of briquettes used as biofuel at a new briquette plant built adjacent to its Järvelä sawmill. At the facility, shavings, a by-product of sawn timber further processing, are compressed into briquettes, whose main users are heating and power plants. Shavings consist of chips and residues generated during the planing of sawn timber. Developing new wood-based products and thereby increasing the degree of refinement is a central part of Koskisen's strategy.

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CEO’S REVIEW

A year of growth and breaking records

In 2025, we drove our growth strategy forward with determination and success. Both the fourth quarter of the year and the year as a whole were the best in terms of revenue in our history. The development of Sawn Timber Industry in particular was strong. We achieved growth in a challenging situation in which the trade and geopolitical situation is uncertain and trade, especially in construction, continues to be lagging. In particular, this affected Panel Industry, where moderate growth was slowed down by the long-term weak demand for chipboard.

During the year, we promoted several investments in line with our strategy and developed our production capacity, laying down the foundation for the coming years. In Sawn Timber Industry, we completed a transaction that supports growth by acquiring the business of Iisveden Metsä Oy, which operates in Northern Savo. In cooperation with the personnel of Iisveden Metsä, we were able to integrate our processes and systems quickly and successfully, which was already reflected in the sawmill’s production record during the first months of operation. With the acquisition, we will also expand our wood procurement organisation, which will ensure that the wood procurement volumes will keep pace with the growth of the Group’s production.

The year 2025 showed that we are able to grow, invest and renew even in an exceptionally challenging operating environment.

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We continued the ramp-up of the new sawmill in Järvelä with measures to support the growth of its production volume. During the year, we commissioned a new log and sorting yard and invested in the construction of channel dryers. To facilitate the operation of the channel dryers to be commissioned in summer 2026, we installed a new district heating pipeline connecting the plant areas in Järvelä. In addition, we built a briquette plant next to the Järvelä sawmill, where shavings generated as a by-product of sawn timber is processed into briquettes. Compacted briquettes reduce transport costs and carbon dioxide emissions for customer deliveries. In our Panel Industry unit in Poland, we continued the ramp-up of the new production facility, which doubled the unit's production capacity. The new production facility also increased the number of employees working in Poland.

During the year, responsibility and sustainability became an even stronger part of our day-to-day operations. In 2025, we prepared a sustainability report in accordance with the EU's Corporate Sustainability Reporting Directive CSRD for the first time, which required significant development work from us in reporting and related processes. The new reporting increases the transparency of our sustainability work and operations. The outcome was successful and we received positive feedback on the quality of the report from both the verifiers and our stakeholders.

We have been carrying out voluntary sustainability work for a long time. During the past year, we implemented forestry measures and forest biodiversity requirements as comprehensive face-to-face training for timber procurement employees and contractors, among other measures. The training was carried out in cooperation with the University of Eastern Finland. The purpose of separate water system training was to support the preservation and improvement of the status of small water bodies as part of forestry. We also implemented a training programme aimed at permanent recruitment for non-Finnish-speaking people living in Finland. The programme implements our social responsibility while developing our organisation's capabilities to operate smoothly in a multicultural environment.

We identified occupational safety as an area for development, in which our key figures developed in a negative direction during the year. It is extremely important to us that our employees can work safely with us. Occupational safety requires a culture of continuous improvement throughout the organisation. Going forward, we will further strengthen our safety management.

Our financial position remained strong throughout the year. Our gearing was moderate and our liquidity was good, which allowed us to renew our long-term financing on more favourable terms.

The past year was a year of growth and breaking records for us. I would like to thank our customers for their commitment, our partners for their fruitful cooperation and our entire personnel for making this year possible.

The year 2025 showed that we are able to grow, invest and renew even in an exceptionally challenging operating environment. We can continue to implement our growth strategy with determination and confidence.

Jukka Pahta
CEO of Koskisen

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STRATEGY

Woodwise steps on the path to sustainable growth

Koskisen Corporation is a responsible and woodwise company worldwide. At Koskisen, woodwise is an all-encompassing philosophy of using wood. It is the critical partnership between people and the forest and knowing the true value of wood. Koskisen uses the wood entrusted to it with precision and constantly develops its ability to use wood. This means, for example, that we utilize by-products as raw material for our products as well as for energy in our production. We have also invested in the latest technology to ensure we can utilize all wood we use, up to the last particle of sawdust.

Sustainable development, increasing environmental awareness, urbanisation and increasing logistics volumes are driving the market and global demand for wood and wood products. We help our customers to succeed, mitigate climate change and adapt to the future with our products and services. Developing our own operations and value chain to be more sustainable through goal-oriented sustainability work is a key part of the strategy.

Wood is a sustainable, circular, renewable and carbon-binding raw material.

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The market for wood products and the competitive situation

Koskisen operates in both local and global wood product markets, primarily in softwood sawn timber, birch plywood and chipboard. Global demand for wood products is expected to grow in the future. Koskisen's diverse product range reduces Koskisen's exposure to price and demand fluctuations of individual products and product categories. The availability of timber meeting market demand and raw material supply in areas important to Koskisen have realised as planned. Wood used in Koskisen's production was procured mainly from Finland in 2025.

Koskisen competes in the global sawn timber market with very different competitors, such as large international timber industry companies and medium-sized and small local companies. Koskisen is one of the largest companies in the birch plywood market in Europe. In the chipboard market, Koskisen faces competition only from outside Finland. The main competitors of Koskisen's Kore brand, which offers plywood solutions and interiors for commercial vehicles, are relatively small automotive solutions industry companies in Central and Eastern Europe.

Softwood sawn timber

According to Koskisen's estimate, about one-fifth of the global softwood sawn timber market of approximately EUR 155 billion can be considered to be included in the company's addressable market. Softwood sawn timber is used in the European market especially for construction, packaging, carpentry industry and furniture. Global annual demand for softwood sawn timber is expected to grow steadily towards 2030.

Birch plywood

The majority of the global birch plywood market of more than EUR 3 billion is concentrated in Europe, and Koskisen believes that it reaches about two-thirds of it. In Europe, birch plywood is a traditional panel option. Its demand has grown steadily, not only in Europe, but also globally due to the strong growth of the transport and construction sectors.

Chipboard

The European chipboard market consists of a wide range of products used in furniture, interior decoration and construction. Demand in Europe is expected to grow mainly due to increased demand from furniture production and the construction industry. The main market for Koskisen's chipboard is in Finland, where the company is the only manufacturer of chipboard, meeting about half of domestic demand.

DEMAND DRIVERS

The reforming international and EU environmental regulation guides construction towards a sustainable circular economy. At the same time, consumers are becoming increasingly environmentally conscious. Wood is a sustainable, circular, renewable and carbon-binding raw material that meets the changing needs of consumers, companies, society and regulations.

Wood products can be used to reduce the carbon footprint of new and renovated buildings. In Europe, renovation has seen steady growth, and demand for wood and wooden furniture has increased in both private and public construction and interior decoration.

As a result of globalisation, increasing logistics volumes and the strong growth of e-commerce increase the demand for light commercial vehicles such as trailers, trucks and vans. It is also increased by the electrification of older light commercial vehicles.

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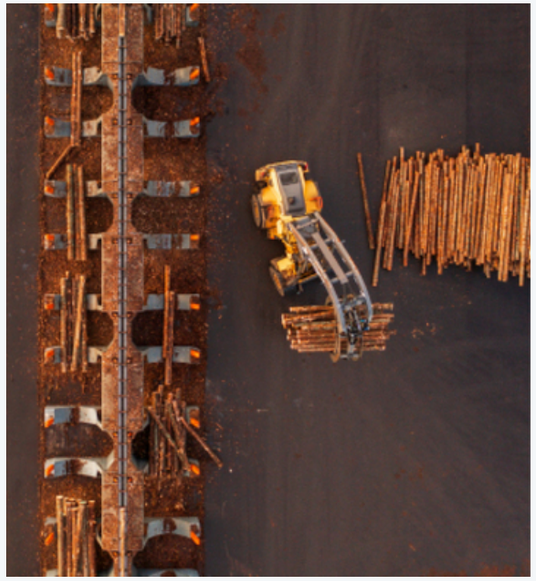
Our strategy: Our woodwise progress towards renewable societies

The world is going through major changes. Even though we cannot influence everything, a new mindset is needed right now. Our goal is to increase our revenue to 500 million. Achieving this goal requires continuous renewal and diverse and bold development of operations.

How will we achieve growth?

Koskisen's growth leap will be achieved by creating value for the customer, developing current operations and taking bold steps.



We create value for our customers by helping them to succeed, mitigate climate change and adapt to the future with our products and services. We are developing our offering to serve new customer groups.

We aim to be the most attractive employer in our industry. This will not be possible if we do not continuously and diversely develop our current operations thoroughly. We invest in product development and the efficient implementation of new initiatives and expansions.

We actively strive to change the world and our industry for the better and create value for our customers, employees, shareholders and society at large. That is why we will take bold steps towards sustainable growth and a biocircular economy. We are investing in development and expanding our current production.

We want to be the most attractive employer in our industry. Machines cannot run without the efforts that arise from the well-being and vitality of the entire Koskisen community. This requires continuous and diverse renewal.

The global market needs high-quality wood products

Finnish forests offer the world valuable treasures. We respond to the growing demand in the global wood product market with our high-quality products, the vast market of which is constantly growing, driven by the green transition, urbanisation and the development of trade and transport.

Actions to promote strategic targets in 2025

Koskisen further specified its strategic growth paths and related measures for the strategy period 2024–2027. We continued to implement our strategy and the related increase in operational efficiency.

Wood wisdom is at the heart of our sustainable business. The entire value chain, from harvesting to final products, is designed around synergetic and sustainable material flows. Our wooden products, which are made from renewable raw materials and bind carbon for a long time, play a significant role in the green transition, which creates growing demand for wood and products made from wood.

In Sawn Timber Industry, measures to increase capacity from the current 400,000 m3 towards the target of 450,000 m3 continued. The log yard built at the Järvelä sawmill was commissioned at the beginning of the year, which further supported the improvement of raw material efficiency in sawmill production. The location of Sawn Timber Industry operations on the same plot also improved the efficiency of sawn timber production and improved productivity, as well as significantly reduced logistics costs and carbon dioxide emissions caused by transport.

An approximately four-kilometre-long district heating connection pipe was built between the plant areas in Järvelä. The district heating connection will cover the increased energy consumption of the Sawn Timber Industry segment, improve energy efficiency and make it possible to increase sawmill production towards the level

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of 450,000 m3. The district heating pipe will be put into production in spring 2026.

The investment in new channel dryers will open up production bottlenecks. The new dryers will increase the drying capacity of sawn timber by approximately 15 per cent. In addition to increasing the drying capacity, the investment will improve the quality of the sawn timber. The increase in production made possible by the new channel dryers is particularly meaningful because it allows leveraging the existing new production infrastructure. The new channel dryers are scheduled to be completed in summer 2026.

The production of briquettes for use as biofuel began at the Järvelä sawmill in October, where shavings produced as a by-product of sawn timber processing is pressed into briquettes. New wood-based products and increasing the degree value added through them are a key part of Koskisen's strategy. Expanding the use of side streams from our own production is also key to sustainable growth.

The acquisition of Iisveden Metsä was completed at the beginning of June. It is a key part of the strategy of sustainable growth: it will directly increase the revenue of the Sawn Timber Industry segment by approximately one-third and ensure the availability of raw materials and enable organic growth in the Panel Industry segment. The integration of Iisveden Metsä's business proceeded as planned: the key production control and financial systems were merged during the third quarter.

In the Panel Industry segment, the first phase of the investment programme was completed. The total value of the related investments was approximately EUR 12 million. The systematic investment programme for the Panel Industry segment will enable volume growth, streamline production and facilitate related in-house logistics. The investments also include the automation of production phases. The implementation of the investment programme will continue in 2026.

The new Zero ThinPly thin plywood made entirely from bio-based materials was launched in May. Zero ThinPly contains no added formaldehyde, phenolic compounds or urea. The fossil-free thin plywood meets customers' wishes to increase the range of fully bio-based materials. Customers are increasingly interested in the product safety of materials and the opportunities they offer to reduce environmental and climate impact.

The use of decommissioned wooden packaging – such as pallets – created in the retail supply chain as a raw material for chipboard was piloted. The cleaning process for recycled wood developed by Koskisen in the pilot project is unique in Finland. Thanks to it, the chipboard containing recycled raw material is as clean as a product made from virgin wood. Increasing recycled material in chipboard products is one of Koskisen's sustainability goals.

FINANCIAL TARGETS THE COMPANY AIMS TO ACHIEVE BY THE END OF 2027

GROWTH
Revenue EUR 500 million including both organic and inorganic growth

PROFITABILITY
Adjusted EBITDA margin 15 percent in average over cycle

BALANCE SHEET
Maintaining strong balance sheet

DIVIDEND
Koskisen's dividend policy is to pay an attractive dividend of at least one third of net profit annually

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BUSINESS SEGMENTS

Wood products for global needs

Koskisen processes sustainable, responsibly sourced wood raw material into high-quality products for customers in Finland and around the world. Its business segments are Sawn Timber Industry and Panel Industry.

Sawn Timber Industry

The Sawn Timber Industry segment manufactures sawn timber and processed products produced from high-quality wood raw material. The Sawn Timber Industry segment's revenue is comprised of sales of sawn timber and processed timber to end users in the construction industry (professionals and DIY) and companies in the packaging, carpentry and furniture sectors.

Sawn Timber Industry also includes a wood procurement function that procures raw materials for its own production and sells by-products to the pulp and paper industry and bioenergy power plants. Sawn timber and sawn products are sold in markets outside Finland, especially to Japan (JAS certificate).

Panel industry

The Panel Industry segment offers customised high-quality panel solutions. Panel Industry produces birch plywood, thin plywood, veneers, chipboard and optimised interior solutions for vans and trucks. The majority of the total production of Panel Industry is sold abroad, while Finland is the main market for chipboards. The largest customer groups are the construction, vehicle and furniture industries

Zero furniture board in the Yggdrasil meeting space at the Biomaterials Innovation Center in Sickla, Stockholm.

Picture: Emil Fagander.

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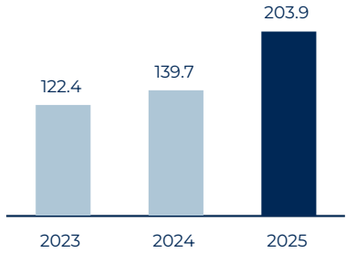
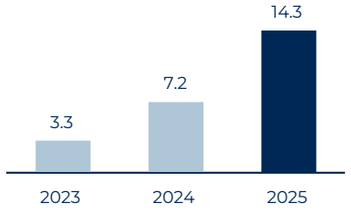
SAWN TIMBER INDUSTRY REVENUE

EUR million



SAWN TIMBER INDUSTRY EBITDA

EUR million



Koskisen is one of the best sawmills we cooperate with. Timber supplied is always fair.

– Koskisen's customer satisfaction survey 2025

Sawn timber

Koskisen manufactures both standard sawn timber and high-precision and strength graded sawn timber from spruce and pine.

Processed timber

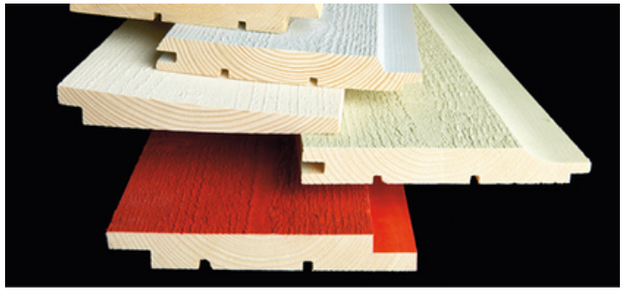
Koskisen further processes approximately 40 per cent of the sawn timber it produces mainly by planing and, to a lesser extent, by painting.

Bioenergy

Koskisen supplies raw materials to several bioenergy plants in its surrounding areas – including those located at Koskisen's own production facilities.

Wood procurement

Koskisen procures wood mainly from private forest owners in Finland and offers them versatile forestry services. Koskisen uses the majority of the wood it procures in its own operations and sells the rest to third parties, such as for energy use and to the chemical forest industry. Koskisen complies with the requirements of the PEFC and FSC chain of custody certificates in all wood procurement.



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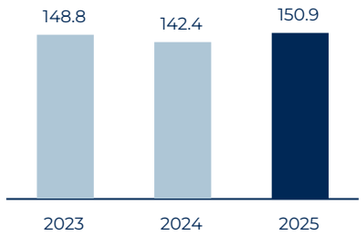
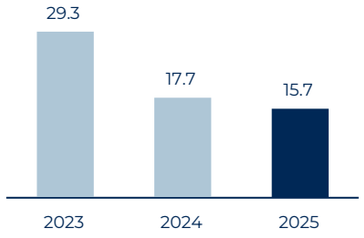
PANEL INDUSTRY REVENUE

EUR million



PANEL INDUSTRY EBITDA

EUR million



Good response to orders with quick confirmation, reliable delivery times and fast transportation.

– Koskisen's customer satisfaction survey 2025

Plywood

Koskisen manufactures customised birch plywood panels and floor products for construction, light and heavy commercial vehicles (such as vehicle and trailer floors), packaging, interior design, furniture and the carpentry industry.

Chipboard

Koskisen produces a wide range of chipboard products from sawdust and wood chips generated as by-products in Koskisen's sawmills and birch plywood production. The chipboard products are manufactured at Koskisen's production plant in Järvelä, which is the only chipboard factory in Finland.

Thin plywood and veneer

Koskisen manufactures durable and flexible thin plywood and birch veneer, which are suitable for laser cutting, moulding, design products, interior elements, lamps, technical panels and CNC machining. The largest end-user segments of Koskisen's thin plywood and veneer are the furniture and carpentry industry.

Kore

Koskisen manufactures interior solutions for light commercial vehicles from Finnish plywood and other materials under the Kore brand.

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Customers

Koskisen's customers include the logistics, construction, automotive, stamping, furniture, interior decoration, packaging and chemical forest industries. Some of the products are also sold to wholesalers and distributors. Constructors are the most important end users of Koskisen's products, and Koskisen's panel products are widely used in the furniture industry.

Koskisen's thin plywood is of remarkably good quality. I can't imagine any other raw material.

– Johannes Weckman, Olen loistava, Finland

Reliability is key, it's important to know what you get. You can discuss and customise with Koskisen's people if necessary. There is always an answer to special solutions.

– Jarkko Korvenranta, Korvenranta Oy, Finland

You are the only company that delivers orders precisely in the lengths the customer requires.

Very good quality and value for money products, very strong brand awareness by the customers.

Koskisen takes extra care for the panels that they make for us. They know what's important to me.

Very good customer service. Also I always get what I bought and not something similar.

– Koskisen's customer satisfaction survey 2025

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SUSTAINABILITY SUMMARY

Sustainability at Koskisen

Koskisen's operations are based on sustainable forestry and competent wood procurement, the processing of wood into bioeconomy products and the green transition, as well as creating added value for customers and other stakeholders. All operations are based on the customer's needs and the quality perceived by the customer, as well as working in close cooperation with different stakeholders. We want to be a reliable partner with a face.

We consider the environment, human rights, local communities, networks and the entire supply chain in our management practices and when conducting business.

Koskisen's sustainability work is guided by a sustainability programme and its targets for the years 2024–2027. The achievement of the targets is monitored using clear processes and indicators. We manage sustainability as an integral part of our strategy and operations.

Read more about our sustainability programme.

When the new log sorter at the Järvelä sawmill was completed, the transport of logs between production plants ended, which significantly reduced transport emissions. The total annual emission reduction is 600,000 kg of CO_2.

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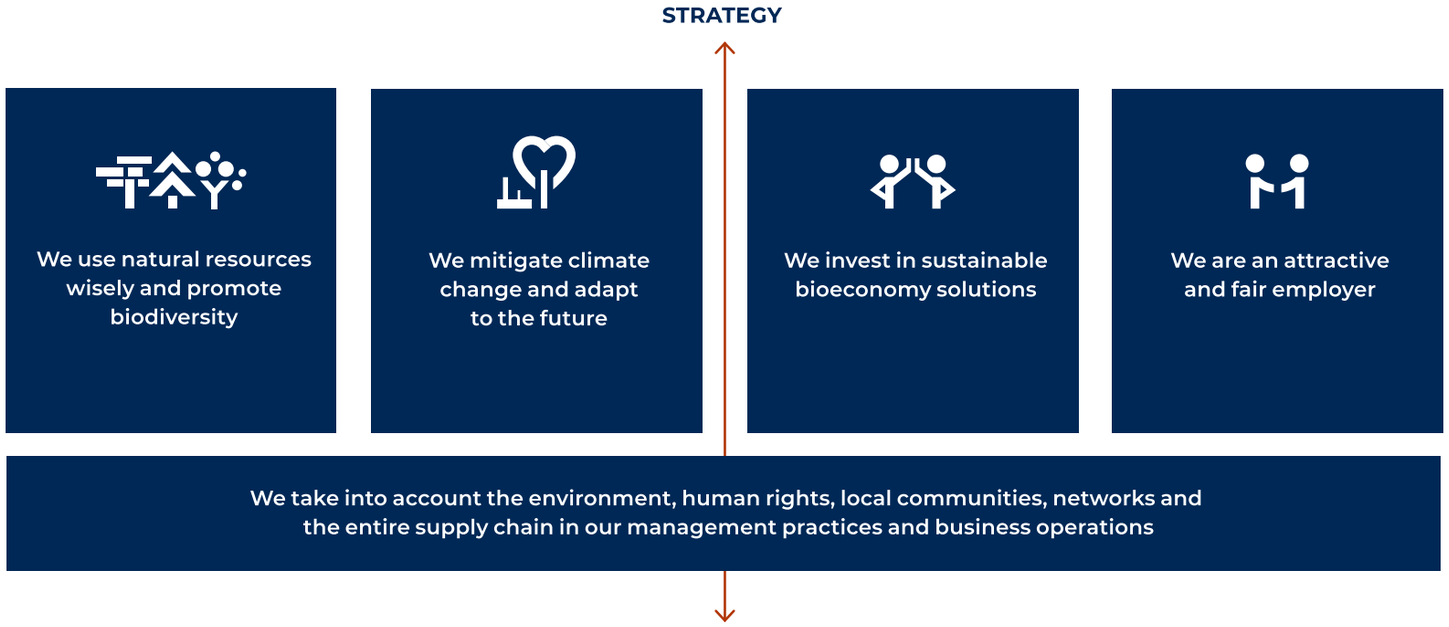
Sustainability throughout the value chain

We have identified our material impacts. Koskisen's impact on people and the environment is significant in the upstream value chain, where the impacts affect the procurement of raw materials and materials and transport to production plants. In our own production operations, the impacts affect our own workforce, contractors and environmental factors.

The comprehensive use of raw materials and the utilisation of side streams create positive impacts from a biocircular perspective. Koskisen has an impact in the downstream value chain on the customers' carbon handprint through the wood-based products it manufactures. The carbon handprint of the wood products produced by Koskisen, i.e. the amount of CO_2 emissions stored in wood for a long time, is nearly twice as high as the amount of emissions generated in the manufacture of the products, i.e. the carbon footprint.

The carbon handprint of the wood products produced by Koskisen is nearly twice as high as the carbon footprint of the products.



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Focus area	Target	Metric	2025
We use natural resources wisely and promote diversity	Availability of high-quality, certified Finnish wood	88% certified wood raw material	91.5%
	Wood procurement in accordance with the forest environment programme	Monitoring in accordance with the forest environment programme	63,5 %
	Increasing competence	Coverage of diversity training: personnel in wood procurement	97%
	Increasing competence	Coverage of diversity training: contractors	88%
We mitigate climate change and adapt to the future	Reduction of energy consumption and energy efficiency	Energy intensity MWh/m: -3–5% from baseline (2022: 0.60) Energy intensity MWh/revenue -5% from baseline (2022: 1,143 MWh/EUR million)	0,49 MWh/m^3 1,025 MWh/milj.
	Increased use of renewable energy	Renewable energy share of heat 99%	98%
	Reduction of value chain emissions	Scope 1 and 2 emissions -50% from baseline (2022: market based 22,252 tCO_2eq)	6,646 tCO_2ekv
	Reduction of value chain emissions	Scope 3 emissions -20% (2022: 168,560)	187,346 tCO_2ekv
	Increasing the carbon handprint tCO_2eq	Carbon dioxide bound to products tCO_2eq +30% (2022: 310,754 tCO_2e)	358,588 tCO_2ekv
We invest in sustainable biocircular solutions	Efficient and optimised use of wood raw material	Wood raw material efficiency for long-lasting wood products 60%	48%
	Increasing the use of recycled material in chipboard production	Share of recycled material in chipboard raw material 5%	0.24 %
	Innovating new circular solutions	Increase in product development resources (EUR) +10% (2022: EUR 0.3 million)	0.1 milj euros
We are an attractive and fair employer	Reduction of accidents	Accident frequency rate LTA1 = 5	15.08
	Well-being and health of employees	Overall score in the well-being at work survey min. 4 Well-being at work survey response rate 90%	Overall score 3.8 Response rate 73%
	Competence development	Training hours/person 18 h	10 h
	Equal and non-discriminating work community	Developing awareness of diversity, equity and inclusion through internal training	-

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Woodwise and sustainable value

As an investment, Koskisen is a unique combination of customer-oriented top expertise, wood processing technology and the wisdom to use wood and forests sustainably and profitably.

The growing use of wood increases the demand for Koskisen's sawn timber and plywood products internationally.

A strong position in growing markets

The growing use of wood increases the demand for Koskisen's sawn timber and plywood products internationally. Koskisen products are exported to over 70 countries.

High-quality customised products

Koskisen is known for its customer orientation and quality across all customer segments.

A pioneer in integrated wood processing

The integrated operating model and synergistic operations enable high overall efficiency and profitable growth.

End-to-end sustainability

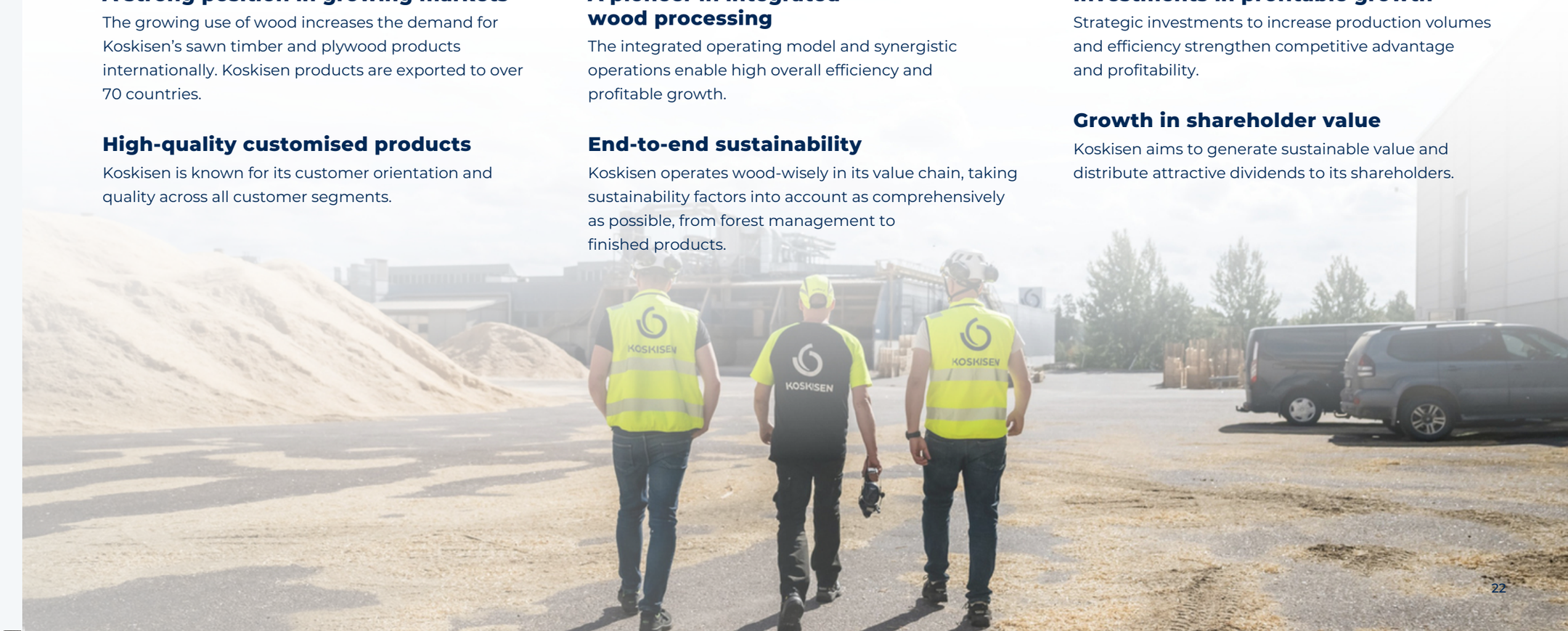
Koskisen operates wood-wisely in its value chain, taking sustainability factors into account as comprehensively as possible, from forest management to finished products.

Investments in profitable growth

Strategic investments to increase production volumes and efficiency strengthen competitive advantage and profitability.

Growth in shareholder value

Koskisen aims to generate sustainable value and distribute attractive dividends to its shareholders.



Koskisen’s Corporate Governance Principles

This section presents Koskisen’s corporate governance system, the Group’s Board of Directors and Executive Board and the Remuneration Report.

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Corporate Governance Statement

Provisions followed by the company and the Corporate Governance Code

Koskisen Corporation (hereinafter referred to as the "**Company**" or "**Koskisen**") is a Finnish public limited liability company, and the responsibilities and obligations of its administrative organs are governed by the laws of Finland.

The Company's decision-making and governance comply with the Finnish Limited Liability Companies Act, regulations concerning listed companies, the Company's Articles of Association and the rules and guidelines of Nasdaq Helsinki Ltd ("**Nasdaq Helsink**i") and other applicable legislation and regulations.

The Company complies with the Corporate Governance Code for Finnish listed companies (hereinafter referred to as the "**Corporate Governance Code**"). The Corporate Governance Code is available in full at **www.cgfinland.fi/en**.

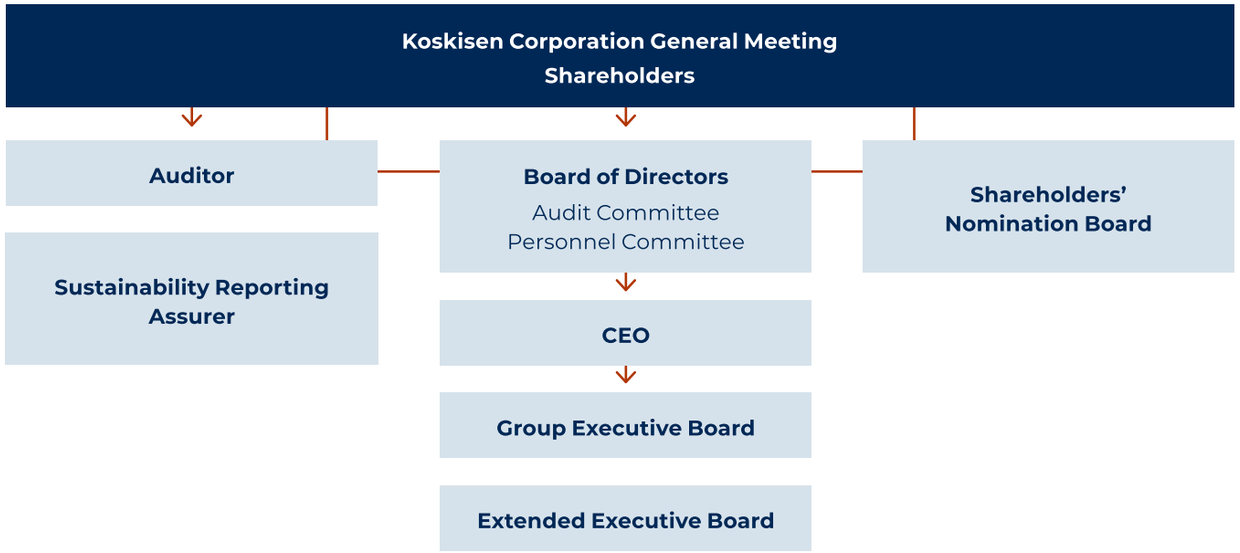
Group structure

The parent company of the Koskisen Group is Koskisen Corporation, with its registered office in Kärkölä, Finland. The Group includes the subsidiaries Kosava-Kiinteistöt Oy in Finland and Koskisen Sp z.o.o in Poland.

Administration

The General Meeting of Shareholders, the Board of Directors and the Chief Executive Officer are responsible for Koskisen's governance and operations. The tasks are defined based on the Finnish Limited Liability Companies Act and Koskisen's Articles of Association.

The diagram below presents the administrative structure of Koskisen:



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General meeting of shareholders

General

The highest decision-making body is Koskisen's shareholders at general meetings of shareholders, where the shareholders can exercise their right to speak, ask questions and vote.

The Annual General Meeting takes place each year by the end of June, and discusses matters which are to be reviewed by the Annual General Meeting under the Limited Liability Companies Act and which are included within its jurisdiction under the Articles of Association, as well as proposals made to it. The Company's Annual General Meeting usually takes place in April–May. If necessary, an extraordinary meeting of shareholders may be convened, discussing a specific proposal made to the meeting of shareholders.

As a rule, the general meeting of shareholders reviews matters according to the agenda prepared based on the notice of the general meeting. Under the Limited Liability Companies Act, a shareholder has the right to submit a written request to the Board of Directors to have a matter included on the agenda of the next general meeting of shareholders. The Company announces well in advance on its website the date by which shareholders must present their demands concerning matters to be reviewed by the Annual General Meeting.

If a shareholder or shareholders representing a minimum of 10 per cent of all shares or the Company's auditor in writing demand that a certain matter be reviewed by a general meeting of shareholders, the Board of Directors must convene a general meeting to review the matter concerned.

Annual General Meeting 2025
The Annual General Meeting 2025 was held on 15 May 2025.

Annual General Meeting 2026
Koskisen Corporation's Annual General Meeting 2026 will be held in Helsinki on 23 April 2026.

Duties

The general meeting of shareholders resolves on matters which are to be reviewed by the general meeting under the Limited Liability Companies Act and the Articles of Association, such as:

- adopting the financial statements and resolving on the distribution of funds;
- resolutions on the number, election and remuneration of the members of the Board of Directors;
- discharging the members of the Board of Directors and the Chief Executive Officer from liability;
- resolving on amendments to the Articles of Association;
- electing the Auditor and Sustainability Reporting Assurer
- share issues or authorising the Board of Directors to decide on share issues.

Board of Directors

Duties and responsibility

The duties and responsibilities of the Company's Board of Directors are determined by the Limited Liability Companies Act and other applicable legislation. The Company's Board of Directors has general competence in all of the matters that are not prescribed to be decided on or carried out by other organs under law or the Company's Articles of Association. It is a general duty of the Company's Board of Directors to see to the administration of the Company and the appropriate organisation of its operations. The Board of Directors must in all situations act in line with the interests of the Company.

The duties of the Board of Directors include, i.a.:

- preparing reports of the Board of Directors, financial statements and interim reports;
- seeing to the appropriate organisation of accounts and financial administration;
- preparing proposals for the general meeting of shareholders and convening general meetings of shareholders;
- approval and confirmation of strategic guidelines, sustainability goals and the risk management policy, as well as related monitoring of implementation and assessment of performance;
- confirming annual budgets and operating plans;
- appointing the CEO and deciding on the CEO's terms of service;
- deciding on the company structure;
- making significant business decisions, such as mergers and acquisitions, significant contracts, investments and financing arrangements; and
- deciding on other matters falling under the responsibilities of the Board of Directors under legislation.

The Board of Directors has a charter that specifies the duties of the Board of Directors and its Chair. The Board of Directors must convene according to a preagreed schedule normally between 8 and 12 times a year and hold extraordinary meetings, if necessary. The Board of Directors must annually review its activities and operating methods.

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Members

In accordance with the Articles of Association, the general meeting of shareholders elects a minimum of three (3) and a maximum of nine (9) members of the Board of Directors. The term of office of a member of the Board of Directors commences at the close of the general meeting that elected them and expires at the close of the next Annual General Meeting. The general meeting of shareholders elects the Chair of the Board of Directors. The most efficient Board of Directors work requires the members of the Board of Directors to have mutually complementary competencies and expertise and sufficient diversity. The Board of Directors defines its diversity principles. In preparing a proposal concerning the composition of the Board of Directors, the candidates' educational and professional background, gender and international experience must be considered so that expertise and education that extensively and diversely support Koskisen's operations are present on the Board of Directors. Women and men must be equally represented on the Board of Directors as and when required by applicable regulation.

The Shareholders' Nomination Board makes a proposal for the General Meeting regarding the election of members of the Board of Directors and, while preparing the proposal, shall consider, among other matters, that the Board of Directors, when assessed as a whole, has sufficient expertise, knowledge and competence in matters related to the Company's business and industry, management of a public company of a similar size, corporate and financial administration, internal control and risk management and corporate governance, and that they have the opportunity to devote sufficient time to fulfilling the duties of a Board member. The Nomination Board shall take into account the achievement of a good and balanced gender balance and diversity balance on the Board of Directors, when assessing the Board of Directors as a whole, in accordance with the principles regarding board diversity.

Chair

The general meeting of shareholders elects the Chair of the Board.

The Chair of the Board of Directors, i.a.:

- convenes meetings of the Board of Directors;
- approves the agenda prepared by the CEO for Board of Directors meetings;
- is responsible for minutes being drawn up for each meeting of the Board of Directors;
- keeps in touch with the CEO and members of the Board of Directors in between meetings and is responsible for the organisation of the work of the Board of Directors;
- is responsible for ensuring that the provisions of the charter of the Board of Directors are followed in the work of the Board of Directors and
- participates in the work of the Shareholders Nomination Board as an expert member.

In the event of a tie in a matter voted on by a Board Meeting, the Chair has the casting vote.

Board of Directors in 2025

Koskisen Corporation Board of Directors consisted of the following six members on 31 December 2025: Pekka Kuusniemi (Chair of the Board), Hanna Sievinen (Vice Chair), Carita Himberg, Karri Koskela, Hanna Masala and Kalle Reponen. 50% of the Board members were women and 50% were men. Until the Annual General Meeting of 2025, also Eva Wathén and Kari Koskinen served as members of the Board of Directors.

On the date of publication of this Corporate Governance Statement document, all of the members of the Board of Directors of Koskisen are independent of the Company's significant shareholders, and of the Company. Hanna Sievinen and Kalle Reponen have served as non-executive directors for 10 consecutive years or more. However, their independence is not compromised due to their service history and no other factors or circumstances have been identified that could impair their independence.

During the accounting period, the Board of Directors convened 13 times and, in addition, the Board of Directors made decisions without meeting 4 times. The average attendance rate was 99%. The members of the Board attended the meetings as follows:

Pekka Kuusniemi, Chair of the Board	13/13
Hanna Sievinen, Vice Chair of the Board	13/13
Kari Koskinen	6/6
Hanna Masala	13/13
Kalle Reponen	12/13
Karri Koskela	7/7
Eva Wathén	6/6
Carita Himberg	7/7

Committees

Koskisen Corporation's Board of Directors has established an Audit Committee and Personnel Committee. The Committees consist of a minimum of three (3) and a maximum of five (5) members, including a Chair, who are elected by the Board of Directors from among its members following the Annual General Meeting. The term of office of the members of the Committees is one year.

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A person who participates in the day-to-day management of the Company or a company in the same group of companies, for example as a CEO, cannot be appointed as a Committee member.

The Board of Directors has approved written charters for both Committees that lays down the key duties and operating principles of the each Committee.

Audit Committee

The Audit Committee is responsible for ensuring the appropriate arrangement of the governance, controls and risk management in accordance with the Companies Act and to release the Board of Directors' time for strategic matters.

The majority of the members of the Audit Committee must be independent of the Company and at least one member of the Audit Committee must be independent of the significant shareholders of the Company.

The members of the Audit Committee must have the relevant expertise and experience required for the performance of the duties and responsibilities of the Audit Committee and the mandatory tasks relating to auditing. At least one of the members of the Audit Committee must have expertise in accounting or auditing, and the members of the Audit Committee as a whole must have relevant expertise in the Company's business operations.

On 31 December 2025, Koskisen Corporation's Audit Committee comprised the following three members: Hanna Sievinen (Chair), Karri Koskela and Hanna Masala. In addition, Eva Wathén served as member of the Committee until the General Meeting 2025 The Audit Committee convened 6 times in 2025. The average attendance rate was 100%.

The members of the Audit Committee attended the meetings as follows:

Hanna Sievinen, Chair of the Audit Committee	6/6
Karri Koskela	3/3
Hanna Masala	6/6
Eva Wathén	3/3

Personnel Committee

The purpose of the Personnel Committee is to make the Board's work more efficient by preparing matters related to remuneration, appointments or other personnel matters to be decided at Board meetings or the Annual General Meeting.

The majority of the members of the Personnel Committee must be independent from the Company and be members of the Board of Directors.

The members of the Personnel Committee must have sufficient expertise and experience, taking into account the committee's area of responsibility.

On 31 December 2025, Kosksien's Personnel Committee comprised the following three members: Pekka Kuusniemi (Chair), Carita Himberg and Kalle Reponen. The Personnel Committee convened 3 times in 2025. The average attendance rate was 100%. The members of hte Personnel Committee attended the meetings as follows:

Pekka Kuusniemi, Chair of the Personnel Committee	3/3
Carita Himberg	3/3
Kalle Reponen	3/3

Shareholders' Nomination Board

Koskisen's General Meeting has established a permanent Shareholders' Nomination Board.

The Shareholders' Nomination Board's main duties include preparing of proposal for the General Meeting regarding the nomination of the members and chair of the Board of Directors and their remuneration. The Shareholders' Nomination Board also reviews the Company's Remuneration Policy with regard to the remuneration of the Board members and presents its proposal for the General Meeting.

The Shareholders' Nomination Board consists of four members and in addition, the Chair of the Board of Directors acts as the expert member of the Shareholders' Nomination Board.

The members of the Shareholders' Nomination Board are appointed so that each of the four largest shareholders of the Company have right to appoint one member to the Shareholders' Nomination Board. The right to appoint members to the Shareholders' Nomination Board is determined annually based on the shareholdings at the last trading day in each August.

The Shareholders' Nomination Board shall submit its proposals to the Board of Directors annually by the end of February after which the Company shall publish Shareholders' Nomination Board's proposals. Shareholders' Nomination Board's proposal will be included in the notice to the Annual General Meeting.

The Shareholders' Nomination Board shall make its decisions unanimously. If unanimous decision is not reached, the Company shall announce that the

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Shareholders' Nomination Board will not make proposals to the General Meeting.

The General Meeting has confirmed a written charter for the Shareholders' Nomination Board that lays down the key duties and operating principles of the Shareholders' Nomination Board.

On 31 December 2025, the Shareholders' Nomination Board comprised the following four members: Timo Sallinen, Director, Head of Listed Securities, Varma Mutual Pension Insurance Company, appointed by Varma Mutual Pension Insurance Company, Kari Koskinen, appointed by Kari Koskinen, Karoliina Koskinen, appointed by Markku Koskinen and Niko Syrjänen, Director Equity Investments, Elo Mutual Pension Insurance Company, appointed by Eva Wathén, Laura Paksuniemi, Ella Paksuniemi and Ester Paksuniemi. The Chair of Koskisen's Board, Pekka Kuusniemi served as fifth expert member of the Shareholders' Nomination Board. Timo Sallinen served as the Chair of the Shareholders' Nomination Board.

The Shareholders' Nomination Board convened 3 times in 2025. The average attendance rate was 100 %.

CEO

It is the duty of the CEO to manage the operations of Koskisen in accordance with the guidelines and orders issued by the Company's Board of Directors and to keep the Board of Directors informed of the development of the business and financial position of Koskisen. As a rule, the CEO may only take unusual or extensive measures, considering the scope and quality of the Company's operations, when authorised to do so by the Board of Directors. The CEO is also responsible for organising the day-to-day administration of the Company and seeing to it that the Company's accounts are organised reliably.

The Board of Directors appoints the CEO and decides on the remuneration paid to the CEO and other terms of the CEO contract in line with the remuneration policy in force. The terms of the CEO's service have been agreed upon in writing. The CEO is appointed to the position until further notice.

The CEO is the Chair of Koskisen's Executive Board. Koskisen Corporation's CEO is Jukka Pahta. The CEO does not have a designated deputy. The personal information concerning the CEO is set forth under the section Koskisen management, and his holdings can be found in the section Management holdings.

Executive Board

The Executive Board supports the CEO in implementing the Company's strategy and manages the business operations of Koskisen as a whole, including the management of sustainability as part of the business model. The members of the Koskisen Executive Board have extensive authority to operate within their respective areas of responsibility, and it is their duty to develop the business operations of Koskisen in line with the objectives set by the Company's Board of Directors and the CEO. The Executive Board convenes regularly on a monthly basis or more frequently if necessary.

Koskisen's Executive Board consists of CEO Jukka Pahta, Karri Louko (CFO), Tom-Peter Helenius (Director, Panel Industry), Tommi Sneck (Director, Sawn Timber Industry), Joonas Ojasalo (Director, Wood Supply and Bioenergy), Minna Luomalahti (Director, Human Resources), Sanna Väisänen (Director, Sustainability and Corporate Communications) and Olli Nikitin (General Counsel).

Operative organisation

Koskisen has organised its business into two segments. The Sawn Timber Industry business segment produces sawn and further-processed timber and the Panel Industry business segment produces plywood, thin plywood, veneers, chipboards and interior solutions for light and heavy commercial vehicles under the Kore brand. Operational business responsibilities and Profit & Loss responsibility belong to each of the segments.

Auditor

In accordance with the Company's Articles of Association, the Company's auditor must be a firm of auditors approved by the Finnish Patent and Registration Office. The term of office of the auditor ends at the close of the next Annual General Meeting.

In 2025, PricewaterhouseCoopers, Authorised Public Accountants, acted as the company's auditor. PricewaterhouseCoopers appointed Markku Launis, Authorised Public Accountant, as the auditor with principal responsibility.

In 2025, the fee paid to the audit firm PricewaterhouseCoopers for the audit totalled EUR 191,490. In addition, a total of EUR 113,509 was paid for other services, mainly related to CSRD assurance, ESEF assurance, and Auditor's report on non-cash consideration.

Internal control and risk management, internal audit

The Company's Board of Directors has confirmed the operating principles of internal control followed at Koskisen, aiming to ensure that the Company's objectives regarding, i.a., Koskisen's strategy, operations, practices

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and financial reporting in particular are met. The operating principles of internal control also contribute to ensuring the Company's compliance with legislation and regulations. The Company's Board of Directors has also defined the principles of risk management. The purpose of risk management is to ensure the comprehensive and appropriate identification, assessment, management and supervision of risks.

The Company has defined an internal control framework that includes adequate internal controls, sufficiently segregated duties and the four eyes principle in the processing of specified transactions. The functioning of the control environment is monitored by the Company by testing the defined key controls.

The Company does not have its own internal audit organisation, but the audit plan approved by the Board of Directors is implemented with the help of external experts. Internal audit reports to the Audit Committee of the Board of Directors.

Insider management

Koskisen has insider guidelines in force that have been approved by the Board of Directors. These are based on the legislation in force, regulations issued by the competent authorities and other regulations, as well as the insider guidelines of Nasdaq Helsinki.

In accordance with the Market Abuse Regulation, the management of Koskisen Corporation includes members of the Board of Directors, the CEO and other members of the Executive Board. Koskisen maintains a list of the core persons with regard to information included in financial reports. The company also maintains a project-specific insider list, where necessary. The listed persons may not trade in the company's securities during the project.

The person in charge of insider issues at Koskisen is the General Counsel, who is also responsible for maintaining the insider lists. The practical duties relating to the insider list and the management of inside information are taken care of by a person designated by the person in charge of insider issues. The person in charge of managing the duty to disclose management and related party transactions is the Director, Sustainability and Communications and a substitute appointed by them.

Koskisen discloses by way of stock exchange release all transactions made by the persons discharging managerial responsibilities and their closely associated persons and companies involving stocks and other financial instruments relating to Koskisen, as required by the Market Abuse Regulation.

Related party administration

Koskisen's Board of Directors has defined the principles for the monitoring and assessment of related party transactions and maintains a list of its related parties. Related parties have been determined in accordance with the IAS 24 standard. Transactions between the Company and its related parties are acceptable when they are in accordance with the purpose of the Company's operations and the interests of the Company, have a business justification and have been carried out in accordance with the applicable regulations. The company's related party transactions are always on market terms, and the Board of Directors supervises compliance with the Company's related party principles. Significant transactions with the Company's management and related parties are decided on by Koskisen's Board of Directors. The Board of Directors also decides on any related party transactions that are not included in the scope of the Company's ordinary business. The Company ensures that it has identification, decision-making, approval, reporting and control practices that appropriately take account of the above-mentioned principles as well as conflict-of-interest issues. The Board of Directors must monitor and assess the Company's related party transactions.

Shareholdings of the board of directors and executive board on 31 Dec 2025

BOARD OF DIRECTORS

Member of the Board of Directors	Number of shares[1]
Pekka Kuusniemi, Chair	10,000
Hanna Sievinen, Vice Chair	8,700
Kalle Reponen	7,500
Hanna Masala	1,500
Carita Himberg	0
Karri Koskela	500

[1] The figures include the holdings of the members of the board of directors, their close family members and control entities.

EXECUTIVE BOARD

Member of the Executive Board	Number of shares[1]
Jukka Pahta	48,700
Karri Louko	21,352
Tommi Sneck	18,324
Tom-Peter Helenius	13,424
Joonas Ojasalo	10,034
Minna Luomalahti	11,754
Sanna Väisänen	8,293
Olli Nikitin	0

[1] The figures include the holdings of the members of the board of directors, their close family members and control entities.

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Board of Directors

Kalle Reponen
Member of the Board since 2014
Independent of the company and of its significant shareholders
b. 1965, M.Sc. (Economics and Business Administration)
Principal occupation: Board professional

Carita Himberg
Member of the Board since 2025
Member of the personnel committee since 2025
b. 1972, M.Sc (tech.), MBA
Principal occupation: Chief People Officer, MacGregor

Hanna Masala
Member of the Board since 2023
Independent of the company and of its significant shareholders
b. 1976, M.Sc. (Econ.)
Principal occupation: CFO, VR Group

Karri Koskela
Member of the Board since 2025
Member of the Audit Committee since 2025
b. 1973, Bachelor of Science (engineering)
Principal occupation: CEO, Wihuri Packaging

Pekka Kuusniemi
Chair of the Board since 2023
Independent of the company and of its significant shareholders
b. 1968, M.Sc. (Econ.)
Principal occupation: CEO, VAK Group

Hanna Sievinen
Member of the Board since 2015, Vice Chair of the Board since 2024
Independent of the company and of its significant shareholders
b. 1972, D.Sc. (Economics & Business Administration)
Principal occupation: Board professional, independent advisor

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Executive Board

Sanna Väisänen
Director, Sustainability and Corporate Communications
Employed in Koskisen Group since 2022
b. 1977, M.A. (Communications)

Joonas Ojasalo
Director, Wood Supply and Bioenergy
Employed in Koskisen Group since 2021
b. 1982, M.Sc. (Forestry)

Tom-Peter Helenius
Director, Panel Industry
Employed in Koskisen Group since 2020
b. 1971, M.Sc. (Tech.)

Karri Louko
Chief Financial Officer
Employed in Koskisen Group since 2022
b. 1969, M.Sc. (Econ.)

Olli Nikitin
General Counsel
Employed in Koskisen Group since 2024
b. 1981, LL.M.

Tommi Sneck
Director, Sawn Timber Industry
Employed in Koskisen Group since 2007
b. 1976, M.Sc. (Tech.)

Jukka Pahta
Chief Executive Officer
Employed in Koskisen Group since 2016
b. 1966, M.Sc. (Econ.), Finance and Accounting

Minna Luomalahti
Director, Human Recourses
Employed in Koskisen Group since 1994
b. 1967, Engineer, Wood processing

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Koskisen Corporation Remuneration Report

Dear shareholders,
Koskisen's Board of Directors established a Personnel Committee following the Annual General Meeting held in spring 2025. The key duties of the Personnel Committee include the development of remuneration practices and ensuring the effectiveness of remuneration. The aim is for remuneration to support the growth of the company's value, its long-term financial success and the execution of its growth strategy. In performing its duties, the Personnel Committee supports the implementation of Koskisen's Human Resources Principles.

During the year under review, Koskisen's business progressed in line with the growth strategy. The company's short- and long-term remuneration is focused on rewarding sustainable growth.

We welcome feedback on the Remuneration Report and the Remuneration Policy.

Pekka Kuusniemi,
Chair of the Personnel Committee

DEVELOPMENT OF REMUNERATION

EUR 1,000	2025	2024	2023	2022	2021
Total annual and meeting fees of the Board of Directors	290.5	266.5	265.5	273.6[1]	137.6
Fees paid to the Chair of the Board of Directors	77.0	70.0	70.2	78.0[1]	48.0
Fees paid to the Board members on average	42.7	39.3	39.1	43.5[1]	22.4
Annual remuneration of the CEO[2]	814.2	621.8	750.1	562.1	309.4
Koskisen employees' average salary[3]	45.4	44.7	48.4	43.6	41.7
Group's operating profit (EUR million)	14.3	13.0	24.4	58.2	52.7

[1] The remuneration of the Board of Directors in 2022 was affected by the preparations related to the listing process and the increase in the number of Board members.
[2] Includes cash-basis salaries, fees and supplementary pension, does not include social and pension costs.
[3] Personnel costs in Finland in 2021–2022 excluding social and pension costs/average number of employees.
[3] As of 2023, median full-time employees in Finland for the full year excluding social and statutory pension costs.

Introduction

The Remuneration Policy for Koskisen's governing bodies defines the framework for the remuneration of Koskisen Corporation's governing bodies. The Remuneration Policy complies with the Finnish Limited Liability Companies Act, other regulations concerning publicly listed companies, the company's Articles of Association and the charters of the Board of Directors and its committees. In addition, the company complies with the rules and guidelines of Nasdaq Helsinki Ltd and the Securities Market Association's Corporate Governance Code 2025.

This Remuneration Report contains information on the remuneration of the company's Board of Directors and CEO, the key terms and conditions of the CEO's contract and other Remuneration Report information referred to in the Corporate Governance Code for the financial year 2025. The remuneration report will be available on Koskisen's website for a minimum of ten years. Remuneration is based on the remuneration policy reviewed by the Annual General Meeting. The core idea of remuneration is rewarding performance and responsibility.

These principles guide the short-term and long-term incentive plans that support the company's value, long-term financial success and the implementation of the business strategy.

The remuneration of the Board of Directors for 2025 is based on the resolutions of Annual General Meetings on remuneration. The remuneration of the CEO is based on the Remuneration Policy approved by the Annual General Meeting. Koskisen Corporation's Remuneration Policy was reviewed by the Annual General Meeting of 2023. The 2025 Annual General Meeting approved the Remuneration Report for the financial year 2024 without voting.

The table above shows the development of the remuneration of the Chair of the Board of Directors, the members of the Board of Directors and the CEO compared to the development of the average remuneration of all employees of the Group and the financial development of the Group for the previous five financial years.

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Remuneration of Board members 2025

The remuneration of the Board of Directors for 2025 is based on the resolutions of the Annual General Meeting.

ANNUAL FEES OF THE BOARD OF DIRECTORS 2025

EUR	
Chair	60,000
Chair of the Audit Committee	42,000
Member	30,000

BOARD AND COMMITTEE MEETING FEES PER MEETING 2025

EUR	
Chair	1,000
Member	500

In addition, the members of the Board of Directors have been compensated for travel expenses as decided by the 2025 Annual General Meeting. The members of the Board of Directors are not covered by share-based incentive plans, and they are not covered by the company's remuneration or pension schemes.

REMUNERATION OF THE BOARD OF DIRECTORS 2025

EUR	Period	Annual fee Board of Directors	Meeting fees Board of Directors	Total
Kuusniemi Pekka, Chair of the Board of Directors, Chair of the Personnel Committee	1 Jan–31 Dec 2025	60,000	17,000	77,000
Himberg Carita, Member of the Personnel Committee	15 May–31 Dec 2025	18,750	5,500	24,250
Koskela Karri, Member of the Audit Committee	15 May–31 Dec 2025	18,750	6,000	24,750
Koskinen Kari	1 Jan–15 May 2025	11,250	2,500	13,750
Masala Hanna, Member of the Audit Committee	1 Jan–31 Dec 2025	30,000	10,500	40,500
Reponen Kalle, Member of the Personnel Committee	1 Jan–31 Dec 2025	30,000	8,500	38,500
Sievinen Hanna, Chair of the Audit Committee	1 Jan–31 Dec 2025	42,000	14,000	56,000
Wathén Eva	1 Jan–15 May 2025	11,250	4,500	15,750
Total		**222,000**	**68,500**	**290,500**

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Remuneration of the CEO 2025

CEO contract and remuneration principles

The company's CEO was Jukka Pahta during the financial period.

The remuneration of the CEO consists of a fixed monthly salary, fringe benefits and variable short-term and long-term incentive plans. The Board of Directors decides on the remuneration of the CEO, the content of the performance bonus and the objectives. The Board of Directors has the right to amend the terms of incentive plans unilaterally for a weighty reason.

The CEO is covered by the Finnish statutory TyEL insurance. The CEO has a defined contribution supplementary pension insurance. The CEO's supplementary pension benefit is determined in accordance with the decision of the company's Board of Directors. The minimum retirement age is 65 years.

The CEO's period of notice is six months. If the company gives notice, an amount equal to six months' salary will be paid as severance pay.

Short-term incentive plan

Until 31 December 2025, the maximum short-term performance bonus is the amount corresponding to six months' salary and it is paid in cash. Effective from 1 January 2026, the maximum short-term performance bonus is the amount corresponding to eight months' salary and it is paid in cash.

For 2024, the Board of Directors decided to pay the CEO a performance bonus of EUR 40,773, amounting to 22% of the maximum bonus, in 2025. This was paid in February 2025. This was based on success in the sustainability metrics related to safety, as well as the successful specification and implementation of the strategy

For 2024, Pahta had three main goals with weights assigned as follows:

- 60% achievement of Group financial targets (revenue development and EBITDA level), outcome 0%
- 20% sustainability metrics (occupational safety and employee well-being), outcome 6%
- 20% specification and implementation of the strategy, outcome 16%

For 2025, the Board of Directors decided to pay the CEO a performance bonus of EUR 113,280, amounting to 59% of the maximum bonus, in 2026. This was paid in February 2026. This was based on success in implementing the growth strategy and securing financing to support growth.

For 2025, Pahta had three main goals with weights assigned as follows:

- 70% achievement of Group financial targets (revenue development and EBITDA level), outcome 39%
- 10% sustainability metrics (occupational safety), outcome 0%
- 20% implementation of the strategy and the arrangement of financing, outcome 20%

Long-term incentive plan

The long-term incentive plans are the share-based incentive plans 2022–2026 and 2025–2029.

The share-based incentive plan 2022–2026 has three earning periods, corresponding to the financial periods 2022–2024, 2023–2025 and 2024–2026. The share-based incentive plan 2025–2029 has three earning periods, corresponding to the financial periods 2025–2027, 2026–2028 and 2027–2029.

Any payment is paid as a combination of shares and cash. The purpose of the cash component is to cover the taxes and tax-like levies incurred by the recipient. The earning criterion of the plan is a continuous service contract at the time of payment of the reward. The indicators of the long-term incentive plan focus on the Group's strategic growth, long-term profitability and total shareholder return (TSR).

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SHARE-BASED INCENTIVE PLAN 2022–2026

Share-based incentive plan 2022–2026	Earning period 2022–2024[1]	Earning period 2023–2025[2]	Earning period 2024–2026[3]
Maximum number of shares granted for the CEO	44,000	60,000	60,000
Metrics (weighting)	EBITDA 50% Return on capital employed 50%	EBITDA 100%	Revenue growth 50% EBITDA 50%
Outcome	92.6%	-%	-%
Shares earned (gross)	40,744	-	-
Year of transfer	2025	2026	2027

[1] For the earning period 2022–2024, the Board of Directors set two targets
- 50% EBITDA, actual 85.2%
- 50% return on capital employed, actual 100%
The shares earned during the earning period were paid on April 2025. Calculated using the average share price of EUR 7.0196 on the date of the transfer of the shares on 4 April 2025.

[2] For the earning period 2023–2025, the Board of Directors set a target for the development of EBITDA over the three-year earning period, with a 100% weighting, actual 0%.

[3] For the earning period 2024–2026, the Board of Directors set two targets
- 50% cumulative increase in revenue by 2023
- 50% EBITDA 2024–2026

SHARE-BASED INCENTIVE PLAN 2025–2029

Share-based incentive plan 2025–2029	Earning period 2025–2027[1]	Earning period 2026–2028[2]
Maximum number of shares granted for the CEO	60,000	60,000[3]
Metrics (weighting)	Revenue 50% EBITDA 40% Scope 1 and 2 10%	TSR 50% Revenue 40% Scope 3 10%
Outcome	-%	-%
Shares earned (gross)	-	-
Year of transfer	2028	2029

[1] For the earning period 2025–2027, the Board of Directors set three targets
- 50% cumulative increase in revenue by 2023
- 40% EBITDA 2025-2027
- 10% scope 1 and 2 emission reduction

[2] For the earning period 2026–2028, the Board of Directors set three targets
- 50% TSR
- 40% cumulative increase in revenue by 2023
- 10% scope 3 emission reduction

[3] Max bonus 200% of annual salary, at the payment time.

REMUNERATION OF THE CEO 2025

EUR 1,000	
Fixed salary	487.4
Fringe benefits (included in fixed salary)	29.0
Supplementary pension benefit insurance (included in fixed salary)	63.2
Short-term performance bonus	40.8
Long-term incentive bonus	286.0
Total	**814.2**
Variable compensation as a percentage of total earnings	40.1%

Long-term share-based incentive plans are included in the reporting as a separate item for the year in which the reward was paid.

Report of the Board of Directors and Sustainability Statement

This section presents Koskisen's Report of the Board of Directors 2025 and a report about Koskisen Group's material sustainability topics.

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Report of the Board of Directors

Koskisen is an international wood processing specialist and known for its agility and ability to listen to the customer. The main raw material used by Koskisen in its production is wood, which Koskisen processes into sawn timber, plywood and chipboard, among other products. Valuable wood raw material is used as thoroughly as possible, up to the last particle of sawdust.

Koskisen has two business segments: Sawn Timber Industry and Panel Industry. Sawn Timber Industry produces sawn and processed timber, while Panel Industry produces birch plywood, thin plywood, veneer, chipboard and interior solutions for light and heavy-duty commercial vehicles under the Kore brand.

Koskisen's wood procurement function is part of the Sawn Timber Industry segment. It is responsible for procuring wood for Koskisen's own production plants, delivering side streams from Koskisen's own production for bioenergy production at Koskisen's production plants and several other power plants in the vicinity, as well as supplying raw material (chips and pulpwood) to paper and pulp manufacturers.

Koskisen's production plants are located in Järvelä and Hirvensalmi, Finland, as well as in Toporów and Skwierzyna, Poland.

The company's shares have been listed on Nasdaq Helsinki's main list as of 1 December 2022.

Koskisen's ability to create value is based on a material-efficient and integrated value chain from the forest to the end product.

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Result and financial position

Consolidated revenue increased in January–December and amounted to EUR 354.9 (282.3) million. The growth in revenue was mainly due to the Sawn Timber Industry segment's improved delivery volumes and slightly higher end product selling prices when compared to the reference period.

Adjusted EBITDA improved to EUR 28.9 (24.3) million.The improvement in EBITDA was mainly attributable to increased delivery volumes in the Sawn Timber Industry segment and slightly higher prices of end products.

Operating profit came to EUR 14.3 (13.0) million. Depreciation, amortisation and impairment amounted to EUR -14.5 (-11.2) million. Profit before income tax amounted to EUR 10.7 (10.0) million and income tax for the period to EUR -2.1 (-1.7) million. The profit for the financial period came to EUR 8.6 (8.3) million and earnings per share were EUR 0.37 (0.36).

Segments

The Sawn Timber Industry segment’s revenue amounted to EUR 203.9 (139.7) million and EBITDA to EUR 14.3 (7.2) million. The Panel Industry segment’s revenue amounted to EUR 150.9 (142.4) million and EBITDA to EUR 15.7 (17.7) million.

Balance sheet, cash flow and financing

At the end of the accounting period, Koskisen’s equity rAt the end of the review period, Koskisen’s equity ratio was 50.9 (54.0) per cent, and gearing was 26.3 (15.4) per cent.

Cash flow from operating activities amounted to EUR 19.7 (14.0) million in January–December. The effect of the change in working capital was EUR -3.2(-10.5) million. The most significant items in the change in working capital were the increase in trade receivables and inventories, both reflecting the increased volumes of the sawmill. Trade and other payables also increased due to the increased wood procurement volumes. Cash flow from financing activities amounted to EUR 8.0 (-17.7) million, in which the renewal of the financing agreement and the withdrawal of the term loan are seen as a positive cash flow. Cash flow from investing activities amounted to EUR -35.1 (-0.2) million, of which the most significant item is the cash portion of the purchase price of Iisveden Metsä’s business operations, EUR 15.0 million.

Interest-bearing liabilities at the end of the period amounted to EUR 79.0 (66.3) million. Of the interest-bearing liabilities, EUR 30.9 (33.5) million are lease liabilities and EUR 48.2 (32.8) million are loans from financial institutions. Liquid assets amounted to EUR 36.1 (43.3) million. Liquid assets were reduced by the EUR 15.0 million cash payment share of the acquisition of Iisveden Metsä. Interest-bearing net liabilities amounted to EUR 42.9 (22.9) million.

Koskisen’s liquidity has remained strong. At the end of the review period, available liquidity amounted to EUR 36.1 (43.3) million, comprising cash and cash equivalents of EUR 24.4 (31.8) million and current financial assets at fair value through profit or loss in the amount of EUR 11.7 (11.5) million, the most significant of which was a capital redemption contract. In addition, the company has an unused account limit of EUR 15.0 million, of which EUR 0.1 million has been allocated to guarantees at the balance sheet date and was otherwise unused. In October, Koskisen renewed its financing agreement, which had been concluded in 2022 and consisted of three parts: an initially fixed-term loan of EUR 19.0 million, a fixed-term loan of EUR 10.0 million and a credit facility of EUR 8.0 million, aimed at financing the Group’s working capital. These loans were replaced by a fixed-term loan of EUR 23.0 million and a credit facility of EUR 15.0 million. The new loan was used to repay the old fixed-term loans, of which a total of EUR 13.0 million remained. The credit facility was not in use when the new loan was drawn down.

The financing agreement is valid for five years until 2030. The loan agreement includes standard financing covenants and default terms. The new loan is unsecured. The financing covenants are measured quarterly on a rolling 12-month basis and are calculated based on Koskisen's consolidated financial information. The interest rates of the loans are tied to the six-month Euribor rate, and they also have a margin, the level of which depends on the ratio of net debt to EBITDA.

In addition, the company agreed on a fixed term-loan of EUR 12.0 million during the past quarter. The financing is allocated to investments to increase capacity in the Sawn Timber Industry and Panel Industry segments. The loan has a term of seven years and will mature at the end of 2032. The loan is unsecured and includes similar covenants as the financing agreement mentioned above.

The parent company has granted two loans to a group company. The total amount of the loans was EUR 3,456,132 as of 31 December 2025 (31 December 2024: EUR 716,000). The loans are repaid in equal instalments and interest is paid semi-annually. The interest rate of the loan in Polish zloty is tied to the three-month WIBOR and the interest rate of the loan in euro is tied to the three-month Euribor, the margins are variable. The loans are unsecured.

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EUR million	2025	2024	2023
Revenue	**354.9**	**282.3**	**271.3**
EBITDA	28.8	24.2	33
EBITDA margin, %	8.1	8.6	12.2
Adjusted EBITDA	28.9	24.3	33.1
Adjusted EBITDA margin, %	8.1	8.6	12.2
Operating profit (EBIT)	14.3	13.0	24.4
Operating profit (EBIT) margin, %	4	4.6	9.0
Profit for the period	8.6	8.3	20.2
Basic earnings per share, EUR	0.37	0.36	0.88
Diluted earnings per share, EUR	0.36	0.36	0.87
Gross investments	42.1	32.9	32.1
Equity per share, EUR	6.8	6.5	6.4
Return on capital employed (ROCE), %	6.2	6.1	12.1
Working capital, end of period	57.8	45.9	37.9
Net cash flow from operating activities	19.7	14	14.9
Equity ratio, %	50.9	54	54.8
Gearing, %	26.3	15.4	-1.8

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Investments

Gross investments in January-December amounted to EUR 42.1 (32.9) million. Of these, EUR 21.0 million were related to assets acquired from Iisveden Metsä in the business acquisition. Other investments were associated with, among others, the new log yard, which was commissioned in the first quarter, the sawmill's new channel dryers and the briquette plant which was commissioned in the fourth quarter. In addition, the increases include investments related to the Panel Industry's investment programme.

New log yard

The new log yard constructed in connection with the Järvelä sawmill was commissioned in February. The investment supports the Sawn Timber Industry's growth strategy by enhancing production efficiency and significantly improving productivity. With the completion of the log yard, all Sawn Timber Industry operations are now located on a single site. This substantially reduces both the transportation costs of wood raw material and the carbon footprint of logistics.

Channel kilns at the sawmill

To increase sawmill production, the company invested in new channel kilns at the Järvelä sawmill, increasing the drying capacity of sawn timber by approximately 15 per cent. In addition to increasing drying capacity, the investment improves the quality of the sawn timber. The investment ensures sufficient drying capacity for production volumes of up to 450,000 cubic metres. The new channel kilns are scheduled for completion in summer 2026.

District heating pipeline connecting the mill areas

The district heating pipeline connecting the Järvelä mill areas was commissioned for trial operation at the end of the year. The connecting pipeline primarily serves to meet the increased energy demand of the Sawn Timber Industry, which has grown and will continue to grow as a result of increased production and drying capacity at the Järvelä sawmill. Connecting the district heating networks also enables the full utilisation of unused energy production capacity in the Panel Industry.

Start of briquette production

Koskisen began producing biofuel briquettes at the briquette plant built in connection with the Järvelä sawmill. At the plant, planer shavings generated as a by-product of sawn timber processing are compressed into briquettes, which are primarily used by heat and power plants. Planer shavings consist of chips and residues generated during the planing of sawn timber. Creating new wood-based products and thereby increasing the value-added rate is a key part of Koskisen's strategy.

First phase of the Panel Industry investment programme

The equipment installations of the first phase of the Panel Industry investment programme were commissioned for production use at the end of 2025. In the first phase, investments focused, among other things, on the automation and modernisation of drying, coating, and filling processes. The total value of the first-phase investments was approximately EUR 12 million.

Acquisition of Iisveden Metsä's business operations

The acquisition of the business operations of Iisveden Metsä was completed in early June. The acquisition is a key part of the sustainable growth strategy, under which the Group aims to increase its net sales to EUR 500 million by the end of 2027 through both organic and inorganic growth.

The acquisition supports both objectives: it directly increases the Sawn Timber Industry's net sales by approximately one third and, at the same time, secures the availability of raw material and enables organic growth in the Panel Industry. Iisveden Metsä's wood procurement area is highly favourable for birch sourcing, which provides excellent support for the growth of the Panel Industry.

The integration of Iisveden Metsä progressed as planned. Key production control and financial systems were integrated during the third quarter. Work to harmonise operating methods and processes is ongoing.

Value creation

Koskisen's ability to create value is based on a material-efficient and integrated value chain from the forest to the end product. Koskisen's efficient integrated operating model enables the optimum use of wood as a raw material at its production facilities.

Koskisen's integrated operating model is based on interlinked processes, which form the basis of Koskisen's business from the forest through production to finished products. Koskisen's entire value chain, from harvesting to final products, is designed around synergetic material

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flows and an agile operating model, which enables the use of raw materials from different sources.

In Koskisen's integrated operating model, wood procurement procures the raw materials that are delivered to Koskisen's production facilities for processing. The by-products generated early in the production process, such as bark, are used for heat production of the production plant processes. The by-products generated by the Sawn Timber Industry segment and Panel Industry's production, such as part of the wood chips and sawdust, are used in chipboard production. Koskisen is the only mechanical wood product industry company in Finland with the level of integration described above.

Koskisen's key intangible assets include the company's brand and reputation, its skilled and committed personnel, a synergistic operating model that enables resource efficiency, and strategic partnerships. These resources provide Koskisen with a competitive advantage and are a central part of the company's strategy.

Strategy

Koskisen's strategic growth paths and related measures has been defined for the strategy period 2024–2027. At the core of the specified strategy are 1) creating value for customers, 2) developing current operations and 3) taking bold steps.

Value creation for customers is created through high-quality and customised products, customer-oriented services and innovative solutions. The development of current operations is closely linked to strengthening competitiveness and differentiation, product development and the efficient introduction of defined initiatives. Bold steps, on the other hand, include investments and possible acquisitions.
The clarified strategy will support the growth leap by the end of 2027 pursued by Koskisen, which was set earlier. The completed comprehensive strategy work provides the company with a clear direction for implementing this sustainable growth.

One of the key growth drivers is the new sawmill in Järvelä and the development of closely related operations. The new sawmill is the heart of the entire integrated and synergistic business. By increasing sawing volumes, we ensure the availability of wood raw material also for the needs of the Panel Industry through increasing wood procurement volumes and production side streams o.

Growth in both businesses, Sawn Timber Industry and Panel Industry, will be generated primarily through volume increase, new wood-based products and expanding customer relationships. Naturally, the company will invest in the continuous development of its own operations.

Financial objectives

Koskisen's Board of Directors has confirmed the following long-term financial targets extending over the business cycle, which the company aims to achieve by the end of 2027.

FINANCIAL TARGETS THE COMPANY AIMS TO ACHIEVE BY THE END OF 2027

Growth: revenue of EUR 500 million including both organic and inorganic growth

Profitability: adjusted EBITDA margin averaging 15 per cent over the cycle

Balance sheet: maintaining a strong balance sheet

Dividend policy: attractive dividend of at least one-third of the net profit each year

Koskisen has a sustainability programme, and its key sustainability objectives to be achieved by 2027 are incorporated into the strategy. They are as follows: 1) We implement biodiversity measures in the forest environment, 2) We reduce CO_2 emissions in our own activities and our value chain, 3) We make wise use of wood, down to the last particle of sawdust, 4) We promote a safe work environment, and 5) We support well-being at work and competence development.
More sustainable development goals have been defined in the sustainability programme. The achievement of the targets will be monitored through the indicators set for them.

Personnel

The Koskisen Group had an average of 994 (919) employees in January–December 2025. The number of

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employees was 943 (883) at the beginning of 2025 and 1,014 (943) at the end of December. The number of employees was increased by the acquisition of the business operations of Iisveden Metsä at the beginning of June. As a result of the acquisition, approximately 50 persons joined Koskisen as existing employees under their previous terms of employment.

Wages and salaries, share-based payments and seniority allowances paid to personnel in 2025 totalled EUR 45.2 (39.9) million.

Incentive plans for the management and key personnel

Koskisen has a long term share-based incentive programme 2022–2026 and 2025–2029 for its key employees. The purpose of the incentive programme is to align the objectives of the company's shareholders and persons participating in the programme in order to increase the value of the company in the long term, commit the participants to the company and offer them a competitive incentive programme for earning and accumulating shares.

The 2022–2026 incentive programme consists of three three-year earning periods, namely 2022–2024, 2023–2025 and 2024–2026. The 2025–2029 incentive programme consists of three three-year earning periods, namely 2025–2027, 2026–2028 and 2027–2029.

The Company's Board of Directors determines the key persons eligible for the incentive programme for each earning period, as well as the earning criteria and objectives, which may be based on financial performance, strategy or other objectives. Additional information on the incentive plans is provided in Note 7 to the Consolidated Financial Statements: Share-based incentive plans.

Remuneration Report

Koskisen's Remuneration Report 2025 will be published as a separate report from the Report of the Board of Directors.

Research and development

Koskisen's main product groups include sawn and processed timber in the Sawn Timber business and birch plywood, thin plywood, veneer, chipboard and interior solutions for light and heavy-duty commercial vehicles under the Kore brand in the Panel Industry business.

Koskisen's product development aims to improve the functionality and properties of products in accordance with the principles of responsible and sustainable development and focuses on material efficiency, recyclability and fossil-free raw materials. Koskisen's product development focuses on improving long-term use, renewability and safety, as well as on developing new products.

The Group's research and development expenditure amounted to EUR 0.1 (0.3) million, or 0.0 (0.1) per cent of revenue.

Risks and uncertainties and their management

The Group's most significant short-term risks are related to the availability of raw materials and the management of price changes, recently intensified risks in the general geopolitical, security and trade policy situation, regulatory changes, the general weakening of the market situation and its effect on market demand, the solvency of customers and the purchasing power of consumers, the delivery capability of suppliers and service providers, the seasonality of operations, and changes in business areas and customer relationships.

At present, there are uncertainties particularly related to the import tariffs imposed by the United States. Koskisen does not have significant sales in the US market, so the direct impacts of customs and trade policy are minor. The indirect impacts of US tariff and customs policy on trade flows in the sawmill industry, in particular, are difficult to assess. In addition to impacts on trade flows, there may also be impacts on the supply of, and demand for, products. The tariff and trade policy pursued by the United States may have significant impacts on inflation, economic growth, interest rates and exchange rates in Koskisen's key markets.

The most significant risks related to Koskisen's operations

The following table provides a summary of the most significant risks related to Koskisen's operations. Together or separately, the risks may have a positive or negative impact on Koskisen's operations, performance, financial position, competitiveness and reputation. The risks are presented in a random order in the table. Sustainability-related impacts and risks are described in the sustainability statement.

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RISKS RELATED TO KOSKISEN'S OPERATING ENVIRONMENT

Description of the risk	Risk management and factors that mitigate uncertainty
Koskisen operates in cyclical sawmill and panel industry markets, and the uncertainty and unfavourable development of the economic situation, regulatory changes, negative changes in the general geopolitical, security and trade policy situation may reduce the demand for Koskisen's products or the profitability of its operations, which may have an adverse effect on Koskisen's business operations, operating result and financial position.	Koskisen has two business segments with partially countercyclical markets. This softens the impact of cyclicality at the Group level. Koskisen operates in several markets and its customers represent several end-use segments with different demand drivers. Koskisen actively monitors changes in its operating environment in order to adapt its operations as agilely as possible.
Fluctuations in wood prices, disturbances in wood supply, possible regulatory changes and different impacts on the availability of wood may cause significant costs, disturbances in production and adversely affect Koskisen's profitability.	Koskisen has an extensive and professional wood procurement organisation with decades of experience in the industry. Wood procurement aims to proactively react to potential risks related to wood raw material.
The effects of general cost inflation on production costs and thus Koskisen's profitability.	The procurement organisation closely monitors the development of production costs and engages in close dialogue with production and sales regarding the possible impact of costs on the pricing of final products. In accordance with its hedging policy, Koskisen uses hedging instruments to control key production factors, such as electricity price fluctuations.
Any pandemics or epidemics can disrupt Koskisen's operations and result in significant costs.	Koskisen aims to prevent and, if necessary, minimise the impact of any pandemics or epidemics on the health and safety of personnel and ensure undisturbed supply chain with various exceptional arrangements, such as the use of different types of protective equipment, restrictions on group sizes or by introducing alternative operating models..

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RISKS RELATED TO KOSKISEN'S BUSINESS

Description of the risk	Risk management and factors that mitigate uncertainty
Significant disruptions or interruptions in Koskisen's production or deliveries, damage to, destruction or closure of Koskisen's production facilities would materially impair Koskisen's ability to deliver its products to customers and would have an adverse effect on its business operations and operating result.	Koskisen manages its integrated order-to-delivery chain taking risk factors into account. Koskisen has prepared for any disruptions in production and business caused by accidents through comprehensive insurance policies.
Koskisen may lose significant customers, which may have a material adverse effect on Koskisen's business operations and profitability.	Koskisen's customer base is geographically diversified and spread over different industries. There are no individual customers in the customer base whose share of revenue would be significant.
Koskisen's business operations involve risks related to environmental pollution and environmental damage.	Koskisen's production operations require a valid environmental permit. Koskisen monitors, supervises and reports the environmental impacts of its operations systematically. Koskisen has quality, environmental and safety management certificates audited annually by a third party. Other environmental risks are described in the sustainability statement.
Koskisen's business operations involve safety and health risks, such as accident and damage risks, which, if realised, could lead to Koskisen's obligation to compensate for damages and delay or interfere with the delivery of Koskisen's products and services.	Koskisen has comprehensive insurance policies in case of accidents and damage. The need for insurance is assessed annually and whenever necessary due to particular changed circumstance. Koskisen carries out systematic safety work and invests in modern safety equipment to minimise risks.
Failure to recruit competent management or personnel or loss of key personnel could have a materially detrimental effect on Koskisen's ability to conduct its business.	Koskisen manages risk, for example by offering interesting work assignments, competitive reward, investments in personnel development and training. In addition, annual personnel surveys are used to survey the work community's well-being, motivation and related development needs.
Difficulties in maintaining and updating IT infrastructure, shortcomings in IT systems and external cyber-attacks related to IT systems may have a detrimental effect on Koskisen.	Koskisen is prepared for increased cybercrime and information system disruptions. The purpose of systematic monitoring and the placement of critical systems in cloud services is to ensure that the company is able to react quickly and has the best expertise in the event of an incident.
The weakening of Koskisen's reputation could affect its business operations.	The Code of Conduct is the foundation of Koskisen's business operations. The company's Code of Ethics guide to operating honestly, transparently, lawfully and ethically with all stakeholders.
Industrial action, such as strikes, can disrupt Koskisen's business operations.	Koskisen respects the freedom of association. Koskisen maintains an open and active dialogue with different labour market parties.

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RISKS RELATED TO THE FINANCIAL POSITION AND FINANCING

Description of the risk	Risk management and factors that mitigate uncertainty
The covenants included in Koskisen's financing agreements may limit Koskisen's business operations and financial flexibility, and Koskisen may have difficulties in complying with the terms of its financing agreements, which may lead to the financing agreements falling prematurely due or increased costs.	Koskisen takes care of its solvency, sufficient and functional funding relationships and the structure of financing. Koskisen actively and proactively monitors the development of its solvency and financial position. The management of financial risks is discussed in more detail in Note 3 to the financial statements.
Exchange rate fluctuations may have a material adverse effect on Koskisen.	Koskisen uses currency hedging instruments in accordance with the hedging policy approved by the Board of Directors.
Credit losses may have a detrimental effect on the operating result of Koskisen.	In accordance with its policy, Koskisen has comprehensive credit risk insurance policies and well-functioning risk management processes.

Governance

Composition of the Board of Directors

On 31 December 2025, Koskisen Corporation's Board of Directors had the following six members: Pekka Kuusniemi (Chair of the Board of Directors), Hanna Sievinen (Vice Chair of the Board of Directors), Carita Himberg, Karri Koskela, Hanna Masala ja Kalle Reponen.

Corporate Governance Statement

Koskisen Corporation's Corporate Governance Statement 2025 will be published as a separate statement from the Report of the Board of Directors.

Shares and ownership

Koskisen's share capital amounts to EUR 1,512,000. On 31 December 2025, the total number of issued shares was 24,095,535 and the total number of outstanding shares was 24,094,449. The company has one series of shares. One share carries one vote at the general meeting. The shares have no nominal value. The company's shares have been listed on Nasdaq Helsinki Oy as of 1 December 2022.

On 21 March 2025, Koskisen Corporation's Board of Directors decided on a free directed share issue for the payment of share rewards under the company's long-term performance-based incentive programme for 2022–2026 (earning period 2022–2024). A total of 70,376 new shares were issued free of charge in the directed share issue to seven persons covered by the incentive programme in accordance with the terms of the programme. The rewards to be paid under the incentive programme to each participating person were paid in shares and cash. The cash component covers the tax costs related to the shares. The total number of shares in Koskisen Corporation after the registration of new shares is 23,095,535 shares. The new shares issued, totalling 70,376 shares, were registered in the Trade Register on 4 April 2025. Koskisen Corporation's Board of Directors decided on the free directed share issue on the basis of an authorisation granted by the Annual General Meeting on 16 May 2024.

The purchase price of the Iisveden Metsä business acquisition was partly paid through a directed share issue of Koskisen shares. The Board of Directors of Koskisen resolved on a directed share issue of 1,000,000 new Koskisen shares to Iisveden Metsä on the basis of the authorisation given by the Annual General Meeting on 15 May 2025. After the completion of the share issue, the total number of Koskisen shares is 24,095,535 shares.

Treasury shares

On 31 December 2025, the company held 1,086 treasury shares, which was 0.005 per cent of the total number of shares.

Share price and turnover

A total of 619,176 of the company's shares were traded on the Helsinki Stock Exchange between 1 January and 31 December 2025, corresponding to 2.6 per cent of the total number of shares. The highest share price was EUR 9.56 and the lowest EUR 6.40. The volume weighted average price of the shares traded was EUR 7.96. The share turnover was EUR 4,936,953. At the end of the review period, the market capitalisation of the company was EUR 219,269,369.

Authorisations of the Board of Directors

On 15 May 2025, the Annual General Meeting authorised the Board of Directors to resolve on the repurchase of

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the company's own shares. Under the authorisation, the Board of Directors may resolve on the repurchase of a maximum of 1,000,000 of the company's own shares. The repurchase authorisation is valid until 30 June 2026, and it revokes all previous repurchase authorisations concerning the company's own shares.

On 15 May 2025, the Annual General Meeting authorised the Board of Directors to resolve on issuing new shares and/or transferring treasury shares held by the company and/or issuing option rights and other special rights referred to in chapter 10, section 1 of the Limited Liability Companies Act. Under the authorisation, a maximum of 2,000,000 new shares may be issued and/or treasury shares held by the company or its group company may be transferred. The maximum number of shares issued in connection with incentive programmes is 215,000. The authorization shall revoke all earlier authorizations regarding share issue and issuance of special rights entitling to shares. The Board of Directors shall decide on all other terms and conditions related to the authorization. The authorization shall be valid until 30 June 2026.

Flagging notifications

Koskisen Corporation did not receive any flagging notifications in 2025.

Estimate of probable development

Koskisen Group's revenue for 2026 is expected to increase from the level of 2025. The adjusted EBITDA margin is expected to be 8–12 per cent.

Board of Directors' proposal for the distribution of profits

On 31 December 2025, the parent company's distributable funds were EUR 120,840,065.53, of which the profit for the financial period constitutes EUR 186,509.25.

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.14 be paid for each outstanding share for the financial year 2025. Based on the number of shares registered on 26 March 2026, the total dividend would be EUR 3,373,222.86. The remaining part of the distributable funds will be left in unrestricted equity.

The Board of Directors has assessed the company's financial situation and liquidity before making the proposal. The company's financial position has not changed significantly since 31 December 2025, the company's liquidity is still good and the proposed dividend will not compromise the company's solvency.

Events after the financial period

Koskisen announced on 6 February 2026 the proposals of Koskisen Corporation's Shareholders' Nomination Board to the Annual General Meeting 2026.

Koskisen announced on 10 February 2026 that the company has on 9 February 2026 received an announcement under Chapter 9, Section 5 of the Securities Markets Act, according to which the total holdings of shares and voices of Varma Mutual Pension Insurance Company in Koskisen Corporation has crossed above the 5 per cent threshold. According to the notification, on 9 February 2026, Varma Mutual Pension Insurance Company holds in total 2,001,752 shares in Koskisen Corporation, which corresponds to 8.31 per cent of all shares and votes in Koskisen Corporation.

Koskisen announced on 13 February 2026, that the Board of Directors has resolved on the criteria and targets as well as the key employees eligible for the earning period 2026–2028 of a share-based incentive programme.

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Shares and shareholders

MAJOR SHAREHOLDERS ON 31 Dec 2025

	Number of shares	% of shares
Kari Koskinen	4,038,988	16.76
Markku Koskinen	3,729,988	15.48
Eva Wathén	2,148,988	8.92
Laura Paksuniemi	1,314,693	5.46
Ella Paksuniemi	1,292,993	5.37
Ester Paksuniemi	1,290,693	5.36
Varma Mutual Pension Insurance Company	1,179,332	4.89
Iisveden Metsä Oy	1,000,000	4.15
Karoliina Koskinen	922,039	3.83
Lasse Koskinen	922,039	3.83
Pekka Kopra	822,420	3.41
Elo Mutual Pension Insurance Company	814,332	3.38
Stephen Industries Inc Oy	498,599	2.07
Ilmarinen Mutual Pension Insurance Company	485,000	2.01
Juha Koskinen	475,131	1.97
Arto Koskinen	475,130	1.97
Riitta Kokko-Parikka	375,130	1.56
Työeläkeyhtiö Veritas	143,151	0.59
Thominvest Oy	120,000	0.50
Skandinaviska Enskilda Banken AB (publ) Helsinki branch	102,814	0.43
20 largest, total	**22,151,460**	**91.93**

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BREAKDOWN OF SHAREHOLDING BY SCALE ON 31 Dec 2025

Lower limit	Upper limit	Number of shareholders	Share of shareholders, %	Total number of shares	% of shares
1	100	2,843	55.3	147,897	0.6
101	500	1,752	34.1	381,003	1.6
501	1,000	282	5.5	219,635	0.9
1,001	5,000	206	4.0	406,288	1.7
5,001	10,000	17	0.3	123,734	0.5
10,001	50,000	22	0.4	445,540	1.8
50,001	100,000	3	0.1	219,978	0.9
100,001	500,000	8	0.2	2,674,955	11.1
500,001		12	0.2	19,476,505	80.8
Total		**5,145**	**100**	**24,095,535**	**100**

OWNERSHIP STRUCTURE BY SECTOR 31 Dec 2025

	Number of shares	% of shares
Companies	1,795,516	7.5
Financial and insurance institutions	182,427	0.8
Public sector	2,621,815	10.9
Households	19,269,518	80.0
Non-profit organisations	43,193	0.2
Foreign shareholders	2,367	0.0
Total	23,914,836	99.3
Nominee-registered	180,699	0.8
All in total	**24,095,535**	**100**

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Calculation formulas for key figures

Items affecting comparability are unusual material items outside the ordinary course of business that relate to (i) costs related to reorganisations, (ii) impairment charges, (iii) the gain or loss from the sale of businesses or significant fixed assets and (iv) costs related to the Listing. Items affecting comparability is presented to reflect the underlying business performance of Koskisen and to enhance comparability between periods. Koskisen believes that items affecting comparability provide meaningful supplemental information by excluding items outside the ordinary course of business that reduce comparability between periods.

Key figure	Definition	Reason for use
EBITDA	Operating profit (loss) + Depreciation, amortisation and impairments	EBITDA is an indicator used to measure Koskisen's performance.
EBITDA margin, %	$\frac{\text{EBITDA}}{\text{Revenue}} \times 100$	EBITDA margin is an indicator used to measure Koskisen's performance.
Adjusted EBITDA	EBITDA + Items affecting comparability	Adjusted EBITDA is an indicator used to measure Koskisen's performance. Adjusted EBITDA is presented in addition to EBITDA to reflect the underlying business performance and to enhance comparability between periods. Koskisen believes that adjusted EBITDA provides meaningful supplemental information by excluding items outside the ordinary course of business that reduce comparability between periods.
Adjusted EBITDA margin, %	$\frac{\text{Adjusted EBITDA}}{\text{Revenue}} \times 100$	Adjusted EBITDA margin is an indicator used to measure Koskisen's performance. Adjusted EBITDA margin is presented in addition to EBITDA margin to reflect the underlying business performance and to enhance comparability between periods. Koskisen believes that adjusted EBITDA margin provides meaningful supplemental information by excluding items outside the ordinary course of business that reduce comparability between periods.
EBIT margin, %	$\frac{\text{Operating profit (loss)}}{\text{Revenue}} \times 100$	EBIT margin is an indicator used to measure Koskisen's performance.
Adjusted EBIT	Operating profit (loss) + Items affecting comparability	Adjusted EBIT is an indicator used to measure Koskisen's performance. Adjusted EBIT is presented in addition to operating profit (loss) to reflect the underlying business performance and to enhance comparability between periods. Koskisen believes that adjusted EBIT provides meaningful supplemental information by excluding items outside the ordinary course of business that reduce comparability between periods.
Adjusted EBIT margin, %	$\frac{\text{Adjusted EBIT}}{\text{Revenue}} \times 100$	Adjusted EBIT margin is an indicator used to measure Koskisen's performance. Adjusted EBIT margin is presented in addition to EBIT margin to reflect the underlying business performance and to enhance comparability between periods. Koskisen believes that adjusted EBIT margin provides meaningful supplemental information by excluding items outside the ordinary course of business that reduce comparability between periods.

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Key figure	Definition		Reason for use
Basic Earnings per Share, EUR	Profit (loss) for the period attributable to owners of the parent company / Weighted average number of ordinary Shares outstanding during the period		Basic Earnings per Share reflects the distribution of Koskisen's results to its shareholders.
Diluted Earnings per Share, EUR	Profit (loss) for the period attributable to owners of the parent company / Weighted average number of ordinary Shares outstanding during the period + Weighted average number of all dilutive instruments potentially to be converted into Shares		Diluted Earnings per Share reflects the distribution of Koskisen's results to its shareholders.
Capital employed	Total assets - Current liabilities		Capital employed reflects the capital tied to Koskisen's operations and it is used to calculate return on capital employed.
Liquid assets	Current financial assets at fair value through profit or loss + Deposits + Cash and cash equivalents		Liquid assets reflects the amount of cash and other assets that are readily convertible to cash.
Net debt	Borrowings + Lease liabilities - Liquid assets		Net debt is an indicator used to assess Koskisen's total external debt financing.
Net debt/EBITDA, ratio	Net debt / EBITDA (last 12 months)	x 100	Net debt/EBITDA is an indicator used to assess the level of Koskisen's financial risk and the level of Koskisen's indebtedness.
Working capital	Inventories + Trade receivables + Other receivables - Advances received - Trade payables - Trade payables, payment system		Working capital is an indicator used to monitor the level of direct net working capital tied to Koskisen's operations.
Equity ratio, %	Total equity / Total assets - Advances received	x 100	Equity ratio measures Koskisen's solvency and ability to meet its liabilities in the long term.
Gearing, %	Net debt / Total equity	x 100	Gearing is a measure used to assess Koskisen's financial leverage.
Return on capital employed, %	Operating profit (loss) (last 12 months) / Capital employed (average for the last 12 months)	x 100	Return on capital employed reflects the return of capital tied to Koskisen's operations.
Gross investments	Investments in property, plant and equipment, forest assets, right-of-use assets and intangible assets.		Gross investments are a measure of capitalised investments in Koskisen's operating business.

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Reconciliation of alternative performance measures

The following table sets forth a reconciliation of the Alternative Performance Measures as at the dates and for the periods indicated:

EUR thousand	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Items affecting comparability		
Income related to reorganisations	-662	-
Costs related to reorganisations	902	154
The gain (-) or loss (+) from sale of businesses or significant fixed assets	-105	-48
Items affecting comparability	**135**	**105**
EBITDA		
Operating profit (loss)	14,310	13,023
Depreciation, amortisation and impairments	14,478	11,169
EBITDA	**28,789**	**24,193**
EBITDA margin, %		
EBITDA	28,789	24,193
Revenue	354,936	282,262
EBITDA margin, %	**8.1%**	**8.6%**
Adjusted EBITDA		
Operating profit (loss)	14,310	13,023
Depreciation, amortisation and impairments	14,478	11,169
Items affecting comparability	135	105
Adjusted EBITDA	**28,924**	**24,298**
Adjusted EBITDA margin, %		
Adjusted EBITDA	28,924	24,298
Revenue	354,936	282,262
Adjusted EBITDA margin, %	**8.1%**	**8.6%**

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Sustainability Statement

Koskisen's Sustainability Statement has been prepared in accordance with the EU’s Corporate Sustainability Reporting Directive. The report covers Koskisen’s material sustainability topics for the entire Group and its value chain.

GENERAL DISCLOSURES

Koskisen’s strategy, business model, administrative organisation and double materiality assessment as well as its results.

ENVIRONMENTAL INFORMATION

Material information regarding Koskisen’s energy use, biodiversity and ecosystems, and circular economy.

SOCIAL INFORMATION

Material information regarding Koskisen’s employees and contractors.

GOVERNANCE

Material information regarding Koskisen’s governance.

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General disclosures

In the heart of Koskisen's growth strategy are creating value for customers, developing current operations and taking bold steps. Koskisen Oyj's Group Sustainability Statement has been prepared on group level in accordance with Chapter 7 of the Finnish Accounting Act (1336/1997).

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ESRS 2 General disclosures

General basis for preparation of sustainability statements

BP-1

Koskisen Corporation's sustainability statement has been prepared at the Group level in accordance with Chapter 7 of the Accounting Act (1336/1997). The scope of consolidation is the same as in the company's annual financial statements.

The sustainability statement covers the Group's own operations and the value chain as follows: Scope 3 greenhouse gas emissions upstream and downstream of the value chain in accordance with the GHG protocol. At the upstream value chain, the reporting of sustainability matters related to biodiversity covers the activities of contractors in areas where Koskisen is responsible for felling rights.

Koskisen has not excluded any information from the reporting.

Disclosures in relation to specific circumstances

BP-2

Koskisen has not deviated from the medium- or long-term time horizons defined in ESRS 1. The medium-term strategy period is 1–4 years and the long-term is more than five years.

In the calculation of Scope 3 greenhouse gas emissions in the value chain, sector-specific average emission factors have been utilised as indirect sources to estimate the upstream and downstream emissions of the value chain. The plan is to improve the accuracy of the calculations, for example, by requesting direct emission data from value chain partners when possible. However, direct emissions data are not yet utilised in full, even though they would be available because of the comparability of the calculations. A description of the accuracy of the calculation, as well as the indicators, emission factors, methods and assumptions of the Scope 3 calculation, are specified in more detail in section E1-6 of the sustainability report Gross Scopes 1, 2, 3 and Total GHG emissions.

The quantitative results of biodiversity metrics are subject to uncertainties based on limited sampling. The uncertainty is particularly focused on sampling-based audits, i.e. the information is based on only a part of the management activities that have taken place, as the sampling method of internal audit has been used in the assessment. In the future, the reliability of the results will be improved by expanding the monitoring of the metrics to cover a larger number of management actions and to support the information with internal monitoring carried out on all management actions.

In the calculation of resource use and circular economy metrics, quantitative results are subject to uncertainties related to unit conversions. Due to the variability in wood density, cubic volume is used as the storage unit. In addition, not all primary data is available in mass-based form.

It is possible that the metrics include uncertainties that have not been identified, but as this is the second reporting year, more comprehensive monitoring data can provide greater assurance of the accuracy of the information. No measurement uncertainty is associated with the monetary values reported.

Significant changes in the presentation of sustainability information concern the sawmilling and wood procurement operations incorporated as part of the business acquisition of Iisveden Metsä as of 1 June 2025. However, the operations of the site correspond to the existing sawmilling and wood procurement activities, so there will be no changes to the reported information other than the data related to the added site. Scope 3 reporting involves uncertainties and assumptions, which are described in Gross Scopes 1, 2, 3 and Total GHG emissions section of the sustainability report E1-6.

The indicators in section E4-5 were updated to a more purposeful format. Separate trainings are no longer reported; instead, the indicators used going forward are "Share of forest professionals who have participated in training related to considering forest biodiversity (%)" and "Share of contractors who have participated in training related to considering forest biodiversity (%)". The trainings vary annually and are defined separately for each year, and they are assigned to those Koskisen employees and contractor employees whose participation is required. The participation rate is calculated based on this target group. The trainings described in the indicators are presented separately in section E4-3. There is an uncertainty factor related to contractor training data, as employee information comes from the contractors; however, it is possible that, due to changing circumstances, individuals working on sites may not be included in the reported training data.

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In the biodiversity indicator framework, the metric "Share of deciduous trees in seedlings sold" is reported differently for 2025 compared to 2024 due to incomplete information provided by nurseries. The information is more uncertain, as it has been collected from contracts, the volumes of which may differ from actual realisations, though not to a significant extent. However, this will ensure consistency in reporting going forward, as the data will come from Koskisen's own system. The indicator framework also added "Forest owners participating in the Forest Environment Programme (%)", for which no data was available for 2024.

In connection with the update of the materiality analysis, the ESRS G1 Conduct of Business standard and its sub-areas—Corporate Culture, Protection of Whistleblowers, and Corruption and Bribery, as well as the related subtopics of Prevention and Detection, including Training, and Incidents—were added to the reported information. The standard was included in reporting because it was recognised that ethical operating practices and publicly communicating them enable and strengthen opportunities for cooperation and are a key part of customer requirements. This ensures that the company's reporting responds to customers' growing need for transparent information on administrative processes.

In the 2024 reporting, a human error occurred during data processing at the stage of preparing the sustainability statement. During the editing of a table, one numerical value was incorrectly changed in the ESRS E4 standard "Share of stands where high stumps have been left in accordance with the guidelines (%)" indicator, where the correct value of 43% had erroneously changed to 2% in the reporting table. Regarding Scope 1 and 2 target setting, the figures previously included the Scope 3 category, which has been separated and presented correctly in the 2025 report for both target setting and monitoring. The correct figures are: location-based Scope 1+2 (2022): 12,250 tCO_2e and market-based Scope 1+2 (2022): 22,252 tCO_2e

No disclosures are provided based on other legislation or sustainability reporting frameworks.

Koskisen Group utilises internationally recognised management system standards in its operations. The Group's quality, environmental, and occupational health and safety management are based on ISO standards of the European standardisation system, which are generally accepted frameworks in the industry for continuous improvement and more responsible operating practices. The certified systems support Koskisen's sustainability efforts.
Koskisen's operations are guided by the following certifications:

ISO 9001:2015 – A quality management system that ensures systematic operations, monitoring of customer satisfaction, and continuous development of processes.

ISO 14001:2015 – An environmental management system that supports the identification of environmental risks, reduction of environmental impacts, and compliance with environmental legislation.

ISO 45001:2018 – An occupational health and safety management system that focuses on ensuring a safe and healthy working environment, risk management, and the development of employee well-being.

The above-mentioned management systems have been verified by Kiwa Inspecta as follows: Koskisen's operations in Järvelä and Hirvensalmi are certified in accordance with ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 standards. The Toporów site in Poland holds a valid ISO 9001:2015 certification.

In sustainability reporting, certified processes that are material include the risk management and stakeholder processes covered by the ISO 9001 standard. These also include aspects of the sustainability system, which are examined more comprehensively in a separate process coordinated by the sustainability team.

The metrics presented in the sustainability report are not verified in any other context than in connection with the assurance of the sustainability report, unless otherwise stated.

The role of the administrative, management and supervisory bodies

GOV-1

Composition of the administrative, management and supervisory bodies

Koskisen Corporation's governance consists of the Board of Directors, the Board's Audit Committee, Personnel Committee and CEO, supported by the Executive Board. The company complies with the Finnish Corporate Governance Code. The corporate

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governance principles are defined in the corporate governance principles approved by the company's Board of Directors.
The management, monitoring and reporting of impacts, risks and opportunities related to sustainability issues as part of the activities of the company's administrative, management and supervisory bodies is described below.

Board of Directors (Governing Body)

The duties and responsibilities of Koskisen's Board of Directors are determined under law or the Company's Articles of Association and other applicable legislation. The Board of Directors has rules of procedure that define the duties of the Board of Directors and its Chair.

The Board of Directors has general authority in all matters that have not been assigned to other governing bodies by law or the company's Articles of Association. The general task of the Board of Directors is to take care of Koskisen's administration and the appropriate organisation of its operations. The Board of Directors discusses sustainability-related issues regularly, in accordance with its annual cycle, and is responsible for the company's statutory sustainability report.

The Chair of the Board in 2025 was Pekka Kuusniemi (independent), Vice Chair Hanna Sievinen (independent), members Carita Himberg (independent), Karri Koskela (independent), Hanna Masala (independent), Kalle Reponen (independent).

Audit Committee (Supervisory Body)

The Audit Committee of the Board of Directors is responsible for ensuring the arrangement, supervision and risk management of appropriate governance in accordance with the Finnish Companies Act. The majority of the members of the Audit Committee must be independent of the company, and at least one member of the Audit Committee must be independent of the company's significant shareholders.

The members of the Audit Committee in 2025 were Hanna Sievinen, Karri Koskela and Hanna Masala.

Personnel Committee (Supervisory Body)

The purpose of the Personnel Committee is to enhance board work by preparing matters related to remuneration, appointments, or other personnel-related issues to be decided at board meetings or at the general meeting. A majority of the members of the Personnel Committee must be independent members of the company's Board of Directors. Members of the Personnel Committee must have sufficient expertise and experience, taking into account the committee's area of responsibility.

The members of the Personnel Committee in 2025 were Pekka Kuusniemi (Chair), Carita Himberg and Kalle Reponen.

Executive Board (Management Body)

The CEO manages the company's operations in accordance with the instructions and orders issued by the Board of Directors and keeps the Board aware of the development of the company's business and financial situation.

The Executive Board supports the President and CEO in the implementation of the company's strategy and manages Koskisen's business as a whole, including sustainability aspects as part of the management business model ensuring that business operations are conducted in accordance with the company's governance principles and applicable regulations.

The members of Koskisen's Executive Management Team have extensive authority to operate within their own areas of responsibility, and they are obliged to develop Koskisen's business in accordance with the objectives set by the company's Board of Directors and the President and CEO.

As of 31 December 2025, the Executive Board consisted of Jukka Pahta (Chief Executive Officer), Karri Louko (CFO), Tom-Peter Helenius (Director, Panel Industry), Tommi Sneck (Director, Sawmill Industry), Joonas Ojasalo (Director, Wood Supply and Bioenergy), Minna Luomalahti (Director, Human Resources), Sanna Väisänen (Director, Sustainability and Corporate Communications) and Olli Nikitin (General Counsel).

In addition to the Executive Board, Koskisen's extended Executive Board also includes persons who coordinate other sustainability aspects (IT, quality, environment, safety, technical, services).

As of 31 December 2025, in addition to the core members described above, the extended Executive Board included Markku Lähteenmäki (Director of Quality, Environment and Safety), Antti Kari (Head of IT), and Jarkko Veck (Chief Shop Steward).

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The extended Executive Board meets four times a year. Through the representation of the Chief Shop Steward, employees are consulted and involved in the decision-making process within the extended Executive Board.

Composition of administrative, management and supervisory bodies	2025	2024
Number of executive members	11	11
Number of non-executive members	6	6

Employees with employment relationship are represented in the expanded Executive Board, which includes the Chief Shop Steward as well as the Director of Quality, Environment and Safety. Employees are not represented on the Board of Directors or its Committees.

When preparing the composition of the Board of Directors, the members' educational and professional background, gender and international experience have been taken into account so that the Board of Directors has a broad and diverse representation of expertise and experience that supports Koskisen's operations. This ensures that, as a whole, the Board of Directors possesses sufficient expertise in the company's business and industry, strategic decision-making, corporate and financial administration, internal control and risk management, as well as good governance practices. Women and men must be equally represented on the Board of Directors, as required by applicable regulation. In preparing its proposal, the Board has assessed that the proposed composition of the Board includes sufficient sustainability (ESG) expertise and experience, as required by the nature and scope of the company's operations at the time. The relevant experience is presented in the table below.

The members of the company's Board of Directors and its Audit Committee have relevant experience in the refining industry, human resources management, corporate finance, international business and target markets, as well as in strategic planning and execution of business operations, which is relevant to the assessment of Koskisen's operations and sustainability impacts, risks and opportunities.

The company's CEO, as well as the Executive Board and the Extended Executive Board, have relevant experience in business management at the strategic level and at the level of the company's individual businesses, forestry, corporate finance, financing, risk management, human resources, and sustainability and communications matters, relevant to Koskisen's operations and the assessment of sustainability impacts, risks and opportunities.

The company's Board of Directors and Executive Board have access to the sustainability-related expertise of the company's in-house specialists.

Koskisen's Board of Directors has six (6) members, half (50%) of whom are women and half (50%) men. The average ratio is 1.0.

The Executive Board consists of eight (8) members, of which two (2 persons, 25%) are women and six (6 persons, 75%) men.

The Extended Management Team consists of eleven (11) members, of which two (2 persons, 18%) are women and nine (9 persons, 82%) men.

The Audit Committee has three (3) members, of which two (2 persons, 67%) are women and one (1 person, 33%) is a man.

The Personnel Committee has three (3) members, of which one (1 person, 33%) is a woman and two (2 persons, 67%) are men.

In 2025, the percentage of Board members who were independent of the company and significant shareholders was 100 per cent.

The Audit Committee monitors the impacts, risks and opportunities related to sustainability. The members of the Audit Committee in 2025 were Hanna Sievinen, Karri Koskela and Hanna Masala.

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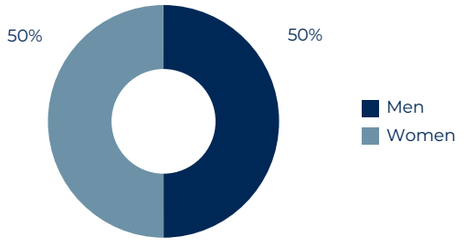
Koskisen's Governance Expertise and Experience

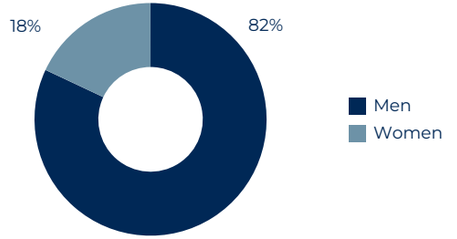
	Board of Directors	Extended Executive Board
Governance		
Board Experience	●●●●●●	●●●●●●○○○○
CEO Experience	●●●●○○	●●●○○○○○○○
Executive Management Experience	●●●●●●	●●●●●●●●●●
Industry		
Forest Industry	●●●●●●	●●●●●●●●●●
Business and Sustainability		
Strategy and Business	●●●●●●	●●●●●●●●●●
ESG and Green Transition	●●●●●●	●●●●●●●●●●
Governance and Compliance	●●●●●●	●●●●●●●●●●
Ethical Business Practices	●●●●●●	●●●●●●●●●●
Geographical Experience and Expertise		
Europe, Middle East, and Africa (EMEA)	●●●●●●	●●●●●●●●●○
Americas	●●●●●○	●●●●●○○○○○
Asia-Pacific (APAC)	●●●●●○	●●●●●○○○○○

● Excellent ● Good ● Basic ○ No Experience

GENDER DISTRIBUTION, %
Board of Directors



GENDER DISTRIBUTION, %
Extended Executive Board



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The responsibility of the Board of Directors, the Audit Committee, Personnel Committee and the Executive Board for sustainability-related impacts, risks and opportunities is taken into account in the Corporate Governance Principles, the Group's Operating Policy and the principles derived from it (Environmental Principles, Human Resources Principles and Risk Management Policy). The company's Board of Directors, Audit Committee, Personnel Committee and Executive Board play a key role in the management, supervision and reporting of sustainability issues.

Board of Directors

- Approves long-term sustainability goals, monitors their implementation, guides the company's management towards the goals
- Monitors and evaluates the link between sustainability work and the strategy and business model, as well as the performance of operations in relation to sustainability targets
- Approves principles or policies for material sustainability impacts

Monitoring: In accordance with the Board's annual cycle. Sustainability matters are reviewed twice a year, in November for targets and measures, and in September for sustainability impacts, risks and opportunities. Individual areas of sustainability, related to personnel, safety and operating principles are examined as part of the related Group entities.

Audit committee

- Supervises reporting of sustainability impacts
- Takes care of the risk management and internal control of sustainability impacts
- Reports to the Board of Directors

Personnel Committee

- Addresses matters related to remuneration, nominations and personnel
- Reports to the Board of Directors

Executive Board

- Responsible for the implementation of the business strategy, taking into account sustainability perspectives
- Responsible for implementing sustainability actions as part of the business, ensuring sufficient resources
- Decides on the content and indicators of the Sustainability Programme based on material sustainability impacts
- Risks and opportunities related to material sustainability impacts are part of the corporate risk management (ERM) reported to the Executive Board, and the need for updating the double materiality assessment is also assessed in the review, which is carried out as a separate process
- The development of material sustainability impacts has been assigned to the relevant director responsible for the respective business or support function
- Reports to the Board of Directors

Extended Executive Board

- Monitors sustainability processes, such as short-term and long-term goals, measures and their results on a quarterly basis
- Hearing and involving the personnel in decision-making through the representation of the Chief Shop Steward
- Wider representation of sustainability aspects (IT, environment, quality, safety, technical services)

Business and support functions

- Integrating sustainability matters into business and support functions
- Developing operations in accordance with sustainability goals
- Reporting on sustainability matters to the Executive Board
- Sustainability matters are reported to the extended Executive Board and coordinated by a core group on sustainability matters, consisting of representatives from the business units.

The controls and procedures for managing impacts, risks and opportunities are integrated into the business processes and operational management system, including internal and external audits and internal control. Sustainability-related risks and opportunities are managed as part of enterprise risk management (ERM), with sustainability aspects also reported to the Board of Directors.

The Executive Board sets targets that are approved by the Board of Directors and monitored by the Extended Executive Board. Progress towards the targets is reported annually to the Board of Directors.

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The sustainability-related competence and expertise needs of the company's administrative, management and supervisory bodies are based on a general self-assessment conducted as part of the preparations for regulated sustainability reporting and the related requirements to understand and manage material sustainability impacts, risks and opportunities.

The company's operational management is familiar with the key sustainability impacts of the industry and has participated in defining the related risks and opportunities. The operational management possesses expertise and understanding of sustainability reporting and the related regulatory requirements.

When forming the Audit Committee, the members' experience and competence related to sustainability matters and their reporting have been taken into account. The company's Board of Directors possesses experience and expertise from various industries, including the integration of corporate sustainability aspects into business operations. The Board of Directors, the Audit Committee, and the operational management engage in ongoing dialogue regarding sustainability impacts, the related financial risks and opportunities, and their strategic linkage and governance through the business model. The company also utilises external expertise, when necessary, to strengthen internal capabilities and to support the development of sustainability processes, reporting, and operating models.

The assessment of required competence and expertise is systematically taken into account as part of the evaluation and selection criteria for new members of the administrative, management and supervisory bodies.

Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

GOV-2

The administrative, management and supervisory bodies regularly address matters related to material sustainability matters. The Board of Directors convenes 8–12 times per year. The Director of Sustainability and Communications reports annually to the Board on the progress of the company's sustainability objectives and actions. The Director of Quality, Environment and Safety reports once a year to the Board on sustainability impacts, risks, opportunities, and stakeholder perspectives as part of the Group's enterprise risk management (ERM) reporting. The Board reviews the double materiality assessment and approves the statutory sustainability statement.

The Group Executive Board meets on a monthly basis. Sustainability topics are presented by the Director of Sustainability and Communications and are included on the Executive Board's agenda as needed. In the extended Executive Board, sustainability topics compiled by the Group's business units — including the entire Due Diligence process — are addressed on a needs-based basis.

The Board of Directors, the CEO, and other members of management are responsible, as part of their duty of care in decision-making, for ensuring that material sustainability impacts, risks, and opportunities — as well as any related trade-offs — are taken into account in strategic decisions within their scope of authority, including major transactions and investments. The outcomes of the double materiality assessment have been utilised in the company's strategic planning.

The administrative, management and supervisory bodies have reviewed the results of the double materiality assessment process, including the material impacts, risks and opportunities. Matters related to occupational safety and personnel are addressed as part of Group-level processes by all governance bodies. A detailed list is provided in section SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model.

Integration of sustainability-related performance in incentive plans

GOV-3

Koskisen does not have remuneration schemes that are exclusively linked to sustainability matters.

Climate-related sustainability matters have been taken into account in the long-term incentive plan approved by the Board of Directors. In the long-term incentive plan for 2025–2027, reduction targets for Scope 1 and 2 categories have been set for the company's Executive Board in accordance with the company's Sustainability Programme. Further information on the target is provided in section "E1-4 Targets related to climate change mitigation and adaptation". The weight of the climate-related target in the incentive plan is 10%.

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The company has both short- and long-term incentive plans for members of its administrative, management and supervisory bodies, including members of the Management Team and the extended Management Team. These schemes include sustainability performance indicators alongside other metrics. The incentive plans are designed to support the company's value creation, long-term financial success, and implementation of its business strategy. They are based on the remuneration policy that governs the remuneration of the CEO and the Board of Directors, which is approved by the Board and presented at the General Meeting.

In 2025, the sustainability-related metric included in the short-term incentive programme for the members of the Executive Board and the extended Executive Board was occupational safety (LTA1).

The sustainability remuneration indicators of the Executive Board and the Extended Executive Board are based on performance indicators set annually. Short-term performance indicators, target levels and weights, including sustainability-related indicators, are set annually by the company's Board of Directors in accordance with the Remuneration Policy. The long-term incentive plan consists of performance periods of several financial years, for each of which the Board of Directors decides separately on an annual basis on the performance criteria and related targets.

Sustainability-related performance metrics in the incentive plan for the Executive Board and the extended Executive Board form part of the Group-level short-term targets. Their weighting in 2025 was as follows: occupational safety (LTA1) 20%. The metric relates to sustainability matters concerning the company's own workforce.

The incentive plans are based on the remuneration policy prepared and presented by the Board of Directors and submitted to the General Meeting for consideration. The remuneration policy is presented to the General Meeting at least once every four years.

Statement on due diligence

GOV-4

Koskisen's due diligence process related to sustainability matters is an integral part of the continuous management and assessment of sustainability impacts, risks and opportunities. The company's processes for managing sustainability impacts have been updated during 2023–2024 to align with the disclosure requirements of the ESRS standards. Koskisen has identified, assessed and established procedures for managing its sustainability impacts in relation to the topics covered by the ESRS standards. The process is continuous and subject to annual review. This includes the annual identification of relevant sustainability-related regulations and stakeholder expectations, which are integrated into the company's operations where applicable. The management of sustainability impacts covers action plans, indicators, targets, results, and the evaluation of effectiveness and resourcing in relation to the sustainability impacts identified through the double materiality assessment. These are reported annually in accordance with the ESRS standards.

CORE ELEMENTS OF DUE DILIGENCE	PARAGRAPHS IN THE SUSTAINABILITY STATEMENT
a) Embedding due diligence in governance, strategy and business model	ESRS 2 GOV-1 The role of the administrative, management and supervisory bodies. SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model.
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 SBM-2 Interests and views of stakeholders. E1-2 Policies related to climate change mitigation and adaptation. ESRS E4-2 Policies related to biodiversity and ecosystems ESRS E5-1. Policies related to resource use and circular economy and ESRS S1-1 Policies related to own workforce.
c) Identifying and assessing adverse impacts	ESRS 2 GOV-5 Risk management and internal controls over sustainability reporting. IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities.
d) Taking actions to address those adverse impacts	ESRS E1-3 Actions and resources in relation to climate change policies. E4-3 Actions and resources related to biodiversity and ecosystems. ESRS E5-2 Actions and resources in relation to resource use and circular economy. ESRS S1-4 Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions.
e) Tracking the effectiveness of these efforts and communicating	ESRS 2 GOV-1 The role of the administrative, management and supervisory bodies. E1-4 Targets related to climate change mitigation and adaptation. ESRS E4-4 Targets related to biodiversity and ecosystems. ESRS E5-3 Targets related to resource use and circular. ESRS S1-4 Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions.

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Risk management and internal controls over sustainability reporting

GOV-5

Sustainability reporting complies with the Group-level principles and processes of statutory reporting, risk management and internal control. The internal control of sustainability reporting is based on the identification, analysis and targeting of control to the most material identified risks.

Risks in sustainability reporting are addressed as part of internal financial monitoring.

The effectiveness of sustainability reporting controls is reviewed at least once a year as part of internal monitoring. The results are monitored and the controls are developed as part of the Group's continuous improvement, which is reported to the Group Executive Board. The effectiveness of internal control is monitored as part of management reviews.

Koskisen's internal control process follows the COSO principles and the process defined in the internal control policy.

The main identified risks in sustainability reporting are the accuracy of the reported information and the adequacy of resources and expertise in a small organisation. To ensure the accuracy of the reported data and the sufficiency of resources, the organisation has established a model that defines the roles and responsibilities for sustainability reporting. The adequacy of the model and development needs are reviewed twice a year as part of internal financial monitoring in cooperation with the persons responsible for sustainability reporting. The processes required for producing reportable data have been integrated into the business processes of the respective units.

To ensure the accuracy and timeliness of the information reported from own operations and the value chain, information-related uncertainties and data control points were defined in cooperation with data producers during 2025. These are part of the shared business processes. The identified observations are utilised in the business units to support other development work. Monitoring is defined and continuously developed in cooperation with Finance and IT, Sustainability and Communications, and the business units producing the data. Monitoring is carried out annually as part of meetings related to the development of reporting.

Risks related to sustainability reporting have been identified and addressed as part of the reporting process in cooperation between internal financial monitoring and the persons responsible for sustainability reporting.

Internal control observations related to sustainability reporting are handled through a process that includes the description of risks, the impact and likelihood of risk realisation, as well as mitigation measures, responsible persons and regular monitoring of the progress of actions.

Risks related to sustainability reporting are reported to the administrative, management and supervisory bodies as part of internal financial monitoring.

Strategy, business model and value chain

SBM-1

Koskisen processes wood raw material into sawn timber, plywood and chipboard. From a sustainability perspective, the operations are closely linked to climate as well as resource use and the circular economy. Wood Procurement mainly buys wood raw material from private landowners and offers forest management and regeneration services, which are directly related to biodiversity and ecosystem-related sustainability matters.

There were no significant changes in suppliers or business relationships. However, as a result of the acquisition of the Iisveden Metsä business operations, some individual changes occurred in business relationships, for example in customer relationships. These do not differ significantly from Koskisen's other business operations, as the new customer relationships are located in markets familiar to Koskisen. In spring 2025, Koskisen launched a new thin plywood product, Zero ThinPly, which is made entirely from bio-based materials and contains no added formaldehyde, phenolic compounds or urea. In the thin plywood, fossil-based adhesive has been replaced with an adhesive made from bio-based raw materials. The product continues the Zero furniture board previously launched by Koskisen, which is also made entirely from bio-based raw materials. During 2025, Koskisen piloted a new process enabling the use of recycled material in chipboard. However, the process is not commercially significant and does

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not change the company's operating principles. There have been no changes in the business model. The company's strategy was updated in 2024 and is tied to key sustainability issues.

Koskisen's customers are mainly direct customers in the logistics, construction, automotive, die-cutting, furniture, interior decoration, packaging and chemical forest industries, among others. In addition, a smaller proportion of Koskisen's products are sold to wholesalers and distributors. Koskisen sells a limited number of thin plywood and veneer products directly to consumers through its own online store. The Kore brand's customers operate mainly in the automotive industry, to which Koskisen supplies floor, wall and roof panel sets, wheel arches and accessories.

Headcount of employees by geographical areas

	2025	2024
Finland	869	796
Poland	130	131
Other	15	16
Headcount of employees in total	**1,014**	**943**

[3] The sustainability statement uses the figure as of the end of the financial year

Revenue by ESRS topic and segment

Revenue, tEUR	2025	2024
Revenue	354,936	282,262

Koskisen is not active in the sectors related to fossil fuels, chemical production, controversial weapons, or tobacco cultivation and production, and there is no income from these industries.

Revenue from activities related to the following sectors		2025	2024
Fossil fuels	No	-	-
Chemical production	No	-	-
Controversial weapons	No	-	-
Tobacco cultivation and production	No	-	-

Koskisen's sustainability goals by 2027	**Perspectice**
We are reducing our own and our value chain's CO_2 emissions compared to the year 2022: Scope 1 and 2 emissions by 50%, and Scope 3 emissions by 20%.	All product groups, all customer segments, and all geographical regions.
Taking into account operations-supporting ecosystem services – 88% certified wood raw material	All product groups, all customer segments, and all geographical regions.
Efficient and optimised use of wood raw material – Wood raw material efficiency for long-lasting wood products 60%	All product groups, all customer segments, and all geographical regions.
Reduction of accidents – Accident frequency rate LTA1 < 5	Relations with own workforce and all geographical regions.
We support employee well-being and competence development. The employee well-being survey score 3,8/5,0.	Relations with own workforce and all geographical regions.

Koskisen's operations are based solely on the sustainable sourcing and processing of wood into carbon-sequestering wood products for different product categories, customer categories and markets. Because the procurement, processing, storage and transport of wood have an impact on the climate and the biodiversity of the forest environment, Koskisen has set sustainability targets for its operations, especially related to the reduction of greenhouse gas emissions and biodiversity.

From the perspective of sustainability, Koskisen has defined wood wisdom as the basis of its strategy for 2024–2027, which means that the forest, the people connected to Koskisen's operations, and society are considered partners in operations. The growth sought in the strategy takes place by creating value for the customer, developing current operations and taking bold steps.

Value is created for customers by helping them mitigate climate change and adapt to the future through their products and services. From the perspective of sustainability, the development of current operations means, in particular, the promotion of a safe working environment and the improvement of well-being at work and competence.

Koskisen is not based in an EU Member State that would allow an exemption from the disclosure of information referred to in Article 18(1)(a) of Directive 2013/34/EU22.

Koskisen is a Finnish wood processing company whose value chain extends from wood procurement to the customer use of wood-based products. The main raw material is wood, which Koskisen processes into sawn timber, panel products and wood products

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with high added value, among other things. Wood wisdom is at the core of sustainable business. The entire value chain from wood harvesting to end products is designed around synergistic and sustainable material flows.

Koskisen procures mainly certified wood as raw material from Finnish private forest owners in accordance with the principles of wood procurement.

Koskisen's own industrial operations focus on the manufacture of sawn timber, panel products and other products with high added value. The Panel Industry offers customised high-quality panel solutions. The Panel Industry's net sales consist of the sale of plywood, chipboard, thin plywood and veneer, as well as optimised van interior solutions. The Sawmill Industry offers sawn timber and further processed products made from high-quality wood raw material. The Sawmill Industry's net sales consist of the sale of sawn timber and further processed timber, as well as by-products of wood procurement for the pulp and paper industry and bioenergy for several power plants. As an investment, Koskisen operates in the mechanical wood processing industry with a unique integrated operating model. This model, along with its synergistic functions, enables high material and overall efficiency, thereby supporting profitable growth.

Operations at the upstream of the value chain are intrinsically linked to forest management operations. Cooperation with forest owners and subcontractors offering management services is key. Wood procurement complies with the requirements set by the PEFC or FSC chain of custody certificates, which ensures that the wood is harvested in accordance with forest certification requirements that take biodiversity into account. In addition, a chain of custody system that enables the traceability of wood is used in all procurements.

Koskisen's ability to create value is based on a material-efficient and integrated value chain from forest to end product. An integrated operating model is based on interconnected processes that form a business model from wood procurement through production to finished products. The entire value chain is designed around synergistic material flows and an agile operating model, which enables the use of raw materials from different sources.

Koskisen's production facilities are located in Järvelä and Hirvensalmi in Finland and in Skwierzyna and Toporów in Poland. The business operations of Iisveden Metsä were integrated into the business of Koskisen Oyj through a business acquisition completed on 1 June 2025. The Group's main market area is Finland and the rest of the EU. Koskisen's customers include operators in the logistics, construction, automotive, stamping, furniture, interior decoration, packaging and chemical forest industries. The company exports to a total of about 70 countries.

Potential sustainability-related impacts, risks and opportunities in relation to the business model and value chain are described in table SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model.

Financial information related to the business segments is presented in notes to the consolidated financial statements in Note 2 Segment information and revenue.

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Interests and views of stakeholders

SBM-2, SBM-2 S1

Koskisen engages in dialogue with its key stakeholders and develops its operations, strategy and business model based on stakeholder feedback and expectations. The interests, perspectives and rights of Koskisen's employees are an integral part of the company's strategy and business model. Koskisen aims to be a sustainable growth-oriented employer, with related goals including being the best employer in the sector and regions, fostering meaningful work, promoting employee well-being and competence, supporting diversity and equality, and offering the opportunity to own shares in the company.

Koskisen's key stakeholders, the purpose, forms and content of stakeholder dialogue, and how this dialogue is taken into account in the company's operations are presented in the following table.

Stakeholder	Stakeholder interaction	Purpose of interaction	Relevant themes	Impact on operations, business model, and strategy
Nature and NGOs acting on its behalf	Identification of impacts on nature. Dialogue, monitoring of activities, and hearing different perspectives in various events.	Minimising adverse effects on forest ecosystems and promoting positive impacts on biodiversity.	Safeguarding diverse forest environments and the ecosystem services they provide in the future. Increasing biodiversity-enhancing actions, including measures that go beyond certification requirements and are based on scientific research. Environmental impacts at production sites related to emissions affecting air, water and soil, as well as resource use and waste circulation.	Wood is sourced as certified, and all operations are carried out at least in accordance with defined minimum requirements.
Own workforce	Dialogue, consultation, information sharing, and communication	Collaboration and development	Balanced and continuous workload across economic cycles, occupational safety and well-being, fair compensation, competence development, and good working conditions and the comprehensive consideration of human rights as an employer.	Securing the availability of workforce and preserving jobs. Goal-oriented development of safety culture and employee well-being.
Local communities	Information sharing, and communication	Collaboration and development	Business operations affect local communities particularly through employment, the visibility and reputation of the locality, and the quality of the living environment. The employment impact supports the well-being and sense of security of local residents and strengthens the municipalities' tax base and purchasing power. Operations also influence the development of skills and labour markets in the production locations. Other key aspects include environmental impacts such as noise, pollution prevention and landscape impacts, as well as small-scale support for local community activities.	Local communities are taken into account and their voices are heard in decision-making.

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Stakeholder	Stakeholder interaction	Purpose of interaction	Relevant themes	Impact on operations, business model, and strategy
Customers and end-users	Collaboration, partnership	Providing high-quality products and advancing both operations and product development.	Long-lasting, carbon-binding products made from renewable raw materials that are traceable and have a known origin. The products must be safe and of high quality, suitable for their intended use, fossil-free, recyclable, competitively priced, and compliant with all applicable requirements. Supply chain audits, certifications, and other systems are used to ensure responsibility and sustainability throughout the value chain. Material efficiency, circular economy principles, and high value-added processing are key. Transparent product information about impacts and raising customer awareness through environmental labelling are essential. Koskisen brand in products. Consideration of ethical aspects and transparent communication.	Carbon footprint, product information, reducing the product-specific carbon footprint, circular economy, material efficiency, and recyclability.
Researchers, academic institutions, and students	Co-operation, sharing information about activities, projects	Learning and innovation	Innovation and development work, especially in the field of circular economy, with a focus on increasing the degree of processing through innovation. Creating job opportunities for graduates, and raising awareness among students about working life and its demands. Two-way dialogue — bringing students' perspectives to employers. Collaboration to develop the industry, and sharing knowledge for research purposes.	Innovation of new circular economy products in partnership with others. Collaborative efforts also help secure workforce availability for positions where formal training does not yet exist.
Forest owners	Information sharing, communication, customer relations, and meetings	Sourcing of raw materials, advising forest owners towards sustainable forestry practices, and providing support when needed — for example, in conservation measures.	Responsible sourcing of raw materials (including consideration for biodiversity and prevention of environmental degradation) and income for forest owners.. Ensuring the growth and regeneration of future forests. Knowledge of diverse forest management practices and a wide range of expert services to support the goals of forest owners.	Safeguarding the long-term supply of raw materials
Shareholders and financial institutions	Meetings and communication	Securing and developing operations while creating shareholder value.	Success in ESG themes and integration of sustainability impacts as conditions for financing.. Risk management from a sustainability perspective. Development of shareholder value, continuity, predictability, transparent communication, and continuous improvement.	Profitability and transparency as the foundation for operations and continuous development.
Advocacy and industry associations	Co-operation	Promoting the development and resilience of the industry	Impacts on the vitality of forestry sector, influencing regulation through collaboration, ensuring and strengthening consistent practices across the industry, and sharing knowledge.	Securing the conditions for continued business operations in a changing operating environment.
Subcontractors, suppliers, and service providers	Collaboration, supply chain management, and meetings	Mutual collaboration to ensure stable operations and advance product development, particularly in terms of sustainability	Predictability and continuity of work, fair operating practices (improving the perception of the entire sector), transparent communication, and the risk of exploitation in the supply chain. Sufficient margins. Provision of information, support and training on appropriate operating practices when needed. Cooperation, for example, in equipment procurement or in supporting their development.	Securing the prerequisites for long-term business continuity through cooperation. Advancing circular economy practices and low-carbon development.
Authorities and certification bodies	Communication and cooperation	Compliance in different operations	Minimum requirement for operations and their acceptability, for customers as well as other partners.	Legal compliance is the minimum requirement for operations and for maintaining acceptability with customers and other partners.

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Understanding of stakeholder perspectives

The views of stakeholders were utilised in Koskisen's double materiality assessment carried out in 2023, on the basis of which Koskisen defined the sustainability matters that are material to the company's operations. The most significant sustainability matters were related to the procurement of raw materials. No separate stakeholder consultation on sustainability aspects was carried out during 2025. However, company representatives engaged in dialogue with stakeholders in various contexts and identified perspectives also as part of broader societal developments and the public discussion climate. During 2025, stakeholder perspectives continued to be identified by the sustainability team. The following observations were particularly highlighted:

- The company's governance practices and internal control systems provide the foundation for transparent and responsible operations.
- Stakeholders, particularly customers and partners, expect ethical operating principles and their practical implementation.
- Stakeholder expectations emphasise openness, reliable traceability of origin, and the continuous development of sustainable operating models.
- Clear communication and understanding of governance models increase trust and strengthen the brand and employer image.
- Key forms of stakeholder cooperation include open communication, dialogue, competence development and cooperation with research and educational institutions.
- In a polarised discussion climate, transparency, learning from mistakes and fact-based communication are emphasised.
- The company is committed to open cooperation and the development of sustainability across different time horizons.
- Considering long-term perspectives is essential for business continuity, also taking into account future generations and the limited resources of nature.

Stakeholder feedback that emerged in the double materiality analysis conducted in 2023:

- Biodiversity protection was considered the most material topic. Stakeholders encouraged the company to recommend more biodiversity-conscious forest management and harvesting services to its wood procurement customers, i.e. forest owners.
- Forest damage and EU regulation were identified as the most significant future drivers of increasing raw material prices, highlighting the need to increase the value generated from end products.
- The Zero furniture board was highlighted as an example of an innovative product, and stakeholders expressed the need for more such solutions in the future. From a sustainability perspective, the Zero board stands out for its recyclability and low VOC indoor emissions. In sawn timber products, key focus areas include forest certification and supply chain audits.
- Circular economy innovations were also brought up; stakeholders expressed a desire to find higher value-added applications for by-products, rather than using them solely for bioenergy.
- The new sawmill was viewed positively also from a sustainability perspective: it enables material efficiency gains by allowing the processing of smaller logs. Other investments improving material efficiency, such as the new log sorting line and the barkless veneer lathe, were also mentioned as positive developments.
- The company's role as the most significant industrial employer in Kärkölä and the surrounding areas was seen as having a clear and positive local impact, which was unanimously acknowledged by the interviewed stakeholders.

Further information on the double materiality assessment is provided in the Material impacts, risks and opportunities and their interaction with strategy and business model section.

The stakeholder perspectives of nature, customers, owners and its own workforce have contributed to strengthening the company's perceptions of the forces of change and opportunities in the operating environment and have influenced Koskisen's strategic planning for the period 2024–2027. A comprehensive analysis of the operating environment, including stakeholders, is part of Koskisen's normal strategic planning practice, and the company has not made any stakeholder-centric changes to its strategy or operating model based on the double materiality assessment.

Stakeholder perspectives and interests regarding the company's sustainability impacts are taken into account as part of the materiality assessment, which is approved by the company's administrative, management and supervisory bodies. Stakeholders are also considered annually as part of an ongoing process within Koskisen's management system.

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Material impacts, risks and opportunities and their interaction with strategy and business model

SBM-3

E1 CLIMATE CHANGE

Impacts	Type of impact	Time horizon	Value chain	Description
Climate change mitigation				
Emissions from vehicles involved throughout the value chain (including transport of finished products)	Negative impact	All time horizons	Entire value chain	Diesel-powered forestry machinery, along with truck, rail, and maritime transport related to logistics, generate greenhouse gas emissions (Scope 3). In the longer term, fleets based on electricity, biofuels, and synthetic fuels have the potential to reduce these impacts. Additionally, the production processes of both synthetic and wood-based fertilizers used in forestry may also contribute to emissions.
Life cycle emissions from panel products, adhesives and coatings, plastics and metal raw materials	Negative impact	All time horizons	Upstream	Traditional binders and coatings are traditionally fossil-based and thus cause greenhouse gas emissions. During the production of plastic and metal raw materials, emissions are also generated (Scope 3).
Direct greenhouse gas emissions from production facilities	Negative impact	All time horizons	Own operations	The power plants owned by Loimua, the power plants in Järvelä, the chipboard mill's chip dryer, and other similar instances (with wheel loaders and forklifts) cause greenhouse gas emissions (Scope 1).
Reduction of forest carbon stocks and soil carbon sinks due to harvesting and forest management activities	Negative impact	All time horizons	Upstream	Koskisen's operations, positioned at the upstream end of the value chain, are closely linked to harvesting and forest management activities (including potential ditch network maintenance). These activities result in changes to land cover (such as tree stands and other vegetation), which can temporarily reduce the natural carbon sink capacity of forest areas. The extent of this impact varies significantly depending on the site type and forest management methods applied.
The carbon sequestered by forests is stored long-term in Koskisen's wood products.	Positive impact	All time horizons	Own operations	Koskisen's long-lasting wood products act as carbon sinks by storing biogenic carbon, temporarily removing it from the atmosphere and mitigating its climate warming effect. This includes production side streams like sawdust and chips used in furniture panel manufacturing.
Positive impacts of forest management practices on natural carbon sinks	Positive impact	All time horizons	Upstream	Koskisen offers forest management services to forest owners to promote carbon sequestration and encourages forest regeneration. A well-managed forest – with carefully timed and planned thinning and final felling operations (adapted to site conditions, rotation periods, and carbon sequestration potential) – improves forest growth and health, thereby enhancing its capacity to sequester carbon.
Development of low-emission products that enable emission reductions for the customer	Positive impact	All time horizons	Downstream	When a customer chooses the Zero particleboard or a comparable product in which bio-based binders replace more carbon-intensive fossil-based alternatives, a Scope 3 emission reduction is achieved compared to traditional products.
Energy				
Indirect greenhouse gas emissions from purchased electricity (Scope 2)	Negative impact	All time horizons	Upstream	Approximately 81% (in 2022) of the operational carbon footprint originates from the consumption of grid electricity. The emission intensity of grid electricity depends on the energy mix used in its production. As the share of renewable energy sources increases, this impact could be significantly reduced in the future.
Emission reductions achieved through renewable energy production	Positive impact	All time horizons	Own operations	In 2022, 96% of the heat energy used by Koskisen was already from renewable sources. An investment in a solar power plant will further increase the share of renewable electricity consumption in the future.
Emission reductions through energy savings – improving energy efficiency in own operations	Positive impact	All time horizons	Own operations	Koskisen joined the Energy Efficiency Agreement for Industries, coordinated by the Confederation of Finnish Industries, in 2016. The company is committed to the energy-intensive industry action plan for the period 2017–2025. To date, energy efficiency measures have included, for example, switching to LED lighting, avoiding unnecessary idling of production machinery, and applying energy efficiency criteria in equipment procurement. All energy-saving actions reduce the overall need for energy, which in turn leads to lower greenhouse gas emissions from energy production.

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Risks and opportunities	Risk / opportunity	Time horizon	Value chain	Description
Climate change mitigation				
Opportunities related to the transition to a low-carbon society – growth in demand for wood construction and wood-based products	Financial opportunity	Medium term	Downstream	If the construction industry begins to shift away from more emission-intensive concrete structures toward wood construction—driven by changes in customer behaviour or regulatory reforms—demand for Koskisen's products may increase. This growing demand would likely have a positive impact on cash flows, both for Koskisen and the broader sector, and as future prospects improve, it may also enhance access to financing as well as influence its cost and terms. However, the most long-lasting products are not always the most profitable option under shifting market conditions, which can make it challenging to set clear targets and plan production accordingly.
Regulatory risks related to the preservation of carbon sinks (transition risks) – harvesting restrictions	Financial risk	Medium term	Upstream	Koskisen's manufacturing operations (panel and sawmill industries) are highly dependent on wood raw material. EU and national legislation is expected to impose long-term restrictions on harvesting (e.g., to meet the climate targets set out in Finland's Climate Act). Any disruptions in the availability, price, or quality of wood raw material would likely have a broad impact on operational cash flows and the value of assets. In a deteriorating market outlook, these factors could also affect the availability, cost, and terms of financing.
Climate change adaptation				
Risks related to the physical impacts of climate change may disrupt the availability of raw materials	Financial risk	Medium term	Upstream	Koskisen's manufacturing operations (panel and sawmill industries) are highly dependent on wood raw material. Climate change may have adverse effects on forest growth and health due to rising average temperatures. These effects may include forest damage, wildfires, storms, compacted snow, reduced forest growth, warmer winters, and increased vulnerabilities. Disruptions in the availability, price, or quality of wood raw material would likely have wide-ranging impacts on operational cash flows and asset values. In the event of a weaker market outlook, such disruptions could also negatively affect the availability, cost, and terms of financing.
Energy				
Opportunities for energy self-sufficiency achieved through own energy production	Financial opportunity	All time horizons	Own operations	Because e.g. it is possible to produce electricity in connection with heat production, energy self-sufficiency can improve. Energy self-sufficiency increases the buffer against future energy supply disruptions. Also a positive impact on profitability from the perspective of utilising energy subsidies.
Energy efficiency opportunities	Financial opportunity	All time horizons	Own operations	If the reduction in energy use can be achieved by improving energy efficiency per cubic metre produced, cost savings will be achieved that improve margins

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E4 BIODIVERSITY AND ECOSYSTEMS

Impacts	Type of impact	Time horizon	Value chain	Description
Impacts on the extent and condition of ecosystems				
Negative impacts on biodiversity caused by land cover changes related to forest management and harvesting operations	Negative impact	All time horizons	Upstream	Koskisen's operations, positioned at the upstream end of the value chain, are closely linked to harvesting and forest management activities. These activities result in changes to land cover (including tree stands, other vegetation, and the condition of water bodies) and reduce the connectivity of species and ecological values. Such impacts broadly affect the natural capacity of terrestrial and aquatic ecosystems to maintain biodiversity.

Risks and opportunities	Risk / opportunity	Time horizon	Value chain	Description
Impacts on the extent and condition of ecosystems				
Regulatory risks related to biodiversity preservation (transition risks) – restrictions on the use of natural resources	Financial risk	Medium term	Upstream	Koskisen's manufacturing operations (panel and sawmill industries) are highly dependent on wood raw material. The decline in biodiversity may lead to regulatory restrictions at the EU or national level regarding the use of natural resources. Disruptions in the availability, price, or quality of wood raw material would likely have broad impacts on the company's cash flows and asset values. In the event of a weakening market outlook, such disruptions could also affect access to financing as well as its cost and terms.
Voluntary biodiversity conservation measures that may reduce the availability of wood raw material (transition risks)	Financial risk	Medium term	Upstream	Koskisen's manufacturing operations (panel and sawmill industries) are highly dependent on wood raw material. The decline in biodiversity may lead to regulatory restrictions at the EU or national level regarding the use of natural resources. Disruptions in the availability, price, or quality of wood raw material would likely have broad impacts on the company's cash flows and asset values. In the event of a weakening market outlook, such disruptions could also affect access to financing as well as its cost and terms.
Direct impact drivers of biodiversity loss (invasive alien species, others)				
Physical risks to raw material availability caused by negative biodiversity impacts	Financial risk	Medium term	Upstream	The decline in biodiversity negatively affects forest health, making forests more vulnerable to damage and reducing the availability of wood. For example, the absence of natural predators of harmful insects or the dominance of a single tree species can increase susceptibility to pests and other forest disturbances. This can lead to reduced wood supply and, consequently, higher raw material prices.

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E5 CIRCULAR ECONOMY

Impacts	Type of impact	Time horizon	Value chain	Description
Resources inflows, including resource use				
Reducing natural resource depletion and advancing circular economy principles through the use of production side streams in product development	Positive impact	All time horizons	Own operations	Various side streams from sawing and forest management (such as sawdust, logging residues, etc.) are utilised in the panel industry, helping to slow down the depletion of primary resources and natural raw materials.
Reducing natural resource depletion through the use of production side streams in energy and heat production	Positive impact	All time horizons	Own operations	Various side streams from sawing and forest management (such as sawdust, logging residues, etc.) are used in heat production, reducing the need for external or fossil fuels in the process.
Reducing natural resource depletion and advancing circular economy through recycling	Positive impact	All time horizons	Own operations	For example, new uses are identified for offcuts from sawn timber and other recyclable waste materials. Recyclability and sustainability are also considered in procurement processes.

Risks and opportunities	Risk / opportunity	Time horizon	Value chain	Description
Resources inflows, including resource use				
Improved profitability through increased utilisation of side streams and recycled materials, as well as enhanced material efficiency	Financial opportunity	All time horizons	Own operations	From a material efficiency perspective, reducing the material input-to-output ratio improves cost-efficiency. Identifying new applications and opportunities for utilising side streams or by-products in higher value-added products can have a positive impact on revenue and profitability. Similarly, the use of recycled materials in new (panel) products may also contribute positively to both revenue and profitability.
Transition risks associated with the circular economy – uncertainty around the legal classification of industrial side streams	Financial risk	Medium term	Own operations	The relative difficulty of utilising Koskisen's side streams (e.g., in particleboards) may increase if future legislation begins to prioritise recycled materials over industrial side streams.
Resource depletion risks concerning critical inputs, such as wood, water, adhesives, coatings, metals, and plastics	Financial risk	All time horizons	Upstream	Koskisen's manufacturing operations (panel, sawmill, and housing industries) are highly dependent on wood raw material and a range of other resources. Over the long term, resource depletion may lead to the scarcity of certain inputs, which in turn can affect both prices and availability. This may result in a permanently higher cost level, and if outlooks weaken, it could also lead to more limited access to financing or less favorable financing terms.
Resource outflows related to products and services				
Circular economy transition opportunities – increased demand for renewable, wood-based products	Financial opportunity	Medium term	Downstream	Various EU or national level regulations related to material efficiency and recycling requirements – as well as changes in customer behavior – may increase demand for wood-based products suitable for reuse. This could lead to higher revenue and improve the market value of the company's shares as future prospects strengthen.

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S1 OWN WORKFORCE

Impacts	Type of impact	Time horizon	Value chain	Description
Working conditions – health and safety				
Negative effects on employee health	Negative impact	All time horizons	Own operations	Various work-related hazards, accidents and work-related health problems: physical (accidents, heat, noise), ergonomic (poorly adjusted workstations, difficult trajectories) and chemical and particulate matter (exposure to substances hazardous to health, e.g. birch wood dust if inhaled, carcinogenic + other chemicals harmful to health, production consumables) negative effects on workers' health.
Positive impacts on employee health and well-being	Positive impact	All time horizons	Own operations	Various health promoting aspects: safe working environment and safety development measures, access to occupational health care, various counselling services.
Own workforce				
Positive impacts related to Koskisen's position as a significant industrial employer in the surrounding area	Positive impact	All time horizons	Own operations	Koskisen is one of the largest employers in the Päijät-Häme region, creating/supporting the well-being and purchasing power of employees living in nearby areas. In addition, the work generates tax revenue, which in turn supports not only the residents and livelihoods of the local area, but also the well-being of employees and their close friends.

Risks and opportunities	Risk / opportunity	Time horizon	Value chain	Description
Own workforce				
Opportunities for a positive employer image	Financial opportunity	All time horizons	Own operations	Koskisen's ability to produce results depends on the availability and retention of skilled and motivated personnel. A positive employer reputation can promote recruitment and retention, improving operational stability and thus financial predictability, reducing the risk of loss of income due to labour shortages.
Freedom of association				
Risks posed by industrial action, such as strikes	Financial risk	All time horizons	Own operations	Koskisen's ability to make a profit depends on the work input of its skilled personnel. In the event of a strike or other industrial action, operations may come to a complete standstill, causing delays in deliveries and loss of income

G1 Business Conduct

Impacts	Type of impact	Time horizon	Value chain	Description
Corporate culture				
Positive impacts related to stakeholder relationships	Positive impact	All time horizons	Own operations	Corporate culture and ethical operating practices significantly influence Koskisen's stakeholder relationships, such as customer relationships and the availability of workforce. Ethical operating practices and public communication about them enable and strengthen opportunities for cooperation and are a key part of customer requirements.

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Material impacts, risks and opportunities in relation to Koskisen's strategy, business model and value chain have been discussed as part of the company's double materiality assessment.

Koskisen's most material sustainability matters are directly related to Koskisen's strategic choices, value chain and business model. Climate change mitigation and adaptation, safeguarding biodiversity, transitioning to a circular economy, and topics related to the working conditions and safety of its own workforce are part of Koskisen's strategic planning. Changes in these themes are identified in the due diligence process and, if necessary, implemented in the Group's strategic planning in a proportionate manner based on their significance. This will ensure Koskisen's ability to react to the impacts that may result from changes in material sustainability topics.

According to the company's understanding, its sustainable growth strategy for the period 2024–2027, which is based on wood wisdom, its business model and value chain, take into account material sustainability topics and related impacts, risks and opportunities. The sustainability topics identified and confirmed in the strategy were already taken into account in the preparation of Koskisen's strategy before the double materiality assessment, and no changes have been made to the strategy or business model based on them, and there are no plans to anticipate or significantly respond to the impacts by adjusting the business model or strategy.

Sustainability impacts affect people through own workforce (S1). The positive effects include effects on employees' health and well-being as well as on employment in Koskisen's production locations. The negative effects focus on occupational safety and health. Sustainability impacts affect nature through climate change (E1), biodiversity and ecosystem services (E4) and the circular economy (E5).

From the perspective of climate change, the positive effects include the storage of carbon sequestered by forests in Koskisen's wood products, emission reductions achieved through renewable energy production, emission reductions through energy savings, improving energy efficiency in our own operations, the positive effects of forest management measures on natural carbon sinks, and the development of products with lower emissions that enable the customer's emission reductions and positive impacts on stakeholders through an ethical corporate culture, including in commercial transactions.. Negative impacts include emissions from vehicles related to wood procurement and transport throughout the value chain (including the transport of finished products), direct greenhouse gas emissions from production facilities, life cycle emissions from adhesives and coatings for flat products, plastic and metal raw materials, indirect greenhouse gas emissions from the production of purchased electricity (Scope 2), and the reduction of forest carbon stocks and soil carbon sinks in harvesting and forestry.

From the perspective of biodiversity and ecosystem services, the negative impacts are based on changes in land cover related to forest management and harvesting activities.

From the perspective of the circular economy, the positive effects include slowing down the depletion of natural resources and promoting the circular economy by utilising production side streams in products and in heat production as well as through recycling.

As a positive impact, corporate culture and ethical operating practices significantly influence Koskisen's stakeholder relationships, such as customer relationships and the availability of workforce. Ethical operating practices and public communication about them enable and strengthen opportunities for cooperation and are a key part of customer requirements.

Koskisen's material positive and negative sustainability impacts are directly linked to Koskisen's strategy and business model. The impacts come from Koskisen's own operations and direct business relationships in the value chain of wood procurement and the processing wood products industry.

The current financial effects of Koskisen's material opportunities relate to potential revenues or cost savings — and ultimately to cash flows — associated with increasing self-sufficiency in renewable energy production, improving energy efficiency, enhancing material efficiency and the utilisation rate of recycled materials, as well as the positive employer image contributing to easier recruitment and lower employee turnover. Koskisen is not aware of any material sustainability-related risks or opportunities during the reporting period that would, if realised, affect the company's balance sheet value in the 2025 financial year.

The company applies the transitional provision regarding the anticipated financial effects of material risks and opportunities on its financial position, financial

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performance, and cash flows in the short, medium, and long term, including the reasonably expected time horizons of such effects, by disclosing only qualitative information.

In the short term (1 year), Koskisen may invest in energy efficiency and renewable energy, improving its ability to adapt quickly to rising energy prices and potential energy supply disruptions. Systematic efforts to enhance biodiversity also support the management of future risks related to raw material availability. In the short term, the company is prepared to respond to regulatory changes, such as climate change mitigation targets. Koskisen can also leverage opportunities related to circular economy and material efficiency in the near future. Efficient use of by-products and investments in new wood-based solutions can generate added value and revenue already within the year.

In the medium term (1–5 years), the company will strengthen the flexibility of its supply chain and its ability to react to changes in the market and regulation. Investments in new production capacity and energy self-sufficiency increase the resilience of the business. The company must adapt to the long-term effects of climate change, such as the decline in biodiversity and the availability of raw materials. In the medium term, Koskisen can take advantage of opportunities, such as the anticipated growth in demand for wood construction and products, especially due to changes in legislation and customer behaviour. The use of recycled and circular economy materials saves costs and improves profitability, while strengthening the company's market position.

In the long term (more than 5 years), the company's strategy and business model make it even more flexible and less dependent on raw material price fluctuations and environmental risks. Long-term investments in new technologies and expansion into the global market strengthen the company's resilience. Koskisen is preparing sustainable practices in line with its strategy to help adapt to global environmental risks, such as the challenges of climate change and the depletion of natural resources. In the long term, the company can also benefit from global megatrends such as the green transition and the circular bioeconomy. The use of wood raw material and products may increase, especially due to the demand for long-lasting and more sustainable solutions, which will bring significant growth opportunities for the company. New innovations and expansions can also open up new business areas and revenue growth.

Koskisen's strategy and business model support the preparation for short-, medium- and long-term challenges and opportunities, and they support the company's resilience to environmental, market and regulatory changes.

Information will be provided only on the impacts, risks and opportunities covered by the ESRS reporting requirements, and no information will be provided on the impacts, risks and opportunities that would be covered by the use of other entity-specific reporting requirements.

Description of the processes to identify and assess material impacts, risks and opportunities

IRO-1

The Double Materiality Assessment (DMA) is a formally required method for determining which sustainability matters Koskisen must prioritise in its strategy and operations, and which topics are to be reported in the sustainability statement in accordance with the CSRD.

Koskisen has identified and assessed its resources and operations to determine actual and potential impacts, risks, and opportunities in its own operations as well as in the upstream and downstream parts of its value chain. The identification and assessment process was conducted primarily at a general level, and the company has not separately screened its operations and plans to identify actual or potential future sources of greenhouse gas emissions. Koskisen's impacts on climate change in terms of greenhouse gas emissions are described in the sustainability statement under disclosure requirement E1-6. To support the identification and assessment of climate-related impacts, risks, and opportunities, Koskisen also utilised climate roadmaps developed for the sawmill and forest industry, based on studies and scenarios prepared by organisations such as LUKE, VTT, and ETLA. These roadmaps were particularly used to identify different types of greenhouse gas emissions, physical climate risks affecting the availability of wood raw material, and transition risks and opportunities influencing, for example, the demand for wood construction, also providing direction for evaluating the relative materiality of these factors.

Koskisen's double materiality assessment process, on which the material topics are based, with the exception of the G1 standard, was carried out for the first time during 2023–2024. The methodology used in the process combined research based on public

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and selected internal sources, stakeholder interviews, individual technical materiality assessments, and dedicated working group meetings. During 2025, the analysis was reviewed in terms of identified stakeholder perspectives, business changes and peer benchmarking.

The 2023 double-materiality assessment process was carried out in three main steps:

1 Understanding the context – reviewing internal materials (operations and business relationships, business model and value chain), other contextual information (sectoral framework, relevant EU sustainability regulation, peer review) and understanding stakeholder views and interests, including stakeholder interviews.
2 Identification of actual and potential impacts, risks and opportunities (IROs) related to sustainability issues – with reference to classification in European sustainability reporting standards (ESRS 1, paragraph AR16). Koskisen's internal project team was responsible for the phase.
3 Assessment and determination of material impacts, risks and opportunities related to sustainability issues – a consolidated result of both materiality and financial materiality, which is mainly based on Koskisen's internal assessment, observations from stakeholder analysis and workshop work by the Executive Board.

The prioritisation and mutual materiality of the identified impacts, risks and opportunities were assessed with Koskisen's internal project team in a browser-based assessment tool called Inclus in accordance with the principles of ESRS 1 chapter 3 for assessing materiality and economic materiality. The outcome of the assessment is a list of sustainability issues that are material to Koskisen. During the process, the internal control and risk management principles confirmed by Koskisen's Board of Directors were followed.

The starting assumption for the impacts, risks and opportunities to be assessed was the sustainability topics related to the business model and strategy that Koskisen had already identified and reported. The findings were supplemented in the background analysis phase of the process based on the topic recommendations of the most similar established, science-based sector-specific sustainability standards, as well as observations from the review of the reporting practices of peer companies. Based on the background analysis, the most significant sustainability topics in the sector were related to climate change mitigation and adaptation, the preservation of biodiversity, the transition to a circular economy, and issues related to the working conditions of the company's own workforce.

To support the identification and assessment of climate impacts, risks and opportunities, the sawmill and forest industries developed climate roadmaps based on studies and scenarios by Luke, VTT Technical Research Centre of Finland and Etla. The roadmaps were used especially to identify different types of greenhouse gas emissions, physical climate risks affecting the availability of wood raw material and, for example. identifying transition risks and opportunities affecting the demand for wood construction, and also providing guidelines for assessing their mutual materiality. Koskisen's double materiality assessment process was carried out for the first time in 2023. The process was based on a combination of research based on public and certain internal sources, stakeholder interviews, personal technical materiality assessments and working group meetings.

The 2025 review process began in August and also utilised the Group-level risk management framework as well as current perspectives gathered from the units and based on stakeholder dialogue. The Group sustainability team carried out the compilation and analysis of the review. In October, the Executive Board reviewed the results of the assessment, made related clarifications and approved the updated framework. In November, the process proceeded to the Audit Committee for review, after which the Board of Directors approved the review as part of its decision-making process.

Assessment of materiality of impacts

In the process of identifying and assessing material actual and potential impacts, Koskisen’s own operations and the main features of the value chain were mapped. This was done in order to identify activities, business relationships, geographic locations or other factors that contribute to material sustainability impacts related to the environment or people. At the beginning of Koskisen’s value chain, there are actions that cannot completely exclude the risk of potential human rights violations, such as in the collection and manufacture of raw materials for key production inputs. In the assessment of the identified potential negative social impacts associated with these measures, emphasis was placed on the severity value in relation to the likelihood of their realisation.

Although the identification process was mainly carried out on a general level, the assessment of Koskisen’s own operations focused on sawn timber, plywood and chipboard operations, business relationships with similar customers and, in a geographical sense, on Koskisen’s production plant in the municipality of Kärkölä and

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its surrounding areas. Many of the identified impacts were found to be linked to financial risks, e.g. as a result of different compensation obligations and reputational damage. The links between different degrees of resource dependencies, such as the availability of wood raw material and skilled labour, were also found to be associated with potential risks.

The impacts of biodiversity-sensitive areas mainly occur on the lands of private landowners, on which Koskisen has felling rights, which can thus be equated with site audits. The assessment and management will focus on the impact of the actions taken in these areas.

The assessment identified a number of negative and positive impacts on people, the climate and the environment in which Koskisen potentially or actually participates through its own operations or business relationships (e.g. suppliers, customers and project contractors). The location of impacts in the value chain is described in Koskisen's table of material sustainability impacts, risks and opportunities.
In connection with the review, the key stakeholder representatives (e.g. Koskisen's sawn timber, plywood and chipboard customers, forest owners, personnel representatives and municipal decision-makers) as well as the views of the users of the so-called sustainability reviews (owners and financiers). The views of the impacted stakeholders were used to identify, formulate and assess biodiversity-related impacts, risks and opportunities. Various circular economy issues, especially related to the utilisation of recycled materials, were emphasised in chipboard customers' views. In the 2025 review, particular emphasis was placed on ethical business practices and the positive impacts on stakeholders arising from transparent communication about them.

The materiality of the identified sustainability impacts was assessed in accordance with the principles of the standards (ESRS 1, chapter 3). The assessment examined potential or actual negative and positive impacts, as well as their scale, scope and, in the case of negative impacts, the irreparable character of the impact. The severity of the negative and positive impacts and the likelihood of their realisation were each assessed on a scale of 1 to 5.

The materiality of the impacts was formed as the product of separate severity and likelihood averages. As a result of the assessments, the mutual order of importance of all identified impacts, risks and opportunities was determined on the basis of materiality values, with the calculated median (11.1) serving as a quantitative threshold for materiality.

Finally, the results were also reviewed qualitatively. Minor adjustments and reweightings were made by consensus, based on stakeholder insights and in cases where certain topics were judged to be unrealistically weighted in relation to Koskisen's overall sustainability profile. The sustainability matters considered material for reporting purposes were determined based on the material impacts, risks, and opportunities grouped under each topic.

As an exception, in the 2025 review the G1 standard was added to the reported topics. This decision was not based on the calculated materiality of impacts, but on management's decision reflecting the need for transparent communication, primarily based on customer needs and the prevailing practice under which the majority of companies report this standard.

The severity of the negative and positive impacts (taking into account the scale, scope and, in the case of negative impacts, the irremediable character of the impact), the magnitude of the economic impacts of the risks and opportunities, and the likelihood of their realisation were each assessed on a scale of 1–5.

Materiality of financial impacts

The materiality of the financial impacts related to sustainability risks and opportunities was assessed in the process of determining double materiality by examining their magnitude and likelihood of realisation.

The assessment of sustainability-related risks and opportunities was carried out for the first time as a separate entity from Koskisen's assessment process for other types of risks. The 2025 review was carried out as part of the Group's stakeholder and risk management process. In addition, sustainability aspects are addressed as a separate entity by the sustainability representatives of the business units within the business operations, as well as within the sustainability team, which manages a more detailed set of actions. This ensures that the aspects are considered as part of corporate risk management and that the measures required to address them are identified and incorporated into the decision-making of the business operations and, where necessary, the extended Executive Board. The development of the process continues.

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The process took into account the links between material sustainability impacts and financial risks and opportunities. The prioritisation and mutual materiality of the identified impacts, risks and opportunities were assessed with Koskisen's internal project team in a browser-based assessment tool called Inclus in accordance with the principles of ESRS 1 chapter 3 for assessing materiality and financial materiality.

The financial materiality of the risks and opportunities was estimated as the product of the averages of the magnitude and likelihood assessments of the related financial impacts. As a result of the assessments, the mutual order of importance of all identified impacts, risks and opportunities was determined on the basis of materiality values, with the imputed median acting as a quantitative threshold for materiality.

In the 2023 process, the magnitude and likelihood of financial impacts were estimated from low to high (5–point scale). Actual or very likely financial impacts were given a value of 5 (90–100% likelihood) and any short-, medium- or long-term financial impacts were assessed on a five-point scale between 0% and 100%. Sustainability-related risk management is part of the Group's overall risk management and is not prioritised separately. Monitoring of sustainability-related risks is carried out in cooperation with the business operations and the Group sustainability team.

Finally, the results were also reviewed qualitatively. Minor adjustments and reweightings were made by consensus, based on stakeholder insights and in cases where certain topics were judged to be unrealistically weighted in relation to Koskisen's overall sustainability profile. For reporting purposes, material sustainability matters were determined based on the material impacts, risks and opportunities identified under each topic.

The materiality assessment is carried out as a separate process, after which the risks are treated as part of corporate risk management (ERM) and prioritised by applying their materiality level in the scaling of risks as described above.

Decision-making related to the assessment of sustainability impacts, risks and opportunities is the responsibility of the company's Executive Board under the leadership of the CEO. The process complies with Koskisen's normal management system and the internal control and risk management principles approved by the company's Board of Directors.

The process of identifying and assessing material sustainability impacts, risks and opportunities required by the European Sustainability Reporting Standards (ESRS) was carried out at Koskisen for the first time in June–November 2023.

The need for materiality assessment is reviewed annually. The impacts and risks identified in the materiality process are included in corporate risk management (ERM). When the need for materiality assessment is identified, existing information on the corporate risk process is used as initial data.

The process of identifying, assessing and managing opportunities is carried out as part of the stakeholder and risk management process, the results of which are reported to the Management Team.

The sustainability topics linked to the business model and strategy, previously identified and reported by Koskisen, were used as the starting point for the impacts, risks and opportunities to be assessed.

The findings were supplemented in the background analysis phase of the process based on the topic recommendations of the most similar established, science-based and sector-specific sustainability standards, as well as observations from the review of the reporting practices of peer companies.

To support the identification and assessment of climate impacts, risks and opportunities, the sawmill and forest industries' climate roadmaps based on studies and scenarios by Luke, VTT Technical Research Centre of Finland and Etla.

The roadmaps were used especially to identify different types of greenhouse gas emissions, physical climate risks affecting the availability of wood raw material and, for example, identifying transition risks and opportunities affecting the demand for wood construction, and also providing guidelines for assessing their mutual materiality.

The identified impacts, risks and opportunities were assessed in a browser-based tool called Inclus in accordance with the principles of ESRS 1 chapter 3. In this way, the starting point for the quantitative materiality assessment was achieved, which was supplemented on the basis of stakeholder views.

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Description of the processes to identify and assess material climate-related impacts, risks and opportunities

ESRS E1 / IRO-1

Koskisen's identification of climate-related impacts is based on a systematic, multi-source assessment process that integrates information produced as part of the environmental management system, external frameworks, and input obtained from stakeholders. The identification has been carried out as part of environmental management and the broader assessment of impacts, risks and opportunities, as well as within the DMA process.

The Environmental Report 2022 served as a key starting point for the assessment of climate impacts. The report is based on an ISO 14001-certified environmental management system and on data required under environmental permitting, within which environmental impacts, including climate-related impacts, are identified and assessed as part of the management system processes. In this context, detailed technical information on Koskisen's operations, production processes and material flows has been utilised.

Koskisen has screened its operations and plans to identify sources of greenhouse gas emissions both in its own operations and across the value chain. This has been carried out by examining key activities from raw material sourcing through production, logistics and the use of products. Particular attention has been paid to energy-intensive processes, the use of fuels and energy, transportation, and indirect emissions related to the supply chain.

In addition, Koskisen has broadened its contextual understanding by analysing external materials, such as sector-specific sustainability standards and frameworks, climate roadmaps of industry associations, reporting practices of peer companies, and other relevant EU sustainability regulation. These sources have been used to identify emission sources material to the value chain and key focus areas in terms of climate impacts.

Koskisen has assessed the actual and potential climate impacts arising from its operations by examining the overall greenhouse gas emissions and their significance from the perspective of climate change mitigation.

The assessment has utilised the significance evaluation of impacts in accordance with the ISO 14001 system, as well as information from external sources on EU legislative priorities. These include, among others, the energy efficiency benefits of products, the impacts of forest management on natural carbon sinks, climate change mitigation in high-impact sectors, and the transition to a circular economy, particularly in new construction. In addition, the results of stakeholder interviews have supported the understanding of which climate-related impacts are most material to Koskisen's operations.

Climate-related scenario analysis

Koskisen carried out an assessment of climate-related threats, risks and opportunities as a scenario analysis in accordance with the TCFD framework in 2023. Key people from the sustainability and communications team and finance, as well as people who have expertise in carbon footprint calculation and resource circulation participated in the implementation of the analysis. The inputs used in the process included the assessment pursuant to the TCFD framework and the company's assessment of environmental impacts and international definitions of climate work. The scenario analysis covered all of the Group's operations, short-term, medium-term and long-term reviews, Koskisen's business and assets, as well as activities throughout the value chain. The time horizon of the scenario analysis extends to 2050.

Scenarios used

SSP1-2.6: Highly effective measures to limit emissions. Global CO_2 emissions should turn to a clear decline already in the 2020s and be even slightly negative by the end of the century. After the middle of the century, the CO_2 concentration will peak at around 470 ppm, but then slowly begin to decrease. The IPCC report estimates that by the end of this century, the global average temperature would have increased by 1.8°C (uncertainty range 1.3–2.4°C) compared to the pre-industrial period.

SSP2-4.5: Semi-successful climate policy. CO_2 emissions will initially increase slightly, but will decline from 2040. By the end of the century, the increase in concentration in the atmosphere will reverse and the concentration will be approximately twice as high as the pre-industrial level. The estimated average global temperature rise at the end of this century will be 2.7°C (2.1–3.5°C).

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SSP5-8.5: Efforts to limit emissions fail completely. CO_2 emissions grow rapidly, more than tripling before the end of the century. The CO_2 concentration would then increase and even quadruple compared to the pre-industrial period, and the strong growth would continue from 2100 onwards. The average global temperature rise at the end of this century is 4.4°C (3.3–5.7°C).

Physical risks

The physical climate-related risks faced by Koskisen are mainly related to the procurement of wood and the availability of wood raw material. These represent a risk to business in the upstream value chain.

The impacts of the IPCC's climate scenario SSP5-8.5 have been taken into account in the assessment process of physical risks related to climate change so that the global temperature rise would be 4.4°C. This high-risk climate scenario is a science-based scenario that is commonly used to assess the physical risks of climate change. All physical risks have been assessed in relation to different scenarios.

Climate-related hazards that affect the company's operations have been identified in accordance with the classification of climate-related hazards in Commission Delegated Regulation (EU) 2021/2139 and the exposure of various assets and business operations to these hazards has been assessed in the short (< 1 year), medium (1–5 years) or long term (>5 years). Physical risks mainly concern raw material procurement, which affects the entire business.

Koskisen's most significant short-term physical risks are related to sudden weather-related events and their effects on the availability of wood raw material. Acute climate change-related events can reduce the duration of the soil frost period and make harvesting more difficult. This has a direct impact on the availability of wood and increases costs. In addition, extreme weather events such as storms and floods can cause significant disruptions to production volumes. Risks related to power outages are also acute and can lead to production stops and reduced production volumes, which has a direct impact on the business.

In the medium term, the chronic physical changes caused by climate change are emphasised. High temperatures and drought cause slow growth and forest damage, which affects the availability and quality of wood. These factors increase the price of wood raw material and reduce profitability. In addition, the loss of biodiversity accelerated by climate change affects the natural ability of forests to fight diseases and pests, which can lead to a reduction in the amount of wood.

In the long term, extreme weather events such as storms, cyclones and floods, which affect the availability and price of wood raw material, emerge as the most significant risk. These events can have a significant impact on costs and profitability over the longer term.

Transition risks and opportunities

Koskisen has not identified any assets or businesses that would not be aligned with the carbon neutrality target in light of transition events.

The process of assessing transition risks and opportunities related to climate change takes into account the impacts of the IPCC climate scenario SSP1-2.6 so that the global temperature rise would be 1.8°C. This scenario is based on the assumption of successful climate action and constitutes the lowest temperature rise scenario of the IPCC climate scenarios. Transition risks have been identified in the short (<1 year), medium (1–5 years) or long term (>5 years) and their effects on Koskisen's business and assets have been assessed.

Risks related to transition events

In the short term, immediate cost effects are particularly emphasised. Rising prices of fossil fuels and energy, as well as taxes and fees related to these, directly increase operational costs. The high price of biofuels also affects operational costs. At the same time, the company faces challenges related to financing, as the availability of financing can decline and its price increase.

In the medium term, the changes required for adaptation are emphasised. The transition to renewable energy requires significant investments, especially in transport and harvesting equipment. Regulatory changes at EU and national level in the transition to a fossil-free society affect the requirements for the use of chemicals in production and increase costs. At the same time, climate change mitigation and the protection of biodiversity are becoming increasingly important themes in forest management, which can affect the willingness of forest owners to sell timber and thus weaken the availability of raw materials.

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Long-term risks are related to fundamental changes in the operating environment. EU and national policy changes can significantly limit the supply of wood and lead to a decrease in production volumes. Tighter regulation of carbon dioxide emissions will increase costs throughout the value chain. The rapid development of technology creates uncertainty in investment decisions, as there is a risk of committing to technology that does not prove optimum in the long term.

Opportunities related to transition events

In our own operations, improving resource efficiency offers significant opportunities in the short and medium term. The growing demand for industrial by-products and energy wood enables new business models. Utilising the sawmill’s own drying capacities provides cost and material efficiency benefits. Opportunities related to improving energy efficiency and in-house energy production, albeit with a more moderate financial impact, support the development of operations.

In the medium and long term, climate change mitigation can increase harvest volumes and facilitate production and revenue growth. The change in the growing season caused by global warming increases the growth rate of trees and opens up new opportunities for cultivating various tree species.

The most significant opportunities in the downstream value chain are the increased use of wood products in construction and as a carbon sink in the medium and long term. Wood products significantly store carbon and their carbon emissions in relation to the volume of the material are low compared to mineral and steel-based building materials. The development of new innovative products helps reduce the carbon footprint and offers significant growth opportunities.

As a whole, Koskisen’s opportunities related to transition events particularly focus on the development of products and services as well as improving resource efficiency. Changes brought about by climate change can also open up new opportunities, even if they involve uncertainties. The strengthening of the role of wood products in low-carbon construction is particularly promising.

The climate scenarios used are consistent with the critical climate-related assumptions presented in the financial statements.

Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities

ESRS 2 / IRO 1

Koskisen has assessed the actual impacts and risks related to biodiversity and ecosystems throughout its value chain, including its own sites. Negative impacts and risks have been identified in the upstream value chain, in Koskisen's and private landowners' forests where the raw material is purchased. The process for identifying and assessing material impacts, risks and opportunities is described in the general disclosures of the sustainability report in IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities.

The material impacts are concentrated in the upstream value chain. Koskisen’s operations in the upstream value chain are intrinsically linked to harvesting and forest management. These measures cause changes in land cover (the state of trees and other vegetation and water bodies) and weaken the interconnectedness of species and natural values, which have a wide-ranging impact on the ability of land and water areas to maintain biodiversity. The effects are visible in different ways depending on the time span examined.

Physical and transition risks have been identified in accordance with the double materiality assessment described in the resilience analysis prepared by the company, which is outlined in section E4-1.

The process of identifying and assessing material impacts, risks, and opportunities has taken into account stakeholders affected by these impacts through interviews with a selected group. Targeted consultations with communities affected by impacts related to biodiversity and ecosystems have not been arranged.

Individual sites within Koskisen’s wood procurement areas, or in their vicinity, may contain biodiversity-sensitive areas. Finnish legislation identifies habitats and protected areas that are sensitive to forestry, but where forestry operations may be carried out in close proximity.

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Operations taken near water bodies also have potential impacts on aquatic ecosystems. Operating in the vicinity of these sites is regulated by law, and requirements for operations at these site are set by certification schemes.

Koskisen operates in the vicinity of these areas in accordance with laws, forest certification requirements and national forest management recommendations. Actions to protect biodiversity will be implemented to prevent or mitigate the effects of the operations, taking into account the requirements set by the EU Birds and Habitats Directives. A key method for this is operating in compliance with the national Natura 2000 network.

IRO-1 Information related to double materiality assessment on non-material topics

ESRS E2 Pollution

Non-material topic. Due diligence and preventive measures related to pollution are part of the everyday operations of production plants subject to environmental permits, which involve regular cooperation and reporting by the authorities. Koskisen has not carried out a detailed screening of the locations of its sites and its business operations to identify the actual and potential impacts, risks and opportunities of soil, air or other emissions to the environment in its own operations or upstream and downstream value chain. The topic was excluded from a more detailed assessment at an early stage in the double materiality analysis. Therefore, no screening methods, assumptions or tools have been defined. Based on the low materiality of the topic, the company has not organised separate consultations on pollution in the double materiality assessment process and has not engaged in stakeholder discussions, especially with the affected communities.

ESRS E3 Water and marine resources

Non-material topic. The double materiality assessment did not include a detailed survey of Koskisen's assets and operations in order to identify impacts, risks and opportunities related to water and marine resources in Koskisen's own operations or upstream and downstream value chain. The topic was excluded from a more detailed assessment at an early stage of the process. Based on the low relevance of the topic, no stakeholder consultations related to water and marine resources were conducted.

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Disclosure requirements in ESRS covered by the undertaking's sustainability statement

IRO-2

Disclosure Requirement and related datapoint	SFDR reference	Pillar reference	Benchmark Regulation reference	EU Climate Law (11) reference	Page number
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex I		Commission Delegated Regulation (EU) 2020/1816, Annex II		57
ESRS 2 GOV-1 Percentage of Board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		57
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex I				61
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex I	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on social risk	Delegated Regulation (EU) 2020/1816, Annex II		Not material, information reported p. 63
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex I		Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	101

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ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		Not material
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex I	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		106
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex I				108
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex I				108
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex I				108
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex I	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		111

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ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex I	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		112
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	115
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			Not material
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy efficiency classes paragraph 67 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2:Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			Not material
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Not material
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil paragraph 28	Indicator number 8 Table #1 of Annex I, Indicator number 2 Table #2 of Annex I, Indicator number 1 Table #2 of Annex I, Indicator number 3 Table #2 of Annex I				Not material

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ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex I				Not material
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex I				Not material
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex I				Not material
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex I				Not material
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex I				Not material
ESRS 2 – IRO-1 – E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex I				116
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ESRS 2 – IRO-1 – E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex I				116
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex I				117
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex I				117
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex I				117
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ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex I				129
ESRS 2 – SBM-3 – S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				132
ESRS 2 – SBM-3 – S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				132
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				133
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8 paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		133
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				133
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ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				135
ESRS S1-14 Number of fatalities and number and rate of work-related paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		145
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				145
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				Not material
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				146
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		146
ESRS 2 – SBM-3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				Not material
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex I				Not material
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex I				Not material
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8 paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex I				Not material
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex I				Not material

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Disclosure Requirement and related datapoint	SFDR reference	Pillar reference	Benchmark Regulation reference	EU Climate Law (11) reference	Page number
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex I				Not material
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				Not material
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex I				Not material
ESRS G1-1 United Nations Convention against corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex I				Not material
ESRS G1-1 Protection of whistleblowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex I				Not material
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex I				Not material

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GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	60
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Definition of material information

The material information to be disclosed in the sustainability statement regarding impacts, risks, and opportunities has been defined through the double materiality assessment process, applying a defined materiality threshold. As an exception, in the 2025 review the G1 standard was added to the reported topics. This decision was not based on the calculated materiality of impacts, but on management's decision reflecting the need for transparent communication and the fact that the majority (97%) of peer companies report this standard.

The materiality of the identified impacts, risks, and opportunities was assessed in line with the principles set out in the standards (ESRS 1, Chapter 3). The severity of negative and positive impacts was evaluated based on scale, scope, and, in the case of negative impacts, also the irremediable character. The financial magnitude of risks and opportunities, as well as the likelihood of their realisation, were assessed on a scale from 1 to 5.

Impact materiality was calculated as the product of the average scores for severity and likelihood. Similarly, the financial materiality of risks and opportunities was determined based on the magnitude and probability of their financial effects.

The results of these evaluations provided a ranking of all identified impacts, risks, and opportunities based on their materiality scores, with a quantitative materiality threshold defined by the calculated median value (11.1). The results were also reviewed qualitatively. Minor adjustments and reweightings were made by consensus, based on stakeholder insights and in cases where certain topics were judged to be unrealistically weighted in relation to Koskisen's overall sustainability profile.

The sustainability matters considered material for reporting purposes were determined based on the material impacts, risks, and opportunities grouped under each topic and are presented in the table below.

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Impacts, risks, and opportunities categorized by sustainability topic

Climate change	Biodiversity and ecosystems	Resource use and circular economy	Own workforce	Business Conduct
Impacts	**Impacts**	**Impacts**	**Impacts**	**Impacts**
The carbon sequestered by forests is stored long-term in Koskisen's wood products	Negative impacts on biodiversity caused by land cover changes related to forest management and harvesting operations	Reducing natural resource depletion and advancing circular economy principles through the use of production side streams in product development	Positive impacts related to Koskisen's position as a significant industrial employer in the surrounding area	Positive impacts of ethical conduct and corporate culture on Koskisen's stakeholder relationships
Emissions from vehicles involved throughout the value chain (including transport of finished products)		Reducing natural resource depletion through the use of production side streams in energy and heat production	Positive impacts on employee health and well-being	
Life cycle emissions from panel products, adhesives and coatings, plastics and metal raw materials		Reducing natural resource depletion and advancing circular economy through recycling	Negative effects on employee health	
Emission reductions achieved through renewable energy production				
Indirect greenhouse gas emissions from purchased electricity (Scope 2)				
Direct greenhouse gas emissions from production facilities				
Positive impacts of forest management practices on natural carbon sinks				
Emission reductions through energy savings – improving energy efficiency in own operations				
Development of low-emission products that enable emission reductions for the customer				
Reduction of forest carbon stocks and soil carbon sinks due to harvesting and forest management activities.				

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Climate change	Biodiversity and ecosystems	Resource use and circular economy	Own workforce	Business Conduct
Risks and opportunities	**Risks and opportunities**	**Risks and opportunities**	**Risks and opportunities**	
Risks related to the physical impacts of climate change may disrupt the availability of raw materials	Physical risks to raw material availability caused by negative biodiversity impacts	Improved profitability through increased utilisation of side streams and recycled materials, as well as enhanced material efficiency	Risks posed by industrial action, such as strikes	
Regulatory risks related to the preservation of carbon sinks (transition risks) – harvesting restrictions	Regulatory risks related to biodiversity preservation (transition risks) – restrictions on the use of natural resources	Transition risks associated with the circular economy – uncertainty around the legal classification of industrial side streams	Opportunities for a positive employer image	
Opportunities related to the transition to a low-carbon society – growth in demand for wood construction and wood-based products	Voluntary biodiversity conservation measures that may reduce the availability of wood raw material (transition risks)	Resource depletion risks concerning critical inputs such as wood, water, adhesives, coatings, metals, and plastics		
Opportunities for energy self-sufficiency achieved through own energy production		Circular economy transition opportunities – increased demand for renewable, wood-based products		
Energy efficiency opportunities				

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Koskisen creates value for its customers by helping them mitigate climate change and adapt to the future with products and services. Koskisen has committed to continuously minimise the impact of its operations, value chain and the full life cycle of its products on soil, water, climate and the ecosystems.

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EU Taxonomy Report

Information pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)

The EU Taxonomy is a classification system for sustainable economic activities based on Regulation (EU) 2020/852 (Taxonomy Regulation), which entered into force in 2020. Its objective is to increase the transparency of sustainable investment and to redirect capital flows towards sustainable economic activities and technologies.

The EU Taxonomy includes a list of economic activities identified by the classification system and their technical sustainability criteria, which are considered to contribute to the EU's six key environmental objectives.

1 Climate change mitigation
2 Climate change adaptation
3 Sustainable use and protection of water and marine resources
4 Transition to a circular economy
5 Pollution prevention and control
6 Protection and restoration of biodiversity and ecosystems

Companies subject to reporting obligations must disclose both the taxonomy eligibility of their activities (activities included in the classification system) and their taxonomy alignment. An activity is taxonomy-aligned only if it fulfils three conditions: (1) it makes a substantial contribution to at least one of the six environmental objectives, (2) it does no significant harm (DNSH) to the other environmental objectives, and (3) it complies with the Minimum Safeguards ensuring the protection of human rights in the company's own operations and supply chain.

The majority of Koskisen's product portfolio (sawn timber, plywood and panel products) currently results from activities that are not included in the taxonomy classification system and are therefore not taxonomy-eligible. However, this does not mean that these product groups are unsustainable from the perspective of the EU Taxonomy. Rather, the EU has not yet classified the wood products industry among the sectors considered to generate the fastest and most significant environmental benefits across Europe.

Koskisen has several activities that are taxonomy-eligible, meaning they are included in the EU classification system. These include forest management services, energy efficiency and production investments in production plants and properties, forest biomass-based energy production, various remediation activities and certain low-emission products.

Although these activities are recognised in the EU classification system, reporting them as taxonomy-aligned would require detailed additional assessments and, in many cases, independent verification.

As the share of these activities in Koskisen's overall business is currently relatively small, the company has not considered it proportionate, from a materiality perspective, to initiate the process of demonstrating taxonomy alignment.

Accounting principle

Koskisen's consolidated financial statements have been prepared in accordance with the IFRS accounting standards approved for use in the EU (see Note [1] to the financial statements). The taxonomy ratios have been calculated in accordance with Commission Delegated Regulation (EU) 2021/2178 supplementing Article 8 of the Taxonomy Regulation (Disclosure Delegated Act).

The same calculation methodology was applied as in the previous financial year. In this report, Koskisen has not applied the reporting reliefs introduced by Commission Delegated Regulation (EU) 2026/73 (the so-called Omnibus Regulation), the application of which is voluntary for the 2025 financial year under the transitional provisions of that regulation. However, in accordance with the materiality principle, the calculation has been refined in practice so that the smallest individual investments are not separately allocated in the reporting, although they are included in the overall totals used in the ratio calculations.

The following principles were applied in the calculation:

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- Financial ratios: Turnover, capital expenditure (CapEx) and certain operating expenditure (OpEx) defined under the taxonomy regulation were allocated to activities interpreted as taxonomy-eligible.
- Eligibility of expenditures: Capital and operating expenditures were considered taxonomy-eligible when they related either to the company's own taxonomy-eligible activities or to taxonomy-eligible products and services procured from third parties.
- Minimum Safeguards: Compliance with Minimum Safeguards was assessed against the interpretation guidelines set out in the Commission Notice (2024/C 211/01).

During the financial year, there were no significant changes in the interpretation of taxonomy eligibility or in the calculation principles for financial ratios, apart from the refinement described above.

Taxonomy assessment

Taxonomy eligibility and taxonomy alignment were determined by comparing the activities that generated revenue and were subject to investment during Koskisen's financial year 2025 with the descriptions of economic activities listed in the taxonomy and their technical screening criteria. As a large share of Koskisen's product portfolio currently falls outside the scope of the taxonomy, the taxonomy assessment is limited to the following taxonomy-eligible economic activities. In accordance with the materiality principle, the activities are presented below in order of their economic significance for Koskisen (turnover, CapEx or OpEx).

CCM 1.3 Forest management

Forest management services provided to forest owners include activities such as soil preparation, planting and sowing, early cleaning, tending of seedling stands and pre-clearing. In addition, Koskisen's timber harvesting operations generate revenue that can be separately identified from invoicing related to timber sales carried out on behalf of forest owners. The activity cannot yet be considered taxonomy-aligned, as the forest management plans of the relevant forest parcels do not yet include the formal climate benefit assessments required by the taxonomy criteria.

CCM 3.5 Manufacture of energy efficiency equipment for buildings

Exterior cladding panels, logs, external wall frame timber and battens, as well as panel products used for doors manufactured by Koskisen from wood, are considered an integral part of building insulation and thus of energy efficiency. These products generated significant taxonomy-eligible turnover for the company in the financial year 2025. However, they are not currently taxonomy-aligned, as the thermal conductivity (W/mK) of the material exceeds the limit value defined in the technical screening criteria for substantially contributing to climate change mitigation.

CCM 4.24 Production of heat or cooling from bioenergy

Koskisen produces heat for the Mäntsäläntie plant area entirely from wood biomass, utilising by-products of its own processes. The operation and maintenance of the boiler plants resulted in taxonomy-eligible operating expenditure (OpEx) during the reporting year. However, not all data required concerning the origin of the wood biomass are currently available, and therefore taxonomy alignment cannot yet be verified.

CE 5.3 Preparation of end-of-life products and components for reuse

During the financial year 2025, Koskisen implemented significant investments related to the reuse and lifecycle extension of machinery and equipment. These investments established processing operations that convert production side streams into briquettes suitable for energy use. The project generated the largest single taxonomy-eligible capital expenditure (CapEx) item in the reporting year. The activity cannot yet be considered taxonomy-aligned, as it does not fulfil all technical screening criteria required by the delegated regulation.

CCM 4.20 Cogeneration of heat or cooling and power from bioenergy

At the Tehdastie plant area, Koskisen produces heat and electricity using 98.4% wood biomass. In exceptional situations, such as during maintenance work, fossil fuels may also be used; however, this share has not been included in the taxonomy eligibility ratio for operating expenditure (OpEx). As all required data concerning the origin of the wood biomass are not yet available, the activity is reported as taxonomy-eligible only.

CCM 5.1 Construction, expansion and operation of water collection, treatment and supply systems

During the financial year 2025, Koskisen completed an investment in base and stormwater treatment systems at the new log yard of the Sawn Timber Industry operations. This resulted in significant taxonomy-eligible capital expenditure (CapEx) and a smaller amount of operating expenditure (OpEx) related to maintenance. The technical energy consumption data required to demonstrate taxonomy alignment were not yet available.

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CE 3.2 Renovation of existing buildings

During the financial year 2025, Koskisen carried out maintenance and renovation activities related to factory and office buildings that are taxonomy-eligible. These resulted in both capital expenditure (CapEx) and operating expenditure (OpEx). The largest individual renovation investments included the repair of the plywood factory roof, renovation work at the sawn timber grading facility storage and refurbishment of the Panel Industry dispatch area. Operating expenditure consisted mainly of ongoing maintenance of several factory and office buildings. Taxonomy alignment cannot yet be demonstrated, as the Global Warming Potential (GWP) is not systematically calculated for all building renovation projects.

CCM 7.3 Installation, maintenance and repair of energy efficiency equipment

During the financial year 2025, Koskisen implemented several energy efficiency investments at its production facilities, resulting in taxonomy-eligible capital expenditure (CapEx) and related operating expenditure (OpEx). These included the construction of a district heating pipeline connecting factory areas, the installation of a new compressed air system and compressors at the plywood plant, and the installation of energy-efficient LED lighting in several production halls. Taxonomy alignment cannot yet be demonstrated, as compliance with all technical screening criteria related to Do No Significant Harm (DNSH) cannot currently be verified due to missing data.

CCM 7.7 Acquisition and ownership of buildings

During the financial year 2025, Koskisen acquired buildings associated with the new log yard of the Sawn Timber Industry operations, resulting in taxonomy-eligible capital expenditure (CapEx). However, the buildings lack the energy efficiency data required for taxonomy alignment.

CE 4.1 Provision of data-driven IT/OT solutions

During the financial year 2025, Koskisen invested in new data-driven solutions and the use of artificial intelligence in its production processes, resulting in taxonomy-eligible capital expenditure (CapEx). These included an AI-based measurement system for chip size and shape to optimise adhesive dosing and an AI-controlled system at the plywood dryer to reduce raw material waste. The purpose of these measures is to improve resource efficiency and support the transition to a circular economy. Taxonomy alignment cannot yet be verified, as all required validation data for data-driven IT/OT solutions promoting circular economy objectives are not yet available.

CCM 3.6 Manufacture of other low carbon technologies

The production capability previously established by Koskisen for the Zero furniture panel, together with the related lignin adhesive silo investment at the chipboard plant, entered the commercial phase during the financial year 2025, generating taxonomy-eligible turnover. In the Zero panel, wood-based lignin replaces the fossil-based binder traditionally used in similar products. The panel is a lower-emission alternative to conventional furniture panels and has therefore been interpreted as corresponding to the manufacture of other low carbon technologies under the taxonomy. However, full taxonomy alignment cannot yet be confirmed due to missing verification data.

PPC 2.4 Remediation of contaminated sites and areas

Koskisen carries out groundwater remediation activities in Järvelä, and the associated operating expenditure (OpEx) is considered taxonomy-eligible. The activity does not meet the EU Taxonomy alignment criteria and is therefore not Taxonomy-aligned. The activity addresses long-term environmental impacts resulting from a sawmill fire in 1976. The contamination was caused by the wood preservative KY-5 used to prevent blue stains in sawn timber, which entered the soil through chlorophenol-containing fire extinguishing water. Groundwater remediation was initiated independently in 2012 using a method developed in cooperation with Afry Finland Oy.

CCM 4.1 Electricity generation using solar photovoltaic technology

A solar power field is located at Koskisen's Tehdastie plant area. The maintenance of the solar installation generated taxonomy-eligible operating expenditure (OpEx) during the reporting year. Not all verification data required for taxonomy alignment are currently available.

Avoidance of double counting

The EU Taxonomy requires reporting entities to disclose how they have avoided double counting when allocating shares of turnover, capital expenditure (CapEx) and certain operating expenditure (OpEx) to taxonomy-eligible and taxonomy-aligned economic activities.

The activities listed above correspond to cost and income items associated with business areas and projects that are monitored separately in Koskisen's accounting. This systematic monitoring ensures that financial figures can be allocated precisely and only once to the parts of operations considered taxonomy-eligible.

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If a specific activity could be considered taxonomy-eligible from the perspective of contributing to more than one environmental objective, the environmental objective that best reflects the nature of the activity has been selected. The numerator of the relevant financial ratio has therefore been allocated entirely to that activity, thereby preventing double reporting between different environmental objectives.

Minimum Safeguards

By Minimum Safeguards, the Taxonomy Regulation refers to procedures implemented by companies to ensure that their operations and supply chains comply with:
(a) the OECD Guidelines for Multinational Enterprises
(b) the UN Guiding Principles on Business and Human Rights (UNGP)
(c) the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work
(d) the Universal Declaration of Human Rights of the United Nations
In practice, compliance with these principles requires the company to have appropriate administrative processes and due diligence procedures in place to ensure respect for human rights and good working conditions, prevent corruption and bribery, safeguard fair competition and ensure tax compliance. It also requires that neither the company nor its management has been convicted of illegal activities related to these matters.

Koskisen and its management have not been subject to convictions related to the matters described above. The Group's governance structures, practices and controls are designed to identify human rights and environmental risks and to prevent, mitigate and, where necessary, remediate negative impacts. Koskisen invests in several key areas of social responsibility, including occupational safety, employee well-being and maintaining fair and reliable partnerships with customers and forest owners.

Negative impacts are addressed systematically through the company's Code of Conduct, supplier requirements and risk assessments. Various indicators related to occupational safety and customer satisfaction are monitored continuously. Stakeholders also have access to an anonymous whistleblowing channel for reporting suspected violations.

A more detailed description of Koskisen's procedures is presented in sections of this Sustainability Statement covering business conduct (ESRS G1), own workforce (ESRS S1) and the company's sustainability due diligence processes.

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PROPORTION OF TURNOVER FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES

				Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)									
Economic activities	**Code(s)**	**Absolute turnover**	**Proportion of turnover, 2025**	**Climate change mitigation**	**Climate change adaptation**	**Water and marine resources**	**Pollution**	**Circular economy**	**Biodiversity and ecosystems**	**Climate change mitigation**	**Climate change adaptation**	**Water and marine resources**	**Pollution**	**Circular economy**	**Biodiversity and ecosystems**	**Minimum safeguards**	**Proportion of turnover, 2024**	**Category (enabling activity)**	**Category (transitional activity)**
		MEUR	**%**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**%**	**E**	**T**
A.TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)																			
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				Y/N	Y/N	Y/N	Y/N	Y/N	Y/N										
Forest management	**CCM 1.3.**	**23.3**	**6.6%**	Y	N	N	N	N	N								7.0%		
Manufacture of energy efficiency equipment for buildings	**CCM 3.5.**	**9.8**	**2.8%**	Y	N	N	N	N	N								2.6%		
Manufacture of other low-carbon technologies	**CCM 3.6.**	**0.1**	**-%**	Y	N	N	N	N	N								-%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**33.2**	**9.3%**														9.6%		
A.Turnover of taxonomy eligible activities (A.1+A.2)		**33.2**	**9.3%**														9.6%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		**321.8**	**90.7%**																
TOTAL		**354.9**	**100%**																

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PROPORTION OF CAPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES

				Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)									
Economic activities	**Code(s)**	**Capital expenditure**	**Share of capital expenditure, 2025**	**Climate change mitigation**	**Climate change adaptation**	**Water and marine resources**	**Pollution**	**Circular economy**	**Biodiversity and ecosystems**	**Climate change mitigation**	**Climate change adaptation**	**Water and marine resources**	**Pollution**	**Circular economy**	**Biodiversity and ecosystems**	**Minimum safeguards**	**Share of capital expenditure, 2024**	**Category (enabling activity)**	**Category (transitional activity)**
		MEUR	**%**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**%**	**E**	**T**
A.TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)																			
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				Y/N	Y/N	Y/N	Y/N	Y/N	Y/N										
Renovation of existing buildings	**CE 3.2.**	**0.7**	**3.1%**	Y	N	N	N	N	N								**2.9%**		
Construction, extension and operation of water collection, treatment and supply systems	**CCM 5.1**	**0.8**	**3.4%**	Y	N	N	N	N	N								**1.5%**		
Preparation for re-use of end-of-life products and product components	**CE 5.3**	**1.2**	**5.0%**	Y	N	N	N	N	N								**-%**		
Acquisition and ownership of buildings	**CCM 7.7**	**0.1**	**0.5%**	Y	N	N	N	N	N								**1.1%**		
Installation, maintenance and repair of energy efficiency equipment	**CCM 7.3.**	**0.7**	**2.9%**	Y	N	N	N	N	N								**0.4%**		
Manufacture of other low-carbon technologies	**CCM 3.6**	**-**	**-%**	Y	N	N	N	N	N								**0.3%**		
Provision of IT/OT data-driven solutions	**CCM 4.1.**	**0.1**	**0.4%**	Y	N	N	N	N	N								**0.3%**		
CapEx of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**3.6**	**15.4%**														**6.6%**		
A.CapEx of Taxonomy eligible activities (A.1+A.2)		**3.6**	**15.4%**														**6.6%**		

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES		
CapEx of Taxonomy eligible activities	**19.8**	**84.6%**
TOTAL	**23.4**	**100%**

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PROPORTION OF OPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES

				Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)									
Economic activities	**Code(s)**	**Operating expenditure**	**Share of operating expenditure, 2025**	**Climate change mitigation**	**Climate change adaptation**	**Water and marine resources**	**Pollution**	**Circular economy**	**Biodiversity and ecosystems**	**Climate change mitigation**	**Climate change adaptation**	**Water and marine resources**	**Pollution**	**Circular economy**	**Biodiversity and ecosystems**	**Minimum safeguards**	**Share of operating expenditure, 2024**	**Category (enabling activity)**	**Category (transitional activity)**
		MEUR	**%**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**%**	**E**	**T**
A.TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)																			
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				Y/N	Y/N	Y/N	Y/N	Y/N	Y/N										
Cogeneration of heat/cool and power from bioenergy	**CCM 4.20.**	**1.1**	**7,9**	Y	N	N	N	N	N								**10.5%**		
Production of heat/cool from bioenergy	**CCM 4.24.**	**1.5**	**10.1 %**	Y	N	N	N	N	N								**10.3%**		
Renovation of existing buildings	**CE 3.2.**	**0.2**	**1.6 %**	Y	N	N	N	N	N								**1.3%**		
Forest management	**CCM 1.3.**	**-**	**0.1 %**	Y	N	N	N	N	N								**0.5%**		
Remediation of contaminated sites and areas	**PPC 2.4.**	**0.1**	**0.4 %**	N	N	N	Y	N	N								**0.5%**		
Construction, extension and operation of water collection, treatment and supply systems	**CCM 5.1.**	**-**	**0.2 %**	N	N	Y	N	N	N								**0.3%**		
Manufacture of other low-carbon technologies	**CCM 3.6.**	**-**	**0.1 %**	Y	N	N	N	N	N								**0.1%**		
Installation, maintenance and repair of energy efficiency equipment	**CCM 7.3.**	**-**	**0.2 %**	Y	N	N	N	N	N								**-%**		
OpEx of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**2.9**	**20.4 %**														**23.5%**		
A.OpEx of Taxonomy eligible activities (A.1+A.2)		**2.9**	**20.4 %**														**23.5%**		
B.TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non eligible activities		**11.5**	**79.6 %**																
TOTAL		**14.4**	**100 %**																

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Additional information about taxonomy ratios

Absolute turnover

The taxonomy-eligible turnover for the financial year 2025 consisted of invoicing in accordance with customer agreements for products and services identified by the company as taxonomy-eligible. This constitutes the numerator of the financial ratio. The denominator of the ratio is the total revenue of the Koskisen Group for the financial year 2025.

A more detailed breakdown of the Group's revenue is presented in Note 2 to the Financial Statements: Segment information and revenue.

Capital expenditure (CapEx)

The taxonomy-eligible capital expenditure (CapEx ratio numerator) consists of additions to tangible and intangible assets related to activities assessed as taxonomy-eligible during the financial year 2025. These additions are calculated before depreciation, impairment and remeasurements and do not include changes in fair value. Total capital expenditure (the denominator of the CapEx ratio) includes additions recognised on the balance sheet during the financial year to property, plant and equipment, intangible assets, and right-of-use assets arising from leases, before depreciation, impairments and revaluations, and changes in fair value. The denominator of the CapEx ratio includes the total capital expenditure of the Koskisen Group for the financial year. During the financial year, Koskisen did not have a formal CapEx plan aimed at expanding taxonomy-aligned economic activities or converting taxonomy-eligible activities into taxonomy-aligned activities in the future.

Further details of the Group's total capital expenditure are presented in Notes 12 Property, plant and equipment, 14 Lease agreements and 15 Intangible assets to the Consolidated Financial Statements.

Operating expenditure (OpEx)

The taxonomy-eligible share of the operating expenditure (OpEx) referred to in the Delegated Act supplementing the EU Taxonomy Regulation includes non-capitalised costs that are essential for the continuity of activities assessed as taxonomy-eligible. These include maintenance and repair of buildings, machinery and equipment, short-term lease contracts, and research and development expenses. The denominator of the OpEx ratio includes the corresponding operating expenditure of the Koskisen Group for the financial year 2025 as defined in the Taxonomy Regulation.

During the financial year 2025, the Koskisen Group did not carry out economic activities related to nuclear energy or fossil gas-based energy production within the meaning of Commission Delegated Regulation (EU) 2022/1214.

ACTIVITIES IN THE FOSSIL GAS AND NUCLEAR ENERGY SECTORS

Line	Nuclear energy-related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO

Line	Fossil gas-related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cooling using fossil gaseous fuels.	NO

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ESRS E1 Climate change

Transition plan for climate change mitigation

E1-1

Koskisen has started to prepare a transition plan for climate change mitigation and planned to deploy it by the end of 2025. However, the deployment and its disclosure will be postponed to 2026.

During the preparation process, Koskisen has discussed the areas required by the transition plan and the related disclosure requirements in detail.

The strategy and sustainability programme approved by the company's Board of Directors in 2024 includes measurable targets for mitigating climate change, but does not yet include target values for reducing greenhouse gas emissions in accordance with the Paris Agreement for 2030 and 2050.

Material impacts, risks and opportunities and their interaction with the strategy and business model

ESRS 2 / SBM-3

Koskisen has carried out a climate change resilience analysis to assess the exposure of business operations and assets to the impacts of climate change. The climate change resilience analysis carried out aims to take into account all relevant functions throughout the value chain and no material physical or transition risks have been excluded. Material physical risks and transition risks are described in the table in the ESRS 2 IRO-2 section.

The identification of risks related to climate change began in autumn 2023, and the work on the scenario and resilience analysis continued in autumn 2024. The resilience analysis has been carried out by the Group sustainability team. With regard to the identified physical risks and transition opportunities and risks, activities and assets affected by them have been specified and risk mitigation measures have been described.

The transition to a lower-carbon economic system is a macroeconomic megatrend that strongly supports Koskisen's strategy, as it increases the demand for renewable low-carbon materials in Koskisen's customer segments. The increase in the production volumes of low-carbon products increases absolute energy consumption, but correspondingly, relative energy efficiency improves, enabled by existing and future technology investments. Most of the energy used by Koskisen is based on the use of renewable wood-based fuel generated as a side stream of its own production.

The time horizons used in the resilience and scenario analysis are short term (< 1 year), medium term (1–5 years) and long term (> 5 years). The time horizons are similar to those for the assessment of climate-related physical and transition-related risks, but differ from the target year 2027 of the emission reduction targets set in Koskisen's sustainability programme.

The mitigation measures have been reviewed in relation to the results of the double materiality analysis, but no review of resources has been carried out for individual measures.

The resilience analysis does not include any significant uncertainties, and the activities do not include any assets or business activities at risk that would have been specifically taken into account in defining the company's strategy, investment decisions and current and planned mitigation measures.

Koskisen's business model and strategy are structurally well positioned to adapt to climate change in the short, medium and long term. High adaptability is based on three key factors: an integrated operating model and its continuous development through investments, a renewable main raw material and its sustainable sourcing, and low-carbon end products. Koskisen also has long-term expertise and know-how in its own operations and value chain, which is actively utilised as the operating environment changes.

The integrated operating model covers the value chain from forest management to final products. This enables flexible adaptation to changing conditions and efficient use of resources. The renewable main raw material, wood, provides a sustainable basis for

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business. Koskisen invests in product development and new innovation in the field of low-carbon solutions, actively develops forest management methods and strengthens cooperation with forest owners.

From the point of view of the continuity of operations, it is essential to ensure wood procurement that considers biodiversity to secure the supply of raw materials in the future. The most significant uncertainties related to strategy and business adaptation are related to significant changes in the political operating environment and regulation.

Policies related to climate change mitigation and adaptation

E1-2

Koskisen's policies and environmental principles, which apply to Koskisen's operations and geographical locations as a whole, define the company's commitment to the goals and actions that are used in its operations and value chain to mitigate climate change, promote adaptation to climate change and increase the use of renewable energy in relation to the material impacts, risks and opportunities identified in the double materiality process.

In accordance with its operating policy, Koskisen is committed to continuously reducing the impact of its operations, value chain and products on climate, soil, water and ecosystems throughout their life cycle from the point of view of climate change mitigation. Koskisen develops products and production processes that take these principles into account throughout the value chain and product life cycle. The climate and environmental impacts of wood products and our own operations as well as carbon sequestration capacity are well known.

From the perspective of climate change adaptation, the environmental principles emphasise goals and measures that focus on reducing physical acute and chronic risks in the upstream value chain. Commitment to the procurement of certified wood raw material, considering biodiversity in forest management and providing advice and training to forest owners and logging companies promote the resilience of forest nature to extreme weather events and, as climate change progresses, increasing drought, heat and the resulting loss of biodiversity. Koskisen does not tolerate deforestation in its supply chain.

From the perspective of renewable energy and energy efficiency, Koskisen is committed to promoting the abandonment of fossil energy sources and raw materials and implementing energy efficiency and energy saving measures in its own production plants. Biofuels are produced from felling waste and by-products of wood processing and used as fuel for Koskisen's plants and nearby district heating plants. Koskisen promotes a material-efficient circular economy in which wood raw material is used down to the last particle of sawdust.

Both the operating policy and environmental principles have been approved by the company's Board of Directors. The executives of the Group and the business units belonging to the company's Executive Board are responsible for their implementation and reporting to the Board of Directors. Stakeholder perspectives have been taken into account in the preparation of the principles as part of the double materiality analysis, on the basis of which the update work has been carried out. The environmental principles are available to stakeholders on the company's website at Policies and principles – Koskisen.

Actions and resources in relation to climate change policies

E1-3

Koskisen's key measures to mitigate climate change during the reporting year 2025 focused primarily on improving energy efficiency and modernising production in Koskisen's own operations at the Järvelä sites in accordance with the investment plan.

Actions related to the negative and positive impacts of climate change mitigation and adaptation, as well as related financial risks

At the Järvelä panel industry site, a phenolic adhesive in which 10% of the raw material has been replaced with lignin was partially introduced in spring. The use of the adhesive reduces the share of fossil-based raw materials and has been used since spring in approximately half of the plywood production in Järvelä.

In the panel industry, an investment in a sheeting and cutting line for special coatings reduces material waste as well as emissions from transportation, as products no longer need to be transported separately for coating.

Optimisation of transport sizes has been implemented in both the panel and sawmill industries. The load factor of transports has been improved, for example through higher

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bundle heights and mixed loads, which has reduced the number of transports and the emissions arising from them. For customers purchasing regularly, empty cargo space has been filled by an estimated approximately 100 m^3 per year. In the sawmill industry, increasing and ensuring trailer load factors further improves transport efficiency.

In a joint pilot by Koskisen, Kesko and Purkupiha, wooden packaging removed from retail distribution chains, such as pallets, is utilised as raw material for chipboard. The overall impact of the solution on emissions cannot yet be fully assessed, but the pilot addresses a previously missing industrial-scale solution in Finland for end-of-life wood, which has mainly been used for energy recovery. The pilot results indicate that the utilisation of recycled wood can be economically viable and create added value. The aim is to integrate the solution into normal production once the permit process has been completed in early 2026. At the same time, preparations are made for possible future regulatory requirements concerning the use of recycled materials.

The launch of Zero ThinPly thin plywood in Hirvensalmi enables customers to use fossil-free products and increases customers' carbon handprint. However, the product is still in the launch phase and has not yet had a significant impact on sales.

In the Järvelä sawmill industry, the introduction of a new log yard and log sorter has eliminated the need to transport logs between the panel and sawmill industries in Järvelä. Logs are now transported directly to the sawmill, whereas previously they were measured at the panel industry log yard and transferred from there to the sawmill. The removal of transportation between Mäntsäläntie and Tehdastie significantly reduces transport emissions. The annual emission reduction is approximately 600 tCO_2e of which 310 tCO_2e results from the reduction in transfer truck traffic and 290 tCO_2e from the elimination of loading and unloading.

The briquette plant in the sawmill industry improves transport efficiency by compressing planer shavings into denser briquettes. Thanks to briquetting, a full trailer combination can carry approximately 4–5 times more material compared with loose planer shavings, which significantly reduces transport costs and emissions. In addition, the processed product achieves a higher sales price than unprocessed raw material.

In the Järvelä sawmill industry, a pilot trial of an electric wheel loader has been implemented together with a contractor. Koskisen's long-term partner, Adolf Lahti has introduced a fully electric wheel loader to replace a previously used diesel-powered machine. The loader is estimated to accumulate approximately 3,000 operating hours per year, reducing fuel oil consumption by around 40,000 litres annually. The machine is used in site maintenance and in the handling of by-products such as bark and sawdust.

Renewable fuel oil has been introduced in the forklifts used in the sawmill industry, reducing fossil emissions. In addition, the oil boilers in forklift maintenance halls have been replaced with lower-emission district heating.

The packaging plastic used in the sawmill industry has been made thinner and supplemented with recycled material, reducing the amount of packaging material used as well as emissions from product manufacturing.

Wood Procurement participated in the MESI project (Electrification of Timber Transport), which aims to provide forest companies and transport operators with a knowledge base to support decision-making on fully electric timber transport solutions and to promote readiness for actions across different time horizons.

The acquisition of the Iisveden Metsä business expands the wood procurement area, particularly in birch-dominated regions, and forms part of preparations for future challenges related to raw material availability, including the impacts of climate change. At the same time, it reduces dependence on external suppliers regarding the availability of birch.

Energy-related actions addressing negative and positive impacts, as well as financial opportunities

As part of the Järvelä panel industry investment programme, modernisation of the veneer dryer, renewal of the coating line of the plywood production line and replacement of lighting with LED lighting were implemented in 2025. These measures reduced energy consumption and improved energy efficiency.

Loimua Oy, which operates heat production for the production sites in Järvelä, constructed a district heating pipeline connecting Koskisen Oyj's Mäntsäläntie and Tehdastie production sites. The pipeline entered trial operation at the end of 2025. The majority of the costs will be realised in 2026. The connection pipeline covers the increased energy demand of the sawmill industry, ensures the sufficiency of heat energy in disturbance situations and improves delivery reliability of sawn timber. Heat

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energy consumption has increased with the capacity of the new sawmill, and the additional energy enables future increases in sawing production from the current level of 400,000 m³.

Connecting the district heating networks creates synergies in heat production, reduces the need for fossil-fuel-based backup power and increases renewable electricity production through more stable heat generation. At the same time, unused capacity can be utilised more efficiently, improving overall energy efficiency.

These measures have required significant operational expenditure (OpEx) and/or capital expenditure (CapEx). In some cases, the company has not yet estimated the anticipated emission reductions. The ability to implement the measures does not depend on the availability of resources. Realised emission reductions have not yet been calculated for all measures. The total reductions are presented in connection with section E1-4 Targets related to climate change mitigation and adaptation.

Resources for implementing the measures are determined on an action-by-action basis either as capital expenditure or operating expenditure. The resources allocated to the measures are included in the Group's financial reporting as investments and operating expenses according to the nature of the activities. Financial information is presented in the EU Taxonomy Report, which describes the taxonomy-eligible and taxonomy-aligned capital and operating expenditures related to sustainability-promoting measures. The Taxonomy Report serves as a link between the actions described in the Sustainability Statement and the corresponding financial indicators (CapEx and OpEx). Capital expenditure presented in the Taxonomy reporting and allocated to the actions covers the key projects that meet the Taxonomy-alignment criteria. These include the briquetting plant, the transition to LED lighting and the district heating pipeline between Mäntsäläntie. For these projects, the CapEx amounts presented in the Taxonomy disclosures are consistent with the allocated expenditure presented in the table in the sustainability statement. Not all actions presented in the table are included in the Taxonomy reporting, as they are not within the scope of the EU Taxonomy.

Key actions	Implementation schedule	Decarbonisation lever	Geographical location	Allocated expenditures t€ 2025
Modernisation of the veneer dryer at the Järvelä Panel Industry	Implemented in the reporting year 2025	Energy and material efficiency	Own operations	1 744
Renewal of the coating line of the plywood production line at the Järvelä Panel Industry	Implemented in the reporting year 2025	Energy and material efficiency	Upstream value chain	545
Transition to LED lighting at the Järvelä Panel Industry	Implemented in the reporting year 2025	Energy efficiency	Own operations	167
Briquette plant at the Järvelä Sawmill Industry	Implemented in the reporting year 2025	Emission reduction actions in value chain logistics	Downstream value chain	1 183
Integration of the district heating networks of the Järvelä Panel and Sawmill Industry operations	Implementation during 2025–2026	Energy efficiency	Own operations	229
Sheeting and cutting line for specialty coatings at the Järvelä Panel Industry	Implemented in the reporting year 2025	Material efficiency	Upstream value chain	576
Product launch of Zero thin veneer plywood at Hirvensalmi	Implemented in the reporting year 2025	Low-carbon products	Upstream value chain	N/A 2025
Introduction of phenolic adhesive with a 10% lignin substitution	Implemented in the reporting year 2025	Low-carbon products	Upstream value chain	N/A 2025
Optimisation of transport sizes to increase and ensure trailer load factors	Implemented in the reporting year 2025	Emission reduction actions in value chain logistics	Upstream value chain	N/A 2025

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Key actions	Implementation schedule	Decarbonisation lever	Geographical location	Allocated expenditures t€ 2025
Recycled material pilot in particleboard production	Implemented in the reporting year 2025	Low-carbon products	Upstream value chain	N/A 2025
Use of renewable fuel oil for forklifts at the Järvelä Sawmill Industry	Implemented in the reporting year 2025	Replacing fossil energy sources	Upstream value chain	N/A 2025
Pilot trial of an electric wheel loader by a contractor at the Järvelä Sawmill Industry	Implemented in the reporting year 2025	Emission reduction actions in value chain logistics	Upstream value chain	N/A 2025
New log yard at the Järvelä Sawmill Industry, eliminating internal transfer traffic	Completed in the reporting year 2025	Emission reduction actions in value chain logistics	Upstream value chain	N/A 2025
Reduction of packaging plastic thickness and increased use of recycled material in Sawmill Industry packaging	Implemented in the reporting year 2025	Material efficiency	Upstream value chain	N/A 2025
Replacement of oil boilers in forklift maintenance halls with district heating at the Järvelä Sawmill Industry	Implemented in the reporting year 2025	Replacing fossil energy sources	Own operations	N/A 2025
Participation in the MESI Forest Companies project on the electrification of timber transport	Implemented in the reporting year 2025	Emission reduction actions in value chain logistics	Upstream value chain	N/A 2025

Koskisen is planning future actions related to climate change mitigation and adaptation. The action plan has been under preparation since 2024 and will be completed during 2026, in connection with which the dependency of the measures on the availability and allocation of financial resources will be assessed and the availability of sufficient resources for implementation will be ensured.

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Targets related to climate change mitigation and adaptation

E1-4

Koskisen set targets related to climate change mitigation, energy efficiency and renewable energy in its sustainability programme published in 2024.

The targets of Koskisen's sustainability programme are described in the table below. The targets of the sustainability programme correspond to the objectives of the Code of Conduct. The emission reduction targets have been set to follow and aim towards the goal of limiting global warming to 1.5 degrees Celsius, in alignment with the Paris Agreement and reflecting the scientific recommendations of the Intergovernmental Panel on Climate Change (IPCC).

The goals and objectives of Koskisen's sustainability programme are based on the double materiality analysis carried out by the company, in which its stakeholders were involved. No stakeholders were involved in setting separate climate-related targets.

Through continuous actions related to reducing energy consumption and improving energy efficiency, the targets have been achieved. Progress continues towards the target for increasing the share of renewable energy. Monitoring of the targets is presented in the table below.

Targets	Target for 2027	Base year 2022	Actual 2025	Actual 2024	Location and geographical boundary
Reduction of energy consumption, and energy efficiency	-5% MWh/m^3 compared to base year 2022	0.6 MWh/m^3	0.49 MWh/m^3	0.54 MWh/m^3	Own operations in all geographical locations
Reduction of energy consumption, and energy efficiency	-5% MWh/EUR million compared to base year 2022	1,143 MWh/EUR million	1,025 MWh/EUR million	1,093 MWh/EUR million	Own operations in all geographical locations
Increased use of renewable energy	99%	96%	98%	97%	Own operations in all geographical locations
Reducing emissions from own operations	-50% $tC0_2eq$ compared to base year 2022	Market-based 2022: 22,252 tCO2ekv.	Market-based 2025 : 6,646 $tCO_2ekv.$	Market-based 2024: 6,195 $tCO_2ekv.$	Own operations in all geographical locations
Reduction of value chain emissions	-20 $tC0_2eq$ compared to base year 2022	168,560 tCO_2eq	187,346 $tCO_2ekv.$	160,990 tCO_2eq	Upstream and downstream value chain
Increasing the carbon handprint	+30% compared to base year 2022	310,754 $tCO_2ekv.$	358,588 $tCO_2ekv.$	272,376 $tCO_2ekv.$	Own operations and downstream value chain

[1] The target for reducing emissions from own operations has been refined to apply only to the market-based figure.

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The emission targets set are consistent with the Scope 1, 2, and 3 emissions categories of the GHG Protocol used in Koskisen's greenhouse gas emissions reporting. Scope 1 and 2 are included in the common target and have not been separated in the target setting. For the Scope 3 target, the reduction target of -20% includes all reportable categories in their entirety. All emission categories are included in the targets and the categories are presented in section E1-6. The base year is 2022.

The company's greenhouse gas emission targets are not fully comparable with the base year in all respects. The base year for all targets has been defined as 2022, while the emission reduction targets have been set for 2027. The figures for 2022 have not been validated in accordance with the Sustainability Statement. When setting the baseline values, care was taken to ensure that they do not include anomalies resulting from, for example, exceptional weather conditions, production volumes or energy procurement.

As a result of the business acquisition carried out during the reporting period, the comparability between the targets and the base year does not fully reflect the current business structure. The impact of the business acquisition on emission development will be assessed in relation to the current targets. During the reporting year, no changes were made to the CO_2 emission targets, as the company intends to assess the impact of the new business on emissions before making any potential revisions.

In addition, the emission calculations for the base year and the reporting year are not fully comparable, as the 2022 emission figures were not calculated using the updated emission factors applied in the reporting year calculation. The updated emission factors have an impact on the final calculation results.

The company will assess the relevance of its emission reduction targets and the need for potential updates during 2026, taking into account the effects of the business acquisition as well as the calculation results based on the updated emission factors.

Koskisen's greenhouse gas emission reduction targets do not yet include an approved roadmap for the long-term targets for 2030 and 2050, which is why they cannot yet be considered compatible with the 1.5 degrees Celsius target or based on climate science. The target has been set based on the company's own analysis without an external transition pathway. The objectives take into account the assumptions presented in Koskisen's strategy regarding the development of the operating environment and Koskisen's business. Koskisen expects sustainability, urbanisation and the development of trade and transport to support the growth of demand for sustainable wood-based materials and products. Koskisen also assumes that it will be able to further improve the energy and material efficiency of its operations by developing synergistic business operations, the circular economy and the integrated operating model. Koskisen's goal of creating new innovative lower-carbon, energy- and material-efficient wood-based products has also been taken into account. These factors are assessed to separately and together support the achievement of the emission reduction targets. The actual roadmap and calculations for the emissions development pathway is not ready, even though the work has started.

The decarbonisation levers and their quantification are a key part of Koskisen's future transition plan for climate change mitigation. Its preparation has begun and the company plans to implement it during 2026. Koskisen's goal is to present the specified decarbonisation levers and the estimated impacts in the 2026 sustainability report. The key decarbonisation measures currently identified and their indicative role in reducing greenhouse gas emissions are presented below.

Energy efficiency
Improving energy efficiency is achieved by optimising production processes and modernising equipment, thereby reducing electricity and fuel consumption per unit of product. Emission reductions result from more efficient energy use, which directly lowers Scope 1 and Scope 2 emissions arising from energy consumption in operations. The measures can be applied across all operations, and investments in energy-efficient technology represent a key means of reducing emissions.

Replacing fossil energy sources
Emissions are reduced by replacing fossil fuels with bio-based fuels, renewable energy and electrification, or by switching energy production and logistics to other energy sources. Emission reductions are based on reducing or eliminating the use of fossil energy sources in own operations, which directly lowers Scope 1 emissions. In addition, switching to renewable electricity lowers the emission factor of purchased energy and reduces Scope 2 emissions without changes to the total amount of energy consumed.

Low-carbon products
Emissions in the panel industry in particular are reduced by developing raw material choices, especially in adhesives and coating materials, where fossil-based products are

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replaced with bio-based or otherwise lower carbon footprint solutions. Emission reductions are achieved through supplier cooperation, material development and, where necessary, supplier changes. These measures reduce the average emission factor of purchased chemical raw materials or reduce their usage volumes, thereby lowering Scope 3 emissions generated in the value chain.

Material efficiency
Material efficiency is improved by enhancing the use of raw materials in production processes and reducing material losses and the amount of waste generated. Emission reductions arise from reduced overall consumption of raw materials, which decreases value chain emissions, particularly those resulting from raw material production and transport. Improving the utilisation rate of wood raw material, for example in connection with production investments, lowers material-related emission intensity while also delivering significant economic benefits. The impacts of these measures are mainly reflected in Scope 3 emissions.

Emission reduction actions in value chain logistics
Logistics emissions are reduced by directing the procurement of transport and contracting services towards lower-emission solutions and by developing energy-efficient operating practices in cooperation with service providers. Emission reductions are based on optimising transport modes, introducing low-emission equipment and utilising alternative fuels. In addition, energy-efficient and low-emission working methods are promoted in contracting services. These measures reduce the emission intensity of transport and purchased services and target Scope 3 emissions generated in the value chain.

According to the company's preliminary assessment, the measures described above form the main basis for reducing the company's greenhouse gas emissions and support the achievement of the emission reduction targets set. Some of the measures require further assessments, pilots or market development. Quantitative estimates will be refined as the transition plan and related potential investment decisions are completed and progress. The information will be updated as part of the preparation and monitoring of the transition plan. Koskisen will describe the climate scenarios used and the conclusions made about the operating environment in the same context.

Energy consumption and mix

E1-5

Energy consumption includes direct and indirect energy used at Koskisen's locations. The reported energy quantities are primarily based on measured data as well as invoice and measurement data provided by external suppliers. Energy consumption is presented in megawatt hours (MWh).

For liquid fuels, the quantity used is measured in litres or by weight and converted into energy quantities using generally accepted and appropriate conversion factors. For other fuels, the energy quantities are determined based on fuel-specific average values and the applicable conversion factors.

For the power plants operating in connection with Koskisen's Järvelä operations, the quantities of fuels are weighed at the time of feeding them into the power plant. The energy content of fuels is calculated separately for each fuel type. The moisture content of wood-based fuels has been determined by external research institutes based on fuel samples, and dry heat values have been specified for them, enabling the calculated energy content of the fuel to be determined. The efficiency of the power plants is calculated by comparing the calculated energy content of the fuel with the metered amount of energy produced.

For purchased energy, such as electricity and heat, the energy quantities are based on invoice and measurement data received from suppliers. Energy consumption is allocated to the reporting period according to the time of consumption.

Energy intensity is calculated by relating total energy consumption to the production volume of the reporting period. The production volume is based on the Group's internal production data and is presented as a volume unit (m^3). Intensity figures are presented consistently for the entire reporting period using the same calculation principles.

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Energy consumption and mix	2025	2024
Fuel consumption from coal and coal products (MWh)	-	-
Fuel consumption from crude oil and petroleum products (MWh)	8,334	8,760
Fuel consumption from natural gas (MWh)	221	121
Fuel consumption from other fossil sources (MWh)	-	-
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	1,287	-
Total fossil energy consumption (MWh)	9,842	8,881
Share of fossil sources in total energy consumption (%)	3%	3%
Consumption from nuclear sources (MWh)	77,330	66,586
Share of consumption from nuclear sources in total energy consumption (%)	21%	22%
Fuel consumption for renewable sources (MWh)	275,477	230,288
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	11	811
The consumption of self-generated non-fuel renewable energy (MWh)	1,058	1,865
Total renewable energy consumption (MWh)	276,546	232,964
Share of renewable sources in total energy consumption (%)	76%	76%
Total energy consumption (MWh)	363,717	308,431

Energy generation	2025	2024
Non-renewable energy generation (MWh)	5,771	6,327
Electricity generation from non-renewable sources (MWh)	-	-
Heat generation from non-renewable sources (MWh)	5,771	6,327
Renewable energy generation (MWh)	277,042	233,291
Electricity generation from renewable sources (MWh)	1,296	2,912
Heat generation from renewable sources (MWh)	275,746	230,379
Share of biofuels in heat generation (%)	98%	97%

Energy intensity per net revenue	2025	2024
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/EUR million)	1,025	1,093

Energy intensity per production volume	2025	2024
Energy intensity per production volume	0.49	0.54

Koskisen's activities are included in NACE main categories (Rev 1.1) A 020 Forestry, logging and related service activities, DD 2010 Sawmilling and planing of wood; impregnation of wood, DD 2021 Manufacture of veneer sheets; manufacture of plywood, laminboard, particle board, fibre board and other panels and boards and DM 3430 Manufacture of parts and accessories for motor vehicles and their engines, all of which are included in high climate impact sectors. All of Koskisen's revenue is derived from sectors with significant climate impacts. Revenue is reported in the financial statements, which can be found in the section "Revenue in the comprehensive income statement of Koskisen's consolidated financial statements (IFRS) "

Reconciliation of energy intensity tEUR	2025	2024
Net revenue from activities in high climate impact sectors	354,936	282,262
Revenue in the comprehensive income statement of Koskisen's consolidated financial statements (IFRS)	354,936	282,262

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Gross Scopes 1, 2, 3 and Total GHG emissions

E1-6

The carbon footprint assessment calculates the potential impact of products on global warming expressed as carbon dioxide equivalent (CO_2e). The carbon footprint calculation follows the GHG Protocol. The purpose of the calculation is to determine the entire Group's carbon footprint to support communication and reporting to stakeholders. Stakeholders to whom the carbon footprint is communicated include customers, employees, financing providers, authorities and forest owners. The calculation is carried out annually according to the same principles so that it can be reliably used to monitor the development of the carbon footprint and to determine targets. The Group's carbon footprint covers the Group's operations over one year. In 2025, the business operations of Iisveden Metsä were transferred to Koskisen Oyj through a business acquisition completed on 1 June 2025, after which the impacts are also reflected in increased emissions. The carbon footprint is reported in relation to revenue in EUR million and the volume unit m^3, which is the storage unit commonly used in the Group for all product groups. The calculation includes Scopes 1 and 2 and Scope 3, as applicable, for all Group activities. The Scope 3 categories excluded from the calculation are described later in the report. The calculation follows a scientific approach and uses the most accurate information available. If estimates, averages, assumptions or other choices are used instead of scientific information, they are described in connection with the calculation and in the assessment report. The input data used describes the Group's operations as accurately as possible.

The emission calculation is mainly based on the organisation's own consumption and quantity data (primary data) and commonly used and scientifically justified emission factors (secondary data). The emission factors used have been selected from reliable databases, and their sources are described in connection with the calculation. Previously, the calculation was carried out using the OneClickLCA system, but starting from the 2025 reporting year the Carbon+Alt+Delete emissions calculation software is used. The most appropriate emission factor is selected from its databases based on the information available at the time.

The carbon footprint calculation is not geographically limited, as the majority of products are exported to different continents and their impacts over the entire life cycle are taken into account.

The calculation is carried out using the Carbon+Alt+Delete emissions calculation software. As far as possible, the data collected for other information requirements of the ESRS standards is utilised in the data collection. All assumptions used in the calculation are clearly stated. The assumptions and selections related to the calculation details are described later in the report.

General assumptions as the basis for calculation

Wood raw material is assumed to store biogenic carbon during the service life of products, meaning that no carbon dioxide emissions occur during product use. In the end-of-life phase, the products are assumed to be utilised for energy through incineration, which generates emissions from adhesives and coatings contained in panel and wood products. Biogenic CO_2 emissions from the combustion of wood material are not included in the carbon footprint, assuming that the forest is regenerated.

The calculation uses an allocation procedure to avoid double counting between different product groups. For products moving within the Group, emissions are allocated to the final product sold to an external customer. This applies, for example, to the use of sawdust generated in sawn timber production as raw material for chipboard and the use of logs procured through wood procurement as raw material for sawn timber.

The service life of the main products of the Sawn Timber Industry and Panel Industry is assumed to be at least ten years in long-lasting wooden structures. During their life cycle, the products therefore bind biogenic carbon. The carbon handprint resulting from carbon storage is reported separately and is not combined with the carbon footprint of the products.

The Panel Industry's plywood and chipboard products are used in construction, transportation equipment, die-cutting, interior decoration and furniture, carpentry, as well as walls and floors. Kore products are flooring solutions for transportation equipment in the automotive industry. The products of the Sawn Timber Industry are used in construction (floors, walls and structural sawn timber), carpentry, packaging and timber trade.

The service life of by-products, wood procurement outputs and thin plywood industry products is assumed to be less than ten years, and the impact of biogenic carbon storage is not taken into account for them. By-products are delivered to the pulp and energy industries, the sawmill industry, the plywood industry, the bedding material industry and energy production.

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Applications of thin plywood industry products include aircraft components, design products, interior elements, technical structural panels, musical instrument components and CNC-machined components.

		Retrospective			Milestones and target years*			
	Base year	2025	2024	% 2025/ 2024	2025	2030	(2050)	Annual % target/base year
Scope 1 GHG emissions	2022				N/A	N/A	N/A	N/A
Gross Scope 1 GHG emissions (tCO_2eq)	7,576	5,606	6,195	-9.5 %				
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (tCO_2eq)	N/A	28%	27%					
Scope 2 GHG emissions	2022				N/A	N/A	N/A	N/A
Gross location-based Scope 2 GHG emissions ($tCO_2eq.$)	4,674	3,175	4,653	−31.8 %				
Gross market-based Scope 2 GHG emissions (tCO_2eq)	14,676	1,040	-					
Significant Scope 3 GHG emissions	2022				N/A	N/A	N/A	N/A
Total Gross indirect (scope 3) GHG emissions (tCO_2eq)	168,560	187,346	160,990	16%				
1 Purchased goods and services (tCO_2eq)	96,005	101,732	78,961	29%				
2 Capital goods (tCO_2eq)	9,942	9,085	15,962	−43.1 %				
3 Fuel- and energy-related activities (not included in Scope 1 or Scope 2) (tCO_2eq)	11,977	3,596	16,569	−78.3 %				
4 Upstream transportation and distribution (tCO_2eq)	3,586	4,256	3,810	12%				
5 Waste generated in operations (tCO_2eq)	990	1,355	871	56%				
6 Business travelling (tCO_2eq)	228	370	180	106%				
7 Employee commuting (tCO_2eq)	974	1,347	819	65%				
		-	-	-%				
9 Downstream transportation (tCO_2eq)	38,723	49,776	38,165	30%				
		-	-	-%				
		-	-	-%				
12 End-of-life treatment of sold products (tCO_2eq)	6,137	15,830	5,653	180%				
		-	-	-%				
		-	-	-%				
		-	-	-%				
Total GHG emissions								
Total GHG emissions (location-based) (tCO_2eq)	180,810	196,127	171,838	14%				
Total GHG emissions (market-based) (tCO_2eq)	190,813	193,992	167,185	16%				

*The current targets have been set for 2027 and have been previously reported under the heading E1-4.

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Scope 1 and 2 CO_2 emissions	**2025**	**2024**
Gross Scope 1 and 2 GHG emissions (location-based) (tCO_2eq)	8,780	10,848
Location-based Scope 1 and 2 CO_2 emissions per net revenue	25	38
Gross Scope 1 and 2 GHG emissions (market-based) (tCO_2eq)	6,646	6,195
Market-based Scope 1 and 2 CO_2 emissions per net revenue	19	22

Biogenic emissions of CO_2	**2025**	**2024**
Biogenic emissions of CO_2 separate from Scope 1 emissions (tCO_2eq)	96,510	86,819
Biogenic emissions of CO_2 separate from Scope 2 emissions (tCO_2eq)	-	-
Biogenic emissions of CO_2 separate from Scope 3 emissions (tCO_2eq)	506,307	827,419

Share of primary data of Scope 3 GHG emissions	**2025**	**2024**
Share of primary data in GHG Scope 3 calculation (tCO_2eq)	5,237	88,498
Share of primary data of Scope 3 GHG emissions	3%	55%

GHG intensity per net revenue	**2025**	**2024**
Total GHG emissions (location-based) per net revenue (tCO_2eq/EUR million)	553	609
Total GHG emissions (market-based) per net revenue (tCO_2eq/EUR million)	547	592

The revenue used in the calculation of greenhouse gas intensity corresponds to the Group's consolidated revenue, which can be found under Consolidated financial statements (IFRS), consolidated statement of comprehensive income.

Accounting principles

GHG emissions have been calculated in accordance with the GHG Protocol, covering Scope 1, Scope 2 and Scope 3 emissions.. The emission calculation system used is Carbon+Alt+Delete, which utilises emission factors based on several commonly used and scientifically justified databases. Product-specific environmental product declarations (EPDs) have been prepared separately using the OneClickLCA system. In the emissions calculation, in addition to carbon dioxide (CO_2), other relevant greenhouse gases are also taken into account depending on the emission source, in accordance with the emission factors applied. Biogenic emissions related to the end-of-life treatment of sold products are reported separately and include biogenic carbon dioxide (CO_2). Other potential greenhouse gases are accounted for in accordance with the emission factors as part of total emissions.

Scope 1 greenhouse gas emissions include all direct emissions from Koskisen Group's own factories and sites. The calculation has been carried out using the Carbon+Alt+Delete emissions calculation software and covers the Group's operating countries Finland and Poland. The operations of the Iisvesi sawmill were included in the calculation as a new entry in 2025. The calculation is based on fuel consumption volumes derived from purchase invoices, as well as data on own electricity generation obtained from electricity reports. Emission factors have been selected from the Carbon+Alt+Delete software so that they best reflect the Group's operations and geographical location. During the reporting year, the emission factors previously used in the calculation were reviewed and updated using more recent data sources, as they were no longer considered temporally representative. A specific emission factor for bio-based light fuel oil was not available, and therefore emissions from its combustion were assumed to correspond to those of biodiesel (HVO).

Scope 2 greenhouse gas emissions cover both of the Group's operating countries, Finland and Poland. The operations of the Iisvesi sawmill were included in the calculation as a new entry in 2025. The calculation is based on electricity consumption volumes. In Finland, electricity consumption data were collected from the EnerKey portal, while in Poland the data are based on purchase invoices. The electricity used at Koskisen's Finnish sites consists almost entirely of nuclear power verified by Guarantees of Origin, and less than one per cent of the electricity consumed in Finland is produced with renewable energy. The electricity consumed in Poland is not renewable, and as the electricity purchased in Poland does not have Guarantees of Origin, it has been calculated using the Poland residual mix in the market-based method. In the location-based method, average emission factors for electricity production in Finland and Poland have been applied. In the market-based method, nuclear power emission factors have been used for Finland. During the reporting year, the emission factors previously used in the calculation were reviewed and updated using more recent data sources, as they were no longer considered temporally representative.

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Scope 3 emissions are reported on the basis of the GHG Protocol, in which they are divided into 15 categories (C1–C15):

C1 (Purchased goods and services)

The calculation covers Koskisen's operating countries, Finland and Poland. The operations of the Iisvesi sawmill were included in the calculation as a new entry in 2025. The calculation is primarily based on the mass of raw materials and packaging materials, while emissions related to general business purchases and services have been calculated based on their economic value. The emission factors previously used in the calculation were reviewed and updated during the reporting year, as they were no longer considered temporally representative, and more recent data sources were applied instead.

Raw material data has been collected with a breakdown into wood, bio-based coatings, bio-based glues, non-bio-based coatings, oil-based glues, metals and plastics, and further categorised into virgin and recycled materials. Packaging material data has been collected with a breakdown into wood, cardboard, plastic and metals, and similarly categorised into virgin and recycled materials. In cases where emission factors were not available separately for both virgin and recycled materials, all emissions were calculated using the emission factor for virgin materials.

The number of Euro pallets has been estimated based on their total mass, assuming a weight of 25 kg per pallet. Other general business purchases have been categorised according to the availability of suitable emission factors. If a suitable emission factor could not be identified for a specific purchase, it was classified under "other business services" and the corresponding emission factor was applied. Spend-based emission factors have been adjusted for inflation to reflect 2025 price levels.

C2 (Property, plant and equipment)

The calculation covers Koskisen's operating countries, Finland and Poland. The operations of the Iisvesi sawmill were included in the calculation as a new entry in 2025. Emissions have been calculated based on their economic value, and the same spend-based emission factor has been applied to all capital goods. The emission factors previously used in the calculation were reviewed and updated during the reporting year, as they were no longer considered temporally representative, and more recent data sources were applied instead. Spend-based emission factors have been adjusted for inflation to reflect 2025 price levels.

C3 (Fuel and energy-related activities)

The calculation covers Koskisen's operating countries, Finland and Poland. The operations of the Iisvesi sawmill were included in the calculation as a new entry in 2025. Emissions have been calculated based on the electricity and fuel consumption reported under Scope 1 and Scope 2. Electricity transmission and distribution losses in Finland are assumed to be 3.7%, based on 2024 data published by Statistics Finland. In Poland, electricity transmission and distribution losses are assumed to be 7.5%, based on data published by the Association of Issuing Bodies (AIB).

C4 (Upstream transportation and distribution)

The calculation covers Koskisen's operating countries, Finland and Poland. The operations of the Iisvesi sawmill were included in the calculation as a new entry in 2025. Harvesting and transport of wood raw material are included in Category 1 Goods and services. The crushing of biofuels in Iisvesi is included in emissions from purchased services. All fuels used in this category are diesel. The emission factors previously used in the calculation were reviewed and updated during the reporting year, as they were no longer considered temporally representative, and more recent data sources were applied instead.

C5 (Waste generated in operations)

The calculation covers Koskisen's operating countries, Finland and Poland. The operations of the Iisvesi sawmill were included in the calculation as a new entry in 2025. The calculation is based on information regarding the amount of waste generated. Solid waste data has been collected with a breakdown into non-hazardous waste and hazardous waste. Non-hazardous waste consists of mixed waste, cardboard, metal, plastic and other conventional waste, which has been assumed to consist of cables. Hazardous waste consists of glues and paints, electronic waste and other hazardous materials.
The solid waste data is further categorised by treatment method into reuse, recycling, other recovery, incineration, landfill and other final disposal. Due to a lack of more detailed information, the calculation assumes that waste directed to reuse, other recovery and other final disposal is incinerated. The emission factors previously used in the calculation were reviewed and updated during the reporting year, as they were no longer considered temporally representative, and more recent data sources were applied instead.

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C6 (Business travel)

The calculation covers Koskisen's operating countries, Finland and Poland. The operations of the Iisvesi sawmill were included in the calculation as a new entry in 2025. Emissions from car travel are calculated based on reported kilometre allowances. Emissions from flights, train, ship, taxi, bus and subway travel are calculated using average distances for each travel category. The emission factors previously used in the calculation were reviewed and updated during the reporting year, as they were no longer considered temporally representative, and more recent data sources were applied instead.

C7 (Employee commuting)

The calculation covers Koskisen's operating countries, Finland and Poland. The operations of the Iisvesi sawmill were included in the calculation as a new entry in 2025. Employee commuting includes travel between employees' homes and workplaces. The average commuting distance has been estimated based on the municipalities where employees reside and their average distance from the factory sites. Due to a lack of detailed statistics on transportation modes, commuting is assumed to take place using an average passenger car for all employees. The emission factors previously used in the calculation were reviewed and updated during the reporting year, as they were no longer considered temporally representative, and more recent data sources were applied instead.

C9 (Downstream transportation and distribution)

The calculation covers Koskisen's operating countries, Finland and Poland. The operations of the Iisvesi sawmill were included in the calculation as a new entry in 2025. The calculation is based on estimated tonne-kilometres transported by different types of vehicles. Transport distances are rough estimates based on typical delivery routes to different countries. The emission factors previously used in the calculation were reviewed and updated during the reporting year, as they were no longer considered temporally representative, and more recent data sources were applied instead.

C12 (End-of-life treatment of sold products)

The calculation covers Koskisen's operating countries, Finland and Poland. The operations of the Iisvesi sawmill were included in the calculation as a new entry in 2025. The calculation is based on the mass of sold products. It is assumed that 50% of sold wood products are sent for incineration, 26% for recycling and 24% to landfill. The emission factors previously used in the calculation were reviewed and updated during the reporting year, as they were no longer considered temporally representative, and more recent data sources were applied instead.

Biogenic emissions were calculated based on the following assumptions: the dry matter content of wood is 80%, the carbon content in the dry matter is 50%, and the conversion factor from carbon to carbon dioxide is 44/12 = 3.667 (ratio of molar masses). The calculation was performed manually, as suitable emission factors were not available in the Ecoinvent datasets used. Biogenic emissions are associated only with the combustion process.

Koskisen has concluded an entirely nuclear power-based electricity contract with Vattenfall to cover all operations in Finland.

The table below broken down by Scope 3 categories shows which categories have been included in the calculation of greenhouse gas emissions and which have been excluded as irrelevant for the Group's operations. The impacts of categories 8, 10, 11, 13, 14 are minor and not included in the emission figures.

Upstream Scope 3 emissions	
Category 1: Purchased goods and services	included
Category 2: Capital goods	included
Category 3: Fuel- and energy-related activities	included
Category 4: Upstream transportation and distribution	included
Category 5: Waste generated in operations	included
Category 6: Business travelling	included
Category 7: Employee commuting	included
Category 8: Upstream leased assets	N/A
Other	N/A

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Downstream Scope 3 emissions	
Category 9: Downstream transportation and distribution	included
Category 10: Processing of sold products	N/A
Category 11: Use of sold products	N/A
Category 12: End-of-life treatment of sold products	included
Category 13: Downstream leased assets	N/A
Category 14: Franchises	N/A
Category 15: Investments	N/A
Other	N/A

GHG removals and GHG mitigation projects financed through carbon credits

E1-7

Greenhouse gas removals include the sequestration of biogenic carbon in Koskisen's wood products. The method of calculating carbon sequestration is based on product-specific EPD calculations verified by an external party, and calculation pursuant to the GHG Protocol, which Koskisen has commissioned from an external service provider and is described in section E1-6 Gross and Total Scope 1, Scope 2 and Scope 3 GHG emissions.

Koskisen manufactures long-lasting wood products that bind biogenic carbon for decades. When growing, wood naturally absorbs carbon dioxide from the atmosphere, which is retained in the wood until the wood product is ultimately disposed of by incineration or composting. Koskisen sells its products to the construction industry, among others, where wood products generally last for decades. There are no policies for managing the risk of non-permanence.

The amount of carbon dioxide stored in wood products is calculated by multiplying the sales volumes by negative biogenic carbon dioxide emissions according to the environmental product declarations (EPDs). The calculation takes into account products for which an environmental product declaration exists and which can be assumed to have a life cycle of more than 10 years.

GHG capture	2025	2024
Carbon dioxide stored in long-lived products (tCO_2eq)	358,588	272,376

Internal carbon pricing

E1-8

Koskisen has not implemented an internal carbon pricing system.

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ESRS E4 Biodiversity and ecosystems

Material impacts, risks and opportunities and their interaction with strategy and business model

ESRS 2 / SBM 3

Koskisen's material impacts, risks, and opportunities related to biodiversity and ecosystems are located in the forest management part of the value chain. The location includes Koskisen's wood procurement area and the sites which the company owns or has felling rights to. In factory operations regulated by local environmental legislation, the sites are not associated with material impacts, risks or opportunities related to sustainability.

The forestry operations related to Koskisen's value chain in the aforementioned locations may have a negative impact on biodiversity-sensitive areas. Koskisen mainly procures wood from Central, Eastern, and Southern Finland, primarily from private landowners and to a small extent from the company's own forest properties. Koskisen has harvesting rights on the properties of private landowners, which means that Koskisen is responsible for operations on behalf of the landowner.

The ecological state of the forest ecosystems at the locations corresponds to the basic level of Finnish forest nature. There may be biodiversity-sensitive areas at individual sites or near them. The location and other relevant information of biodiversity-sensitive areas to be considered in forestry operations are based on official data and are managed in the forest information system, where there is information about individual sites. This information can also be obtained through official notifications based on the statutory forest use declaration. Some sites may also be encountered in the field, as not all sites have preexisting information available. Sensitive areas identified in Koskisen's wood procurement are presented in the table below.

Sites located in biodiversity sensitive areas

	2025	2024
Sites near protected areas (pcs)	304	200
Sites near protected areas (ha)	1,126	705

Koskisen has operated in the vicinity of these areas in accordance with laws and requirements, and no mitigation actions have been necessary during 2025.

The company has identified that its upstream activities may cause material negative impacts related to land degradation. No negative effects have been found on soil sealing or desertification.

Forestry operations may affect threatened species in the forest environment.

Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities

E4-1

The resilience of Koskisen's business model and strategy in relation to biodiversity and ecosystems has been assessed in terms of physical, transition and systemic risks. Although the business model and strategy show resilience, the assessment involves significant risks. The key risks are related to the availability of raw materials, the effects of climate change and other value chain impacts. The analysis covers the upstream value chain, especially from the perspective of raw material procurement. Downstream value chain has not been examined at the moment. The review focused on physical and transition risks.

Key assumptions used in the analysis:

- Regulation of biodiversity issues will become stricter, particularly regarding the expansion of protected areas and restrictions on the use of raw materials. The impacts of the EU Biodiversity Strategy for 2030 are estimated to increase costs and require new operating models in the value chain.
- The negative impacts of climate change on forests will increase. Droughts and extreme weather events are becoming more common. This is expected to weaken the availability of raw materials and increase price volatility. The resource capacity of forests is weakening.

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- Koskisen's operations have most impact in areas that are most biodiversity-sensitive. The estimate is based on a review of critical production areas. No significant impact assessment has been carried out for the global value chain.
- Various measures to support biodiversity help mitigate risks, but their scalability is slow and therefore the effects will be visible in the medium to long term.
- Negative climate and biodiversity impacts will occur moderately, increasing over the next 10–20 years.
- The analysis of Koskisen's operational impacts focuses on the wood procurement area located in Finland.

The analysis covered a short-, medium- and long-term review.

Results of the analysis

The resilience analysis identified the following risks:

- Availability of raw materials: the greatest risk of the strategy is seen as the decline of biodiversity, which has a direct impact on the availability of raw materials. In particular, the loss of forest biodiversity and soil degradation are critical factors that can weaken the raw material supply chain.
- Impacts of climate change: The degradation of ecosystems, including the reduction of forest carbon sinks and the increase in extreme weather events, increases both operating costs and difficulties in accessing raw materials. Drought and moisture conditions affect forest areas, which increases the risk level in all operating areas.
- Impact on the value chain: The risk assessment includes consideration of long-term issues, such as supply chain disruptions caused by biodiversity loss, which can increase costs and complicate operational planning.

Short-term risks highlight fluctuations in raw material prices, which may be caused by, for example, increased unpredictability of weather phenomena. In addition, in the short term, potential regulatory changes, such as immediate additional restrictions on the use of natural resources, may be significant.

In the medium term (5–10 years), the impacts of implementing biodiversity strategies are highlighted, including stricter regulation and the related increases in operating costs. The effects of climate change on ecosystems, such as an increase in droughts, may become evident during this period.

In the long term (>10 years), systemic risks are emphasised. These include, for example, a more permanent deterioration in the state of forests and more serious disruptions to ecosystem services, which may threaten the availability of raw materials and the continuity of operations. Long-term scenarios require a new balance with biodiversity targets and the introduction of new solutions. However, the impacts of long-term systemic risks have not been modelled, even though the possible permanent deterioration of forests and ecosystems has been highlighted.

Resilience against transition risks is implemented through upstream management of the value chain. The company's strategy supports, for example, the objectives of the UN Convention on Biological Diversity and the EU Biodiversity Strategy through certification-required, biodiversity-supporting actions, but the adequacy of the measures does not fully meet the sustainability target levels. Increasing resilience against physical risks is still in its early stages, particularly when considering the long-term impacts of climate change on ecosystems. With regard to systemic risks, the analysis only covers the upstream value chain.

Koskisen does not operate in areas inhabited by indigenous peoples. Other stakeholder engagement takes place mainly within the framework of Koskisen's normal stakeholder interaction, which is described in section SBM-2 Interests and views of stakeholders.

Policies related to biodiversity and ecosystems

E4-2

Principles related to biodiversity and ecosystems consist of the company's operational policy, environmental principles, wood procurement principles and the company's Code of Conduct. These policies and principles indirectly address how the company contributes to the direct drivers of biodiversity loss, including climate change, land-use change, changes in freshwater and marine use, direct exploitation, invasive alien species and pollution, as well as impacts on species status, ecosystem extent and condition, ecosystem services and dependencies on them. This is achieved through a commitment to compliance with legislation, the application of certification systems ensuring the origin of wood and compliance with environmental permits, covering both factory operations and the procurement of wood raw material.

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The company's policies and principles respond to identified impacts related to biodiversity loss particularly through forest management practices, certification, traceability of the origin of wood raw material and cooperation with partners. These operating models form an operational framework in which biodiversity considerations are integrated into daily operations both in the company's own activities and across the value chain. They provide a systematic basis for identifying and managing impacts and for promoting operating practices addressing the drivers of biodiversity loss at the upstream stages of the value chain.

Biodiversity loss is mitigated, among other measures, by identifying and preserving valuable habitats, implementing water protection practices and incorporating biodiversity-enhancing structural features in connection with forestry operations.

Compliance with certification schemes provides external guidance, monitoring and verification that support the practical implementation and continuous improvement of these principles. The origin management system complies with the current EUTR, EUDR, PEFC ST2002:2020 and FSC requirements so that all wood material used and sold is, at a minimum, included within the scope of the control system. Forest owners are offered the opportunity to commit to PEFC certification in connection with wood sales.

Koskisen's business operations are highly dependent on the availability of wood raw material. Increasingly stringent biodiversity-related regulation at EU or national level may therefore restrict harvesting volumes, the use of forests or impose additional requirements on the origin of wood. The company's principles mitigate transition risks by anticipating regulatory developments and ensuring that the procurement chain complies with defined environmental requirements. Through these measures, Koskisen aims to safeguard the availability of wood, reduce disruptions to cash flows and asset values resulting from regulation and maintain the confidence of financing providers and investors.

Voluntary conservation measures related to biodiversity protection, stricter certification criteria or increasing sustainability requirements from customers may limit the forest area available for commercial use and thereby reduce the availability of wood raw material. Koskisen manages this risk through diversified procurement and long-term supplier relationships. At the same time, operating models that take biodiversity into account can also represent an opportunity, as proactive adaptation to market and regulatory developments strengthens the company's competitive position in markets where sustainably sourced wood is an increasingly important competitive factor.

The decline in biodiversity weakens the ecological resilience of forests, increases the impacts of pests, diseases and climate-related risks and reduces tree growth and quality. This may lead to reduced availability of wood raw material, price fluctuations and disruptions in the supply chain. Koskisen's principles support biodiversity and forest regeneration, which strengthens the long-term productivity of forests and reduces physical risks. Maintaining forest health is therefore not only an environmental responsibility but also a key factor related to business continuity and the predictability of cash flows.

In its Environmental Principles, Koskisen is committed to continuously reducing the environmental impacts caused by its operations, its entire value chain and the full life cycle of its products on soil, waters, climate and ecosystems by developing products and production processes that take these principles into account throughout the value chain and product life cycle.

Regarding the impacts of biodiversity loss, the company's Environmental Principles commit it to maintaining biodiversity in the forests it owns. Koskisen advises and trains forest owners on actions that support and promote biodiversity in forest management and harvesting operations. In addition, Koskisen is committed to the industry association's forest environment programme and monitors the effectiveness of its actions using defined metrics.

In accordance with Koskisen's operational policy, the origin of wood, and consequently its relationship with biodiversity-sensitive areas, is known in all situations. All available information and suppliers' self-declarations are used to verify the origin of the wood. Harvesting operations utilise a forest information system and digital maps enabling the traceability of the wood supply chain from the stump to the factory. A separate declaration has been issued on the origin of the wood and the implementation of wood procurement.

The operational policy and environmental principles apply to all of Koskisen's operations without exception. The policies and principles have been approved by the Board of Directors. The executives of the Group and the business units, who are members of the company's Executive Board, are responsible for implementing the

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policy and reporting on operations to the Board of Directors. Stakeholder perspectives were taken into account in their preparation as part of the double materiality analysis. The Environmental Principles are available to stakeholders on the company's website. These policies cover the material physical and transition risks and impacts related to biodiversity and ecosystems to the extent that they can be influenced through Koskisen's own operations.

To complement the operational policy, more detailed principles have been defined for wood procurement. Their aim is to reduce and prevent impacts on biodiversity and ecosystems in the procurement of raw materials.

In addition to legal requirements, Koskisen's wood procurement principles are based on the Forest Management Recommendations generally recognised in the forest sector and the requirements set by the PEFC or FSC chain of custody systems. The Forest Management Recommendations are based on research data and expertise gained from practical experience and are continuously updated. The requirements set by PEFC and FSC forest certification support biodiversity in the management and use of commercial forests, and the requirements of the schemes are updated regularly.

Koskisen is also committed to the Finnish Sawmills Association's forest environment programme, which supports forest professionals and landowners in understanding measures that take biodiversity into account. Defined metrics are used to monitor the success of the measures implemented by contractors.

The principles are also followed by partners carrying out operations for Koskisen, ensuring consistent practices. Koskisen's operational policy, environmental principles and wood procurement principles include principles that promote the protection of biodiversity and ecosystems and are applied comprehensively in forest areas owned by Koskisen and in areas where it holds harvesting rights. The policies and principles ensure the traceability of wood raw material — whose procurement at the upstream stages of the value chain has real impacts on biodiversity and ecosystems — in accordance with the chain-of-custody requirements of PEFC and FSC certifications throughout the value chain. Koskisen's operations do not include practices or operational principles related to agriculture or marine environments, and the policies do not directly address the social consequences of biodiversity or ecosystem impacts.

The Code of Conduct for addressing deforestation forms part of Koskisen's operational policy.

Actions and resources related to biodiversity and ecosystems

E4-3

Koskisen's wood procurement is a continuous process, which means the continuous management of sustainability impacts related to biodiversity and ecosystems by implementing the policies and principles described above. In addition, continuous monitoring and training are of great importance, and will be further developed as part of the annual planning of operations. The aim is to enhance the competence and knowledge of personnel and forest owners in order to strengthen biodiversity actions and their effectiveness. Continuous and comprehensive monitoring that covers all actions provides information on the success and effectiveness of the actions. The certification percentage of raw material procured from the forest was increased, and it is continuously monitored in operations.

Key actions to achieve the targets of the Sustainability Programme in 2025 were as follows:

The implementation of Koskisen's forestry measures and biodiversity-related criteria was carried out through comprehensive in-person training for both wood procurement personnel and contractors in four training sessions held across Koskisen's procurement area. The training covered biodiversity in forest nature and its safeguarding in forest use to provide broader context for the criteria. The training sessions were organised in cooperation with the University of Eastern Finland.

To support the implementation, a team-based training model has been developed and piloted, and its implementation has begun to expand to other regions. The objective is to establish continuous field training in small regional teams focusing on current topics. Through these trainings, the aim is to increase awareness and competence particularly in the implementation of challenging sites so that impacts on nature can be minimised where possible and biodiversity at the sites can be supported and promoted.

Training on small waters organised for personnel focused on the identification of small water habitats and their consideration in forestry operations. The objective of the training was to strengthen competence related to the requirements of legislation and

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forest certification, harmonise approaches to nature management and improve the quality of nature management related to small waters. During the field training, participants examined different types of small water sites and reviewed practical operating practices that support the preservation and improvement of the condition of small waters within forestry activities.

As a new practice, the review of special sites was introduced as part of regular team meetings. The objective is to share experiences and perspectives on different types of special sites and how they should be considered in operations based on practical experience.

In 2025, Koskisen participates in the project "Practical Lessons for Machine Operators" (KOPPI), which aims to develop practical tools and guidelines for machine operators to improve water protection and the management of environmental impacts. The project is led by the Baltic Sea Action Group (BSAG).

Monitoring of forestry operations and the development of monitoring practices continued. Monitoring enables the assessment of the quality of operations and provides information on the level of biodiversity-related measures. Monitoring consists of inspections carried out by persons independent of the operations as well as site-specific reporting carried out by the operators performing the work. During 2025, the development of the self-monitoring tool and the collection of self-monitoring data continued, but coverage has not yet reached the target level and the new self-monitoring tool has not yet been fully implemented.

Following the business acquisition, the harmonisation of wood procurement practices of Iisveden Metsä with Koskisen's operating model was initiated immediately after the transaction entered into force and is ongoing. The actions described also apply to operations in the Iisvesi area.

No significant financial resources have been allocated to these actions. The key measures are part of Koskisen's daily operations and no separate CapEx or OpEx has been allocated to them beyond the existing resources. Other financial resources related to forest management services in accordance with the EU Taxonomy are described in the EU Taxonomy reporting section, but they are not linked to the actions described above.

The actions and the continuous process of Koskisen's wood procurement do not include ecological compensation measures. The actions have not specifically incorporated the traditional ecological knowledge of local indigenous communities or other specific solutions.

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Targets related to biodiversity and ecosystems

E4-4

Targets	KPI target 2027	Base year 2022	2025	2024	Aspects related to the targets
Availability of high-quality, certified Finnish wood	Share of certified round wood 88%	81.0%	91.5%	86.6%	Ensuring measures that promote biodiversity
Increasing expertise	100% of own wood procurement personnel have received training on biodiversity	-%	97.0%	100.0%	Ensuring measures that promote biodiversity
Increasing expertise	100% of contractors have received biodiversity training	-%	88.0%	85.0%	Ensuring measures that promote biodiversity
Timber sourcing in accordance with the forest environment programme	Monitoring in accordance with the forest environment programme	-%	63.5%	-%	Ensuring measures that promote biodiversity

Ecological thresholds have not been specifically considered in the target setting. However, Koskisen takes into account the achievement of the following/general, non-community-specific ecological thresholds in its operations, as described above. Koskisen's wood procurement unit has the responsibility to ensure the compliance with these thresholds in all actions carried out by Koskisen.

The targets will contribute to actions that align with the policy, i.e. the development of structural features of forestry in line with the Kunming-Montreal Global Biodiversity Framework, the relevant aspects of the EU Biodiversity Strategy for 2030 and other national policies related to biodiversity and ecosystems. However, based on scientific evidence, the measures are not sufficient to ensure the achievement of these objectives at the national level. In wood procurement, Koskisen defines actions in interaction with forest owners. The decision on actions exceeding the minimum level of operations, which consists of the requirements of PEFC forest certification, is ultimately made by the owners of the sites. In order to achieve the national target levels, a wide range of measures are needed, not all of which are directly possible for forest industry companies to contribute to in their own operations.

The targets are related to the impacts, dependencies and risks on biodiversity and ecosystems, both in the company's own operations and in the upstream value chain. The objectives aim to enhance biodiversity actions implemented in connection with forestry operations and their monitoring.

The targets are geographically focused on all of Koskisen's forestry operations.

Ecological compensations have not been utilised and stakeholders have not been involved in setting targets.

In line with the mitigation hierarchy, the targets aim to equally avoid and minimise impacts on biodiversity and ecosystems. The targets do not include those related to rehabilitation nor compensation or offsets. The planned actions are monitored at the sites with metrics that provide information on the development of structural features in forestry operations in accordance with the Forest Environment Programme for the Sawmill Industry.

The target level for certified raw material set for 2027 was achieved during the reporting period as a result of planned and systematic development work.

A biodiversity training programme covering all personnel and contractors was defined for 2026. The trainings were conducted as in-person sessions, and no alternative arrangements were organised for those unable to attend. As a result, the training coverage during the reporting year remained slightly below the set targets.

Site-specific monitoring in accordance with the forest environment programme, for which no data was available for 2024, was initiated. However, due to the incomplete development of the system, the monitoring did not yet cover all sites. The development of the system and the expansion of its implementation will continue in 2026.

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Data related to the operations integrated from Iisveden Metsä are included in the figures starting from June.

The biodiversity training and monitoring implemented during the reporting period have not yet had a significant impact on biodiversity indicators, as the monitored sites were mainly selected from sites completed before the training sessions were conducted.

Impact metrics related to biodiversity and ecosystems change

E4-5

Forestry practices that take forest nature into account consist of considering valuable habitats, favouring mixed forests over single-species forests, maintaining retention trees and making high stumps, protective thickets, saving dead wood and low-yielding areas. The implementation of these is monitored in operations through sampling-based audits. The extent of operations near protected areas is documented in relation to biodiversity-sensitive areas. These areas are excluded from operations, or operations are carried out in accordance with the restrictions defined by the authorities.

Regarding impacts on biodiversity and ecosystems, the preservation of biodiversity-supporting structural features is measured, but these metrics do not directly measure the state of nature. The set of metrics is based on monitoring activities in the forest environment in accordance with Koskisen's objectives. The metrics have been defined to align with the goals of the Finnish Sawmills Association's forest environment programme, and they also measure the implementation of PEFC forest certification requirements in wood procurement activities.

The development of competence through biodiversity training is also reported as part of the biodiversity metrics. Targets for these have been set in Koskisen's Sustainability Programme, and the training included in the metrics is defined annually for different target groups. Further information on the training is presented in section E4-3. The monitored actions have shown positive biodiversity development, although they do not directly correspond to the achievement of ecological sustainability thresholds as such.

The audits included in the metrics are carried out on sites where wood procurement activities have been implemented. They are based on sampling and cover all types of activities and areas where Koskisen operates. The sample includes worksites where operations were carried out between 1 August 2024 and 1 May 2025. At least 25% of the audits are based on random sampling. Monitoring is carried out when the ground is unfrozen, and the sites to be inspected are selected from operations carried out during the year. The audits are conducted in the field and the monitoring is repeated annually. Self-monitoring audits are also carried out at the sites to support the reportable metrics, and the information obtained from them complements the information gathered in the audits. The uncertainties of site-specific audits are related to the subjective assessment of the auditors, as not all factors related to the metrics—such as the diameter of retention trees or the amount of dead wood—are measured separately in all respects. In addition, the number of retention thickets may depend on the characteristics of the site; in some cases they may not exist at all, or they may have been left as a larger continuous entity, in which case the number does not necessarily indicate the success of the measure.

Forest owners who enter into a timber sales agreement with Koskisen commit to Koskisen's forest environment programme with regard to that timber transaction. Timber sales agreements may be long-term. This reporting includes only those timber sales agreements concluded during 2025 whose start date falls within the reporting year. The reporting covers standing timber sales agreements only and does not include delivery sales.

The share of certified roundwood is a calculated and precise metric, the implementation of which is continuously monitored.

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Biodiversity metric	2025	2024
Biodiversity credits (EUR)	-	-
Sites close to protected areas (pcs)	304.0	200.0
Sites close to protected areas (ha)	1,126.1	704.5
Share of stands where thickets have been left in accordance with the instructions (%)	98%	50%
Number of thickets left (pcs/ha)	1.3	1.7
Share of deciduous species in sold seedlings (%)	34%	33%
Number of aspen trees (diameter > 40 cm) retained after forest management activities (pcs/ha)	0.6	0.2
Share of stands where high stumps have been left in accordance with the guidelines (%)	48%	43%
Number of high stumps made (pcs/ha)	3.2	1.8
Share of stands where live retention trees have been left in accordance with the guidelines (%)	77%	81%
Number of retention trees left (pcs/ha)	14.0	11.0
Number of dead wood left (pcs/ha)	3.8	3.9
Share of forest personnel who have participated in training related to the consideration of forest biodiversity (%)	97%	85%
Share of contractors who have participated in training related to the consideration of forest biodiversity (%)	88%	85%
Forest owners who have participated in the forest environment programme (%)	97%	-%
Amount of certified roundwood (%)	91.5%	86.6%

Individual sites in Koskisen's wood procurement areas, or in their vicinity, may have biodiversity-sensitive areas. Forestry operations can potentially have a significant impact on biodiversity.

Koskisen's considers its entire wood procurement area as having the potential for biodiversity-sensitive areas either within or nearby.

Koskisen has stated that its operations do not promote land use change. Koskisen's wood procurement takes into account the biodiversity and vitality of forest ecosystems and also supports forest regeneration.

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ESRS E5 Resource use and circular economy

Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

IRO-1

Koskisen has identified and assessed resources and its operations to identify actual and potential impacts, risks and opportunities in its own operations and upstream and downstream value chain. The methods, assumptions and tools used for identification and assessment are described in section ESRS 2 IRO-1 of the Sustainability Statement. Even though the identification and assessment process was mainly carried out at a general level, the assessment of own operations focused on sawn timber, plywood and chipboard activities, related customers in business relationships and, geographically, Koskisen's production plant in the municipality of Kärkölä and nearby areas. The connections of different levels of resource dependencies, such as the availability of wood raw material and skilled labour, to potential risks were also identified. Various circular economy issues, especially related to the use of recycled materials, were emphasised in the stakeholder consultation process in the views of chipboard customers.

Policies related to resource use and circular economy

E5-1

In its environmental principles, Koskisen is committed to continuously reducing the impact caused by its operations, entire value chain and the entire life cycle of its products on the soil, waters, climate and ecosystems by developing products and production processes that take these principles into account throughout the value chain and product life cycle.

With regard to circular economy, the company is committed to operating in accordance with material efficiency principles, which in particular means using wood raw material as fully as possible. The environmental principles sets out a goal of developing the use of wood raw material side streams and increasing the degree of processing as product components. Biofuels are produced from felling waste and by-products of wood processing and used as fuel for Koskisen's plants and nearby district heating plants. The operations follow the waste hierarchy principle.

Thanks to its integrated operating model, Koskisen taps synergies between its various activities, industrial flows and the recyclability of products. In accordance with its environmental principles, Koskisen uses the renewable wood raw material it procures down to the last particle of sawdust, which indirectly reduces the use of primary resources and increases the use of secondary resources, such as sawdust, in new products. No direct goal has been set to move away from using wood as a primary resource.

The principles of sustainable procurement and use of renewable natural resources are discussed in the company's operational policy, environmental principles and principles for wood procurement. In addition to legal requirements, the principles of wood procurement are based on the generally recognised forest management recommendations and the requirements set by the PEFC or FSC chains of custody.

The operational policy and Environmental Principles have been approved by the company's Board of Directors. The executives of the Group and the business units, who are members of the company's Executive Board, are responsible for implementing these policies and reporting on operations to the Board of Directors. Stakeholder perspectives were taken into account in the preparation of the policies as part of the double materiality analysis. The operational policy and Environmental Principles are available to stakeholders on the company's website, Policies and principles – Koskisen.

The wood procurement principles have been approved by the wood procurement management team. The management team includes the head of the unit, who is responsible for implementing the business unit's perspectives and reporting on operations to the Board of Directors. Stakeholders were not consulted separately in the preparation of the wood procurement principles. The principles are available to stakeholders on the company's website, Wood procurement principles – Koskisen.

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Actions and resources related to resource use and circular economy

E5-2

Koskisen's actions are targeted at its own operations in the value chain. Resource efficiency is improved in production processes. The key actions and their implementation schedule are described in the table below.

In the Panel Industry segment's plywood production in Järvelä, a comprehensive investment programme is underway and will continue until the end of 2027. The aim is to improve the productivity, quality and yield of plywood production. During 2025, several investments were completed, including a sheeting line that reduces waste by enabling more precise optimisation of raw material use in internal operations, the renewal of the film applicator on the coating line, an automatic filling line and the modernisation of the stacking device of the drying line. All of these measures aim to improve the efficiency of raw material use by reducing waste.

At the Järvelä sawmill, a new log sorting system has been introduced, enabling more precise sorting into different diameter classes and the addition of new classes in line with increased capacity. The sawing technology of the new sawmill introduced in 2024 allows the use of a wider range of log diameter classes, enabling more accurate utilisation of wood raw material. The utilisation rate has been further improved through advanced log optimisation. Each log can be optimised according to predefined sawing parameters, which has improved the yield in converting wood raw material into main products.

Innovative solutions and the development of new wood-based products are a key part of Koskisen's strategy. The company continuously invests in product development that also supports resource efficiency and circular economy objectives. New products aim to utilise raw materials as efficiently as possible and extend the life cycle of wood, particularly through the use of side streams and recycled materials. During 2025, two new circular economy products were introduced, representing a step towards Koskisen's objective of increasing the degree of processing and making more extensive use of side streams from its own production.

In cooperation with Kesko Oyj, Koskisen has piloted a solution in which wooden packaging removed from the retail distribution chain, such as pallets, is utilised as raw material for chipboard. Increasing the share of recycled material in chipboard products is one of Koskisen's sustainability targets, and the new product expands the range of circular economy products. The solution enables the utilisation of recycled wood at an industrial scale.

A briquette plant has been built in connection with the Järvelä sawmill, where planer shavings generated as a by-product of sawn timber processing are compressed into briquettes used as biofuel. The plant has a production capacity of 7,500–10,000 tonnes per year, and the objective is to process all planer shavings generated at the sawmill into briquettes. Compressing planer shavings significantly reduces transport costs and related emissions, as briquettes can be transported in volumes several times greater than unprocessed shavings.

Further resource efficiency measures will be implemented as part of the Panel Industry investment programme and are expected to be completed by 2027.

The resources required to implement the actions are determined on an action-by-action basis either as capital expenditure or operating expenditure. The resources allocated to the actions are included in the Group's financial reporting as investments and operational expenses according to the nature of the activities. Financial information is presented in the EU Taxonomy Report, which describes the taxonomy-eligible and taxonomy-aligned capital and operating expenditure related to sustainability actions. The taxonomy report serves as a link between the actions described in the sustainability statement and the corresponding financial indicators (CapEx and OpEx). Capital expenditure presented in the Taxonomy reporting and allocated to the actions covers the key projects that meet the Taxonomy-alignment criteria. These include the briquetting plant, the transition to LED lighting and the district heating pipeline along Mäntsäläntie. For these projects, the CapEx amounts presented in the Taxonomy disclosures are consistent with the allocated expenditure presented in the table in the sustainability statement. Not all actions presented in the table are included in the Taxonomy reporting, as they are not within the scope of the EU Taxonomy.

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Key actions	Implementation schedule	Capital expenditure EUR thousand	Operating expenditure EUR thousand
Järvelä plywood production – sheeting line	Implemented in the reporting year 2025	576	N/A 2025
Järvelä plywood production – renewal of the film applicator on the coating line	Implemented in the reporting year 2025	N/A 2025	N/A 2025
Järvelä plywood production – automatic filling line	Implemented in the reporting year 2025	2,497	N/A 2025
Järvelä plywood production – modernisation of the drying line stacking device	Implemented in the reporting year 2025	N/A 2025	N/A 2025
Järvelä sawmill – log sorting system	Implemented in the reporting year 2025	1,164	N/A 2025
Järvelä sawmill – continuation of sawing technology optimisation	Implemented in the reporting year 2025	N/A 2025	N/A 2025
Panel industry – recycled material pilot in cooperation with Kesko Oyj	Implemented in the reporting year 2025	N/A 2025	N/A 2025
Järvelä sawmill – briquette plant	Implemented in the reporting year 2025	1,183	N/A 2025

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Targets related to resource use and circular economy

E5-3

Targets	KPI target 2027	2022	2025	2024	Aspects related to targets	Waste hierarchy layer
Efficient and optimised use of wood raw material	Wood raw material efficiency for long-lasting wood products 60%	55%	48%	50%	Reducing resource inflows; Minimisation of primary raw material	1. Prevention
Increasing the use of recycled material in chipboard production	Share of recycled material in chipboard raw material 5%	-%	0.24%	-%	Reducing resource inflows and waste; Increasing the use of recycled materials	2. Recycling
Innovating new circular solutions	Increase in product development resources (EUR) +10%	0,3 milj. e	0,1 milj. e	0,3 milj. e	Reducing resource inflows and waste; Increasing circular product design	2. Recycling

All targets are related to reducing resource inflows, in addition to which increasing the use of recycled material and innovating new circular economy solutions will reduce resource outflows in the form of waste. The targets are not related to waste management. No specific methods or significant assumptions have been used in defining the targets, and they are not related to national, EU or international policy objectives. The setting of targets takes into account the legislative changes to the circular economy and the use of primary resources.

The aim is to increase circular product design by increasing product development resources by 10% by 2027 from the 2022 level. The use of recycled material in chipboard production will be increased, with the aim of increasing the share of recycled material in the chipboard raw material to 5% by 2027. By utilising side streams and recycled materials in the panel industry, the aim is to slow the depletion of primary resources and natural resources.

Koskisen's woodwise operating model, which aims for the highest possible and optimised use of raw materials, naturally minimises the use of primary raw materials per the produced volume of long-life wood products, such as chipboard. However, since a significant part of production uses side streams already generated in Koskisen's production as secondary raw materials, the change in the efficiency of operations will not directly affect the need for primary raw materials to a corresponding extent.

Koskisen's integrated sawmill industry operating model is based on the use of renewable raw materials in accordance with the cascade principle in its own operations. The wood raw material is primarily used to produce long-life sawn timber and plywood products derived from fibre wood, and side streams, such as chips and sawdust from production, are used in chipboard. Parts that cannot be used for sawn timber and wood-based products, such as bark, are used as bioenergy. The products manufactured by Koskisen can be reused after their primary use, either through recycling or as bioenergy. In the end, almost all of Koskisen's wood products and plywood can be composted after chipping. The product documentation contains information on the recommended methods of further use or disposal of each wood product.

The targets are set by Koskisen itself and are not related to mandatory statutory requirements. Stakeholders have not been engaged in defining the targets.

The acquisition of the Iisveden Metsä business affects the utilisation rate of wood raw material used in long-lasting products, as unlike the Järvelä operations, the side fractions from sawing are not directed to long-lasting products but to energy production or sales. In addition, regarding recycled material in chipboard, the pilot trial has demonstrated that industrial-scale production is feasible, and implementation will continue during 2026.

The targets have not been reassessed, as they extend until 2027.

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Resource inflows

E5-4

Koskisen's most important resource inflows are wood, the main raw material used in manufacturing, and other raw materials and packaging materials. In addition, water, machinery and supplies are consumed as commodities in production. In sawn timber products, wood is the only raw material, with the exception of painted wood products. In addition to wood, adhesives and coatings are used as raw materials in panel products, and plastic and metal parts are also used in Kore products. Plastic, cardboard and foil packaging as well as base pallets are used as packaging materials.

The purchase quantities of wood are known by volume unit (m^3) and are converted into tonnes for reporting purposes using average conversion factors based on the characteristics of the wood raw material. The conversion factors are based on average density values (kg/m^3) defined for different wood raw material fractions, which are used to convert volume units into mass. Density values may vary, for example, depending on moisture content and particle size. The quantities of other raw materials and packaging materials are obtained either from the company's own purchasing systems or from supplier surveys, which are compared with the quantities recorded in the company's purchasing system. Otherwise, the data does not include significant assumptions and is based on measured or system-based input data.

Koskisen uses side streams from its own operations in its products. Chipboard is produced from sawdust and other side fractions, such as bark, are used as fuel for heating own production plants. In 2025, the use of own side streams in products totalled 64,920 tonnes.

To avoid double calculation, resource inflows are taken into account when the resource flows into Koskisen's operations for the first time. In the case of further processing, the material flow is not calculated a second time.

Total resource inflows (t)	2025	2024
Raw materials, wood (t)	854,726	715,943
Raw materials, wood-based coatings (t)	968	1,165
Raw materials, wood-based adhesives (t)	826	791
Packaging materials, wood (t)	1,264	1,645
Packaging materials, paper fibres (t)	646	705
Volume of biological material (t)	858,430	720,249
Proportion of biological materials (%)	98%	98%
Raw materials, other coatings (t)	1,883	1,640
Raw materials, oil-based adhesives (t)	12,774	12,160
Raw materials, metals (t)	99	90
Raw materials, plastics (t)	344	216
Packaging materials, plastics (t)	360	127
Packaging materials, metals (t)	4	6
Volume of non-biological materials (t)	15,465	14,239
Total material inflows (t)	873,895	734,487
Use of own side streams in products (t)	64,920	60,029
Volume of recycled materials (t)	65,421	60,942
Proportion of recycled materials (%)	7%	8%

Wood material flows	2025	2024
Wood procurement (m^3)	1,956,596	1,588,166
Use of wood at plants (m^3)	1,234,306	906,584
Use of own side streams in products (m^3)	158,964	150,072
Efficiency of wood use in long-life products %	48%	50%

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Resource outflows

E5-5

Koskisen's main products are sawn timber and processed products as well as chipboard and plywood. The products are made from renewable natural material that can be reused, recycled or recovered as energy at the end of its life. The products manufactured by Koskisen are mainly high-strength and long-life products. The products are used in construction, packaging and furniture industries. In Panel Industry, the products are also used in the transportation industry, for which Kore products related to furnishing commercial vehicles are processed in addition to basic panel products.

Koskisen's main products are basic materials for industry and construction, which do not differ from other similar wood-based products in terms of durability or reparability. Wood products are technically fully recyclable, disregarding whether the end-use site is prepared to implement recycling.

The company defines and classifies its panel and plywood products as aligned with circular economy principles by utilising standardised technical tests, design specifications and material-specific properties. These are primarily based on direct measurements supplemented by calculated estimates. The criteria used in the assessment cover product durability, service life, reusability, repairability, recyclability and the optimisation of material circulation. The mechanical properties, moisture resistance and use classes of the products are determined through laboratory tests and quality control in accordance with European EN standards, which serve as the basis for assessing service life and structural durability.

Reusability and repairability are assessed based on the structural integrity, uniform quality and standardised structures of the products, which enable dismantling, reinstallation and continued use in the original or alternative applications. Assessments related to recyclability and material circulation are based on the use of wood-based renewable raw materials, certified wood procurement and production processes that efficiently utilise side streams and enable material recovery, energy recovery or biological circulation at the end of the product life cycle.

Some of the information, particularly estimates related to the end-of-life phase of products and practical recycling solutions, is based on expert assessments and generally accepted industry practices. A key assumption is that products are used in accordance with their defined operating conditions and instructions, and that end-of-life treatment is carried out in accordance with applicable legislation and local waste management practices.

Total products sold (t)	2025	2024
Products (t)	690,418	560,754
Proportion of recyclable products (%)	100%	100%
Proportion of recyclable packaging (%)	100%	100%

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Total amount of waste (t)	2025	2024
Amount of ordinary waste to prepare for reuse (t)	40	38
Amount of ordinary waste to be recycled (t)	456	503
Amount of ordinary waste for other recovery (t)	198	157
Amount of ordinary waste for other than disposal (t)	693	698
Amount of ordinary waste for incineration (t)	280	277
Amount of ordinary waste to landfill (t)	65	59
Amount of ordinary waste for other disposal (t)	180	-
Amount of ordinary waste for disposal (t)	525	336
Amount of hazardous waste for preparation for reuse (t)	5	19
Amount of hazardous waste for recycling (t)	-	-
Amount of hazardous waste for other recovery (t)	-	-
Amount of hazardous waste for other than disposal (t)	5	19
Amount of hazardous waste for incineration (t)	213	184
Amount of hazardous waste to landfill (t)	-	-
Amount of hazardous waste for other disposal (t)	21	30
Amount of hazardous waste for disposal (t)	234	213
Total amount of radioactive waste (t)	-	-
Total amount of hazardous waste (t)	238	232
Total amount of waste (t)	1,457	1,266
Total amount of waste for other than disposal (t)	698	717
Total amount of waste for disposal (t)	759	550
Total amount of non-recycled waste (t)	759	550
Proportion of non-recycled waste (%)	52%	43%

The reported volumes of waste streams are based on the legally required waste accounting, which maintains the volumes of waste transported in weight units. The figures are based on weighing carried out at the waste reception facility as well as container volumes, where the weight of the waste is calculated using the volume of the waste container and the bulk density factor of the waste. The waste includes mixed waste, energy waste, biowaste, cardboard waste, confidential paper waste, paper, metal waste, waste electrical and electronic equipment (WEEE), cable waste and hazardous waste. Hazardous waste includes, among other things, adhesive waste, flue gas scrubber waste, paint washing water waste, oil waste and solid oil waste.

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Koskisen's Human Resources Principles and Code of Conduct are based on UN Guiding Principles, the declaration on Fundamental Principles and Rights at Work of the International Labour Organisation (ILO) and the OECD Guidelines for Multinational Corporations. With the principles Koskisen ensures safe and healthy working conditions in all its places of business for both its own employees and the employees of its subcontractors.

ESRS S1 Own workforce 132

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ESRS S1 Own workforce

Material impacts, risks and opportunities and their interaction with the strategy and business model

ESRS 2 / SBM-3

As described in chapter ESRS 2, Koskisen's entire own workforce is included within the scope of Koskisen's sustainability impacts and sustainability reporting. The actual and potential impacts as well as the related risks and opportunities arise partly from Koskisen's business model, in which industrial work may expose employees to potential adverse impacts. These impacts, risks and opportunities have been identified and taken into account in the company's strategy, where the importance of the community and the strengthening of Koskisen's employer image are recognised as key factors. The strategy and business model are closely linked to risks and opportunities related to own workforce. The realisation of accident and damage risks at production facilities could lead to significant compensation liabilities, possible fines and disruptions in delivery chains, which would directly weaken the company's financial performance and customer satisfaction. At the same time, strategic investments in safe operating practices, responsibility and reliable processes support the continuity of the business model and strengthen Koskisen's ability to create value in a predictable manner. In addition, the company's ability to generate results is essentially linked to the availability and retention of skilled and motivated employees. For this reason, building a positive employer image and promoting employee well-being represent an important opportunity to improve operational stability, reduce risks related to labour shortages and industrial action, and support long-term competitiveness and growth. The strategy includes the key objectives for occupational safety and well-being at work in accordance with the sustainability programme.

The material impacts concern Koskisen's own workforce, with particular emphasis on employees working at production plants. In addition to its own workforce, Koskisen's sites also have contractors and their permanent employees. The sites also include self-employed persons, and at the Polish sites the company also employs temporary workers. The reporting covers all persons belonging to Koskisen's own workforce who could be materially impacted by the company, with regard to the information disclosed in accordance with ESRS 2.

Koskisen's material negative impacts arise from working in an industrial environment and are related to individual cases. People working in the plant environment are exposed to a higher risk of occupational accidents. In expert work, a higher risk of exposure to psychosocial stress has been identified. This is taken into account, for example, in workplace surveys targeted at office environments, and psychosocial risk factors may also be assessed as part of risk assessments.

Koskisen's material positive impacts relate to employment and the economic well-being of surrounding regions as well as the active promotion of occupational well-being and health. The positive impacts concern the commuting areas surrounding Koskisen's locations in Finland and Poland.

The risks related to Koskisen's material sustainability topics are based on the volatile climate in the labour market, such as potential industrial action, including strikes. Furthermore, accident and damage risks in production facilities could, if realised, lead to Koskisen's obligation to compensate for losses and delay or disrupt the delivery of Koskisen's products and services.

Conversely, a good reputation as a responsible employer creates opportunities through improved recruitment success, lower workforce turnover and generally higher employee satisfaction and the resulting productivity.

Koskisen is preparing a transition plan related to climate change mitigation and adaptation. During the preparation of the transition plan, no specific impacts on the workforce have been identified. The work is ongoing and will be finalised in 2026, when any identified impacts will also be presented. The preparation of investment decisions is supported by assessments in which sustainability aspects, including impacts on own workforce, are evaluated.

Koskisen has no operations or locations in areas or countries with a significant risk of forced labour or the use of child labour.
Koskisen's occupational health and safety management system ISO 45001 includes processes for managing material negative impacts related to own workforce. In its employee-related processes, including the assessment of work hazards, Koskisen has

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identified that people working in a plant environment in particular face more actual and potential negative impacts related to occupational health and safety. These are defined as work-related physical hazards and accidents, occupational health problems, and physical, ergonomic and chemical exposures.

Koskisen's material risks and opportunities related to its own workforce do not concern a specific personnel group, production plant or country.

Policies related to own workforce

S1-1

Koskisen's operating policy, Code of Conduct and personnel principles guide the identification, assessment, management and correction of material sustainability impacts, and they cover all geographical areas of operations. The management of the Group and business units is responsible for implementing the policies and the more detailed principles derived from them. Koskisen's policies are aligned with the International Bill of Human Rights, which includes the Universal Declaration of Human Rights, as well as the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights that implement it. These principles are integrated into the company's management system, human resources practices and value chain management as part of daily business operations.

In its operating policy, Koskisen is committed to excellent working conditions for its personnel, continuous competence development, well-being at work, safety at work and investing in health. The significance of quality, environmental and safety issues has been clearly identified and Koskisen takes responsibility for their maintenance and development.

The personnel principles ensure the achievement of the objectives outlined in the operating policy regarding material sustainability topics, i.e. occupational health and safety and being an employer. In accordance with the principles, occupational safety management is based on the certified ISO 45001 system.

The personnel principles set out the main principles for leadership, remuneration, safety, well-being at work and work ability, culture and equality, competence development and recruitment and induction. The personnel principles are supplemented by internal HR instructions. The operating policy and personnel principles are publicly available on the company's website in Finnish and English.

The Code of Conduct describes the operating methods and stakeholder-specific commitments. With regard to own workforce, they commit to ensuring safe and healthy working conditions at all locations for both own and subcontractors' employees. In addition, the operating methods include diversity and inclusion, a respectful and harassment-free working environment, freedom of association, privacy and commitment to human rights. The operating policy, personnel principles and Code of Conduct cover the Koskisen Group's entire personnel without excluding anyone, and the results of the double materiality assessment have been taken into account in their preparation, and defined stakeholders, such as the personnel representative, were consulted. More detailed principles are set out in internal manuals available to personnel, including the safety manual covering operations in Finland and a separate occupational health and safety manual. These documents describe Koskisen's general principles and operating models for safety and occupational health and safety, incorporating the requirements of ISO 45001, with particular emphasis on factory operations. The manuals are updated in cooperation with employee representatives. Koskisen's HR principles and Code of Conduct are based on the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises.

Implementation and compliance are monitored as part of the management system through, for example, regular risk assessments, occupational safety inspections, employee surveys and internal audits. Employees and supervisors are provided with training on occupational safety, equality and ethical conduct to ensure that the principles are effectively implemented in practice. Possible concerns can be reported through confidential reporting channels and via employee representatives, and all reports are handled in accordance with defined procedures. Practices are developed following the principle of continuous improvement. The implementation of personnel-related measures and operating models is monitored by the occupational safety committee.

Koskisen's personnel principles, Code of Conduct and operating policy describe the company's commitments to ensuring the realisation of human and labour rights. Koskisen promotes equality and non-discrimination in cooperation with employee

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representatives in accordance with the equality and non-discrimination plan updated in 2025. The implementation of the plan is monitored in the work community group.

In personnel-related matters in Finland, Koskisen's official dialogue forums are the Group's work community group and the occupational safety committee. These include employee representatives and the company's operational management. Internal communication takes place via the intranet. In Poland, dialogue takes place as required by local regulations in the form of employee meetings. Communication also takes place via bulletin boards at the sites.

Measures to correct or enable the correction of human rights impacts identified through risk assessments or other work-related impact identification processes in the units are prepared annually as part of the action plans related to the implementation of the personnel principles. These include the equality and non-discrimination plan and the work community development plan.

All employees have the opportunity to make observations through the Continuous Development Forum in Finnish and English, and responses are communicated transparently to all employees. A Polish-language version of the forum is being introduced.

Koskisen's policies concerning its own workforce correspond to the UN Guiding Principles on Business and Human Rights, including the principles concerning companies' human rights responsibilities. These international principles are implemented in practice through compliance with national legislation, to which Koskisen is committed in all its operations.

In its Code of Conduct, Koskisen commits to ensuring that forced labour or child labour is not used in its operations, and the same requirement applies to all actors in the supply chain. Preventing human trafficking is included as part of the company's commitment to respecting human rights.

Koskisen's Code of Conduct also commits the company to ensuring safe and healthy working conditions for both its own employees and subcontractors at all locations. The ISO 45001 occupational health and safety management system covering all of Koskisen's operations in Finland supports the practical implementation of this objective. Key tools in Finland include occupational safety and occupational health care action plans implemented by operational management. In Poland, employees' ability to work is ensured through statutory periodic medical examinations.

The Code of Conduct includes a commitment to respecting diversity and treating people with appreciation and respect. Koskisen does not tolerate harassment, inappropriate behaviour or workplace bullying. The personnel principles support the implementation of these commitments, including the elimination of discrimination and harassment and the promotion of equal opportunities.

According to the personnel principles, age, origin, language, disability, belief, gender, sexual orientation, religion or ethnic background, political activities, trade union activities, relationships, family circumstances or other individual characteristics and life situations must not give rise to discrimination. Race, gender identity, political opinions and national or social origin have not been separately listed as grounds for discrimination but are reflected indirectly in the principles. Koskisen has not identified any particularly vulnerable groups, and the principles do not include specific provisions regarding the inclusion or positive special treatment of persons in a vulnerable position.

The implementation of anti-discrimination principles is supported through organisation-wide communication, internal training, the use of reporting channels and the investigation of violations. Guidelines on harassment and inappropriate behaviour are in place, and cases are handled in accordance with these procedures. In accordance with the equality and non-discrimination plan, specific training aimed at increasing diversity and inclusion will be developed and will be required for all employees. Supervisors are trained to take equality and non-discrimination aspects into account in their work. In the Järvelä operations, employment opportunities for people of different nationalities are supported through a dedicated programme. These principles are further specified in the Equality and Non-Discrimination Plan, the Workplace Development Plan, and the Guidelines on Harassment and Inappropriate Treatment.

All detected and reported cases of discrimination are handled immediately in accordance with the internal guidelines on harassment and inappropriate behaviour introduced in 2025. In Poland, the preparation of similar guidelines progressed during 2025 and they will be implemented in 2026. The guidelines in Finland were prepared in cooperation with employee representatives, discussed in the work community group and introduced internally. The implementation work will continue during 2026. The

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guidelines are currently under consideration in Poland and the measures for implementation will be agreed during 2026.

Processes for engaging with own workers and workers' representatives about impacts

S1-2

Koskisen's main forms of engaging with its own workforce and its representatives regarding material sustainability topics take place in several ways. These include continuous supervisory activities, standard meeting practices, the personnel survey process, safety observations and initiatives related to occupational safety management, the occupational safety committee, the work community group and employee representation of the Group's own workforce operating in Finland in the Group's extended Executive Board. Workforce perspectives are taken into account through the above processes, in accordance with local legislation.

Formal engagement takes place with employee representatives in both Finland and Poland. The representative of the Group's own workforce is part of the Group's extended Executive Board for the Finnish operations. The Group's occupational safety committee and the work community group meet four times a year in Finland for a joint dialogue, in which all personnel groups are represented. In Poland, representatives elected from among employees participate in the negotiations and represent the personnel in common matters. With regard to the Polish sites Polish legislation does not require the establishment of a separate health and safety working group in companies with fewer than 250 employees.

The Group CEO is responsible for communication within the extended Executive Board. The HR Director is responsible for the other communication processes described above.

Koskisen assesses the effectiveness of communication mainly through an annual well-being at work survey that covers the entire Group's personnel. The effectiveness of communication is assessed from different perspectives in the light of its results.

In addition, the functionality of communication is assessed from the perspective of the company-specific collective agreement and its achievement. The conclusion of a company-specific collective agreement is the result of effective communication and the parties' views meeting.

Processes to remedy the negative impacts and channels for own workers to raise concerns

S1-3

Processes and channels for remedying negative impacts

The areas related to the prevention and remediation of negative impacts concerning safety and health are part of Koskisen's management system in accordance with the ISO 45001. The principles are implemented within the line organisation by unit and department. The unit manager is responsible for the instructions. Koskisen's safety manual covers descriptions of the planning, implementation and assurance of occupational safety.

Assessment of work hazards

The safety manual includes the rescue plan and its related instructions, such as site-specific rescue plans, safety organisation, occupational safety, fire protection, chemicals, boilers and pressure vessels, occupational health, data protection, property protection and security, civil defence and crisis preparedness, as well as communication and procedural instructions for disruption and accident situations. The instructions described in the safety manual are implemented in accordance with national legislation and practices in order to support the application of the principles.

A separate occupational safety and health manual describes Koskisen's general occupational safety and health policies. The manual, together with the measures and documents referred to in it, forms Koskisen's general occupational safety and health programme. The occupational safety and health manual describes the implementation of corrective actions in accordance with the incident reporting policy, ensuring that the effectiveness of corrective actions can be monitored in line with the requirements of the management system. Examples of practical processes include the identification and assessment of work hazards, risk assessment and workplace surveys carried out in cooperation with occupational health care, through which negative impacts are reduced. Personnel representatives participate in the processes described.

Members of Koskisen's own workforce can raise their concerns or needs either to an employee representative, to an occupational safety delegate elected by the personnel, or directly to the company through reporting channels. Concerns and needs addressed directly to Koskisen are handled through the Continuous Development Forum

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maintained by the company, which is visible to personnel and through which observations can be submitted. For the Sawn Timber Industry segment, the Continuous Development Forum was not yet fully available to Iisvesi personnel during 2025, and a separate model originating from Iisveden Metsä was used there for handling observations.

Koskisen also has an anonymous whistleblowing reporting channel separate from day-to-day management, which is available for example through Koskisen's website. The Continuous Development Forum and the anonymous reporting channel are jointly administered by Koskisen and the software provider. Employee representatives are elected by the personnel groups they represent through an independent election process and together with employer representatives form the occupational health and safety organisation.

Koskisen's anonymous whistleblowing channel serves as the company's official reporting and grievance mechanism for misconduct for stakeholders. In addition, all of the communication channels described above can be used to raise concerns and promote their resolution. During 2025, the grievance mechanism related to personnel was further developed so that reports can be submitted confidentially and anonymously, including separate reporting of harassment and discrimination cases. The confidentiality of the handling process is ensured by the HR and Legal and Compliance Director together with the HR department. Koskisen's approach to improving the availability of reporting mechanisms among its own workforce is based on ensuring sufficient accessibility through both internal and external channels. The whistleblowing channel is clearly available both on Koskisen's intranet and on the company's website.

Concerns and needs addressed directly to Koskisen are recorded and processed through the Continuous Development Forum. The processing of cases is monitored continuously and reported annually to the company's management. Concerns and observations raised through the whistleblowing channel are handled through a separate case-specific process. Monitoring of the channel and ensuring the handling of cases are the responsibility of the company's Administrative Secretary and General Counsel. If cases require compliance with whistleblower protection legislation or concern a member of the Executive Board, they are reported directly to the Chair of the Board of Directors and the Chair of the Audit Committee.

Through clear communication and management practices, Koskisen aims to promote the highest possible level of awareness and trust in the channels for reporting concerns and grievances. Information on these channels is introduced to the company's own workforce across the Group at the beginning of the employment relationship. Koskisen does not currently have practices for assessing awareness of the channels. The company does not have specific written policies for protecting employees from retaliation.

Both the Continuous Development Forum and the whistleblowing channel allow anonymous reporting. Koskisen's Code of Conduct includes a commitment to operating practices that prevent retaliatory actions. The identity of the whistleblower will not be disclosed to the recipient unless the whistleblower chooses to disclose it. Reports of potential violations are handled strictly confidentially and anonymously as far as possible. According to its Code of Conduct, Koskisen does not tolerate harassment, inappropriate behaviour or workplace bullying.

Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

S1-4

Actions to continuously improve occupational safety and prevent harm

The continuous improvement of occupational safety in the short, medium and long term is based on ongoing and daily occupational safety activities. The permanent objective is zero accidents. Communication, safety observations, clear supervisory practices and systematic safety management, including risk mapping and proactive risk prevention, play a central role in improving occupational safety. Every employee is encouraged to make safety initiatives, which supports the development of a shared safety culture. Key actions focus on prevention, and corrective actions in individual cases are addressed as part of the Group's continuous development within the business units.

Koskisen's key actions for achieving accident-free everyday work are based on the occupational safety action plans defined at the Group level and for all of the Group's operations (Panel Industry, Sawn Timber Industry and wood procurement). The action

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plans include short-term actions, responsibilities and targets for the calendar year across all geographical areas.

Key implemented and planned continuous actions in 2025

Koskisen organises a regular monthly safety review for supervisors and compiles a monthly safety report. These reviews analyse accidents and near-miss situations and share good practices. The aim of this cooperation model is to further improve the safety of the working environment. Safety meetings are held regularly within and between business operations. Safety issues are also discussed with other companies and through broader dialogue beyond the company itself, enabling the development of practices based on shared experiences. Koskisen has its own safety incentive system. In this system, employees receive a daily monetary reward for each week during which no accidents leading to absence occur.

Occupational safety training continued for all personnel. The occupational safety card training is renewed every five years to ensure up-to-date safety competence among personnel. During 2025, the training was further developed to ensure that the topics most relevant and current for Koskisen's operations are included. Additional comprehensive training included safety training on lifting equipment and lifting accessories for all employees using them in their work.

Accident statistics and safety observations were used more systematically in the planning of safety development projects. During the year, particular attention was given to improving movement safety and to the safety of working methods. In the Panel Industry operations, head protection introduced in 2025 as part of personal protective equipment effectively prevented head injuries.

The investigation of accidents and near-miss situations was strengthened as part of continuous safety development. Personnel were actively encouraged to make safety initiatives and to contribute to strengthening a shared safety culture. Attention was also directed to improving the safety of tools, machinery safety and maintenance work, with a particular focus on the safety of working at height and in exceptional situations. The development of the safety culture and the related change in operational culture have been identified as key areas for improvement.

The expected impact of the actions described above is improved occupational safety measured using Koskisen's safety metrics. The implementation of these actions improves occupational safety, as they collectively prevent potential negative impacts and enhance safety across all time horizons. The actions described apply to all locations and to all production employees and salaried personnel. The actions do not cover other parts of the value chain.

The effectiveness of the measures is monitored regularly through safety observations, lost-time accidents (LTA1) and the documentation of near-miss situations. These monitoring data are used in the work of the occupational safety committee and the safety groups of individual units, as well as in monthly safety reviews and in monitoring the implementation of agreed actions.

Implementation of corrective actions

Koskisen maintains a high level of preparedness in accordance with its occupational safety system to respond to accidents and to mitigate and remedy their impacts, including a high level of first aid readiness, occupational safety operating models and instructions, and the resources of the occupational safety organisation. Koskisen ensures that personnel have adequate first aid readiness in accordance with Finnish occupational safety and occupational health care legislation and the Polish Labour Code.

In the event of an occupational accident, appropriate medical treatment is always provided and the injured person may receive compensation through insurance. Due to privacy protection, Koskisen does not have detailed information on the monetary compensation amounts. All accidents are handled on a case-by-case basis and the necessary corrective actions are defined within the business units. The effectiveness of these actions is monitored and evaluated as part of Group processes, including annual management reviews and monthly safety reviews. Further information on the handling of discrimination cases is presented in section S1-17 Incidents, complaints and severe human rights impacts.

Processes for identifying actions needed for continuous improvement of occupational safety

Koskisen develops the well-being at work of its personnel in a comprehensive and systematic manner. The company's actions are based on continuous, daily supervisory

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work and both organisation-wide and targeted well-being programmes implemented at all sites. Ongoing activities also include effective occupational safety cooperation and a shared occupational safety action plan. Key elements in improving well-being at work include the early support model, preventive actions and strengthening a sense of community.

Key implemented and planned continuous actions in 2025

The key implemented and planned actions respond not only to negative impacts but also support Koskisen's strategic objective of being an attractive and fair employer that has a positive impact on its own workforce. The employee well-being survey serves as one of the most important management indicators and tools. The results were reviewed thoroughly within all teams under the leadership of supervisors. Supervisors received coaching on analysing the results and had the opportunity to use facilitators for support. The 2025 survey was updated and expanded to enable better customisation of company-specific questions. The survey was conducted at the end of 2025 and the results will guide actions for 2026.

In 2025, the Group's common objective was to increase open and effective communication during change situations. This theme was addressed in development discussions and throughout the year. As a targeted well-being initiative, the Koskisen Kohottajat group programme was implemented with eight participants. Teams also defined their own well-being development priorities for the year. In 2025, the implementation of the Koskisen Konkarit programme continued. Eight employees participated during the reporting year in the programme designed for employees whose work ability is at risk. The one-year programme focuses on maintaining work ability and supporting continued participation in working life.

In October, an international group of seven employees began working at the Järvelä operations. Supervisors and instructors received support in working with non-Finnish-speaking employees. The development of the onboarding process continued through the creation of online courses in Koskisen's training platform and by clarifying the onboarding process. During 2025, a network of 18 onboarding instructors for production personnel was established in Finland, and the network will start operating at the beginning of 2026.

A sense of community was strengthened through various means, including supporting team activities with team funding and organising a shared barbecue event.

Physical activity and well-being benefits continued to be offered. Koskisen supports the overall well-being of its personnel by providing access to its own gym and swimming opportunities at the Kärkölä swimming hall. In addition, the company supports employee well-being through the ePassi benefit. The key actions described above mainly cover Koskisen's operations in Finland with regard to its own workforce. In Poland, Koskisen offers employees various benefits through the Social Benefits Fund (ZFŚS), including holiday allowances, Christmas bonuses and Christmas packages for employees' children. In 2025, voluntary private health care was introduced in Poland, providing employees access to 25 medical specialists, several examinations and preventive health monitoring. The "Fruit Tuesday" initiative promoting healthy eating habits continued.

Koskisen's actions to promote well-being at work cover all business areas and functions of the company. The actions are structured across three time horizons and emphasise both immediate impacts and longer-term preventive measures that strengthen the foundations of well-being at work. The actions apply to all employees, although some initiatives focus on specific groups. Supervisors received training on analysing employee well-being survey results. The actions focus on Koskisen's own workforce and do not extend to other parts of the value chain.

Koskisen monitors and evaluates its well-being initiatives in multiple ways. Monitoring of attendance and turnover indicators supports the monitoring of overall well-being and enables early responses. The results of the well-being survey are used as a management tool and for monitoring the effectiveness of actions. The implementation of development priorities defined by teams is monitored regularly. The effectiveness of targeted well-being programmes, such as Koskisen Konkarit, is assessed at the end of the programme. The effectiveness of work ability management is monitored in accordance with the early support model. The early support process has been reviewed with supervisors and employee representatives, and the impacts of onboarding development are monitored as part of normal management practices. All the actions described above improve well-being at work by preventing work ability issues, supporting early intervention and strengthening community and competence.

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Koskisen actively works to strengthen its employer image. The company participated in the Duuniexpo recruitment event and cooperates with various stakeholders to promote international recruitment. Together with employment services and educational institutions, tailored solutions were developed to reach international jobseekers and support their employment. Through company presentations, events on education and career paths and other stakeholder engagements, Koskisen openly presents its operations and builds long-term interest in the company. These actions support the availability of skilled labour, a positive employer image and the company's long-term competitiveness.

With regard to freedom of association and the potential risk of strikes derived from it, no separate actions were implemented during the reporting year.

Identification and management of negative impacts

Koskisen ensures the safety of its operating practices through systematic monitoring and proactive risk management. The company actively monitors developments in occupational safety legislation and complies with its requirements.

Regular dialogue with key stakeholders, such as occupational health care and employee representatives, forms an essential part of ensuring safety. The health and safety of the working environment are systematically assessed through workplace surveys carried out every three years.

The management of chemical risks is an important part of safety work. In the procurement process for new tools and safety equipment, both personnel and their representatives as well as occupational health care are consulted to ensure that the equipment is suitable and safe for its intended use. Chemical risks are also assessed separately at the level of individual workstations.

Resources allocated to managing negative impacts

Resources related to the continuous improvement of occupational safety and well-being at work consist, in accordance with Koskisen's management system, of the responsibilities and work of management and supervisors under the ISO 45001 management system. Safety managers operating at Koskisen's sites represent a dedicated resource for occupational safety management. The key actions described are part of Koskisen's daily operations and no separate CapEx or OpEx allocations have been made for them beyond these resources.

The company set strategic targets in 2024 and their progress is monitored as an indicator of the effectiveness of the actions. Monitoring is described in section S1-5.

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Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

S1-5

The targets presented in the table below correspond to the objectives defined in the personnel principles, which take into account material sustainability aspects. These objectives are presented in section S1-1. The targets apply only to Koskisen's own personnel at all of its locations and do not cover the upstream or downstream value chain. When setting the targets, the current status and development of these aspects within the Group have been taken into account. The development of occupational accidents is also monitored in relation to other companies in the industry. The targets set do not as such directly correspond to all material impacts, risks or opportunities but form part of the overall monitoring framework through which the themes identified are monitored and managed. Negative and positive impacts on employees' health and well-being are managed indirectly by monitoring the overall score and response rate of the employee well-being survey, the lost-time accident frequency (LTA1) and the development of training hours. The promotion of positive impacts related to Koskisen's position as a significant employer in surrounding areas can also be indirectly assessed through the development of training hours, which supports the development of employees' competence. Risks related to health and safety are managed by monitoring the lost-time accident frequency (LTA1). Opportunities related to a positive employer image are promoted by monitoring the development of well-being at work through the results of the employee well-being survey. No specific target has been set for managing risks related to industrial action, such as strikes. Stakeholders have not been separately consulted when setting the targets. The targets do not require significant changes to the company's operations or to the measurement of the targets, but are implemented as part of daily operations.

S1 Sustainability topics related to own workforce	Target 2027 Covers the entire Koskisen Group	Base year 2022	2025	2024	Aspects related to targets
Reduction of accidents	Accident frequency rate LTA1 < 5	19.40	15.08	9.70	The target is based on the operating policy and personnel principles, described in section S1-1
Well-being and health of employees	Overall score in the well-being at work survey > 4	3.85	3.80	3.81	The target is based on the operating policy and personnel principles, described in section S1-1
Well-being and health of employees	Well-being at work survey response rate > 90%	76%	73%	78%	The target is based on the operating policy and personnel principles, described in section S1-1
Developing the competence of personnel	Training hours/person > 18	11.48	10.00	8.15	The target is based on the operating policy and personnel principles, described in section S1-1
Equal and non-discriminating work community	Diversity, equity and inclusion awareness development through internal training 100% of the workforce	New target for 2024	Training was not yet available in 2025	New target from 2024	The target is based on the operating policy and personnel principles, described in section S1-1

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The targets related to the company's own workforce have been set in the sustainability programme based on the insights obtained from the double materiality assessment. The company's Executive Board and a selected group of representatives from different functions were responsible for setting the targets. Employees or their representatives were not separately engaged in setting the targets.

The implementation of actions and targets is monitored four times a year in the work community group and the extended Executive Board, both of which have employee representation. Occupational safety is also monitored monthly in the Group's safety reviews. Continuous monitoring of implementation includes monitoring progress, identifying and documenting any deviations and making any necessary changes to implementation.

No single explanatory factor has been identified for the deterioration in the safety indicator. Overall, the development is influenced by the day-to-day decisions of individual employees and the safety culture that guides these decisions, the development of which has been recognised to take time. Efforts to improve performance towards the target continue through active safety communication, systematic monitoring and the strengthening of safety practices.

The overall result of the employee well-being survey remains at a good level. The response rate decreased slightly compared to the previous survey, which was influenced by the introduction of a new, more extensive survey format conducted using personal survey links instead of the previously used open survey format.

With regard to the realised number of training hours compared to the set target, it has been identified that training hours related to competence development have not been systematically recorded. The reported training hours therefore only include registered classroom trainings and online trainings.

Diversity, equity and inclusion training has not yet been implemented for 2025, and therefore progress towards this target cannot yet be monitored.

Characteristics of the company's employees

S1-6

Koskisen's HR department is responsible for the collection, maintenance and reporting of personnel data. The personnel system is used for the administration of personnel data, and it is where the data is stored. Reporting includes information about employees in employment relationships with the Group. No significant assumptions or limitations are associated with the compilation of the data.

Number of employees by gender

	Number of employees (head count)	
Gender	**2025**	**2024**
Men	720	669
Women	294	274
Other	-	-
Not reported	-	-
Total number of employees	**1,014**	**943**

Rate of employee turnover	**2025**	**2024**
Terminated employment relationships	61	66
Exit turnover	6.0%	7.0%

Number of employees (head count)

	Number of employees (head count)	
Country	**2025**	**2024**
Finland	869	796
Poland	130	131

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Employees by contract type, broken down by gender

	2025					2024				
	Men	Women	Other	Not reported	Total number of employees	Men	Women	Other	Not reported	Total number of employees
Number of employees in employment (head count / FTE)	720	294	-	-	1,014	669	274	-	-	943
Number of permanent employees (head count / FTE)	659	247	-	-	906	620	243	-	-	863
Number of temporary employees (head count / FTE)	62	46	-	-	108	49	31	-	-	80
Number of non-guaranteed hours employees (head count / FTE)	31	17	-	-	48	19	12	-	-	31
Number of full-time employees (head count / FTE)	686	272	-	-	958	650	262	-	-	912
Number of part-time employees (head count / FTE)	3	5	-	-	8	6	4	-	-	10

Number of employees by contract type, broken down by country

	2025				2024			
	Finland	Poland	Other	Number of employees (head count / FTE)	Finland	Poland	Other	Number of employees (head count / FTE)
Number of employees in employment (head count / FTE)	869	130	15	1,014	796	131	16	943
Number of permanent employees (head count / FTE)	824	67	15	906	783	64	16	863
Number of temporary employees (head count / FTE)	45	63	-	108	13	67	-	80
Number of non-guaranteed hours employees (head count / FTE)	48	-	-	48	31	-	-	31
Number of full-time employees (head count / FTE)	813	130	15	958	765	131	16	912
Number of part-time employees (head count / FTE)	8	-	-	8	10	-	-	10

Employee data has been collected from the company's HR and payroll systems. The number of employees is expressed as the head count on the last day of the reporting period. In the sustainability statement, the number of employees is the personnel situation on 31 December 2025, and in the financial statements, the number of employees is the average for the full year, i.e. the 12-month average. The full-time equivalent is not calculated separately, as the majority of employment relationships are full-time. The compilation of data does not involve any assumptions; the data is compiled directly from the system data.

The reported year-end personnel figures do not include the 57 summer employees who worked at Koskisen during the summer 2025.

Information on the number of employees can be found in Note 6 to Koskisen's consolidated financial statements.

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Collective bargaining coverage and social dialogue

S1-8

Collective bargaining coverage and social dialogue Information on the personnel's inclusion in collective agreements can be found in Koskisen's personnel system based on the job description, and the disclosed information does not include assumptions or limitations. The number of employees can be found in table S1-6 Number of employees by contract type, broken down by country 2025.

	Collective bargaining coverage		Social dialogue
Coverage rate:	**Employees – EEA (for countries with more than 50 employees representing more than 10% of total employees)**	**Employees – non-EEA (estimate of regions with more than 50 employees representing more than 10% of total employees)**	**Workplace representation (EEA only) (countries with more than 50 employees representing more than 10% of total employees)**
0–19%	Poland (2024: Poland)		
20–39%			
40–59%			
60–79%			
80–100%	Finland (2024: Finland)		Finland, Poland (2024: Finland, Poland)

In Finland, Koskisen's production employees, salaried employees and forestry salaried employees are covered by company-specific collective agreements, one of which is for production employees and salaried employees and the other for forestry salaried employees. Senior salaried employees and management are subject to terms of employment agreed in the company.

There are no similar universally binding collective agreements or company-specific solutions based on them in the Polish labour market. Koskisen complies with the general labour legislation in Poland, in addition to which company-specific policies concerning work and remuneration are applied to all employees with regard to work, employment relationship, working conditions and salary.

Koskisen has no agreements with employees on representation that would be handled by a European Works Council, European Company (SE) Works Council or European Cooperative Society (SCE) Works Council.

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Diversity metrics

S1-9

Information on personnel diversity is obtained from Koskisen's personnel system, and the disclosures do not involve assumptions or limitations.

Gender distribution at top management

	2025		2024	
	Head count	%	Head count	%
Top management, women	5	29%	3	18%
Top management, men	12	71%	14	82%
Top management, others	-	-%	-	-%
Top management, not reported	-	-%	-	-%
Top management, total	17	100%	17	100%

Age distribution among employees

	2025		2024	
	Head count	%	Head count	%
Under 30 years old	155	15%	155	16%
30–50 years old	542	53%	490	52%
Over the age of 50	317	31%	298	32%
Head count by age	1,014	100%	943	100%

Koskisen Corporation's top management consists of the Board of Directors and the CEO with the support of the Executive Board.

Adequate wages

S1-10

All Koskisen employees are paid adequate wages in accordance with the applicable benchmarks. In Poland, adequate pay is ensured by complying with legislation that defines the minimum wage, and in Finland through local collective wage agreements.

Social protection

S1-11

All Koskisen employees are covered by social protection through public programmes or benefits provided by the company in the event of loss of income due to illness, unemployment, work-related injury or disability, parental leave or retirement.

Training and skills development metrics

S1-13

Information on employee performance reviews and training hours is obtained from Koskisen's personnel system. Performance reviews are recorded by supervisors on the basis of the reviews. The information disclosed regarding training hours is based on supervisors' notifications. Both types of information may involve uncertainty regarding the flow of information, and not everything is necessarily recorded.

Percentage of performance review participants

	2025		2024	
	Head count	% of total head count		
Performance review participants, women	127	13%	177	19%
Performance review participants, men	277	27%	393	42%
Performance review participants, other	-	-%	-	-%
Performance review participants, not reported	-	-%	-	-%
Performance review participants, total	404	40%	570	60%

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Number of training hours per employee

	2025	2024
Number of training hours per employee, women	13	10
Number of training hours per employee, men	8	7
Number of training hours per employee, other	-	-
Number of training hours per employee, not reported	-	-
Number of training hours per employee, all	10	8
Number of training days	1,215	1,199

Health and safety metrics

S1-14

Health and safety metrics

Health and safety data are compiled from Koskisen's personnel system and the Continuous Development system, where information on occupational accidents and their processing is recorded. The data are collected for all personnel. The transitional rule is applied to non-employees.

The overall score and response rate of the employee well-being survey, the number of lost-time occupational accidents (LTA1), and the lost-time injury frequency rate (LTAF1) are the Group's own metrics related to its sustainability targets, which are presented in section S1-5. Occupational accidents (LTA 1) are defined as accidents that result in at least one day long absence. The Lost Time Accident Frequency (LTAF1) is reported per one million hours worked. The number of occupational accidents (TRI) includes accidents that result in a medical check-up. Thus, the figures do not include accidents in which health care was not involved. The personnel satisfaction survey covers all personnel, but there may be uncertainties related to the responses due to the survey language, which is English, and not the workers' native languages.

	2025	2024
Percentage of Koskisen's own workforce covered by the occupational health and safety management system	100%	99%
Number of fatalities as a result of work-related injuries and work-related ill health, own employees	-	-
Number of fatalities as a result of work-related injuries and work-related ill health, other employees working on the company's sites	-	-
Number of recorded occupational accidents (LTI), own employees	45	28
Share of recorded occupational accidents (LTIF) related to own workforce	28.3	20.8
Number of cases of work-related ill health – employees	-	-
Number of cases of work-related ill health – non-employees	-	-
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health, employees	306	91
Number of days lost due to accidents, work-related ill health or fatalities – non-employees	-	-
Number of work-related ill health cases subject to legal restrictions – employees	-	-

Group's metrics	2025	2024
Number of lost time accidents (LTA1)	25	13
Frequency of lost time accidents (LTAF1)	15.70	9.68
Employee wellbeing survey response rate	73.2%	78.2%
Overall score of the employee wellbeing survey eNPS	3.80	3.81
Attendance rate	95.4%	93.0%

[2] The name of the satisfaction survey has been changed

The occupational health and safety management system covering Koskisen operations in Finland complies with the ISO 45001 standard and has been audited by the external verifier Kiwa.

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Work-life balance metrics

S1-15

The data concerning work-life balance metrics are obtained from Koskisen's personnel system, and the disclosures do not involve assumptions or restrictions.

All Koskisen's employees are entitled to family leave under social policy and/or collective agreements.

Percentage of employees that took family-related leave by gender

	2025 %	2024 %
Percentage of employees that took family leave, women	1.4%	1.4%
Percentage of employees that took family leave, men	2.7%	1.8%
Percentage of employees that took family leave, other	-%	-%
Percentage of employees that took family leave, not reported	-%	-%
Percentage of employees that took family leave	4.0%	3.2%

Incidents, complaints and severe human rights impacts

S1-17

Disclosed incidents are obtained either through the company's whistleblowing channels or on the basis of reports made to supervisors. Incidents, including reports from external parties, are recorded in the Continuous Development system, where case processing is maintained. The recorded incidents are based on reports and possible external audits and do not involve any significant background assumptions or restrictions.

Incidents, complaints and severe human rights impacts

	2025	2024
Number of incidents of discrimination	-	2
Number of incidents of harassment (included in incidents of discrimination)	-	-
Number of non-harassment incidents (included in incidents of discrimination)	-	2
Number of complaints reported through personnel channels	4	10
Number of complaints reported to the National Contact Points for OECD Multinational Enterprises	-	-
Fines and compensation for damages for incidents of discrimination and complaints	-	-
Number of severe human rights incidents	-	-
Number of serious human rights incidents that are cases of non-respect of the UN Guiding Principles on Business and Human Rights or ILO Declaration on Fundamental Principles and Rights at Work	-	-
Fines, penalties and compensation for damages for serious human rights incidents	-	-

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Koskisen's business operations are guided by an operating policy and a Code of Conduct approved by the Board of Directors, which define the principles governing the company's business conduct, corporate culture, and the prevention of corruption and bribery. The principles are based on internationally recognised frameworks, including the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises.

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ESRS G1 Business Conduct

Business conduct policies and corporate culture

G1-1

Ethical business conduct and acting in accordance with it form the foundation of Koskisen's business and are part of its normal operations. The company establishes and develops its corporate culture as part of its governance model and the conduct of business. The Board of Directors is responsible for defining the corporate culture and the ethical principles guiding business conduct and for linking them to the company's strategy, governance principles and sustainability objectives.

The implementation and development of the corporate culture are integrated into the company's management structures. The Executive Board and managers are responsible for ensuring that business activities are conducted in accordance with the guidelines set by the Board of Directors, the approved policies and applicable regulation.

Corporate culture is promoted through internal communication, training, employee engagement and management practices. The company seeks to ensure that its own workers have a clear understanding of operating practices, responsibilities and the expected standards of business conduct.

The effectiveness of the corporate culture is evaluated as part of internal control and risk management processes. The Board of Directors regularly reviews the appropriateness of the governance model and management practices, and oversees that the corporate culture supports the company's business operations, sustainability objectives and long-term value creation.

Koskisen's Operating Policy and Code of Conduct, which apply to all of Koskisen's operations and geographical locations, define the principles governing business conduct, the development of corporate culture and the prevention of corruption and bribery. These policies take into account internationally recognised standards and guidelines. The company operates in accordance with, among others, the United Nations Guiding Principles on Business and Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises. In addition, the company's operations are guided by certified management systems ISO 9001, ISO 14001 and ISO 45001.

The company's Operating Policy brings together the Group's governance principles and responsible business practices. It covers the company's values – trust, courage, creativity and performance – as well as ethical principles, quality, safety, employee well-being, environmental responsibility and responsible operating practices.

The Code of Conduct forms the foundation for responsible business conduct and is based on Koskisen's values. Suppliers and business partners are required to commit to the Supplier Code of Conduct, which complements the company's own principles and obliges partners to operate responsibly throughout the value chain. In its Code of Conduct, Koskisen commits to conducting business honestly, lawfully and ethically in all its operating countries and across its value chain without exception.

The policies and principles are approved by the Board of Directors, and the implementation and reporting to the Board are the responsibility of the business unit directors who are members of the Group's Executive Board.

Stakeholder perspectives have been considered in the preparation of the policies and principles as part of the double materiality assessment. The policies and principles are publicly available to all stakeholders on the company's website, and their relevance and effectiveness are reviewed and developed in accordance with the principle of continuous improvement.

The prevention of corruption and bribery is addressed in the Code of Conduct derived from the Operating Policy and applicable to the entire Group. The implementation of the Code of Conduct is supported by reporting channels through which own workers and other relevant stakeholders may report potential misconduct or breaches of the Code of Conduct confidentially and, where desired, anonymously. These include a separate whistleblowing reporting channel and a confidential section of the company's internal Continuous Development reporting channel, through which reports can also be submitted regarding harassment and discrimination. Access to the reports is restricted to a limited number of authorised persons.

Concerns and observations submitted through the whistleblowing channel are handled through a separate process on a case-by-case basis in accordance with

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internal guidelines designed to protect whistleblowers. Reports are investigated independently and objectively by internal or external experts. Monitoring of the channel and the handling of cases are the responsibility of the company's Administrative Secretary and General Counsel in accordance with the relevant operating guidelines. There are no separate documented induction procedures for personnel responsible for handling the channel data. If a report falls within the scope of whistleblower protection legislation or concerns a member of the Executive Board, it is reported directly to the Chair of the Board of Directors and the Audit Committee. Training and guidance related to the Continuous Development channel are the responsibility of the Chief Human Resources Officer and the Director of Quality, Environment and Safety in cooperation with the HR department.

Through clear communication and leadership, Koskisen aims to promote awareness of and trust in the channels for reporting concerns and grievances. Information about the channels is introduced to the company's own workforce at the beginning of the employment relationship across the Group. Koskisen does not currently have formal practices for assessing awareness of the reporting channels. The Code of Conduct includes a commitment to operating methods aimed at preventing retaliation, and the whistleblowing channel also clearly states that Koskisen does not tolerate retaliation against whistleblowers. The right of individuals to raise concerns is therefore safeguarded. Reports of potential violations are handled strictly confidentially and anonymously as far as possible. The protection of whistleblowers is ensured in accordance with Directive (EU) 2019/1937 through the confidential handling of the whistleblower's identity, restricted access to report data and oversight of the handling of reports at the Board level in accordance with the whistleblowing channel procedures. Issues related to business conduct incidents, including corruption and bribery cases, are handled on a case-by-case basis, and no separate procedure beyond the whistleblowing channel has been defined for addressing such cases.

Familiarisation with the Code of Conduct, including the prevention of corruption and bribery, is part of the employee onboarding programme. An internal online training available in Finnish and English ensures awareness of the principles and their practical application. Completion of the training is mandatory for all members of the workforce, including management, as part of the onboarding of new employees, and it must be completed every four years. Administrative bodies are not included in Koskisen's training system.

For operations in Poland, the Code of Conduct is reviewed at the beginning of the employment relationship in connection with the employment contract, but no separate training in Polish is currently available.

The most significant risks related to corruption and bribery mainly concern activities involving financial decision-making and contractual and procurement decisions.

The company has not set a separate target related to the identified material impact; however, developments related to the matter are monitored continuously through dialogue with suppliers and customers and through annual contract processes. The topic is also assessed through stakeholder engagement related to sustainability matters.

Prevention and detection of corruption and bribery

G1-3

Koskisen does not accept corruption, bribery or other unethical conduct in any form. The company operates in an honest and transparent manner in all of its relationships and seeks to ensure that its own workers, subcontractors and suppliers commit to the same ethical principles.

The prevention, detection and handling of corruption and bribery are part of Koskisen's internal control environment and operating practices. The company has procedures and controls in place related, among other things, to the travel policy, the approval practices for expenses and payments, and the monitoring of payment transactions. Potential irregularities are addressed as part of day-to-day management. These measures are intended to ensure appropriate internal control and to prevent misconduct in advance.

Koskisen does not have a separate anti-corruption and anti-bribery procedure describing investigators responsible for investigations and their independence from the chain of management involved in the matter, nor a formal process for reporting investigation outcomes to the administrative, management and supervisory bodies. Instead, potential allegations or incidents are addressed in accordance with the procedure described in section G1-1 when reports are submitted through the channels described therein, or they are handled on a case-by-case basis within the relevant business operations. Training related to corruption and bribery is described in section G1-1.

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With regard to contractors and suppliers, the Supplier Code of Conduct forms part of contractual agreements as a separate annex. Koskisen's Code of Conduct is publicly available on the company's website.

Incidents of corruption or bribery

G1-4

Potential cases of corruption and bribery may come to the company's attention through its internal processes, the whistleblowing reporting channel or a dedicated email channel.

Anti-corruption and anti-bribery training is not provided as a separate topic-specific training but is included as part of the training on the Code of Conduct, where the topic is addressed briefly as part of the overall content. The completion rate of the training reflects the share of white-collar employees, senior white-collar employees and members of the Executive Board who have completed the Code of Conduct training across all geographical operating areas.

Incidents of corruption or bribery	2025	2024
The number of convictions for violations of anti-corruption and anti-bribery laws	-	-
The amount of fines imposed for violations of anti-corruption and anti-bribery laws (€)	-	-
Actions taken to address breaches of anti-corruption and anti-bribery procedures and standards	-	-

	2025	2024
Completion rate of anti-bribery and anti-corruption training (%)	81.5%	-%

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Consolidated Financial Statements (IFRS)

Consolidated statement of comprehensive income

EUR thousand	Note	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Revenue	2	**354,936**	**282,262**
Other operating income	4	2,958	2,022
Change in inventories of finished goods and work in progress	16	8,676	5,151
Change in fair value of forest assets	13	354	324
Materials and services	5	-232,886	-174,749
Employee benefit expenses	6	-54,797	-47,913
Depreciation, amortisation and impairments	8	-14,478	-11,169
Other operating expenses	9	-50,452	-42,904
Operating profit (loss)		**14,310**	**13,023**
Finance income	10	2,534	3,638
Finance costs	10	-6,101	-6,689
Finance costs, net		-3,567	-3,051
Profit (loss) before income tax		**10,743**	**9,972**
Income tax expense	11	-2,123	-1,684
Profit (loss) for the period		**8,620**	**8,288**

EUR thousand	Note	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Other comprehensive income			
Items that may be reclassified to profit or loss			
Translation differences		48	47
Other comprehensive income for the period, net of tax		**48**	**47**
Total comprehensive income for the period		**8,668**	**8,335**
Profit (loss) for the period attributable to:			
Owners of the parent company		8,620	8,288
Profit (loss) for the period		**8,620**	**8,288**
Total comprehensive income for the period attributable to:			
Owners of the parent company		8,668	8,335
Total comprehensive income		**8,668**	**8,335**
Earnings per share for profit attributable to the ordinary equity holders of the parent company:			
Basic earnings per share, EUR	20	0.37	0.36
Diluted earnings per share, EUR	20	0.36	0.36

The consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

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Consolidated balance sheet

EUR thousand	Note	31 Dec 2025	31 Dec 2024
ASSETS			
Non-current assets			
Property, plant and equipment	12	140,533	111,540
Forest assets	13	4,363	3,915
Right-of-use assets	14	31,608	34,043
Intangible assets	15	2,992	1,036
Financial assets at fair value through profit or loss	21	200	14
Other receivables	17	-	10
Deferred tax assets	11	35	37
Total non-current assets		**179,730**	**150,595**
Current assets			
Inventories	16	62,383	49,227
Trade receivables	21	31,398	23,835
Other receivables	17	11,116	9,536
Financial assets at fair value through profit or loss	21	11,709	11,513
Income tax receivables	11	908	74
Cash and cash equivalents	21	24,441	31,823
Total current assets		**141,954**	**126,008**
Assets held for sale		**383**	**447**
TOTAL ASSETS		**322,067**	**277,050**

EUR thousand	Note	31 Dec 2025	31 Dec 2024
EQUITY AND LIABILITIES			
Equity			
Share capital	19	1,512	1,512
Legal reserve	19	16	16
Reserve for invested unrestricted equity	19	81,883	73,843
Treasury shares	19	-3	-3
Cumulative translation difference	19	239	192
Retained earnings		71,077	65,240
Profit (loss) for the period		8,620	8,288
Total equity attributable to owners of the parent company		**163,344**	**149,086**
Total equity		**163,344**	**149,086**
Liabilities			
Non-current liabilities			
Borrowings	21	42,778	24,731
Lease liabilities	14, 21	26,921	29,465
Other long-term employee benefits	6	3,220	3,117
Other payables	23	3,182	14
Deferred tax liabilities	11	9,526	7,162
Provisions	22	187	150
Total non-current liabilities		**85,816**	**64,639**
Current liabilities			
Borrowings	21	5,374	8,041
Lease liabilities	14, 21	3,965	4,024
Derivative liabilities	21	-	141
Advances received	21	933	983
Trade payables	21	38,892	29,211
Trade payables, payment system	21	7,265	6,470
Other payables	23	16,405	14,300
Income tax liabilities	11	-	65
Provisions	22	74	89
Total current liabilities		**72,907**	**63,325**
Total liabilities		**158,723**	**127,964**
TOTAL EQUITY AND LIABILITIES		**322,067**	**277,050**

The consolidated balance sheet should be read in conjunction with the accompanying notes.

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Consolidated statement of changes in equity

		Attributable to owners of the parent company							
EUR thousand	**Note**	**Share capital**	**Legal reserve**	**Reserve for invested unrestricted equity**	**Treasury shares**	**Cumulative translation differences**	**Retained earnings**	**Total equity attributable to owners of the parent company**	**Total equity**
Equity at 1 Jan 2025		**1,512**	**16**	**73,843**	**-3**	**192**	**73,527**	**149,086**	**149,086**
Profit (loss) for the period		-	-	-	-	-	8,620	8,620	8,620
Other comprehensive income									
Cumulative translation difference		-	-	-	-	48	-	48	48
Total comprehensive income		**-**	**-**	**-**	**-**	**48**	**8,620**	**8,668**	**8,668**
Transactions with owners:									
Dividend distribution		-	-	-	-	-	-2,771	-2,771	-2,771
Share-based payments		-	-	-	-	-	321	321	321
Directed share issue (business acquisition)	19	-	-	8,040	-	-	-	8,040	8,040
Total transactions with owners		**-**	**-**	**8,040**	**-**	**-**	**-2,450**	**5,590**	**5,590**
Equity at 31 Dec 2025		**1,512**	**16**	**81,883**	**-3**	**239**	**79,697**	**163,344**	**163,344**

The consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

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		Attributable to owners of the parent company							
EUR thousand	**Note**	**Share-capital**	**Legal reserve**	**Reserve for invested unrestricted equity**	**Treasury shares**	**Cumulative translation differences**	**Retained earnings**	**Total equity attributable to owners of the parent company**	**Total equity**
Equity at 1 Jan 2024		**1,512**	**16**	**73,843**	**-3**	**144**	**71,717**	**147,229**	**147,229**
Profit (loss) for the period		-	-	-	-	-	8,288	8,288	8,288
Other comprehensive income									
Cumulative translation difference		-	-	-	-	47	-	47	47
Total comprehensive income		**-**	**-**	**-**	**-**	**47**	**8,288**	**8,335**	**8,335**
Transactions with owners:									
Dividend distribution		-	-	-	-	-	-7,368	-7,368	-7,368
Share-based payments		-	-	-	-	-	890	890	890
Total transactions with owners		**-**	**-**	**-**	**-**	**-**	**-6,478**	**-6,478**	**-6,478**
Equity at 31 Dec 2024		**1,512**	**16**	**73,843**	**-3**	**192**	**73,527**	**149,086**	**149,086**

The consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

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Consolidated statement of cash flows

EUR thousand	Note	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Cash flow from operating activities			
Profit (loss) for the period		8,620	8,288
Adjustments:			
Depreciation, amortisation and impairment	8	14,478	11,169
Change in the fair value of the forest assets	13	-354	-323
Gains and losses from sale of non-current assets		-104	23
Interest and other finance income and costs	10	3,567	3,051
Income taxes	11	2,123	1,684
Change in other long-term employee benefits		-143	-104
Share-based payments		321	890
Other adjustments		-668	-4
		19,221	16,386
Changes in net working capital:			
Change in trade and other receivables	17, 21	-8,106	-184
Change in trade and other payables	21, 23	12,312	1,305
Change in inventories	16	-7,384	-11,656
Utilised provisions	22	22	53
Interest received		504	1,836
Interest paid		-4,125	-4,389
Other financial items received		293	810
Arrangement fees and other finance costs paid		-519	-150
Income taxes paid		-1,144	1,653
Net cash flow from operating activities		**19,693**	**13,953**

EUR thousand	Note	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Cash flow from investing activities			
Purchases of property, plant and equipment and intangible assets	12, 15	-20,211	-20,760
Proceeds from sale of non-current assets		132	511
Acquisitions of businesses and subsidiaries		-15,009	-
Repayment of deposits		-	20,000
Net cash flow from investing activities		**-35,089**	**-249**
Cash flow from financing activities			
Proceeds from borrowings	21	35,000	-
Repayment of borrowings	21	-19,914	-6,639
Repayments of lease liabilities	21	-4,318	-3,657
Dividends paid		-2,771	-7,368
Net cash flow from financing activities		**7,996**	**-17,664**
Net change in cash and cash equivalents		**-7,399**	**-3,960**
Cash and cash equivalents		31,823	35,771
Effects of exchange rate changes on cash and cash equivalents		17	12
Cash and cash equivalents at the end of the period		**24,441**	**31,823**

The consolidated statement of cash flows should be read in conjunction with the accompanying notes.

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1. General information and basis of preparation

General information of the Group

Koskisen Corporation (the company, the parent company), together with its consolidated subsidiaries (Koskisen, the Group), is active in the sawn timber and panel industries where it manufactures a wide range of wooden products such as sawn goods, plywood and chipboard. Koskisen aims to be a sustainable partner with both the forest owners as well as its customers. Koskisen was founded in 1909. Its headquarters is located in Järvelä, Finland and it has offices in Finland and Poland. Koskisen has approximately 1,000 employees.

Koskisen Corporation is a Finnish public limited liability company with a corporate identity number 0148241-9, domiciled in Kärkölä, Finland. The registered address is Tehdastie 2, 16600 Järvelä, Finland. The parent company's / Koskisen Corporation's shares are listed on the main list of Nasdaq Helsinki Oy from 1 December 2022.

The Board of Directors of Koskisen Corporation has approved these consolidated financial statements for issue on 26 March 2026. A copy of the consolidated financial statements is available at the Internet address **www.koskisen.fi/en/**.

Basis of preparation

Koskisen's consolidated financial statements have been prepared in accordance with the IFRS accounting standards as adopted by the European Union, and the IFRS accounting standards in force on 31 December 2025 have been complied with when preparing them. The notes to the consolidated financial statements also comply with the requirements under the Finnish accounting and company legislation, which supplements the IFRS accounting standards.

The consolidated financial statements have been prepared primarily under the historical cost convention unless otherwise indicated. Financial assets at fair value through profit or loss, derivative liabilities and forest assets, as well as assets and liabilities regarding benefit-based plans and share-based payments have been measured at fair value.

The consolidated financial statements are presented in thousands of euros, which is the functional and presentation currency of the parent company.

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest thousand unless otherwise stated, therefore the sum of individual figures may deviate from the presented total figure.

New standards and interpretations

The new accounting standards, amendments to accounting standards or interpretations adopted on 1 January 2025 did not have a significant impact on the Koskisen consolidated financial statements.

The Group has not adopted any new published accounting standards, amendments to accounting standards or interpretations that are not mandatory for financial periods ending 31 December 2025.

The IFRS 18 Presentation and Disclosure in Financial Statements accounting standard will enter into force on 1 January 2027 and replaces the existing IAS 1 Presentation of Financial Statements. IFRS 18 introduces changes to the structure of the income statement and mandatory subtotals, a requirement to disclose certain management-determined performance measures that are currently reported outside the financial statements, and expanded consolidation and disaggregation criteria that apply to both the main statements and the notes to the financial statements. IFRS 18 does not affect the recognition or measurement of items in the financial statements.

Koskisen is continuing to assess the impact of the new IFRS 18 standard and expects it to have an impact on the consolidated income statement, cash flow statement and certain notes to the consolidated financial statements. The reclassification of income and expenses in the consolidated income statement is estimated to have an impact on the amount of operating profit. For example, exchange rate differences on trade receivables and trade payables, as well as gains and losses on foreign exchange forward contracts related to sales, currently presented in the item Finance costs - net, will in the future be presented above operating profit.

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Other new accounting standards, amendments to accounting standards or interpretations published by the balance sheet date are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in euros, which is the company's functional and presentation currency.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income.

Foreign exchange gains and losses relating to the ordinary course of business, as well as foreign exchange gains and losses relating to financial items are presented in finance costs, net in the statement of comprehensive income.

Group companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency. Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet. Income and expenses for each statement of comprehensive income are translated at average exchange rates. All resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income. When a foreign operation is sold or otherwise disposed of, the associated exchange differences are reclassified to the statement of comprehensive income, as part of the gain or loss on sale.

Fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Macroeconomic environment

The Group's most significant short-term risks are related to the availability of raw materials and the management of price changes, recently intensified risks in the general geopolitical, security and trade policy situation, regulatory changes, the general weakening of the market situation and its effect on market demand, the solvency of customers and the purchasing power of consumers, the delivery capability of suppliers and service providers, the seasonality of operations, and changes in business areas and customer relationships.

At present, there are uncertainties particularly related to the import tariffs imposed by the United States. Koskisen does not have significant sales in the US market, so the direct impacts of customs and trade policy are minor. The indirect impacts of US tariff and customs policy on trade flows in the sawmill industry, in particular, are difficult to assess. In addition to impacts on trade flows, there may also be impacts on the supply of, and demand for, products. The tariff and trade policy pursued by the United States may have significant impacts on inflation, economic growth, interest rates and exchange rates in Koskisen's key markets.

The end of wood imports from Russia has increased the price of wood and kept the price of birch plywood high. The Group has not had any operations in Russia during the financial periods presented.

Changes in the macroeconomic operating environment increase the importance of management's judgment and estimates in the consolidated financial statements.

Climate-related issues

Climate change brings risks and opportunities to Koskisen. Risks related to the physical changes of climate change may cause disruption to the availability of raw materials. In addition, legislative risks related to the preservation of biodiversity may cause restrictions on the utilisation of natural resources in the form of logging restrictions. Opportunities related to the transition to a lower-carbon society may increase demand for wood construction and wood products. Energy self-sufficiency and energy efficiency opportunities can be achieved through own energy production.

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Koskisen has made investments during the financial period that, among other things, improve energy efficiency, reduce energy consumption, material waste and emissions from transportation. These investments are capitalized in tangible fixed assets and right-of-use assets, which are presented in notes 12: Property, plant and equipment and 14: Leases. Koskisen has also, among other things, reduced the share of fossil-based raw materials during the financial period.

The risks and opportunities related to climate change are described in more detail in Koskisen's Sustainability Statement as part of the Board of Directors' Report.

Climate change-related risks did not have a material impact on the consolidated financial statements during the financial periods presented.

Key estimates and management judgement

The preparation of financial statements in conformity with IFRS accounting standards requires management to use certain critical estimates and exercise judgement, which have an impact on the amount of assets and liabilities as well as the amount of income and expenses recognised for the financial year presented in these consolidated financial statements. In addition, the management is required to use judgement in the application of the accounting policies.

The estimates and judgement are continually evaluated and are based on the management’s best knowledge, historical experience and expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are presented in the following notes to the consolidated financial statements:

Note	Key estimates and judgements
13. Forest assets	Valuation of forest assets
14. Leases	Embedded leases
14. Leases	Lease term determination
14. Leases	Determination of incremental borrowing rate
22. Provisions	Estimation of the amount and timing of the provision

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2. Segment information and revenue

Koskisen's chief operative decision-maker (CODM) is the Board of Directors which monitors the results of the Group and allocates resources to the segments. Koskisen's operating segments, which also are the Group's reportable segments, are the Panel Industry and the Sawn Timber Industry. The Board of Directors monitors each segment's performance on the basis of revenue and EBITDA. Transactions between operating segments are based on arm's length terms, and they are eliminated on consolidation.

The Panel Industry provides tailored high quality panel board solutions to our customers. The Panel Industry revenue comprises sales of plywood, chipboard, thin plywood and veneer as well as optimised van interior solutions.

The Sawn Timber Industry provides sawn timber and further-processed products that are produced from high-quality wood raw material. The Sawn Timber Industry revenue comprises sales of sawn timber and further processed timber as well as wood procurement side products for pulp and paper industry and bioenergy for several power plants.

Other consists of Kosava-Kiinteistöt Oy, 100% owned subsidiary providing facility management related services to the parent company, as well as some of the Group central functions which are not allocated to the segments.

REVENUE BY SEGMENTS

	1 Jan–31 Dec 2025			1 Jan–31 Dec 2024		
EUR thousand	**External**	**Internal**	**Total**	**External**	**Internal**	**Total**
Panel Industry	150,935	12	150,946	142,433	21	142,454
Sawn Timber Industry	203,915	31,556	235,471	139,737	27,946	167,683
Segments total	**354,850**	**31,567**	**386,417**	**282,171**	**27,967**	**310,137**
Other	86	693	780	92	780	871
Elimination of internal sales		-32,261	-32,261		-28,746	-28,746
Total	**354,936**	**-**	**354,936**	**282,262**	**-**	**282,262**

Koskisen generates revenue mainly from the sale of goods, i.e. sawn timber and panel. Majority of the Koskisen's revenue is recognised at a point in time when customer obtains control of the goods based on the applicable delivery terms. The payment terms in Koskisen's customer contracts typically vary between 30 and 60 days, and the contracts do not include significant financing components. The contracts may include variable payments such as cash discounts or other discounts.

In 2025 and 2024, Koskisen had no external customers from which revenue recognised would have been over 10% of the Group's total revenue.

REVENUE BY COUNTRIES

EUR thousand	**1 Jan–31 Dec 2025**	**1 Jan–31 Dec 2024**
Finland	132,901	111,595
Japan	33,299	23,990
Germany	24,411	24,098
Poland	20,192	15,465
Other EU countries	101,479	76,556
Other countries	42,654	30,559
Total	**354,936**	**282,262**

EBITDA BY SEGMENTS

EUR thousand	**1 Jan–31 Dec 2025**	**1 Jan–31 Dec 2024**
Panel Industry	15,688	17,681
Sawn Timber Industry	14,277	7,205
Segments total	**29,965**	**24,886**
Other	-1,177	-693
Total	**28,789**	**24,193**

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RECONCILIATION OF EBITDA TO OPERATING PROFIT (LOSS)

EUR thousand	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
EBITDA	28,789	24,193
Depreciation, amortisation and impairments	-14,478	-11,169
Operating profit (loss)	**14,310**	**13,023**

CONTRACT ASSETS AND LIABILITIES

EUR thousand	31 Dec 2025	31 Dec 2024
Contract liabilities [1]	787	838

[1] Included in Advances received in the balance sheet

Revenue was recognised for the majority of the amount included in the contract liability balance at the beginning of the period.

NON-CURRENT ASSETS BY GEOGRAPHICAL AREA

EUR thousand	31 Dec 2025	31 Dec 2024
Finland	174,366	144,835
EU countries	5,327	5,708
Other countries	3	15
Total	**179,696**	**150,558**

ACCOUNTING POLICY

Based on contracts with customers, sales of goods are distinct performance obligations. In addition, Koskisen applies various delivery terms based on Incoterms 2020, which are the official rules for the interpretation of trade terms as issued by the International Chamber of Commerce (ICC). Control of goods sold transfers at a point in time, typically when the title for the goods or physical possession of the goods has transferred to the customer, the customer has accepted the goods or Koskisen has right to payment.

When control of goods has transferred to the customer, but Koskisen still has responsibility to arrange for delivery or insurance, these services are considered as distinct performance obligations, and if material, recognised over time, while the service is being performed. Koskisen considers that the customer is able to benefit from these services by simultaneously receiving and consuming the benefits provided by such a service.

The more widely used delivery terms are Carriage and Insurance Paid to (CIP), Carriage Paid to (CPT), Cost, Insurance and Freight paid to (CIF) or Cost and Freight paid to (CFR): with revenue for goods recognised at the point of handing over the goods to a carrier in accordance with relevant term; for Free of Carriage (FCA) sale of goods is recognised at the point of handing the goods over to the buyer's carrier; and for Delivered at Place (DAP) at the point of delivery to destination.

Koskisen recognises revenue from contracts with customer to the amount that it expects to receive from the customer net of any sales taxes. Any variable considerations, such as discounts, included in the customer contract are estimated and included in the revenue only to the extent that it is highly probable that no significant reversal in the amount of cumulative revenue recognised will not occur. The amount of variable consideration is estimated at the end of each reporting period. When a contract contains more than one performance obligation, the consideration included in the contract is allocated to the performance obligations based on stand-alone selling prices. Koskisen does not have significant warranty or return obligations.

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Koskisen does not recognise material contract assets arising from contracts with customers, as right to consideration typically meets the definition of trade receivables on initial recognition. Trade receivables are recognised when the control of the goods is transferred to the customer, and the consideration included in the contract is unconditional except for the passage of time. In Koskisen's customer contracts the period between the transfer of the goods or services to the customers and the receipt of payment is less than 12 months. Koskisen has elected to use the practical expedient not to adjust revenue for the effect of financing components. Any advance payments received from the customers are recognised on the balance sheet (contract liability).

For any sales commissions paid, Koskisen applies a practical expedient mentioned by IFRS 15, and recognises the cost as an expense when incurred as the amortisation period of the related assets would have been one year or less.

3. Financial risk and capital management

Financial risks are divided into credit risk covering business-related credit risk and financial credit risk, liquidity risk and market risk covering foreign exchange risk and interest rate risk. These financial risks are managed by the Koskisen Group Finance department in accordance with the Koskisen Treasury Policy. Koskisen Treasury Policy is approved by the Board of Directors of Koskisen Corporation.

The objective for treasury activities is to guarantee sufficient funding at all times and to identify, evaluate and manage financial risks.

Credit risk

Credit risk arises from cash and cash equivalents, deposits, investments measured at fair value through profit or loss (FVPL), favourable derivative financial instruments as well as trade receivables. The Group's credit risks or counterparty risks are realised when the customer or other counterparty is unable to fulfil its commitments to the Group.

Regarding trade receivables, Koskisen applies the expected credit loss model to assess impairment loss for the doubtful trade receivables since the trade receivables do not contain a significant financing component. To measure the lifetime expected credit losses, trade receivables have been grouped based on aging category and measured based on historical loss rates adjusted by forward looking estimates and individual assessment. Trade receivables is written off as impaired when receivership or bankruptcy is confirmed or when it is otherwise obvious that the customer will be unable to meet its payment obligations. Changes in impairment loss for doubtful trade receivables are recognised under other operating costs in the statement of comprehensive income. According to the principles of credit management, the quality of receivables is assessed on the basis of customer-specific analysis. Credit risks related to customers are managed by credit insurance, advance payment terms and/or by expecting bank guarantees or confirmed letters of credit for customer payments.

Koskisen is also exposed to counterparty risks related to financial institutions, through the significant amounts of liquid funds deposited with financial institutions, in the form of financial investments and in derivatives. Financial investments are made only with counterparties with high creditworthiness. While cash and cash equivalents and deposits are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

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LOSS ALLOWANCE

EUR thousand	Not due	Under 30 days	30–60 days	61–90 days	Over 90 days	Total
31 Dec 2025						
Expected loss rate	0.1%	0.1%	0.5%	3.3%	-%	
Trade receivables, gross	26,089	5,074	188	71	1	31,424
Loss allowance	-19	-4	-1	-2	-	-26
Trade receivables, net	**26,070**	**5,071**	**187**	**69**	**1**	**31,398**

EUR thousand	Not due	Under 30 days	30–60 days	61–90 days	Over 90 days	Total
31 Dec 2024						
Expected loss rate	-%	-%	0.3%	3.3%	6.8%	
Trade receivables, gross	18,821	4,648	120	11	264	23,863
Loss allowance	-8	-2	-0	-0	-18	-28
Trade receivables, net	**18,813**	**4,646**	**119**	**10**	**246**	**23,835**

LOSS ALLOWANCE RECONCILIATION

EUR thousand	2025	2024
Opening loss allowance at 1 Jan	28	99
Increase in loss allowance recognised in the statement of comprehensive income during the financial year	26	28
Receivables written off during the financial year as uncollectible	-	-
Unused amount reversed	-28	-99
Closing loss allowance at 31 Dec	**26**	**28**

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Liquidity risk

Cash flow from operations is the principal source of Koskisen's financing. External funding, as well as cash and financial investments, are managed centrally by Koskisen Group Finance according to the Koskisen Treasury Policy. Financial investments are made mainly in short-term instruments to ensure continuous liquidity.

Koskisen ensures sufficient liquidity at all times by efficient cash management and by maintaining sufficient available committed and uncommitted credit lines that are available until 2030. Refinancing risk is managed by having a sufficiently long loan portfolio.

The Group's current credit facility agreements include committed revolving credit facilities totalling EUR 15.0 million as at 31 December 2025 (31 December 2024: EUR 8.0 million).

At the end of 2025, the funding of Koskisen was guaranteed by existing committed credit facilities, cash and financial investments. The Group had cash and cash equivalents totalling EUR 24.4 million as at 31 December 2025 (31 December 2024: EUR 31.8 million).

The committed revolving credit facilities and long-term loans include financial covenants, which are described below in the capital management section.

MATURITIES OF FINANCIAL LIABILITIES

EUR thousand	2026	2027	2028	2029	2030	2031–	Total contractual cash flows	Carrying amount
31 Dec 2025								
Loans from financial institutions	7,165	8,057	8,895	7,967	17,364	5,526	54,976	48,152
Lease liabilities	6,048	4,483	4,328	3,839	3,170	19,961	41,830	30,886
Trade payables	38,892	-	-	-	-	-	38,892	38,892
Trade payables, payment system[1]	7,302	-	-	-	-	-	7,302	7,265
Total	**59,407**	**12,540**	**13,224**	**11,807**	**20,534**	**25,487**	**142,999**	**125,196**

EUR thousand	2025	2026	2027	2028	2029	2030–	Total contractual cash flows	Carrying amount
31 Dec 2024								
Loans from financial institutions	9,521	12,334	5,670	3,426	2,633	2,815	36,399	32,772
Lease liabilities	6,347	4,763	4,494	4,369	3,840	23,389	47,202	33,489
Derivative liabilities	141	-	-	-	-	-	141	141
Trade payables	29,211	-	-	-	-	-	29,211	29,211
Trade payables, payment system[1]	6,639	-	-	-	-	-	6,639	6,470
Total	**51,859**	**17,097**	**10,164**	**7,795**	**6,473**	**26,204**	**119,592**	**102,084**

[1] Trade payables under the payment system are payable on demand, so the company reports them as short-term debt. Accumulated interest and interest for the 45 days notice period have been added to the contractual cash flows of these.

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Market risk

Commodity price risk

Prices of panel board and sawn wood products as well as timber used as raw material fluctuates based on international market conditions, exposing Koskisen revenue and profitability to negative fluctuations.

Koskisen hedges against electricity price risk fluctuations by making price fixings. For the purchases 1–12 months forward, the range of the price fixing is 65–90%, for the following 13–24 months, the range of the price fixing is 35–75%, for the following 25–36 months, the range of the price fixing is 10–50%, and for the following 37–48 months, the range of the price fixing is 0–25%. Koskisen's principle is to keep the degree of hedging within these ranges. The Group's aim is to ensure that a sufficiently large proportion of the purchases is protected from fluctuations in the market price. The significant volatility of the electricity prices is an additional risk for production costs and its importance for market competition depends on the realisation of the risk in relation to competitors.

Foreign exchange risk

Koskisen's headquarters is in Finland and Koskisen also has a foreign subsidiary in Poland. The Group is exposed to both transaction and translation foreign exchange risks. The Group's business and results from operations are exposed to changes in exchange rates between the euro, the presentation currency, and other currencies. The largest export currency after the euro is the U.S. dollar (USD), which is used for example as the currency for exports to Japan. The magnitude of foreign exchange exposures changes over time as a function of revenue and costs in different markets, as well as the prevalent currencies used for transactions in those markets. Significant changes in exchange rates may also impact Koskisen's competitive position and related price pressures through their impact on our competitors.

The majority of Koskisen's revenue and results are in the Group companies' functional currencies, hence Koskisen's exposure to risks, other than risks arising from USD, is limited. Additionally, Koskisen is exposed to risks related to liquidity and payment discipline of its customers, which may impact cash flow or lead to credit losses.

As shown in the table below, Koskisen is primarily exposed to changes in the EUR/USD exchange rate. The sensitivity of profit or loss to changes in the exchange rates arises mainly from revenue in USD, outstanding trade receivables in USD, and a bank account in USD. Koskisen's exposure to other foreign exchange movements is not material.

To mitigate the impact of changes in exchange rates on Koskisen's results, Koskisen hedges the foreign exchange exposure by entering into foreign exchange forward contracts. Koskisen's policy is to fix 100% of the USD denominated sales within the current quarter, 50-80% in the next quarter and 25-60% of the third quarter. The nominal amount of the outstanding USD foreign exchange forward contracts was EUR 6,995 thousand on 31 December 2025 (31 December 2024: EUR 3,619 thousand). The Group's open USD position as well as the derivatives and the sensitivity analysis of the position are presented in the tables below.

	USD exposure	
EUR thousand	**31 Dec 2025**	**31 Dec 2024**
Trade receivables	1,375	1,397
Cash and cash equivalents	3,561	1,673
Trade payables	5	48
Foreign currency forwards (nominal value)	6,995	3,619
Foreign currency forwards (fair value)	17	-141

	Impact on post-tax profit	
EUR thousand	**2025**	**2024**
EUR strengthens against US dollar 10%	-3,044	-1,834
EUR weakens against US dollar 10%	3,044	1,834

As Koskisen has entities where the functional currency is other than the euro, the shareholders' equity is exposed to fluctuations in foreign exchange rates. Changes in shareholders' equity caused by movements in foreign exchange rates are shown as currency translation differences in the consolidated financial statements. The Group does not hedge this risk.

Interest rate risk

Koskisen borrows money from financial institutions and the interest rates of these loans are based on floating markets rates, which exposes Koskisen to an increase in its financing costs (cash flow interest rate risk).

Koskisen hedges its exposure to changes in interest rates with interest rate swaps. These hedges cover 52% (2024: 92%) of the open balance of variable rate loans from the change of the market rates. Their nominal amount is EUR 25.0 million as at 31

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December 2025 (31 December 2024: EUR 30.0 million). The interest rate swap agreements are valid until 2028, and accordingly effectively fix interest rates partly to predetermined level.

The following sensitivity analysis covers both variable rate loans and the interest rate swap contracts.

	Impact on post-tax profit	
EUR thousand	**2025**	**2024**
Interest rates – increase by one percentage points[1]	-336	-337
Interest rates – decrease by one percentage points[1]	336	337

[1] Holding all other variables constant

Capital management

Koskisen aims to manage its capital in a way that supports the profitable growth of operations, and ensures an adequate liquidity and capitalisation of the Group at all times. The target is to maintain a capital structure that contributes to the creation of shareholder value. Management monitors the capital structure with leverage (Net Debt to EBITDA).

The assets employed in Koskisen's business consist principally of net working capital, fixed assets, and financial investments which are funded by equity and net debt. Koskisen aims to maintain low net working capital to ensure a healthy cash flow even when the business is growing and to maintain a high return on assets employed.

Koskisen has not defined a specific quantitative target for its capital management or capital structure, but the aim is to ensure strong credit quality to provide for ample access to external funding sources and to support the growth ambitions of the business. Koskisen considers its current capital structure to be a strength, as it allows for capturing potential value creating business opportunities, should such opportunities arise.

The Board of Directors of the company has adopted a dividend policy pursuant to which Koskisen aims to pay an attractive dividend in accordance with its strategy, investment requirements, financial position and market outlook. Koskisen aims to pay a dividend equal to no less than one third of its net profit annually.

The key terms of the loan in the Koskisen financing agreement agreed during the financial year, are:
- Interest 6 months Euribor
- Margin, the level of which depends on leverage
- Semi-annual repayments
- Covenants: leverage, equity ratio
- Termination date of the loan agreement 21 October 2030.

The loan was initially recognised at fair value, net of transaction costs incurred.

The key terms of the fixed term-loan related to investments to increase capacity are:
- Interest 6 months Euribor
- Margin, the level of which depends on leverage
- Semi-annual repayments
- Covenants: leverage, equity ratio
- Termination date of the loan agreement 13 December 2032.

The loan in the Koskisen financing agreement and the fixed term-loan related to investments to increase capacity include covenant conditions regarding the company's leverage and equity ratio. The covenants are calculated from the Group figures and are reported to the financiers four times a year.

The table lists the covenants of the loans. The covenants were met throughout the financial period and are expected to be met during the next financial period.

	31 Dec 2025		31 Dec 2024	
	Actual	**Threshold**	**Actual**	**Threshold**
Leverage	1.50	3.50	0.90	3.50
Equity ratio	50.9%	30.0%	54.0%	30.0%

The key terms of the new sawmill financing package loans are:
- Interest 6 months Euribor
- Fixed margin
- Semi-annual repayments
- No covenants
- The loans mature between the years 2029–2031.

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4. Other operating income

EUR thousand	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Sale of emission allowances	1,569	1,294
Negative goodwill recognition	662	-
Firewood sales to forest owners	190	237
Gains on disposal of property, plant and equipment	125	53
Lease income	122	110
Compensations received	51	35
Grants received	48	184
Other	192	109
Total	**2,958**	**2,022**

Koskisen participates in the European Union emission trading scheme, in which it has received free emission allowances for a defined period. Koskisen was granted 16,564 units of CO_2 emission rights for the year 2025 (2024: 20,416 units). The rights in excess of the Group's needs have been transferred to the following financial period. In 2025, Koskisen returned emission rights totalling 1,749 units (2024: 2,277 units).

Koskisen's CO_2 credits as at 31 December 2025 amounted to 17,251 units (31 December 2024: 23,436 units) and their market value was approximately EUR 1,507 thousand (31 December 2024: EUR 1,687 thousand). Koskisen sold emission rights in 2025 amounting to EUR 1,569 thousand (2024: EUR 1,294 thousand). No rights have been purchased (2024: no purchases).

ACCOUNTING POLICY

Emission rights

Koskisen participates in the European Union's Emissions Trading Scheme aimed at reducing greenhouse gas emission and receives allowances, free of charge, for a defined period to emit a fixed tonnage carbon dioxide. Allowances received are initially and subsequently measured at cost (nominal amount). The related liability is measured at the carrying amount of the allowances. Any emissions exceeding the allowances received is measured at the market value of the excess emissions. Gains arising from the sale of the emission right allowances are recorded in other operating income in the statement of comprehensive income.

Government grants

Government grants are recognised when there is reasonable assurance that the conditions underlying the grants have been met and that the grant will be received. Government grants to cover expenses incurred are recognised in the statement of comprehensive income proportionally over the periods during which the related expenses are recognised. Government grants related to the acquisition of tangible assets are deducted from the acquisition price of the asset and the net acquisition cost is capitalized in the balance sheet.

Government grants received, for which the expenses have not yet been recognised, are recognised as an advance received in the consolidated balance sheet. The grant component for eligible expenses already incurred during the reporting period, for which the grant will be received in subsequent reporting periods, is recognised as grant income in the statement of comprehensive income and as other receivable in the consolidated balance sheet.

5. Materials and services

Materials and services comprise purchases of materials and supplies such as logs, coatings, glues, energy for production and other production materials. External services comprise log harvesting, transportation and machinery repair services.

EUR thousand	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Purchases of materials and supplies	193,714	141,322
Change in inventories	-4,451	-6,505
External services	43,624	39,932
Total	**232,886**	**174,749**

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6. Employee benefit expenses

Koskisen employed an average of 994 employees in 2025, of which 845 employees were located in Finland and 133 in Poland. In addition, there were some 16 employees working in sales in different countries around the world. Koskisen's employee benefit expenses are presented in the table below. The remuneration of the members of the Executive Board, the CEO and the members of the Board of Directors is presented in note 25: Related party transactions. More detailed information on the share-based payments is presented in note 7: Share-based incentive plans.

EUR thousand	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Wages and salaries	44,174	38,809
Pension costs – defined contribution plans	7,663	6,652
Social security costs	1,981	1,369
Share-based payments	815	904
Other long-term benefits – service allowance	163	179
Total	**54,797**	**47,913**

Other long-term benefits consist of an annual service allowance plan. The cost of the plan is determined based on the advice of qualified actuary who carries out a full valuation of the plan on a regular basis using the projected unit credit method. Under this method, the costs of the plan are charged to the statement of comprehensive income to spread the regular costs over the working lives of the employees. Koskisen presents the service cost relating to defined benefit obligations in employee benefit expenses while the net interest is presented in finance costs.

AVERAGE NUMBER OF EMPLOYEES

	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Salaried employees	271	249
Workers	722	671
Average number of employees during the period	**994**	**919**

ACCOUNTING POLICY

Short-term employee benefits are recognised as expenses during the period in which related service is provided. A liability is recognised when the Group has a statutory and constructive obligation relating to employment relationship based on performance received and when an obligation can be measured reliably.

Koskisen has only defined contribution pension plans in the jurisdictions it operates. The Group pays contributions to external insurance companies and it does not have a legal or constructive obligation to make additional payments in case the recipient for pension contributions is unable to pay the pension benefits. The contributions are recognised as employee benefit expense in the statement of comprehensive income during the period to which the charge relates to.

Annual service allowance

Koskisen pays an annual service allowance to its production workers based on the collective agreements. The plan is accounted for as a long-term employee benefit plan according to IAS 19 Employee benefits, with items resulting from remeasurement, which include actuarial gains and losses, are recognised immediately in the consolidated balance sheet for the period through the statement of comprehensive income (profit and loss) when they incur.

Expenditures based on previous work performance are recorded as expenses either when the amendment or curtailment of the arrangement takes place, or when the restructuring expenses related to the arrangement or the benefits related to the termination of the employment relationship are recorded, whichever comes first. Net interest is calculated by applying the discount rate to the net liability or asset under the defined benefit plan. The Group recognises the changes in the net liability for the service cost in employee benefit expenses and net interest expense or income in finance costs, net.

The annual service allowance obligations and the related service costs have been calculated using the projected credit unit method by discounting the estimated future cash flows with the discount rate based on AA euro corporate bond yield curve which reflects the duration of the liability.

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7. Share-based incentive plans

Share-based incentive plan 2022–2026

In March 2022, the Board of Directors of Koskisen Corporation decided on a share-based incentive programme in place for its key employees for the years 2022 to 2026. The incentive programme consists of three three-year earning periods, which are from 2022 to 2024, from 2023 to 2025 and from 2024 to 2026.

Share-based incentive plan 2022–2026 – Performance period 2022–2024

The key employees eligible for the programme, the incentives to be paid, the vesting conditions and targets determined by the company's Board of Directors were communicated to the persons participating in the arrangement in June 2022. The key employees eligible for the programme (six individuals) can receive a maximum of 138,000 company shares (gross amount) if the terms of the programme are met. During 2024, Koskisen Corporation included a new participant in the plan, raising the number of eligible employees to seven (7), and the maximum number of company shares that can be received to 156 000 (gross amount). The vesting conditions and the targets relate to meeting certain key figures (EBITDA and return on invested capital) and work obligation. The earned shares are given to the key employees after the vesting period ends. From the total number of shares, Koskisen withholds the withholding tax corresponding to the income tax liability of the key employee and pays it to the tax authorities. The arrangement has a net settlement feature of tax obligations and is classified as an equity-settled share-based transaction in its entirety. The arrangement is treated as an equity-settled share-based transaction. The 2022-2024 earning period vested and the reward shares were paid out in April 2025.

Share-based incentive plan 2022–2026 – Performance period 2023–2025

In April 2023, the company's Board of Directors resolved on the criteria and targets as well as the key employees eligible for the incentive programme for the second earning period. The members of the Group Executive Board, a total of seven people, are currently entitled to participate in the long-term share-based incentive programme. The potential receipt and amount of the reward is based on the accumulated adjusted EBITDA from 1 January 2023 to 31 December 2025 and the person's continued employment with the company. During the second earning period of the incentive programme, the key employees eligible for the incentive programme may earn a maximum of 215,000 shares (gross amount). The earned shares are given to the key employees after the vesting period ends. From the total number of shares, Koskisen withholds the withholding tax corresponding to the income tax liability of the key employee and pays it to the tax authorities. The arrangement has a net settlement feature of tax obligations and is classified as an equity-settled share-based transaction in its entirety. The arrangement is treated as an equity-settled share-based transaction.

Share-based incentive plan 2022–2026 – Performance period 2024–2026

In May 2024, the company's Board of Directors resolved on the criteria and targets as well as the key employees eligible for the incentive programme for the third earning period. The members of the Group Executive Board, a total of eight people, are currently entitled to participate in the long-term share-based incentive programme. The company's Board of Directors decided in June 2024 to add new participants to the 2024–2026 earning period, after which the maximum number of participants will be 25. The potential receipt and amount of the reward is based, in alignment with the growth strategy, on increase in net sales and the accumulated adjusted EBITDA from 1 January 2024 to 31 December 2026, and the person's continued employment with the company. During the third earning period of the incentive programme, the key employees eligible for the incentive programme may earn a maximum of 331,000 company shares (gross amount). The earned shares are given to the key employees after the vesting period. From the total number of shares, Koskisen withholds the withholding tax corresponding to the income tax liability of the key employee and pays it to the tax authorities. The arrangement has a net settlement feature of tax obligations and is classified as an equity-settled share-based transaction in its entirety. The arrangement is treated as an equity-settled share-based transaction.

Share-based incentive plan 2025–2029

In April 2025, the Board of Directors of Koskisen Corporation decided on a share-based incentive programme in place for its key employees for the years 2025 to 2029. The incentive programme consists of three three year earning periods, which are from 2025 to 2027, from 2026 to 2028 and from 2027 to 2029.

Share-based incentive plan 2025–2029 – Performance Period 2025–2027

In April 2025, Board of Directors of Koskisen Plc decided on the commencement of the first performance period in the Performance Share Plan 2025-2027. Currently, a total of approximately 30 key employees are eligible to participate in the earning period 2025-2027 of the share-based incentive programme, including the Group's CEO and members of the Executive Board. The participants can receive a maximum of 420,000 company shares (gross amount) if the terms of the programme are met. In the share

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based incentive programme, the potential receipt and amount of the reward is based on the growth of revenue in accordance with Koskisen's growth strategy, cumulative adjusted EBITDA and the reduction of emissions caused by the company's own operations (Scope 1 and 2) between 1 January 2025 and 31 December 2027, as well as the person's ongoing employment. The earned shares are given to the key employees after the vesting period ends. From the total number of shares, Koskisen withholds the withholding tax corresponding to the income tax liability of the key employee and pays it to the tax authorities. The arrangement has a net settlement feature of tax obligations and is classified as an equity-settled share-based transaction in its entirety. The arrangement is treated as an equity-settled share-based transaction.

	Share-based incentive plan 2022–2026			Share-based incentive plan 2025-2029	Total
	Performance period 2022–2024 [1]	Performance period 2023–2025	Performance period 2024–2026	Performance period 2025-2027	Total / Weighted average
Maximum amount, pcs [2]	156,000	215,000	331,000	420,000	1,122,000
Initial allocation date	1 Jul 2022	30 Apr 2023	27 May 2024	2 May 2025	
Estimated vesting date	30 Apr 2025	30 Apr 2026	30 Apr 2027	30 Apr 2028	
Maximum contractual life, years	2.8	3.0	2.9	3.0	2.9
Remaining contractual life, years	-	0.3	1.3	2.3	1.0
Number of persons at the end of reporting year	-	7	22	29	
Payment method	Equity and cash (net settlement)	Equity and cash (net settlement)	Equity and cash (net settlement)	Equity and cash (net settlement)	

[1] Maximum amounts of the Share-based incentive plan 2022–2026 Performance Period 2022–2024 are adjusted by the share split carried out in November 2022.
[2] The amounts are presented in gross terms, i.e. the share reward figures include both the reward paid in share and a number of shares corresponding to the amount of the reward paid in cash.

	Share-based incentive plan 2022–2026			Share-based incentive plan 2025-2029	
Changes during the period	Performance period 2022–2024 [1]	Performance period 2023–2025	Performance period 2024–2026	Performance period 2025-2027	Total
1 Jan 2025					
Outstanding in the beginning of the period	152,000	215,000	325,125	-	692,125
Changes during period					
Granted during period	-	-	-	396,000	396,000
Forfeited during period	-	-	6,000	-	6,000
Exercised during period	152,000	-	-	-	152,000
31 Dec 2025					
Granted shares to which the right has not yet arisen	-	215,000	319,125	396,000	930,125

[1] Granted amounts of the Share-based incentive 2022–2026 Performance Period 2022–2024 are adjusted by the share split carried out in November 2022.

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Fair value determination

The fair value of share-based incentives have been determined at grant date and the fair value is expensed until vesting. The pricing of the share-based incentives granted during the period was determined by the following inputs and had the following effect:

VALUATION PARAMETERS FOR INSTRUMENTS GRANTED DURING THE PERIOD

	Share-based incentive plan 2025–2029
Instrument	**Performance period 2025–2027**
Estimated market price of the share at the time of issuance, EUR	7.14
Maturity, years	3.0
Risk-free rate, %	-%
Expected dividends, EUR	0.12
The fair value of the benefit per share at the time of grant, EUR	6.79
Share price at reporting period end, EUR	9.10

EFFECT ON THE RESULT AND FINANCIAL POSITION

EUR thousand	1 Jan–31 Dec 2025
Expenses for the financial year, share-based payments	815
Expenses for the financial year, share-based payments, equity-settled	815
Liabilities arising from share-based payments 31 Dec 2025	-
Estimated amount to be transferred to the tax authority to settle the employee's tax obligation within the ongoing share-based incentive plans, 31 Dec 2025	1,342

ACCOUNTING POLICY

The Group's share-based incentive plans are classified as equity-settled or cash-settled share-based transactions. Transactions with the net settlement feature for tax obligations are classified in their entirety as equity-settled share-based transactions. Equity-settled share-based transactions are measured at the grant date fair value. The liabilities for the cash-settled share-based transactions are measured at the fair value on each reporting date. At the end of each reporting period, the company's management evaluates the probability of the fulfilment of the plan conditions (conditions based on the performance of the service and results), updates the estimate of the number of shares expected to finally vest and makes a corresponding adjustment on the expense recognised. Payments for share-based plans are expensed on a straight-line basis over the vesting period when the obligation has incurred. The expense is presented in the employee benefit expenses. For the equity-settled plans, a corresponding amount is recognised as an increase in retained earnings, and for the cash-settled plans, a corresponding liability is recognised in other liabilities on the balance sheet.

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8. Depreciation, amortisation and impairment

EUR thousand	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Property, plant and equipment, depreciation		
Buildings and structures	2,519	2,157
Machinery and equipment	6,197	4,247
Other property, plant and equipment	762	415
Total	**9,479**	**6,818**
Right-of-use assets, depreciation		
Power plants	1,710	1,659
Machinery and equipment	2,264	1,760
Buildings	392	310
Land and water areas	48	45
Total	**4,413**	**3,773**
Intangible assets, depreciation		
Customer relationships and Trademarks	225	-
Software	361	346
Total	**586**	**346**
Impairment		
Assets held for sale	-	232
Total	**-**	**232**
Depreciation, amortisation and impairment total	**14,478**	**11,169**

ACCOUNTING POLICY

Depreciation and amortisation is recognised in the statement of comprehensive income on a straight-line basis over the estimated useful lives of property, plant and equipment and intangible assets. Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term. If Koskisen is reasonably certain on exercising a purchase option, the right-of-use asset is depreciated over its useful life.

9. Other operating expenses

Other operating expenses comprise, for example, costs related to sales freight, forwarding and chipping, expenses for property maintenance and IT expenses.

EUR thousand	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Sales freight and forwarding	29,092	24,127
IT expenses	4,743	4,169
Maintenance of property	4,119	3,793
Consulting and administrative services	2,543	1,963
Administrative expenses	2,371	1,794
Personnel related expenses	1,909	1,722
Sales commissions	1,179	664
Travel expenses	1,152	1,067
Lease expenses	849	885
Marketing expenses	793	603
Research and development expenses	136	301
Other expenses[1]	1,566	1,816
Total	**50,452**	**42,904**

[1] Other expenses include, for example, expenses related to machines, equipment and vehicles.

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Fees paid to the auditor of the Group performing the statutory audit for the years presented in the consolidated financial statements appointed by the annual general meeting are presented in the table below.

AUDITOR REMUNERATION

EUR thousand	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Audit	200	150
Other assignments referred to in section 1.1,2 § of the Auditing Act	98	27
Other services	19	30
Total	**317**	**207**

Auditor remuneration includes the fees paid to the auditors of each Group company.

ACCOUNTING POLICY

Research costs are expensed as incurred in the other operating expenses in the statement of comprehensive income. Development costs are expensed as incurred unless they meet the criteria for internally developed intangible assets, in which case they are capitalised as intangible assets and amortised over their expected useful life. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

10. Finance income and costs

EUR thousand	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Finance income		
Gains on foreign currency derivatives	816	89
Foreign exchange gains	637	754
Gains on capital redemption contracts	456	611
Interest income	433	1,414
Gains on interest rate derivatives	191	769
Other finance income	1	1
Total	**2,534**	**3,638**
Finance costs		
Interest expenses from lease liabilities	-2,318	-2,209
Interest expenses from borrowings	-1,947	-2,617
Foreign exchange losses	-1,426	-593
Losses on interest rate derivatives	-153	-615
Losses on foreign currency derivatives	-14	-450
Other finance costs	-242	-206
Total	**-6,101**	**-6,689**
Finance income and costs total	**-3,567**	**-3,051**

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11. Income tax

Income tax expense comprises current income tax based on the taxable income for the period and deferred tax expense.

INCOME TAX EXPENSE

EUR thousand	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Current tax on result for the period	-257	-203
Adjustments for current tax of prior periods	11	35
Total current income tax expense	**-246**	**-168**
Change in deferred tax assets	-581	1,447
Change in deferred tax liabilities	-1,297	-2,964
Total deferred tax expense	**-1,877**	**-1,517**
Income tax expense	**-2,123**	**-1,684**

The difference between income taxes at the statutory tax rate in Finland (20%) and income taxes recognised in the statement of comprehensive income is reconciled as follows:

RECONCILIATION OF THE EFFECTIVE TAX RATE

EUR thousand	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Profit (loss) before taxes	10,743	9,972
Tax calculated at Finnish tax rate 20 %	-2,149	-1,994
Effect of foreign tax rates	11	5
Effect of expenses not deductible for tax purposes	-54	-407
Utilisation of non-deductible net interest expenses from previous reporting periods	55	511
Effect of non-taxable income	2	165
Adjustment in respect to prior years	11	35
Income tax expense	**-2,123**	**-1,684**

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DEFERRED TAX ASSETS AND LIABILITIES

EUR thousand	At 1 Jan	Recognised in profit or loss	Acquisitions of businesses	Translation differences	At 31 Dec
2025					
Deferred tax assets					
Leases	6,698	-556	34	2	6,177
Other long-term employee benefits	623	-8	29		644
Intangible assets	37	-25			12
Provisions	48	4			52
Credit loss provision	6	-		0	5
Other items	71	6		1	78
Total	**7,484**	**-581**	**63**	**3**	**6,969**
Netting of deferred taxes	-7,447				-6,934
Total	**37**				**35**
Deferred tax liabilities					
Accumulated depreciation differences	7,057	1,500			8,557
Rental contracts	5,957	-397	34	2	5,595
Borrowings	857	-82			775
Tangible assets	403	219	518		1,141
Derivatives	303	64			367
Other items	33	-7			25
Total	**14,609**	**1,297**	**552**	**2**	**16,460**
Netting of deferred taxes	-7,447				-6,934
Total	**7,162**				**9,526**
Deferred tax liabilities, net	**7,126**				**9,491**

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EUR thousand	At 1 Jan	Recognised in profit or loss	Translation differences	At 31 Dec
2024				
Deferred tax assets				
Leases	5,198	1,500	0	6,698
Other long-term employee benefits	625	-1		623
Intangible assets	66	-29		37
Provisions	37	11		48
Credit loss provision	20	-14	0	6
Other items	90	-19	1	71
Total	**6,035**	**1,447**	**1**	**7,484**
Netting of deferred taxes	-5,947			-7,447
Total	**88**			**37**
Deferred tax liabilities				
Accumulated depreciation differences	5,827	1,230		7,057
Rental contracts	4,318	1,638		5,957
Borrowings	833	24		857
Tangible assets	338	65		403
Intangible assets	-			-
Derivatives	314	-12		303
Other items	14	19		33
Total	**11,645**	**2,964**	**-**	**14,609**
Netting of deferred taxes	-5,947			-7,447
Total	**5,697**			**7,162**
Deferred tax liabilities, net	**5,610**			**7,126**

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ACCOUNTING POLICY

Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

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12. Property, plant and equipment

EUR thousand	Land	Buildings and structures	Machinery and equipment	Other tangible assets	Advance payments and construction in progress	Total
Cost at 1 Jan 2025	**2,727**	**83,766**	**113,342**	**6,825**	**15,576**	**222,235**
Translation differences	1	27	15	2	2	48
Additions	-	2,178	4,493	1,223	12,241	20,134
Acquisitions of businesses and subsidiaries	393	5,182	11,857	776	56	18,264
Disposals	-7	-18	-108	-	-	-133
Reclassifications	-	2,129	6,330	6,215	-14,674	-
Reclassification from assets held for sale	-	-	150	-	-	150
Cost at 31 Dec 2025	**3,115**	**93,264**	**136,079**	**15,040**	**13,200**	**260,698**
Accumulated depreciation and impairment at 1 Jan 2025	**-**	**-41,174**	**-65,479**	**-4,042**	**-**	**-110,695**
Translation differences	-	-7	-5	-1	-	-13
Depreciation	-	-2,519	-6,197	-762	-	-9,479
Accumulated depreciation of disposals and reclassifications	-	-	107	-	-	107
Reclassification from assets held for sale	-	-	-86	-		-86
Accumulated depreciation and impairment at 31 Dec 2025	**-**	**-43,701**	**-71,659**	**-4,805**	**-**	**-120,165**
Carrying value at 1 Jan 2025	**2,727**	**42,591**	**47,863**	**2,783**	**15,576**	**111,540**
Carrying value at 31 Dec 2025	**3,115**	**49,563**	**64,420**	**10,235**	**13,200**	**140,533**

Other tangible assets comprise amongst others stormwater systems and a district heating network as well as, amongst others, constructions of roads, parking and warehouse areas and an art collection.

Additions to property, plant and equipment during the financial period 2025 amounted to EUR 20.1 (22.2) million. These were associated with, among others, the new log yard, the sawmill's new channel dryers and the briquette plant. In addition, the increases include investments related to the Panel Industry's investment programme.

Acquisitions of businesses and subsidiaries include EUR 18.3 million in assets transferred from Iisveden Metsä Oy in the business acquisition. See Note 24: Group structure for further information on the business acquisition.

During the financial year, EUR 0.3 (0.4) million in financial expenses were capitalised regarding loans for the new sawmill. The capitalisation rate was on average 5.0 percent.

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EUR thousand	Land	Buildings and structures	Machinery and equipment	Other tangible assets	Advance payments and construction in progress	Total
Cost at 1 Jan 2024	**2,714**	**82,158**	**102,648**	**7,446**	**18,004**	**212,970**
Translation differences	2	31	15	1	2	51
Additions	12	1,870	6,283	24	13,981	22,169
Disposals	-	-1,121	-7,468	-677	-140	-9,406
Reclassifications	-	828	15,399	31	-16,272	-13
Reclassification to assets held for sale	-	-	-3,536	-	-	-3,536
Cost at 31 Dec 2024	**2,727**	**83,766**	**113,342**	**6,825**	**15,576**	**222,235**
Accumulated depreciation and impairment at 1 Jan 2024	**-**	**-40,130**	**-71,096**	**-4,235**	**-**	**-115,462**
Translation differences	-	-7	-4	-1	-	-12
Depreciation	-	-2,157	-4,247	-415	-	-6,818
Accumulated depreciation of disposals and reclassifications	-	1,120	7,062	609	-	8,790
Reclassification to assets held for sale	-	-	2,807	-		2,807
Accumulated depreciation and impairment at 31 Dec2024	**-**	**-41,174**	**-65,479**	**-4,042**	**-**	**-110,695**
Carrying value at 1 Jan 2024	**2,714**	**42,028**	**31,551**	**3,211**	**18,004**	**97,508**
Carrying value at 31 Dec 2024	**2,727**	**42,591**	**47,863**	**2,783**	**15,576**	**111,540**

The additions during 2024 were mainly related to the construction of the the new log yard. In addition there was investments during the financial period related to the channel dryer, the renewal of the second planing mill, and the new sawmill, among others.

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ACCOUNTING POLICY

Land is recognised in property, plant and equipment at cost. Other property, plant and equipment is recognised at cost less accumulated depreciation and any impairment. Cost includes expenditure that is directly attributable to the acquisition of the items. Financial costs of loans used to finance the construction of assets are capitalised as part of the cost of tangible fixed assets over the construction period when the conditions for capitalisation are met.

In business combinations, tangible fixed assets are recorded at fair value at the time of acquisition.

Depreciation is calculated using the straight-line method over the estimated useful life of the asset.

The estimated useful economic lives of property, plant and equipment are

• Buildings and structures	10–50 years
• Machinery and equipment	5–15 years
• Other tangible assets	5–40 years

The residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of comprehensive income

Impairment

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. The assets are tested at the cash generating unit (CGU) level, which is represents the lowest level for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets.

Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

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13. Forest assets

Koskisen owns 784 hectares of forest land in Southern and Central Finland at the end of the financial period. The value of the forest assets, i.e. standing trees, is EUR 4.4 million as at 31 December 2025 (31 December 2024: EUR 3.9 million).

EUR thousand	2025	2024
Carrying value, at 1 Jan	**3,915**	**3,599**
Acquisitions of businesses and subsidiaries	93	-
Gain (loss) arising from changes in fair value	452	505
Decreases due to harvest	-98	-141
Decreases due to sales	-	-48
Carrying value, at 31 Dec	**4,363**	**3,915**

Koskisen uses forest certification and all of its own forests are certified by the Programme for the Endorsement of Forest Certification (PEFC). PEFC sets requirements for the monitoring of certified wood raw materials and wood products in supply chains. In addition, the certification requires safeguarding the diversity of forests, maintaining the health and growth of forests and the use of the forests for recreational use.

ACCOUNTING POLICY

The forest land is divided into the forest assets, i.e. standing trees, and land. Forest assets are recognised at fair value less cost to sell. Land is recognised at cost and presented in property plant and equipment.

The fair value of forest assets is calculated using the sum value method, in which the values of the soil base, saplings and standing trees are valuated separately and the total value is adjusted based on the special characteristics of the forests. The fair value of forest assets is classified as level 3 in the fair value hierarchy due to the use of the unobservable inputs, for example wood growth. Changes in the fair value of the forest assets is recognised in the operating profit (loss) in the statement of comprehensive income.

Key estimates and judgements

Valuation of forest assets

The valuation of forest assets is a complicated process and requires several management estimates and judgement on assumptions that have a significant impact on the value of the forest assets presented on the balance sheet. Factors requiring management estimates include estimates on wood growth, analysing the appropriateness of harvesting and stumpage prices and management review of the valuation related data provided by third-party service providers. Stumpage prices used in the calculations are based on prices from third-party valuation service providers and have been compared to Finnish statistical database prices.

14. Leases

Koskisen's lease contracts comprise leases of real estates, including offices, apartments, warehouses and land areas, production machinery and equipment, cars and leases of other machinery and equipment, such as IT equipment. The lease terms are fixed or valid until further notice and may include extension or termination options. The lease contracts may include index clauses, which are typically based on the consumer price index. These are not included in the measurement of lease liability until they realise.

In addition, Koskisen has entered into an agreement for heat energy supply which includes a lease contract for power plants. Koskisen has right to receive substantially all the economic benefits from the use of the power plants. The agreement includes an option based on which at the end of the 15 years agreement period, or in case of a breaching event, Koskisen has the right, or obligation if the other party requires, to redeem the power plants for itself or for a third party.

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The balance sheet shows the following amounts relating to leases:

EUR thousand	31 Dec 2025	31 Dec 2024
Right-of-use assets		
Power plants	16,420	17,965
Machinery and equipment	13,782	14,584
Buildings	1,177	1,284
Land and water areas	229	209
Total	**31,608**	**34,043**
Lease liabilities		
Non-current	26,921	29,465
Current	3,965	4,024
Total	**30,886**	**33,489**

EUR thousand	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Additions to the right-of-use assets during the financial year	879	10,649

The statement of comprehensive income shows the following amounts relating to leases:

EUR thousand	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Depreciation charge of right-of-use assets		
Power plants	1,710	1,659
Machinery and equipment	2,264	1,760
Buildings	392	310
Land and water areas	48	45
Total	**4,413**	**3,773**
Interest expense	2,318	2,209

EUR thousand	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Expense relating to short-term leases[1]	6	26
Expense relating to leases of low value assets that are not short-term leases[1]	305	223

[1] Included in other operating expenses

EUR thousand	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
The total cash flow for leases in the financial year	6,328	5,618

The maturity of the lease liabilities is presented in note 3: Financial risk and capital management.

ACCOUNTING POLICY

At the contract inception, Koskisen assesses whether the arrangement is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Koskisen recognises a right-of-use asset and a corresponding lease liability at contract commencement for leases where it is a lessor. The contract commencement date is the date on which the asset is available for use by the lessee.

Koskisen measures the lease liability at the commencement by discounting the future lease payments to their present value. The lease payments include fixed payments, variable lease payments based on an index or a rate, residual value guarantees, which are expected to be payable by Koskisen and the exercise price of a purchase option, if Koskisen is reasonably certain to exercise the option. Penalties for terminating the lease are included in the lease liability measurement if the lease term reflects that Koskisen will use the termination option.

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Koskisen discounts lease payments using the interest rate implicit in the lease. If that rate cannot be readily determined, Koskisen uses the incremental borrowing rate, i.e. the rate that Koskisen would have to pay to borrow over a similar term, and with a similar security to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Interest expense on lease liabilities is presented in the cash flow from operating activities.

After the lease commencement, lease liability is measured at amortised cost using the effective interest method. Lease liability is remeasured when the lease payments change due to, for example, index change, exercising of the option included in the lease is reassessed or to reflect other lease modifications.

Right-of-use assets are measured at cost comprising the initial amount of the lease liability, any lease payments made at or before the contract commencement, any initial direct costs and restoration costs. Right-of-use assets are depreciated using the straight-line method over the shorter of the asset's useful life and lease term. If Koskisen is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the asset's useful life.

Koskisen applies the short-term and low value asset exemptions provided by the standard. Short-term leases are leases with a lease term of 12 months or less. Low value assets include, among others, bicycles and ICT equipment. Lease payments associated with those leases are recognised as an expense on a straight-line basis.

Koskisen has minor activities as a lessor by leasing its land areas and apartments. Koskisen classifies all of its leases as operating leases as the leases do not transfer substantially all of the risks and rewards incidental to ownership of an underlying assets.

Key estimates and judgements

Embedded leases

Koskisen has agreements for heat energy supply and sawn timber manufacturing for which management has assessed whether the agreements include a lease. When the agreements include an identified asset and Koskisen utilises substantially all of the capacity of the assets and therefore obtains substantially all of the economic benefits from the use of the assets, and if Koskisen also has right to direct the use of the asset for a period of time, Koskisen accounts the arrangement as a lease. In arrangements where all lease payments are variable, not dependent on an index or a rate, and are not in-substance fixed, no lease liability or right-of-use asset is recognised in the balance sheet.

Lease term determination

Koskisen assesses the lease term on a lease-by-lease basis based on the contractual obligations, economic incentives, and nature of the asset. Koskisen's lease contracts include contracts with fixed lease terms, extension and termination options and contracts that are valid until further notice.

If the contract contains a fixed lease term without option to extend or to terminate the lease, the lease term is set based on the fixed lease term. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

If the lease term is not stated clearly in the contract, or will continue in perpetuity until further notice, management assesses the enforceable period of the lease based on the contractual terms and reasonable certainty. In case there are no significant penalties involved in contracts where the lease term is not stated clearly or continues until further notice, the Group determines the lease term on a lease-by-lease basis reflecting the Group's need for the underlying asset and its strategic planning period of five years.

The lease term is reassessed if a significant event or change in circumstances occurs.

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Incremental borrowing rate determination

The incremental borrowing rate is determined based on recent third-party financing agreements as a starting point, adjusted to reflect the lease term, credit risk for leases, the leased asset and changes in financing conditions and operating environment since third-party financing was received.

15. Intangible assets

EUR thousand	Customer relationships and Trademarks	Softwares	Advance payments and work in progress	Total
Cost at 1 Jan 2025	**-**	**1,369**	**12**	**1,382**
Translation differences	-	2	-	2
Additions	2,357	72	1	2,430
Acquisitions of businesses and subsidiaries	-	114	-	114
Disposals	-	-3	-	-3
Reclassifications	-	5	-5	-
Cost at 31 Dec 2025	**2,357**	**1,560**	**8**	**3,925**
Accumulated amortisation and impairment at 1 Jan 2025	**-**	**-345**	**-**	**-345**
Translation differences	-	-1		-1
Amortisation	-225	-361	-	-586
Accumulated amortisation and impairment at 31 Dec 2025	**-225**	**-708**	**-**	**-932**
Carrying value at 1 Jan 2025	**-**	**1,024**	**12**	**1,036**
Carrying value at 31 Dec 2025	**2,132**	**852**	**8**	**2,992**

EUR thousand	Softwares	Advance payments and work in progress	Total
Cost at 1 Jan 2024	**3,622**	**30**	**3,652**
Translation differences	2	-	2
Additions	48	12	60
Disposals	-2,345	-	-2,345
Reclassifications	43	-30	13
Cost at 31 Dec 2024	**1,369**	**12**	**1,382**
Accumulated amortisation and impairment at 1 Jan 2024	**-2,344**	**-**	**-2,344**
Translation differences	-1		-1
Accumulated amortisation of disposals and reclassifications	2,345		2,345
Amortisation	-346	-	-346
Accumulated amortisation and impairment at 31 Dec 2024	**-345**	**-**	**-345**
Carrying value at 1 Jan 2024	**1,278**	**30**	**1,308**
Carrying value at 31 Dec 2024	**1,024**	**12**	**1,036**

ACCOUNTING POLICY

Intangible assets are recognised at cost less accumulated amortisation and any impairment losses. Intangible assets acquired in business combinations are recognised at fair value at the date of acquisition and separately from goodwill if they meet the criterion of identifiability.

The assets' useful lives and amortisation methods are reviewed at the end of each reporting period and adjusted, if necessary, to reflect changes in the expected economic benefits. The amortisation of intangible assets is commenced when the asset is ready for its intended use.

Impairments are presented in note 12: Property, plant and equipment.

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Customer relationships and Trademarks
Customer relationships and trademarks are recognised separately from goodwill in business acquisitions if they meet the criterion of identifiability. The initial fair value of customer relationships is determined based on assumed continuity of customer relationships and cash flow over the customers' remaining estimated lifetime using the excess earnings method. The initial fair value of trademarks is determined from a discounted cash flow analysis using the relief from royalty method. These are recognised less accumulated amortisation and any impairment losses. Amortisations are calculated on a straight-line method over the useful economic lives of the assets, which is 6–15 years.

Software-related costs
Software costs are recognised as an asset if Koskisen has control over the underlying asset, at historical cost less accumulated amortisation and impairment losses. Amortisations are calculated on a straight-line method over the useful economic lives of the assets which is five years.

16. Inventories

EUR thousand	31 Dec 2025	31 Dec 2024
Raw materials	33,533	29,060
Work in progress	5,060	4,981
Finished goods	23,790	15,186
Total	**62,383**	**49,227**

Write-downs of slow-moving inventories to net realisable value amounted to EUR 273 thousand in 2025 (2024: EUR 249 thousand). These were recognised as an expense during the financial year and were included in changes in inventories in the statement of comprehensive income. In 2025 the Group reversed a previous inventory write-down of EUR 249 thousand, based on the Group's assessment of the net realisable values (2024: EUR 288 thousand). The amount reversed has been included in changes in inventories in the statement of comprehensive income.

ACCOUNTING POLICY
Inventories are stated at the lower of cost and net realisable value, the cost being determined by the weighted average cost method. The cost comprises raw materials, direct labour, depreciation and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

A valuation allowance is made for old, slow-moving inventories based on the management's best estimate of the expected net realisable value at the end of the reporting period.

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17. Other receivables

EUR thousand	31 Dec 2025	31 Dec 2024
Non-current assets		
Other accrued income on expenses	-	10
Total	**-**	**10**
Current assets		
Advances of purchases of logs	5,468	4,047
VAT receivables	3,553	3,074
Accrued sales receivables	621	779
IT expenses accruals	562	508
Other accrued income on expenses	361	665
Other receivables	551	464
Total	**11,116**	**9,536**
Other receivables total	**11,116**	**9,546**

18. Assets held for sale

EUR thousand	2025	2024
Assets held for sale 1 Jan	**447**	**-**
Reclassification from Property, plant and equipment	-	729
Reclassification to Property, plant and equipment	-64	-
Impairment	-	-232
Disposals	-	-50
Assets held for sale 31 Dec	**383**	**447**

The machines and equipment of the decommissioned old sawmill have been classified as assets held for sale in financial year 2024.

ACCOUNTING POLICY

An asset or disposal group is classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use of the asset. For this to be the case, the asset or disposal group must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets or disposal groups and its sale must be highly probable. These assets, or the assets and liabilities in the disposal group, are presented separately in the consolidated balance sheet and are valued at the lower of its carrying amount and fair value less costs to sell. Depreciation is not performed on long-term assets classified as held for sale or being part of a disposal group classified as held for sale.

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19. Equity

EUR thousand	Total number of shares outstanding (pcs)	Treasury shares (pcs)	Total number of issued shares (pcs)	Share capital	Reserve for invested unrestricted equity
1 Jan 2024	23,010,573	1,086	23,011,659	1,512	73,843
Directed share issue without consideration, management [1]	13,500	-	13,500	-	-
31 Dec 2024	**23,024,073**	**1,086**	**23,025,159**	**1,512**	**73,843**
Directed share issue without consideration, management [1]	70,376	-	70,376	-	-
Directed share issue, business acquisition	1,000,000	-	1,000,000	-	8,040
31 Dec 2025	**24,094,449**	**1,086**	**24,095,535**	**1,512**	**81,883**

[1] Additional information in note 7: Share-based incentive plans

Share capital

Koskisen Corporation has one series of shares, and all shares are equally entitled to dividends. One share carries one vote at the general meeting. The shares do not have a nominal value. The Koskisen Corporation shares are listed on the Nasdaq Helsinki stock exchange. The shares are included in the book-entry system maintained by Euroclear Finland Ltd. The trading code is KOSKI and the ISIN code is FI4000533005.

On 16 February 2024 Koskisen Corporation's Board of Directors decided on a free share issue directed to the company's CEO and CFO as part of management remuneration based on the authorisation given by the annual general meeting on 11 May 2023. The issued shares were registered in the trade register on 28 February 2024. The total number of shares increased to 23,025,159 shares when the CEO and CFO were given 13,500 new shares. The value of the second instalment of the reward related to the completion of the listing to Koskisen's CEO corresponds to 18,000 shares, half of which was paid in cash to cover the withholding tax. The value of the second instalment of the reward to Koskisen's CFO corresponds to 9,000 shares, half of which was paid in cash to cover the withholding tax. The share issue without consideration did not impact the company's share capital or capital structure.

On 21 March 2025, Koskisen Corporation's Board of Directors decided on a free directed share issue for the payment of share rewards under the company's long-term performance-based incentive programme for 2022–2026 (earning period 2022–2024). A total of 70,376 new shares were issued free of charge in a directed share issue to seven persons covered by the incentive programme in accordance with the terms of the programme. The rewards paid under the incentive programme to each participating person were paid in shares and cash. The cash component covers the tax costs related to the shares. The total of 70,376 shares issued in the free directed share issue were registered in the Finnish Trade Register on 4 April 2025. Koskisen Corporation's Board of Directors decided on the free directed share issue on the basis of an authorisation granted by the Annual General Meeting on 16 May 2024.

The Board of Directors of Koskisen Corporation decided on 30 May 2025 on a directed share issue of 1,000,000 new Koskisen shares to Iisveden Metsä Oy on the basis of the authorisation given by the Annual General Meeting on 15 May 2025. As the share issue was carried out in order to complete the acquisition, there was a weighty financial reason for directing the share issue. The subscription price was entered in full in the reserve of invested non-restricted equity. The share price on the transaction date was EUR 8.04 per share.

Legal reserve

The legal reserve comprises the amounts transferred from distributable funds under the articles of association or by decision of the general meeting.

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Reserve for invested unrestricted equity

The subscription prices of new shares, as well as other equity investments, are recognised in the reserve for invested unrestricted equity, unless these are recognised in full or in part in share capital according to a specific decision.

Treasury shares

The acquisition cost of treasury shares held by the Group is presented in equity as a separate reserve that reduces the unrestricted equity.

Translation differences

Translation differences arising from the translation of the financial statements of foreign subsidiaries are recognised in the other comprehensive income and accrued in a separate equity reserve. The cumulative amount of translation differences is recognised in the consolidated statement of comprehensive income on the disposal of the net investment.

20. Earnings per share

EUR	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Earnings per share		
Profit (loss) for the period attributable to the owners of the parent company (EUR)	8,620,018	8,287,597
Weighted average number of shares outstanding during the period	23,600,697	23,021,352
Diluted weighted average number of shares outstanding during the period	23,944,500	23,290,168
Basic earnings per share (EUR)	**0.37**	**0.36**
Diluted earnings per share (EUR)	**0.36**	**0.36**

ACCOUNTING POLICY

Basic earnings per share is calculated by dividing the profit attributable to owners of the parent company by the weighted average number of ordinary shares outstanding during the financial period. Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into consideration the Group's potential commitment to issue new shares in the future.

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21. Financial assets and liabilities

FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY

EUR thousand	Fair value hierarchy level	31 Dec 2025	31 Dec 2024
Financial assets measured at amortised cost			
Trade receivables	-	31,398	23,835
Cash and cash equivalents	-	24,441	31,823
Total financial assets measured at amortised cost		**55,838**	**55,658**
Financial assets measured at fair value through profit or loss			
Capital redemption contracts	1	11,692	11,236
Derivatives	2	141	277
Other assets measured at fair value through profit or loss	3	76	14
Total financial assets measured at fair value through profit or loss		**11,909**	**11,526**
Financial liabilities measured at amortised cost			
Loans from financial institutions	2	48,152	32,772
Lease liabilities	-	30,886	33,489
Trade payables	-	38,892	29,211
Trade payables, payment system	-	7,265	6,470
Total financial liabilities measured at amortised cost		**125,196**	**101,943**
Financial liabilities measured at fair value through profit or loss			
Derivative liabilities	2	-	141
Total financial liabilities measured at fair value through profit or loss		**-**	**141**

The fair value of the loans from financial institutions on 31 December 2025 was EUR 48.2 million (31 December 2024: EUR 32.8 million). The fair value of the loans has been determined by discounting the future cash flows at the estimated market interest rate at the time of reporting. The company has estimated that the contractual interest rate of the loans is reasonably close to the market interest rate and has not made an adjustment to the discount rate at which the fair values are determined, in which case the fair values of the loans correspond to their nominal value. Since the company's loans from financial institutions have variable interest rates, the rise in market interest rates during the period has been directly reflected in the Group's interest expenses and has therefore not affected the fair value of the loans. Fair values of loans from financial institutions are classified in level 2 in the fair value hierarchy.

The fair value of derivatives is estimated based on the present value of future cash flows, using market prices on the valuation date, and the fair value of capital redemption contracts is estimated on the basis of counterparty quotes. Changes in the fair value of derivatives and capital redemption contracts are recognised in financial income and expenses. The most significant part of the changes in the fair value arises from derivatives, and they are mainly due to changes in market interest rates during the reporting period. The Group's open USD balance position at the time of closing on 31 December 2025 mainly consisted of trade receivables and cash and cash equivalents, totalling EUR 4.9 million (31 December 2024: EUR 3.1 million). The nominal value of the hedging open futures on the reporting date is EUR 7.0 million (31 December 2024: EUR 3.6 million).

The hierarchy levels are as follows:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

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Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

RECONCILIATION OF FINANCIAL LIABILITIES

EUR thousand	Borrowings	Lease	Total
1 Jan 2024	37,711	25,989	63,700
Cash flows from financing			
Repayments of borrowings	-6,625	-3,657	-10,281
Other changes			
Exportkredit and Kredex loans[1]	1,713	-	1,713
New leases	-	11,157	11,157
Effect of applying the effective interest rate[1]	-27	-	-27
31 Dec 2024	**32,772**	**33,489**	**66,262**
Cash flows from financing			
Proceeds from borrowings	35,000	-	35,000
Repayments of borrowings	-19,914	-4,318	-24,233
Other changes			
New leases	-	1,715	1,715
Effect of applying the effective interest rate[1]	294	-	294
31 Dec 2025	**48,152**	**30,886**	**79,038**

[1] No cash flow impact

Changes in financial liabilities

During the financial year, Koskisen renewed its financing agreement, which had been concluded in 2022 and consisted of three parts: an initially fixed-term loan of EUR 19.0 million, a fixed-term loan of EUR 10.0 million and a revolving credit facility of EUR 8.0 million, aimed at financing the Group's working capital. These loans were replaced by a fixed-term loan of EUR 23.0 million and a revolving credit facility of EUR 15.0 million. The new loan was used to repay the old fixed-term loans, of which a total of EUR 13.0 million remained. The reolving credit facility was not in use when the new loan was drawn.

The financing agreement is valid for five years until 2030. The loan agreement includes standard financing covenants and default terms. The new loan is unsecured. The financing covenants are measured quarterly on a rolling 12-month basis and are calculated based on Koskisen's consolidated financial information. The interest rate of the loan is tied to the six-month Euribor rate, and it also has a margin, the level of which depends on the ratio of net debt to EBITDA.

In addition, the company agreed on a fixed term-loan of EUR 12.0 million during the financial year. The financing is allocated to investments to increase capacity in the Sawn Timber Industry and Panel Industry segments. The loan has a term of seven years and will mature at the end of 2032. The loan is unsecured and includes similar covenants as the financing agreement mentioned above. The interest rate of the loan is tied to the six-month Euribor rate, and it also has a margin, the level of which depends on the ratio of net debt to EBITDA.

A total of EUR 20.1 million in loans have been raised in previous financial years relating to the financing package for the new sawmill. The loans are repaid semi-annually. The loans will mature between 2029 and 2031. The interest rates on the loans are tied to the six-month Euribor rate and the margins are fixed.

Koskisen's loans from financial institutions expose the Group's cash flow to interest rate risk. There have been no changes in Koskisen's interest rate risk hedging policy, but the Group's management constantly evaluates the amount of open risk and the need for additional hedging. At the end of the financial year Koskisen has interest rate swaps with a total nominal value of EUR 25 million. The changes in the fair value of the interest rate swaps net out the profit effects of the loan's interest rate changes, protecting the Group from interest rate risk, even though they are not one-to-one with the Group's financial institution loans. The interest rate swap agreements mature during 2028.

The Group's exposure to various risks associated with the financial instruments is discussed in the note 3: Financial risk and capital management. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets mentioned above.

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ACCOUNTING POLICY

The Group's financial assets comprise trade receivables, capital redemption contracts, deposits and cash and cash equivalents. Capital redemption contracts are classified as financial assets at fair value through profit or loss and trade receivables, deposits and cash and cash equivalents are classified as financial assets measured at amortised cost, as assets are for collection of contractual cash flows, where those cash flows represent solely payment of principal and interest. Interest income from these financial assets is included in finance income using the effective interest rate method.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. Any gain or loss arising on derecognition is recognised directly in the statement of comprehensive income and presented in other operating expenses.

Capital redemption contracts

Koskisen has invested in capital redemption contracts. These contracts are measured at fair value through profit or loss as they don't meet the solely payments of principal and interest (SPPI) test under IFRS 9 Financial instruments.

Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into, and they are subsequently remeasured to their fair value at the end of each reporting period. The Group has entered into interest rate swap contracts and foreign currency forward contracts for hedging purposes, even though hedge accounting, as specified under IFRS, is not applied. The fair value of derivatives is estimated based on the present value of future cash flows using market prices on the measurement date.

Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and are therefore all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Details on the Group's impairment policies and the calculation of the loss allowance are provided in note 3: Financial risk and capital management.

Due to the short-term nature of the trade receivables, their carrying amount is considered to be the same as their fair value.

Deposits

Time deposits with a maturity of more than three months are presented in deposits.

Cash and cash equivalents

Cash and cash equivalents presented in the balance sheet and cash flow statement consist of cash at bank and in hand. Any utilised credit limits are presented as current liabilities. Credit limits are a part of the liquidity management. Liquidity risk and its management is described in note 3: Financial risk and capital management.

Impairment of financial assets

For trade receivables and contract assets Koskisen applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

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To measure the expected credit losses, trade receivables have been grouped based on ageing category. The expected loss rates are based on the actual performance over the comparison period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The factors considered include, but are not limited to, customers' previous payment behaviour, available forecasts and their possible impact on the credit rating and payment behaviour of customers, as well as possible securities and credit insurances.

Receivables are derecognised as final credit losses when their payment cannot be reasonably expected. Indications that the payment cannot be reasonably expected include unsuccessful collection efforts, bankruptcy notification etc.

Credit risk arising from financial assets, management of credit risk and the provision matrix of trade receivables are presented in note 3: Financial risk and capital management.

Borrowings
Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of comprehensive income as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Trade payables
Trade payables represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method. The carrying amount of trade payables is considered to equal their fair value due to their short maturity.

Trade payables, payment system
Koskisen provides, as part of its wood procurement process, a possibility for the seller to leave the transaction price or part of the transaction price received from the sale of logs in the payment system with Koskisen. This is offered the current applicable interest rate based on the euro amount submitted to the payment system. The agreement is valid until further notice and the seller has the right to withdraw funds twice a year with a 45-day notice period. Payment system trade payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method. Due to the right to withdraw the funds, the payables are presented as current on the balance sheet. The carrying amount of the payment system trade payables is considered to equal their fair value due to their short maturity.

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22. Provisions

EUR thousand	Environmental provisions	Total
1 Jan 2025	239	239
Increase	84	84
Used during the year	-62	-62
31 Dec 2025	**261**	**261**
Non-current provisions	187	187
Current provisions	74	74
Total	**261**	**261**

EUR thousand	Environmental provisions	Total
1 Jan 2024	185	185
Increase	118	118
Used during the year	-65	-65
31 Dec 2024	**239**	**239**
Non-current provisions	150	150
Current provisions	89	89
Total	**239**	**239**

Koskisen has a provision to cover costs estimated still to incur from the cleaning of groundwater. As a consequence of the 1976 fire at the sawmill, a significant amount of chlorophenol ended up in groundwater around the factory. The Group has since committed funds to clean the contaminated ground and groundwater. Currently the chlorophenol content has been lowered to low levels, but Koskisen will continue the cleaning and monitoring work for some years to come. The progress of the cleaning and the necessary measures are evaluated annually in cooperation with the environmental authorities and groundwater experts.

ACCOUNTING POLICY

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognised for future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provisions are presented as current liabilities if amounts are expected to be settled within 12 months from the end of the reporting period. Otherwise provisions are presented as non-current liabilities.

Key estimates and judgements

Estimation of the amount and timing of the provision

An estimate of the financial impact of a past event requires judgement from the management. Koskisen's management has estimated that the groundwater cleaning will continue for another about five years. The expected costs have been estimated based on the historical costs and knowledge of similar events. The provision amounts are reviewed regularly and adjusted as necessary to reflect the best estimate at the end of the reporting period. Actual expenses may differ from the estimates.

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23. Other payables

EUR thousand	31 Dec 2025	31 Dec 2024
Non-current liabilities		
Contingent considerations from acquisition of business	3,165	-
Accrued employee expenses	17	14
Total	**3,182**	**14**
Current liabilities		
Accrued employee expenses	9,502	7,869
Payroll tax liabilities	2,655	2,210
Subcontractor accruals	2,025	1,675
Accruals related to materials and services	966	925
Other liabilities	426	485
Interest liabilities	219	475
Property tax liability	-	179
VAT liabilities	17	-
Other accrued liabilities	595	483
Total	**16,405**	**14,300**
Other liabilities total	**19,587**	**14,314**

24. Group structure

Subsidiaries belonging to the Group as at 31 December 2025 are presented in the following table:

Subsidiary	Country of incorporation	Group ownership % 31 Dec 2025	Group ownership % 31 Dec 2024
Kosava-Kiinteistöt Oy	Finland	100%	100%
Koskisen Sp z.o.o	Poland	100%	100%

ACQUISITIONS OF BUSINESSES

On 1 June 2025 Koskisen Corporation acquired the business operations of Iisveden Metsä Oy. Located in Suonenjoki, Iisveden Metsä is a company mainly owned by private individuals and it produces approximately 140,000 m3 of spruce sawn timber per year. Details of the purchase consideration, the net assets acquired and goodwill are as follows:

EUR thousand	2025
Purchase consideration:	
Cash paid	15,009
Share issue	8,040
Contingent considerations	2,991
Total purchase consideration	**26,041**

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EUR thousand	2025
Net assets acquired, fair value	
Property, plant and equipment	18,264
Forest assets	93
Right-of-use assets	169
Customer relationships	1,830
Trademark	479
Other intangible assets	163
Deferred tax assets	63
Inventories	5,742
Other assets	1,197
Other long-term employee benefits	-145
Deferred tax liabilities	-552
Lease liabilities	-169
Other payables	-432
Net identifiable assets acquired	**26,702**
Negative goodwill	-662
Net assets acquired	**26,041**

The fair value of the 1,000,000 shares issued as part of the consideration paid was based on the published share price on the acquisition date of EUR 8.04 per share.

The fair value of the contingent consideration is estimated at EUR 3.0 million at the time of the acquisition. There are two contingent additional purchase prices. Their combined maximum amount is EUR 4.0 million and they will be paid in cash. The first additional purchase price depends on the development of the spruce sawn timber price index compared to the projected indexed price development of the acquired business in 2025-2027. The second additional purchase price depends on the average price of spruce logs in the standing timber trade of industrial wood in 2025-2027 and the development of the spruce sawn timber price index compared to the projected indexed price development of the acquired business. The total possible undiscounted range of the additional purchase prices is EUR 0-4 million. Management estimates that the additional purchase prices will be realised in full.

The acquisition resulted in a negative goodwill, which has been recognised directly to the income statement in other operating income. Koskisen Corporation obtained a favourable deal, due to the competitive situation in the industry and the long-standing uncertainty in the markets. The negative goodwill is not subject to taxation.

The acquisition cost calculation is considered final. No significant adjustments have been made to it during the review period.

The acquired business contributed revenues of EUR 30.3 million and operating loss of EUR 0.3 million for the period from 1 June to 31 December 2025 (does not include the recognition of negative goodwill). If the acquisition had occurred on 1 January 2025, consolidated pro-forma revenue and operating profit for the period from 1 January to 31 December 2025 would have been EUR 383.4 million and EUR 14.8 million respectively.

Acquisition-related costs of EUR 0.7 million are included in other operating expenses in the statement of profit or loss and in operating cash flows in the statement of cash flows.

ACCOUNTING POLICY

Subsidiaries are companies in which the Group has control. The Group has controlling power in a company when, by being part of it, it is exposed to its variable return or is entitled to variable return and it is able to influence this return by using its power over the company to direct its operations. Subsidiaries are combined in the consolidated financial statements in their entirety from the day the Group acquires control over them. The merger is terminated when control ceases.

Transactions between Group companies, including internal receivables and payables, income and expenses and unrealised profits, are eliminated. Unrealised losses are also eliminated, unless the transaction gives indications of a decrease in the value of the transferred asset.

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25. Related party transactions

Koskisen's related parties consists of the members of the Board of Directors, the Chief Executive Officer (CEO), members of the Executive Board and shareholders with significant influence over the company. The related parties also include the close family members of these aforementioned individuals and entities in which these individuals have either control or joint control.

COMPENSATION AND REMUNERATION TO THE MEMBERS OF THE EXECUTIVE BOARD AND BOARD OF DIRECTORS

EUR thousand	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
CEO		
Wages and salaries and other short-term employee benefits	465	447
Pension costs – defined contribution plans	146	133
Share-based payments	286	115
Total	**897**	**694**
Executive Board		
Wages and salaries and other short-term employee benefits	1,190	1,030
Pension costs – defined contribution plans	371	321
Share-based payments	702	57
Total	**2,264**	**1,408**
Board of Directors		
Wages and salaries	291	267
Pension costs – defined contribution plans	-	1
Total	**291**	**267**
Total remuneration of the management and Board of Directors	**3,451**	**2,370**

The CEO's remuneration consists of a fixed monthly salary, fringe benefits and variably short- and long term incentive plans. He has the opportunity to receive a short-term performance bonus, the maximum amount of which is the equivalent of six months' salary until 31 December 2025 and the equivalent of eight month's salary from 1 January 2026. The amount of the performance bonus depends on the annual targets. The CEO's period of notice is six months and the severance pay corresponds to six months' salary.

The CEO has a defined contribution supplementary pension plan, the annual fee of which is an amount equivalent to two months' fixed salary. Based on the supplementary pension agreement, the CEO may retire at the age of 65. The members of the Executive Board also have a supplementary defined contribution pension plan, the annual fee of which is an amount equivalent to two months' fixed salary per member of the Executive Board. The statutory pension expense of the CEO and Executive Board for the financial year 2025 amounted to EUR 289 thousand (2024: EUR 240 thousand). The Board of Directors' fees do not include statutory retirement obligation.

Koskisen has long-term incentive plans for its key employees and the Group Executive Board. More detailed information about the arrangements is presented in note 7: Share-based incentive plans.

SHAREHOLDING OF THE KEY MANAGEMENT PERSONNEL

EUR thousand	31 Dec 2025	31 Dec 2024
Board of Directors, CEO and Executive Board		
Shares (pcs)	160,081	6,449,204
Shareholding, %	1%	28%
Total number of shares outstanding (pcs)	**24,094,449**	**23,024,073**

Additional information about changes in shares in note 19: Equity.

On 31 December 2025, the members of the Board of Directors, CEO and Executive Board held altogether 160,081 shares. The figures include the holdings of their own, their close family members and control entities. During the financial year, no loans have been granted to the Group's management. No pledges have been given or other commitments made on behalf of the company's management and shareholders.

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RELATED PARTY TRANSACTIONS

EUR thousand	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Purchases of materials and supplies	-112	-88
Rent expense	-	-3
Total	**-112**	**-90**

During the financial period, the company purchased wood from a close family member and from a control entity of a member of the Board of Directors belonging to the company's related parties.

26. Contingent liabilities and commitments

EUR thousand	31 Dec 2025	31 Dec 2024
Liabilities for which collaterals have been given		
Loans from financial institutions	-	15,500
Mortgages		
Real estate mortgages	-	307,200
Company mortgages	-	181,551
Account and guarantee limits in use at the balance sheet date		
Total amount of granted credit facility	15,000	8,000
Account limit, in use	-	-
Guarantee limit, in use	83	83
Guarantees		
Advance payment, delivery, etc. guarantees	83	83

Koskisen has committed to a total of EUR 14.9 million in payments related to investments. The commitments are mainly related to the district heating connection pipeline between the production plants located in Järvelä, the new channel dryers for Järvelä sawmill, and the Panel Industry segment's investment programme.

Legal disputes

At the closing date of 31 December 2025, there were no significant on-going legal disputes (31 December 2024: no significant legal disputes).

ACCOUNTING POLICY

Contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. A present obligation is considered as contingent liability when it is not probable that an outflow of resources is required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

27. Events after the financial period

Koskisen announced on 6 February 2026 the proposals of Koskisen Corporation's Shareholders' Nomination Board to the Annual General Meeting 2026.

Koskisen announced on 10 February 2026 that the company has on 9 February 2026 received an announcement under Chapter 9, Section 5 of the Securities Markets Act, according to which the total holdings of shares and voices of Varma Mutual Pension Insurance Company in Koskisen Corporation has crossed above the 5 percent threshold. According to the notification, on 9 February 2026, Varma Mutual Pension Insurance Company holds in total 2,001,752 shares in Koskisen Corporation, which corresponds to 8.31 per cent of all shares and votes in Koskisen Corporation.

Koskisen announced on 13 February 2026, that the Board of Directors has resolved on the criteria and targets as well as the key employees eligible for the earning period 2026–2028 of a share-based incentive programme.

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Income statement

EUR	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
REVENUE	**340,093,510.61**	**270,998,529.97**
Change in inventories of finished goods and work in progress	8,707,293.24	4,928,576.67
Production for own use	45,828.91	437,035.99
Other operating income	3,575,957.01	3,213,154.91
Materials and services		
Materials, supplies, goods		
Purchases during the period	-189,213,931.44	-138,142,526.88
Change in inventories	4,147,521.96	5,613,380.42
Materials, supplies, goods	**-185,066,409.48**	**-132,529,146.46**
External services	-43,740,641.05	-39,921,664.50
Materials and services	**-228,807,050.53**	**-172,450,810.96**
Personnel expenses		
Wages and salaries	-41,601,190.45	-36,262,349.23
Pension costs	-7,061,514.31	-6,152,072.55
Other social security costs	-1,812,169.07	-1,238,773.33
Personnel expenses	**-50,474,873.83**	**-43,653,195.11**
Depreciation, amortisation and impairment		
Depreciation and amortisation	-9,657,943.67	-6,952,280.49
Depreciation, amortisation and impairment	**-9,657,943.67**	**-6,952,280.49**
Other operating expenses	-54,500,661.36	-46,556,401.81
OPERATING PROFIT (LOSS)	**8,982,060.38**	**9,964,609.17**

EUR	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Finance income and expense		
Income from investments	1,057.50	1,012.50
Other interest and financial income		
From group undertakings	48,211.53	83,268.59
From others	1,693,762.32	2,725,892.28
Interest expenses and other financial expenses		
To group undertakings	-29,441.90	-26,377.86
To others	-3,013,137.74	-3,916,063.80
Finance income and expense	**-1,299,548.29**	**-1,132,268.29**
PROFIT (LOSS) BEFORE APPROPRIATIONS AND TAXES	**7,682,512.09**	**8,832,340.88**
Appropriations		
Change in cumulative accelerated depreciation	-7,501,872.63	-6,152,034.78
Appropriations	**-7,501,872.63**	**-6,152,034.78**
Income taxes		
Taxes for current and prior periods	5,869.79	-19,744.59
Income taxes	**5,869.79**	**-19,744.59**
PROFIT (LOSS) FOR THE PERIOD	**186,509.25**	**2,660,561.51**

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Balance sheet

EUR	31 Dec 2025	31 Dec 2024
ASSETS		
NON-CURRENT ASSETS		
Intangible assets		
Goodwill	1,276,128.93	–
Other intangible assets	890,919.86	1,165,438.31
Advance payments	7,955.00	12,328.00
Intangible assets	**2,175,003.79**	**1,177,766.31**
Tangible assets		
Land and water areas	6,525,163.97	6,129,857.97
Buildings and structures	46,765,823.82	39,544,381.20
Machinery and equipment	62,405,468.62	45,897,420.43
Other tangible assets	10,023,421.91	2,711,471.68
Advance payments and work in progress	12,967,592.34	15,407,126.46
Tangible assets	**138,687,470.66**	**109,690,257.74**
Investments		
Investments in Group companies	365,736.77	365,736.77
Other shares and equity interests	223,172.42	223,172.42
Other receivables	10,246,972.38	10,121,212.00
Investments	**10,835,881.57**	**10,710,121.19**
NON-CURRENT ASSETS	**151,698,356.02**	**121,578,145.24**
CURRENT ASSETS		
Inventories		
Materials and supplies	31,356,497.87	27,208,975.91
Work in progress	4,995,351.25	4,911,166.03
Finished goods	23,326,087.81	14,702,979.79
Inventories	**59,677,936.93**	**46,823,121.73**

EUR	31 Dec 2025	31 Dec 2024
Receivables		
Non-current receivables		
Receivables from Group companies	2,691,305.38	92,000.00
Prepayments and accrued income	2,727,964.24	3,334,178.56
Non-current receivables	**5,419,269.62**	**3,426,178.56**
Current receivables		
Trade receivables	29,634,147.67	22,428,021.77
Receivables from Group companies	1,357,432.63	3,921,631.71
Other receivables	9,061,750.76	7,162,701.26
Prepayments and accrued income	2,970,546.55	2,530,042.07
Current receivables	**43,023,877.61**	**36,042,396.81**
Receivables	**48,443,147.23**	**39,468,575.37**
Cash equivalents		
Other securities	5,000,000.00	20,000,000.00
Cash equivalents	**5,000,000.00**	**20,000,000.00**
Cash and bank	**17,327,785.08**	**10,854,347.77**
CURRENT ASSETS	**130,448,869.24**	**117,146,044.87**
ASSETS	**282,147,225.26**	**238,724,190.11**

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EUR	31 Dec 2025	31 Dec 2024
EQUITY AND LIABILITIES		
EQUITY		
Share capital	1,512,000.00	1,512,000.00
Revaluation reserve	60,301.21	60,301.21
Other reserves		
Legal reserve	16,202.59	16,202.59
Reserve for invested unrestricted equity	66,005,127.65	58,825,127.65
Other reserves	**66,021,330.24**	**58,841,330.24**
Retained earnings (loss)	54,648,428.63	54,759,201.00
Profit (loss) for the financial year	186,509.25	2,660,561.51
EQUITY	**122,428,569.33**	**117,833,393.96**
APPROPRIATIONS		
Cumulative accelerated depreciation	42,787,137.56	35,285,264.93
APPROPRIATIONS	**42,787,137.56**	**35,285,264.93**
STATUTORY PROVISIONS		
Other statutory provisions	–	140,674.00
STATUTORY PROVISIONS	**–**	**140,674.00**

EUR	31 Dec 2025	31 Dec 2024
LIABILITIES		
Non-current liabilities		
Loans from financial institutions	43,533,130.82	25,732,560.62
Liabilities to Group companies	913,142.19	852,480.26
Deferred tax liability	337,096.00	337,096.00
Accruals and deferred income	4,184,729.61	121,212.00
Non-current liabilities	**48,968,098.62**	**27,043,348.88**
Current liabilities		
Loans from financial institutions	5,549,430.00	8,249,430.00
Advances received	927,654.32	977,840.98
Trade payables	38,395,434.95	28,848,009.94
Liabilities to Group companies	213,664.31	265,658.68
Other liabilities	10,117,461.17	8,894,432.21
Accruals and deferred income	12,759,775.00	11,186,136.53
Current liabilities	**67,963,419.75**	**58,421,508.34**
LIABILITIES	**116,931,518.37**	**85,464,857.22**
EQUITY AND LIABILITIES	**282,147,225.26**	**238,724,190.11**

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Statement of cash flows

EUR	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Cash flow from operating activities		
Profit (loss) for the period	186,509.25	2,660,561.51
Adjustments:		
Depreciation, amortisation and impairment	9,657,943.67	6,952,280.49
Gains and losses of disposals of non-current assets	-114,256.85	249,228.83
Unrealised foreign exchange gains and losses	479,000.10	-109,992.09
Financial income and expenses	820,548.19	1,242,260.38
Appropriations	7,501,872.63	6,152,034.78
Income taxes	-5,869.79	19,744.59
Operating cash flow before working capital changes	18,525,747.20	17,166,118.49
Working capital changes		
Increase (-) / decrease (+) in inventories	-7,254,236.10	-10,541,957.08
Increase (-) / decrease (+) in non-interest bearing receivables	-7,788,805.72	-1,099,029.22
Increase (+) / decrease (-) in non-interest bearing liabilities	11,373,724.62	2,129,359.57
Cash flows from operations before financial items and taxes	14,856,430.00	7,654,491.76
Interest paid from operating activities	-1,951,704.69	-2,205,011.44
Interest received from operating activities	526,193.19	1,910,011.10
Dividends received from operating activities	1,057.50	1,012.50
Other financial items for operating activities	-119,933.81	440,963.64
Income taxes paid	-859,472.86	1,397,334.26
Proceeds from repayments of loans	624,000.00	624,000.00
Net cash flow from operating activities	**13,076,569.33**	**9,822,801.82**

EUR	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Cash flow from investing activities		
Purchase of tangible and intangible assets	-19,672,074.71	-19,754,383.44
Proceeds from sale of tangible and intangible assets	124,317.24	510,645.69
Acquisition of subsidiaries, net of cash acquired	-15,176,711.23	–
Investments in other investments	-63,517.61	-60,606.00
Repayment of time deposits	–	20,000,000.00
Net cash flow from investing activities	**-34,787,986.31**	**695,656.25**
Cash flow from financing activities		
Proceeds from non-current borrowings	35,060,661.93	111,469.84
Repayment of non-current borrowings	-19,899,429.80	-6,624,714.90
Proceeds from current borrowings	1,571,843.51	859,296.72
Repayment of current borrowings	-776,887.47	-1,784,662.24
Dividends paid	-2,771,333.88	-7,367,703.36
Net cash flow from financing activities	**13,184,854.29**	**-14,806,313.94**
Net change in cash and cash equivalents	**-8,526,562.69**	**-4,287,855.87**
Cash and cash equivalents at the beginning of the period	30,854,347.77	35,142,203.64
Cash and cash equivalents at the end of the period	**22,327,785.08**	**30,854,347.77**

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Basis of preparation

Koskisen Corporation's financial statements for the financial year between 1 January to 31 December 2025, have been prepared in accordance with the provisions of the Finnish Accounting Act and other regulations and provisions regarding the preparation of financial statements valid in Finland.

Valuation of inventories

Inventories are valued at acquisition cost or, if lower, at probable replacement or disposal cost. The acquisition cost is determined using the weighted average cost method. In addition to direct costs, a part of the indirect costs of acquisition and manufacturing is included in the acquisition cost of the inventory.

Valuation of non-current assets

Intangible and tangible assets are recognised at acquisition cost less depreciation, amortisation and impairments, and increased by any revaluations. The revaluations are based on an external assessment, and their existence is justified based on the assessment of the company's management. The deferred tax liabilities arising from the revaluations have been deducted from the revaluation reserve in equity and presented on the balance sheet in the 'Deferred tax liabilities'. The acquisition cost includes the variable costs resulting from procurement and manufacturing. The depreciation has been calculated on a straight-line basis over the economic lifetime of the intangible and tangible assets. The depreciation starts from the month the asset was commissioned. The impairment is entered if the future income accrued by the asset is permanently below the book value.

Depreciation periods are:	
Other intangible assets	5 years
Buildings	20–50 years
Structures	10 years
Machinery and equipment	5–15 years
Other tangible assets	5–40 years

Valuation of financial instruments and derivatives

In accordance with section 5:2 of the Accounting Act, financial assets are valued at the acquisition cost or at the lower probable fair market value. Financial liabilities are valued at their nominal value.

In accordance with the principles of risk management, the Group may use derivatives as protection from the price risks of goods, interest rates or currency. Pursuant to statement 1963/13.12.2016 of the Accounting Board, the negative fair value of interest and currency derivative contracts at the balance sheet date is recorded in the income statement and as a mandatory provision, as well as the possibly resulting deferred tax in deferred tax receivables.

Koskisen hedges against electricity price risk fluctuations by making price fixings. For the purchases 1–12 months forward, the range of the price fixing is 65–90%, for the following 13–24 months, the range of the price fixing is 35–75%, for the following 25–36 months, the range of the price fixing is 10–50%, and for the following 37–48 months, the range of the price fixing is 0–25%. The fair values of the electricity price fixings are treated as off-balance sheet liabilities to the extent that electricity price fixings can be deemed to meet the preconditions set forth in statement 1963/2016 of the Accounting Board for treatment as an off-balance sheet liability. The electricity price fixings are settled and paid on a monthly basis in accordance with the contracts. The electricity price fixings have been deemed to meet the preconditions for treatment as an off-balance sheet liability.

Foreign currency items

Receivables and liabilities in foreign currency have been converted into EUR subject to the exchange rate on the balance sheet date. The exchange rate gains or losses arising from the valuation of receivables or liabilities are entered in the profit and loss account as a financial exchange difference.

Deferred taxes

Deferred tax liabilities or assets have been calculated for temporary differences between taxation and the financial statements on the basis of the tax rate of the next years confirmed at the time of the financial statements. The balance sheet includes the deferred tax liabilities in total as well as the deferred tax assets corresponding with the amount of the estimated probable receivable.

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Notes to the income statement

Revenue by segments and geographical areas

EUR thousand	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Distribution by industry		
Panel Industry	136,173	131,249
Sawn Timber Industry	203,915	139,737
Other sales	5	12
Total	**340,094**	**270,999**
Geographical distribution		
Finland	132,762	108,697
Japan	33,299	23,990
Poland	21,727	17,860
Germany	17,523	16,846
Other EU countries	94,823	73,492
Other countries	39,961	30,114
Total	**340,094**	**270,999**

Other operating income

EUR thousand	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Sale of emission allowances	1,569	1,294
Other operating income from subsidiaries	1,320	1,203
Firewood sales to forest owners	190	237
External rental income	122	110
Gains on disposal of property, plant and equipment	117	53
Compensations received	51	35
Grants received	48	184
Other operating income	159	97
Total	**3,576**	**3,213**

Other operating expenses

EUR thousand	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Sales freight and forwarding	-26,953	-21,807
Lease costs	-7,375	-6,581
IT expenses	-4,705	-4,138
Maintenance of property	-3,941	-3,677
Administrative expenses	-2,050	-1,537
Consulting and administrative services	-2,002	-1,735
Personnel related expenses	-1,740	-1,587
Sales commissions	-1,179	-664
Travel expenses	-1,080	-989
Marketing expenses	-786	-597
Research and development expenses	-129	-292
Other expenses	-2,562	-2,953
Total	**-54,501**	**-46,556**

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Auditor remuneration

EUR thousand	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Audit	-191	-148
Other assignments referred to in sections 1.1,2 § of the Auditing Act	-98	-27
Other services	-16	-30
Total	**-305**	**-205**

Average number of employees at parent company during the financial year

	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Salaried employees	235	219
Workers	611	575
Total	**860**	**794**

Salaries and remuneration of management

EUR thousand	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Board members and CEO		
Wages and salaries and other short-term employee benefits	-756	-714
Pension costs – defined contribution plans	-146	-133
Share-based payments	-286	-115
Total	**-1,187**	**-962**

The CEO has a defined contribution supplementary pension plan, the annual contribution of which is equivalent to two months' fixed salary. Based on the supplementary pension agreement, the CEO can retire at the age of 65.

Income tax

EUR thousand	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Taxes for the financial year	-4	-39
Taxes for prior financial years	10	20
Total	**6**	**-20**

Finance income and expense

EUR thousand	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Finance income		
Dividend income from others	1	1
Interest income	474	1,488
Foreign exchange gain	936	552
Other finance income	331	769
Total	**1,743**	**2,810**

EUR thousand	1 Jan–31 Dec 2025	1 Jan–31 Dec 2024
Finance costs		
Interest expenses	-1,696	-2,836
Foreign exchange loss	-1,072	-547
Other finance expenses	-274	-560
Total	**-3,043**	**-3,942**

The exchange rate differences are mainly due to changes in the exchange rates of the U.S. dollar and the Polish zloty.

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Notes to balance sheet

The acquisition cost, additions, disposals and accumulated depreciation of the fixed assets of the parent company

	Intangible assets			Tangible assets					Investments			
EUR thousand	Goodwill	Other long-term expenses	Advance payments	Land	Buildings and structures	Machinery and equipment	Other tangible assets	Advance payments and construction in progress	Investments in Group Companies	Other shares and equity interests	Other receivables	Total
Cost at 1 Jan 2025	**-**	**2,458**	**12**	**6,130**	**79,654**	**113,030**	**6,681**	**15,407**	**366**	**223**	**10,121**	**234,083**
Additions	1,445	186	1	402	7,470	16,174	1,858	12,127	-	-	126	39,788
Disposals	-	-3	-	-7	-	-206	-	-	-	-	-	-216
Reclassifications	-	5	-5	-	2,116	6,265	6,186	-14,567	-	-	-	-
Cost at 31 Dec 2025	**1,445**	**2,647**	**8**	**6,525**	**89,240**	**135,262**	**14,725**	**12,968**	**366**	**223**	**10,247**	**273,655**
Accumulated depreciation and impairment at 1 Jan 2025	**-**	**-1,293**	**-**	**-**	**-40,110**	**-67,132**	**-3,970**	**-**	**-**	**-**	**-**	**-112,505**
Accumulated depreciation of disposals and reclassifications	-	-	-	-	-	206	-	-	-	-	-	206
Depreciation	-169	-464	-	-	-2,364	-5,930	-732	-	-	-	-	-9,658
Accumulated depreciation and impairment at 31 Dec 2025	**-169**	**-1,756**	**-**	**-**	**-42,474**	**-72,857**	**-4,701**	**-**	**-**	**-**	**-**	**-121,957**
Value increases				2,281	2,741							5,022
Carrying value at 1 Jan 2025	**-**	**1,165**	**12**	**6,130**	**39,544**	**45,897**	**2,711**	**15,407**	**366**	**223**	**10,121**	**121,578**
Carrying value at 31 Dec 2025	**1,276**	**891**	**8**	**6,525**	**46,766**	**62,405**	**10,023**	**12,968**	**366**	**223**	**10,247**	**151,698**

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	Intangible assets		Tangible assets					Investments			
EUR thousand	**Other long-term expenses**	**Advance payments**	**Land**	**Buildings and structures**	**Machinery and equipment**	**Other tangible assets**	**Advance payments and construction in progress**	**Investments in Group Companies**	**Other shares and equity interests**	**Other receivables**	**Total**
Cost at 1 Jan 2024	**4,750**	**30**	**6,138**	**78,200**	**101,237**	**7,359**	**17,043**	**366**	**223**	**10,061**	**225,406**
Additions	25	12	12	1,783	5,680	-	13,787	-	-	61	21,359
Disposals	-2,346	-	-7	-1,120	-8,379	-677	-140	-	-	-	-12,670
Revaluation	-	-	-12	-	-	-	-	-	-	-	-12
Reclassifications	30	-30	-	791	14,492	-	-15,282	-	-	-	-
Cost at 31 Dec 2024	**2,458**	**12**	**6,130**	**79,654**	**113,030**	**6,681**	**15,407**	**366**	**223**	**10,121**	**234,083**
Accumulated depreciation and impairment at 1 Jan 2024	**-3,167**	**-**	**-**	**-39,213**	**-70,767**	**-4,175**	**-**	**-**	**-**	**-**	**-117,323**
Accumulated depreciation of disposals and reclassifications	2,346		-	1,119	7,697	609		-	-	-	11,770
Depreciation	-472	-	-	-2,016	-4,061	-403	-	-	-	-	-6,952
Accumulated depreciation and impairment at 31 Dec 2024	**-1,293**	**-**	**-**	**-40,110**	**-67,132**	**-3,970**	**-**	**-**	**-**	**-**	**-112,505**
Value increases			2,281	2,741							5,022
Carrying value at 1 Jan 2024	**1,583**	**30**	**6,138**	**38,988**	**30,469**	**3,183**	**17,043**	**366**	**223**	**10,061**	**108,083**
Carrying value at 31 Dec 2024	**1,165**	**12**	**6,130**	**39,544**	**45,897**	**2,711**	**15,407**	**366**	**223**	**10,121**	**121,578**

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Group companies

Subsidiary company	Registered office	Parent company's ownership 31 Dec 2025	Parent company's ownership 31 Dec 2024
Kosava-Kiinteistöt Oy	Kärkölä, Finland	100%	100%
Koskisen Sp z.o.o	Warsaw, Poland	100%	100%

Receivables from Group companies

EUR thousand	31 Dec 2025	31 Dec 2024
Loan receivables:		
Koskisen Sp z.o.o.	3,456	716
Total	**3,456**	**716**
Trade receivables:		
Koskisen Sp z.o.o.	516	3,290
Kosava-Kiinteistöt Oy	45	8
Total	**561**	**3,298**
Accrued income:		
Koskisen Sp z.o.o.	32	-
Total	**32**	**-**
All in total	**4,049**	**4,014**

Most significant items included in prepayments and accrued income

EUR thousand	31 Dec 2025	31 Dec 2024
Non-current prepayments and accrued income		
Prepaid rent of leasing contracts	2,728	3,334
Total	**2,728**	**3,334**
Current prepayments and accrued income		
Income tax receivable	840	19
Accrued sales receivables	621	779
Prepaid rent of leasing contracts	615	608
IT expenses accruals	562	501
Other accrued income on expenses	328	443
Interest receivables	3	74
Other financial items	2	103
Accrued personnel costs	-	3
Total	**2,971**	**2,530**

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Changes in equity

EUR thousand		2025	2024
Share capital	1 Jan	1,512	1,512
Share capital	31 Dec	1,512	1,512
Revaluation reserve	1 Jan	60	70
Revaluation reserve, reduction		-	-10
Revaluation reserve	31 Dec	60	60
Legal reserve	1 Jan	16	16
Legal reserve	31 Dec	16	16
Total restricted equity		**1,589**	**1,589**
Reserve for invested unrestricted equity	1 Jan	58,825	58,825
Directed share issue, business acquisition		7,180	-
Reserve for invested unrestricted equity	31 Dec	66,005	58,825
Retained earnings (loss)	1 Jan	57,420	62,127
Dividend distribution		-2,771	-7,368
Retained earnings (loss)	31 Dec	54,648	54,759
Profit (loss) for the financial year		187	2,661
Total unrestricted equity		**120,840**	**116,245**
Total equity		**122,429**	**117,833**

Distributable unrestricted equity

EUR thousand	31 Dec 2025	31 Dec 2024
Reserve for invested unrestricted equity	66,005	58,825
Retained earnings (loss)	54,648	54,759
Profit (loss) for the financial year	187	2,661
Total	**120,840**	**116,245**

Statutory provisions

EUR thousand	31 Dec 2025	31 Dec 2024
Negative fair value of derivatives	-	141
Total	**-**	**141**

Debts that mature after more than five years

EUR thousand	31 Dec 2025	31 Dec 2024
Loans from financial institutions	5,329	2,895
Total	**5,329**	**2,895**

Debts that mature after more than five years will mature by 13 December 2032.

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Payables to Group companies

The main bank accounts of the Group's Finnish companies are connected to the Group account arrangement, the main holder of which is Koskisen Corporation.

EUR thousand	31 Dec 2025	31 Dec 2024
Liabilities based on the group account arrangement:		
Kosava-Kiinteistöt Oy	913	852
Total	**913**	**852**
Trade payables:		
Kosava-Kiinteistöt Oy	64	59
Koskisen Sp z.o.o.	147	204
Total	**211**	**263**
Accrued expenses:		
Kosava-Kiinteistöt Oy	3	2
Total	**3**	**2**
All in total	**1,127**	**1,118**

Most significant items included in accruals and deferred income

EUR thousand	31 Dec 2025	31 Dec 2024
Non-current accruals and deferred income		
Contingent considerations from acquisition of business	4,000	-
Accrued personnel costs	185	121
Total	**4,185**	**121**
Current accruals and deferred income		
Accrued personnel costs	9,026	7,452
Subcontractor's accrued expenses	2,025	1,675
Heating energy accruals	966	925
Interest accrual	223	475
Income tax liability	-	44
Other short-term accrued expenses	520	616
Total	**12,760**	**11,186**

Deferred tax liability

EUR thousand	31 Dec 2025	31 Dec 2024
From value increases	337	337
Total	**337**	**337**

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Notes to statement of cash flows

The cash and cash equivalents described in the statement of cash flows include cash, bank receivables that can be converted into cash if necessary, and financial securities with a highly liquid secondary market and with minimum risk of fluctuation in value. In practice, the financial securities included in cash and cash equivalents, which are presented in the balance sheet item Financial securities, are fund investments and time deposits with a deposit period of three months or less.

Collaterals, commitments and off-balance sheet arrangements

Given collaterals

EUR thousand	31 Dec 2025	31 Dec 2024
Liabilities secured by real estate- or business mortgages		
Loans from financial institutions	-	15,500
Mortgages		
Given real estate mortgages	-	307,200
Given business mortgages	-	181,551
Account- and guarantee limits in use at the balance sheet date		
Total amount of granted credit facility	15,000	8,000
Account limit, in use	-	-
Guarantee limit, in use	83	83
Guarantees		
Advance payment, delivery, etc. guarantees	83	83

Amounts payable from lease- and rental contracts

EUR thousand	31 Dec 2025	31 Dec 2024
Rental contracts		
Payable during following year	4,070	3,414
Payable later	31,843	29,683
Total	**35,913**	**33,097**
Lease contracts		
Payable during following year	2,431	2,330
Payable later	5,904	7,112
Total	**8,335**	**9,442**
Total rental and lease liabilities	**44,248**	**42,539**
Residual values of lease contracts		
Payable during following year	-	5
Payable later	696	696
Total	**696**	**701**

The power plants sold to Lahti Energia by Koskisen Corporation, which have since been transferred to the ownership of Loimua Oy, have a repurchase obligation after the end of the contract period in October 2032. The repurchase price is estimated to be approximately EUR 15 million. This amount is included above in the amounts payable later for rental contracts.

Other liability commitments

Koskisen has committed to a total of EUR 14.9 million in payments related to investments. The commitments are mainly related to the district heating connection pipe between the production plants located in Järvelä, the new channel dryers for Järvelä sawmill, and the Panel Industry segment's investment programme.

Koskisen Corporation's loan share of Asunto Oy Puumera on 31 December 2025 was EUR 102 thousand (31 December 2024: EUR 117 thousand).

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The audit obligation of real estate investments in the financial statements

	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total
Deducted VAT	135	818	1,456	184	287	566	5,382	683	2,608	12,118
Annual proportion of deducted VAT	13	82	146	18	29	57	538	68	261	1,212
Remaining years included in the review period	1	2	3	4	5	6	7	8	9	
Refundable amount of deduction	**13**	**164**	**437**	**74**	**144**	**339**	**3,768**	**546**	**2,347**	**7,831**

Derivative contracts and electricity price fixings valid at the balance sheet date

EUR thousand	2025 Fair value	2024 Fair value	2025 Nominal value	2024 Nominal value
Interest rate swaps				
due 25 February 2025		53		10,000
due 1 July 2025		94		10,000
due 27 October 2025		130		10,000
due 8 May 2028	63		10,000	
due 3 July 2028	61		15,000	
Total, interest rate swaps	**124**	**277**	**25,000**	**30,000**
Deferred tax asset	-	-		
Foreign exchange forward contracts				
EUR-USD, due date 28 March 2025		-76		1,963
EUR-USD, due date 31 March 2025		-18		389
EUR-USD, due date 27 June 2025		-46		1,266
EUR-USD, due date 30 March 2026	22		4,221	
EUR-USD, due date 29 June 2026	1		761	
EUR-USD, due date 29 September 2026	-7		2,013	
Total, foreign exchange forward	**17**	**-141**	**6,995**	**3,619**
Electricity price fixings				
Due in year 2025		-52		2,110
Due in year 2026	-312	-55	2,515	1,898
Due in year 2027	-64	-45	1,384	437
Due in year 2028	-1		582	
Total, electricity price fixings	**-376**	**-152**	**4,480**	**4,445**

Timber reserve

The company has entered into binding agreements with forest owners regarding future timber procurement (timber reserve). The amount of commitments at the end of the financial year is approximately EUR 54,7 million (31 December 2024: EUR 42,7 million).

Covenants

Loans from financial institutions include covenants. According to financing agreements, lenders can make loans due early, if the covenant conditions are not met. Loans from financial institutions are presented on the balance sheet in accordance with the repayment plans of the financing agreements valid at the time of the financial statements. During the financial year, the covenant conditions are reviewed quarterly. The covenants were fulfilled in the financial year 2025 and are expected to be fulfilled during the next financial year.

Share-based incentive plans

Share-based incentive plan 2022–2026

In March 2022, the Board of Directors of Koskisen Corporation decided on a share-based incentive programme in place for its key employees for the years 2022 to 2026. The incentive programme consists of three three-year earning periods, which are from 2022 to 2024, from 2023 to 2025 and from 2024 to 2026.

Share-based incentive plan 2022–2026 – Performance period 2022–2024

The key employees eligible for the programme, the incentives to be paid, the vesting conditions and targets determined by the company's Board of Directors were communicated to the persons participating in the arrangement in June 2022. The key employees eligible for the programme (six individuals) can receive a maximum of 138,000 company shares (gross amount) if the terms of the programme are met. During

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2024, Koskisen Corporation included a new participant in the plan, raising the number of eligible employees to seven (7), and the maximum number of company shares that can be received to 156 000 (gross amount). The vesting conditions and the targets relate to meeting certain key figures (EBITDA and return on invested capital) and work obligation. The earned shares are given to the key employees after the vesting period ends. From the total number of shares, Koskisen withholds the withholding tax corresponding to the income tax liability of the key employee and pays it to the tax authorities. The arrangement has a net settlement feature of tax obligations and is classified as an equity-settled share-based transaction in its entirety. The arrangement is treated as an equity-settled share-based transaction. The 2022-2024 earning period vested and the reward shares were paid out in April 2025.

Share-based incentive plan 2022–2026 – Performance period 2023–2025

In April 2023, the company's Board of Directors resolved on the criteria and targets as well as the key employees eligible for the incentive programme for the second earning period. The members of the Group Executive Board, a total of seven people, are currently entitled to participate in the long-term share-based incentive programme. The potential receipt and amount of the reward is based on the accumulated adjusted EBITDA from 1 January 2023 to 31 December 2025 and the person's continued employment with the company. During the second earning period of the incentive programme, the key employees eligible for the incentive programme may earn a maximum of 215,000 shares (gross amount). The earned shares are given to the key employees after the vesting period ends. From the total number of shares, Koskisen withholds the withholding tax corresponding to the income tax liability of the key employee and pays it to the tax authorities. The arrangement has a net settlement feature of tax obligations and is classified as an equity-settled share-based transaction in its entirety. The arrangement is treated as an equity-settled share-based transaction.

Share-based incentive plan 2022–2026 – Performance period 2024–2026

In May 2024, the company's Board of Directors resolved on the criteria and targets as well as the key employees eligible for the incentive programme for the third earning period. The members of the Group Executive Board, a total of eight people, are currently entitled to participate in the long-term share-based incentive programme. The company's Board of Directors decided in June to add new participants to the 2024–2026 earning period, after which the maximum number of participants will be 25. The potential receipt and amount of the reward is based, in alignment with the growth strategy, on increase in net sales and the accumulated adjusted EBITDA from 1 January 2024 to 31 December 2026, and the person's continued employment with the company. During the third earning period of the incentive programme, the key employees eligible for the incentive programme may earn a maximum of 331,000 company shares (gross amount). The earned shares are given to the key employees after the vesting period. From the total number of shares, Koskisen withholds the withholding tax corresponding to the income tax liability of the key employee and pays it to the tax authorities. The arrangement has a net settlement feature of tax obligations and is classified as an equity-settled share-based transaction in its entirety. The arrangement is treated as an equity-settled share-based transaction.

Share-based incentive plan 2025–2029

In April 2025, the Board of Directors of Koskisen Corporation decided on a share-based incentive programme in place for its key employees for the years 2025 to 2029. The incentive programme consists of three three year earning periods, which are from 2025 to 2027, from 2026 to 2028 and from 2027 to 2029.

Share-based incentive plan 2025–2029 – Performance Period 2025–2027

In April 2025, Board of Directors of Koskisen Plc decided on the commencement of the first performance period in the Performance Share Plan 2025-2027. Currently, a total of approximately 30 key employees are eligible to participate in the earning period 2025-2027 of the share-based incentive programme, including the Group's CEO and members of the Executive Board. The participants can receive a maximum of 420,000 company shares (gross amount) if the terms of the programme are met. In the share based incentive programme, the potential receipt and amount of the reward is based on the growth of revenue in accordance with Koskisen's growth strategy, cumulative adjusted EBITDA and the reduction of emissions caused by the company's own operations (Scope 1 and 2) between 1 January 2025 and 31 December 2027, as well as the person's ongoing employment. The earned shares are given to the key employees after the vesting period ends. From the total number of shares, Koskisen withholds the withholding tax corresponding to the income tax liability of the key employee and pays it to the tax authorities. The arrangement has a net settlement feature of tax obligations and is classified as an equity-settled share-based transaction in its entirety. The arrangement is treated as an equity-settled share-based transaction.

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Signatures of the Report of the Board of Directors and Financial Statements

These financial statements are prepared in accordance with the applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and of the companies included in its consolidated financial statements.

The report of the Board of Directors includes a fair review of the development and performance of the Group and of the companies included in its consolidated accounts, together with a description of the principal risks and uncertainties and the financial position of the Company.

The sustainability statements included in the Report of the Board of Directors have been prepared in accordance with the reporting standards referred to in Chapter 7 of the Finnish Accounting Act and Article 8 of the Taxonomy Regulation.

In Helsinki on 26 March 2026

Pekka Kuusniemi
Chair of the Board

Carita Himberg
Board member

Karri Koskela
Board member

Hanna Masala
Board member

Kalle Reponen
Board member

Hanna Sievinen
Board member

Jukka Pahta
CEO

The auditor's note

Our auditor's report has been issued today.
In Helsinki on 26 March 2026

PricewaterhouseCoopers Oy
Audit firm

Markku Launis
Authorised Public Accountant (KHT)

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Auditor's Report (Translation of the Finnish Original)

To the Annual General Meeting of Koskisen Oyj

Report on the Audit of the Financial Statements

Opinion

In our opinion

- the consolidated financial statements give a true and fair view of the group's financial position and financial performance and cash flows in accordance with IFRS Accounting Standards as adopted by the EU
- the financial statements give a true and fair view of the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of the financial statements in Finland and comply with statutory requirements.

Our opinion is consistent with the additional report to the Audit Committee.

What we have audited

We have audited the financial statements of Koskisen Oyj (business identity code 0148241-9) for the year ended 31 December 2025. The financial statements comprise:

- consolidated statement of comprehensive income, consolidated balance sheet, consolidated statement of changes in equity, consolidated statement of cash flows and notes, which include material accounting policy information and other explanatory information
- the parent company's balance sheet, income statement, cash flow statement and notes.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, the non-audit services that we provided to the parent company and to the group companies are in accordance with the applicable law and regulations in Finland and we have not provided non-audit services that are prohibited under Article 5(1) of Regulation (EU) No 537/2014. The non-audit services that we have provided are disclosed in note 9 Other operating expenses to the Financial Statements.

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Our Audit Approach

Overview

- Overall group materiality: EUR 3.54 million, which represents approximately 1% of net sales
- Our audit procedures covered all countries and group locations significant to the Group, with emphasis on the most prominent location in Finland
- Valuation of inventory

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements on the financial statements as a whole.

Overall group materiality	EUR 3.54 million (previous year EUR 2.8 million)
How we determined it	Approximately 1% of net sales
Rationale for the materiality benchmark applied	We chose net sales as the benchmark because, in our view, the performance of the Group is most commonly measured by using this criteria, and it is a generally accepted benchmark. We chose net sales as the benchmark as we considered that this provides us with a consistent year-on-year basis for determining materiality.

How we tailored our group audit scope

We tailored the scope of our audit, taking into account the structure of the Koskisen group, the accounting processes and controls, and the industry in which the group operates.

The audit of the consolidated financial statements was focused on the most significant location in Finland, where we performed an audit based on the size of the company and the characteristics of the risks. In other group companies we have performed other audit procedures to mitigate the risk of material misstatements in the consolidated financial statements.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key audit matter in the audit of the group and parent company	How our audit addressed the key audit matter
Valuation of inventory *Refer to accounting principles and to note 16 in the consolidated financial statements and to the notes of the parent company's financial statements.* • Inventory is one of the most significant balance sheet items and amounted to EUR 62.4 million in the consolidated balance sheet and EUR 59.7 million in the parent company's balance sheet at the balance sheet date. • In consolidated financial statements, inventories are stated at the lower of cost and net realisable value. In the parent company's financial statements, inventories are stated at the lower of cost, net realisable value, or probable replacement cost. The cost is determined by the weighted average cost method. The cost comprises raw materials, direct labour, depreciation and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. • A valuation allowance is made for old, slow-moving inventories based on the managements best estimate of the expected net realisable value at the end of the reporting period. • Valuation of inventories is a key audit matter due to the size of the balance and the level of management judgement involved in the estimation process.	• We assessed the compliance of the group's accounting policies in comparison to applicable accounting framework and performed control testing and test of details to valuation and existence of the inventories. • We tested a sample of inventory items to third party purchase invoices. We also tested management's calculations on the absorption of relative share of indirect production overheads. • We attended stock takings in selected inventory locations to obtain audit evidence regarding existence of the inventory. During stock takes we assessed the appropriateness of the stock takes and performed independent test counts. • We compared the value of selected finished goods inventory items to the sales prices.

There are no significant risks of material misstatement referred to in Article 10(2c) of Regulation (EU) No 537/2014 with respect to the consolidated financial statements or the parent company financial statements.

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Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or to cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Reporting Requirements

Appointment

We were first appointed as auditors by the annual general meeting on 26 April 2022. Our appointment represents a total period of uninterrupted engagement of 4 years.

Other Information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises in the report of the Board of Directors and the information included in the Annual Report but does not include the financial statements and our auditor's report thereon. We have obtained the report of the Board of Directors prior to the date of this auditor's report and the Annual Report is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to the report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in compliance with the applicable provisions, excluding the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in compliance with the applicable provisions. Our opinion does not cover the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Helsinki 26 March 2026

PricewaterhouseCoopers Oy
Authorised Public Accountants

Markku Launis
Authorised Public Accountant (KHT)

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Assurance Report on the Sustainability Statement

(Translation of the Finnish Original)

To the Annual General Meeting of Koskisen Oyj

We have performed a limited assurance engagement on the group sustainability report of Koskisen Oyj (business identity code 0148241-9) that is referred to in Chapter 7 of the Accounting Act and that is included in the report of the Board of Directors for the reporting period 1.1.–31.12.2025.

Opinion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the group sustainability report does not comply, in all material respects, with

1) the requirements laid down in Chapter 7 of the Accounting Act and the sustainability reporting standards (ESRS), and
2) the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (EU Taxonomy).

Point 1 above also contains the process in which Koskisen Oyj has identified the information for reporting in accordance with the sustainability reporting standards (double materiality assessment).

Our opinion does not cover the tagging of the group sustainability report with digital XBRL sustainability tags in accordance with Chapter 7, Section 22, Subsection 1(2), of the Accounting Act, because sustainability reporting companies have not had the possibility to comply with that requirement in the absence of requirements for the tagging of sustainability information in the ESEF regulation or other European Union legislation.

Basis for Opinion

We performed the assurance of the group sustainability report as a limited assurance engagement in compliance with good assurance practice in Finland and with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*.

Our responsibilities under this standard are further described in the Responsibilities of the Authorised Group Sustainability Auditor section of our report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Authorised Group Sustainability Auditor's Independence and Quality Management

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our engagement, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The authorised group sustainability auditor applies International Standard on Quality Management ISQM 1, which requires the authorised sustainability audit firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director of Koskisen Oyj are responsible for:

- the group sustainability report and for its preparation and presentation in accordance with the provisions of Chapter 7 of the Accounting Act, including the process that has been defined in the sustainability reporting standards and in which the information for

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reporting in accordance with the sustainability reporting standards has been identified
- the compliance of the group sustainability report with the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088, and for
- such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of a group sustainability report that is free from material misstatement, whether due to fraud or error.

Inherent Limitations in the Preparation of a Sustainability Report

In reporting forward-looking information in accordance with ESRS, management of the Company is required to prepare the forward-looking information on the basis of assumptions that have been disclosed in the sustainability report about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

Responsibilities of the Authorised Group Sustainability Auditor

Our responsibility is to perform an assurance engagement to obtain limited assurance about whether the group sustainability report is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the group sustainability report.

Compliance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) requires that we exercise professional judgment and maintain professional skepticism throughout the engagement. We also:
- Identify and assess the risks of material misstatement of the group sustainability report, whether due to fraud or error, and obtain an understanding of internal control relevant to the engagement in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company’s or the group’s internal control.
- Design and perform assurance procedures responsive to those risks to obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Description of the Procedures That Have Been Performed

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. The nature, timing and extent of assurance procedures selected depend on professional judgment, including the assessment of risks of material misstatement, whether due to fraud or error. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our procedures included for example the following:
- We interviewed the company's management and the individuals responsible for collecting and reporting the information contained in the group sustainability report at the group level to gain an understanding of the sustainability reporting process and the related internal controls and information systems.
- We familiarised ourselves with the background documentation and records prepared by the company where applicable, and assessed whether they support the information contained in the group sustainability report.
- We performed site visits at the company’s head office in Finland.
- We assessed the company’s double materiality assessment process in relation to the requirements of the ESRS standards, as well as whether the information provided about the assessment process complies with the ESRS standards.
- We assessed whether the sustainability information contained in the group sustainability report complies with the ESRS standards.
- Regarding the EU taxonomy information, we gained an understanding of the process by which the company has identified the group's taxonomy-eligible and taxonomy-aligned economic activities, and we assessed the compliance of the information provided with the regulations.

Helsinki 26.3.2026

PricewaterhouseCoopers Oy
Authorised Sustainability Auditors

Markku Launis
Authorised Sustainability Auditor

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Independent auditor's report on the ESEF financial statements of Koskisen Oyj (Translation of the Finnish Original)

To the Board of Directors of Koskisen Oyj

We have performed a reasonable assurance engagement on the financial statements 9845000D85046ECFFF27-2025-12-31-fi.zip of Koskisen Oyj (business identity code 0148241-9) that have been prepared in accordance with the Commission's regulatory technical standard for the financial year 01 January 2025-31 December 2025.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the company's report of the Board of Directors and financial statements (the ESEF financial statements) in such a way that they comply with the requirements of the Commission's regulatory technical standard. This responsibility includes:

- preparing the ESEF financial statements in XHTML format in accordance with Article 3 of the Commission's regulatory technical standard
- tagging the primary financial statements, notes and company's identification data in the consolidated financial statements that are included in the ESEF financial statements with iXBRL tags in accordance with Article 4 of the Commission's regulatory technical standard and
- ensuring the consistency between the ESEF financial statements and the audited financial statements.

The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of ESEF financial statements in accordance with the requirements of the Commission's regulatory technical standard.

Auditor's independence and quality management

We are independent of the company in accordance with the ethical requirements that are applicable in Finland and are relevant to the engagement we have performed, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The auditor applies International Standard on Quality Management (ISQM) 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to, in accordance with Chapter 7, Section 8 of the Securities Markets Act, provide assurance on the financial statements that have been prepared in accordance with the Commission's regulatory technical standard. We express an opinion on whether the consolidated financial statements that are included in the ESEF financial statements have been tagged, in all material respects, in accordance with the requirements of Article 4 of the Commission's regulatory technical standard.

Our responsibility is to indicate in our opinion to what extent the assurance has been provided. We conducted a reasonable assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised).

The engagement includes procedures to obtain evidence on:

- whether the primary financial statements in the consolidated financial statements that are included in the ESEF financial statements have been tagged, in all material respects, with iXBRL tags in accordance with the requirements of Article 4 of the Commission's regulatory technical standard and
- whether the notes and company's identification data in the consolidated financial statements that are included in the ESEF financial statements have been tagged, in all material respects, with iXBRL tags in accordance with the requirements of Article 4 of the Commission's regulatory technical standard and

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- whether there is consistency between the ESEF financial statements and the audited financial statements.

The nature, timing and extent of the selected procedures depend on the auditor's judgment. This includes an assessment of the risk of a material deviation due to fraud or error from the requirements of the Commission's regulatory technical standard.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

Our opinion pursuant to Chapter 7, Section 8 of the Securities Markets Act is that the primary financial statements, notes and company's identification data in the consolidated financial statements that are included in the ESEF financial statements of Koskisen Oyj 9845000D85046ECFFF27-2025-12-31-fi.zip for the financial year 01 January 2025-31 December 2025 have been tagged, in all material respects, in accordance with the requirements of the Commission's regulatory technical standard.

Our opinion on the audit of the consolidated financial statements of Koskisen Oyj for the financial year 01 January 2025-31 December 2025 has been expressed in our auditor's report dated 26 March 2026. With this report we do not express an opinion on the audit of the consolidated financial statements nor express another assurance conclusion.

Helsinki, on the date of the electronic signature

PricewaterhouseCoopers Oy
Authorised Public Accountants

Markku Launis
Authorised Public Accountant (KHT)

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Koskisen Corporation's shares are listed in NasdaqHelsinki Ltd's Mid Cap market capitalization group in the Basic Resources sector under the KOSKI ticker.

Financial calendar 2026

Koskisen Corporation will publish financial reports in 2026 as follows::

15 May 2026
Interim Report for January–March 2026

13 August 2026
Half-Year Report for January–June 2026

12 November 2026
Interim Report for January–September 2026

All financial reports are published in Finnish and in English and they are available after publication at: **https://koskisen.fi/en/investors/reports-and-presentations/**

Annual General Meeting 2026

The highest decision-making body is Koskisen's shareholders at general meetings of shareholders, where the shareholders can exercise their right to speak, present questions and vote. Koskisen Corporation's Annual General Meeting (AGM) 2026 will be held on Thursday, 23 April 2026 in Helsinki.

Dividend policy

Koskisen Corporation's dividend policy aims to pay an attractive dividend, which is at least one third of the net profit annually. The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.14 per share is paid for the financial year 2025.

Silent period

Regularly published financial reviews are preceded by a silent period that starts 30 days before the publication date of the financial review. The company's representatives do not comment on the company's financial situation, market or future prospects during the silent period. The silent period ends with the publication of the financial statement bulletin, half-year report or interim report. If an event during the silent period (such as a significant business event) requires immediate disclosure, the company will publish the information without delay in accordance with the regulations and procedures regarding the obligation to disclose insider information and may comment on the event in question after the information is published.

Investor calendar

Koskisen Corporation's investor events are available on the company's website at:
https://koskisen.fi/en/ir-calendar

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