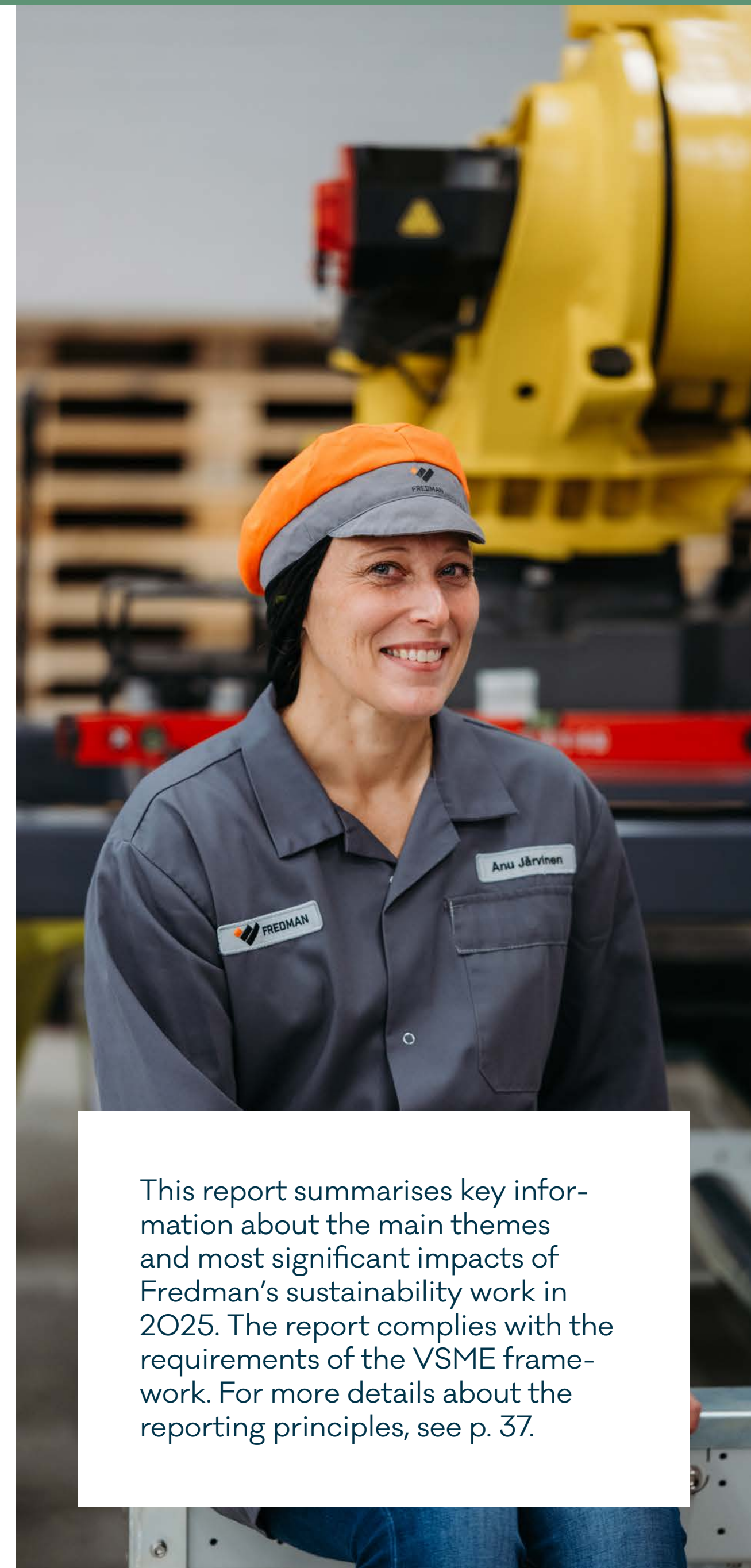


SUSTAINABILITY REPORT 2025





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This report summarises key information about the main themes and most significant impacts of Fredman's sustainability work in 2025. The report complies with the requirements of the VSME framework. For more details about the reporting principles, see p. 37.

From the CEO

THE COURAGE TO INVEST IN THE FUTURE

For us at Fredman, 2025 was a year of bold decisions and significant investments. Despite a challenging market environment, we made determined progress in our growth journey and achieved a turnover of €30.3 million (€30.6 million). Although total turnover decreased slightly due to corporate restructuring, our continuing operations saw moderate growth compared to last year.

Our customers' appreciation for products made in the EU continues to grow. The availability of raw materials, local production and reliability of supply are increasingly valuable factors on both domestic and export markets. "We firmly believe in sustainable production based in Finland. Accordingly, we carried out the largest investment project in our company's history last year at our Rauma plant." The modernisation plays a key role in terms of our future growth, and I am extremely proud

of how well our team once again demonstrated its ability to see significant changes to completion together.

The acquisition of Peltolan (paper bags) in early 2026 also marks important step on our path to growth. The deal strengthens Fredman's position in the commercial professional market while opening up new international opportunities for both Fredman and Peltolan. Together, we have even broader shoulders and a wider range of products to meet our customers' needs.

I would like to extend my heartfelt thanks to our customers, partners and employees for their trust and cooperation. We are building our success together. Next year, we will celebrate Fredman's 30th anniversary. Then, we'll raise a toast to courage, innovation and sustainable growth.

Per-Henrik Hagberg
CEO, Fredman Group Oy

"WE FIRMLY BELIEVE IN SUSTAINABLE PRODUCTION BASED IN FINLAND, WHICH IS WHY LAST YEAR, WE CARRIED OUT THE LARGEST INVESTMENT PROJECT IN OUR COMPANY'S HISTORY AT OUR RAUMA PLANT."



Fredman in brief

COMPANY OVERVIEW

We are a Finnish manufacturer of kitchen products and food packaging. We manufacture, sell and market kitchen products to consumers and kitchen professionals. Our product range also includes various food packaging solutions for the foodservice sector. In addition to Fredman’s own brand products, we manufacture private label products for Finnish and international customers.

Our parent company consists of Fredman Operations Oy and Fredman Professional Kitchen Oy. In Q4 of 2025, SAGA’s consumer operations in Finland and the Baltic countries were also transferred to Fredman.

Our mission is to help chefs succeed—both at home and in professional kitchens

We develop products and solutions that make cooking easier and as resource-efficient as

possible. Our commitment to sustainability is reflected in our comprehensive approach to the design, manufacturing, testing and development of our products.

We process raw materials sourced from our industrial partners into finished products at our manufacturing plant in Rauma. Some of our products are manufactured by our contract partners in Finland, Germany and Sweden, among other countries. All manufacturing sites are required to follow uniform and uncompromising quality and safety requirements.

Our main markets are B2B, wholesale and retail sales. In addition to the Finnish market, exports make up a significant part of our total sales. Our main export markets are the Baltic countries, Germany, the UK and the US. Exports accounted for about one third of the company's turnover in 2025.

Focus areas of our 2030 Growth Strategy

- Strengthening Fredman’s market position in the Nordic countries and Central Europe
- Systematically improving operational efficiency and quality
- Developing new products and product lines in line with sustainable development
- Long-term strengthening of the Fredman brand

At Fredman, everything we do is built on sustainability. Sustainability guides our decisions, product development, ways of working and customer promise at each step of our value chain. It is our way of ensuring competitiveness, building trust and building sustainable growth far into the future.

TURNOVER

30.3
million euros

BALANCE SHEET

11.8
million euros

PERSONNEL

64
employees

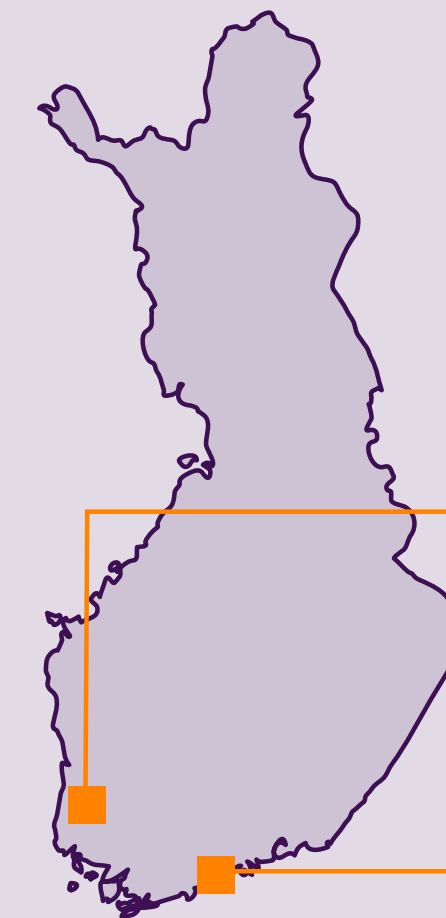
Established in 1997

NACE code/sector:

17290 Manufacture of other articles of paper and paperboard

Legal form:

limited liability company



Factory

Eurajoentie 10, 27601 Lappi
61.099793822195075,
21.824243198883988

Head office

Itsehallintokuja 6, 02601 Espoo
60.20981820903062,
24.825355854627336

Fredman in brief

MANUFACTURING IN RAUMA, FINLAND

Fredman is a medium-sized employer in Rauma. Our growing turnover generates tax revenue and has a positive indirect impact on the region. We are committed to strengthening the economic vitality and industry of Rauma.

25
production lines

Only **18** kg
of mixed waste

approx. **50**
employees

98.9%
delivery reliability

82%
waste
recycling rate,
utilisation rate
100%

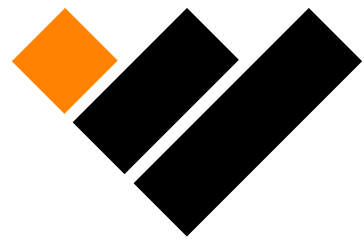
57
Key Flag
products

100%
renewable
electricity – on-site
rooftop solar
power plant



Fredman in brief

OUR RESPECTED BRANDS



FREDMAN

Fredman offers the widest selection of high-quality, iconic products for home cooks and professional kitchens under one umbrella brand.

Our widely recognised brands

Fredman Elmu® cling film

– classic cling film for storing food items.



Fredman Carita® fibre cloth

– a dependable choice for chefs for cooking and cleaning.



Fredman Comple®

– packaging solution that includes container sealers, cardboard and plastic meal containers, cups and insulated food containers.



Fredman Krokosaumaaja™ sealing machines and Krokopussi™ bags

– an unbeatable duo for packaging display case and takeaway products.



Our range of consumer products is complemented by the SAGA and LOOK brands represented by Fredman.



Fredman in brief

ENVIRONMENTAL CERTIFICATIONS AND LABELS

Certifications and eco-labels verified by third parties support our environmental efforts and drive us in our continuous improvement.



Nordic Swan Ecolabel 4049 0010,
Greaseproof paper
Nordic Swan Ecolabel 4047 0007,
Disposable products for food items

The criteria of the Nordic Swan Ecolabel focus on climate, biodiversity, the circular economy and chemicals. Products bearing the Swan Ecolabel meet strict environmental requirements based on a lifecycle perspective. Among our own line of products, baking papers, paper roasting bags and filter papers are certified with the Nordic Swan Ecolabel.



Key Flag Symbol

The Key Flag Symbol is awarded to products and services that meet the requirements of the Association for Finnish Work on domestic origin. It indicates that at least 50% of the value of the product or service is created in Finland and that its manufacture or production uses Finnish labour and expertise. The use of the symbol is overseen by the Association for Finnish work.



ISO 14001:2015
Environmental certification

ISO 14001 certification demonstrates that our company has a well-structured environmental management system that we implement consistently and through which we continuously improve our environmental performance.



The mark of responsible forestry
FSC® C006457

FSC-STD-40-004



PEFC ST 2001:2020,
PEFC ST 2002:2020

Chain of custody certifications guarantee that wood-based products are sourced from responsibly managed forests where environmental values, social rights, and economic sustainability are taken into account. The wood-based raw materials used in our own production are 100% certified.

STAKEHOLDER COOPERATION

OUR IDENTIFIED STAKEHOLDERS						
BUSINESS CUSTOMERS	CONSUMERS AND END USERS OF PRODUCTS	SUPPLIERS OF RAW MATERIALS	PERSONNEL	INVESTORS AND OWNERS	PUBLIC AUTHORITIES	MEDIA
STAKEHOLDERS' EXPECTATIONS OF OUR SUSTAINABILITY WORK						
<ul style="list-style-type: none"> High-quality products manufactured sustainably and in compliance with regulations Transparency of ESG practices Compliance with the EU Deforestation Regulation 	<ul style="list-style-type: none"> High-quality, sustainably manufactured and safe products Transparency of ESG practices Truthful marketing 	<ul style="list-style-type: none"> Clear sustainability requirements Certificates Compliance with the EU Deforestation Regulation 	<ul style="list-style-type: none"> A safe work environment Inclusive decision-making Ongoing interaction 	<ul style="list-style-type: none"> Transparent ESG reports Risk Management Sustainable investment opportunities 	<ul style="list-style-type: none"> Compliance with legislation and food safety Reporting Transparency about EU directives 	<ul style="list-style-type: none"> Up-to-date, clear and relevant information Useful narratives and facts Transparency even in difficult matters
COMMUNICATION WITH STAKEHOLDERS						
<ul style="list-style-type: none"> Regular and personal communication Website, social media, newsletter and media 	<ul style="list-style-type: none"> Website, social media, newsletter and media 	<ul style="list-style-type: none"> Regular and personal communication Supplier surveys 	<ul style="list-style-type: none"> Morning meetings at the factory, internal news, factory and Group briefings, annual employee survey 	<ul style="list-style-type: none"> Board meetings Regular discussions between the Chair of the Board and the CEO 	<ul style="list-style-type: none"> Operations and documentation in compliance with the law Meetings and other communication 	<ul style="list-style-type: none"> Press releases and pitches Readily available contact person Quick responses to inquiries



PROGRESS IN OUR SUSTAINABILITY WORK

SUCCESSSES AND LESSONS OF OUR DAILY SUSTAINABILITY WORK

In 2025, we made many great strides forward in sustainability and identified key areas for improvement that we will continue to address together in the future.

Resource efficiency and circular economy solutions are at the core of our operations, and we have made great progress in these areas. The share of recyclable products increased to 95% of our sales.

In addition, we have switched to fully certified raw materials for all our own fibre products. In 2025, we also launched the first cooking foil made from production side streams in Finland if not in all of the Nordic countries, with a carbon footprint less than half that of traditional aluminium foil. We also succeeded in reducing our use of plastic, particularly in pallet wrapping, and new investments improved the resource efficiency of our manufacturing.

During the year, we made refinements to our environmental policy, prepared a separate

human rights policy and assessed ESG risks and opportunities in more detail.

One of the most significant projects of the year was preparing for the EU Deforestation Regulation. The EU's shifting policies presented their own challenges during the preparations, but we proactively moved forward with implementation with both raw material suppliers and customers. We were delighted that the project received a very positive response from our customers.

During the year, areas for improvement also came to light, particularly on the themes of occupational safety and employee experience. There were a few instances of workplace accidents at our production facilities. Every accident serves as an important reminder to us that we must continuously improve occupational safety. We have implemented 6S measures and streamlined our workspace arrangements to prevent future accidents while recognising that the broader changes in our production require continued efforts

to improve safety. Our net promoter score among employees declined slightly, partly due to changes in our production. We will use the results of the in-depth employee survey conducted in early 2026 to improve our operations.

This is our second sustainability report prepared in accordance with the VSME Recommendation. Our initial report received a great deal of positive feedback. We welcome your continued feedback so that we can further improve our reporting practices.

Thank you for your interest in our sustainability work!

Sara Hokkanen
Chief Communications
and Sustainability Officer

Kaarina Kiema
Quality Director



“DURING THE YEAR, WE MADE REFINEMENTS TO OUR ENVIRONMENTAL POLICY, PREPARED A SEPARATE HUMAN RIGHTS POLICY AND ASSESSED ESG RISKS AND OPPORTUNITIES IN MORE DETAIL.”

HIGHLIGHTS OF 2025



Highest possible score in the international CDP assessment

The result was significantly influenced by our emissions calculations covering the entire value chain and our science-based climate targets, which guide our efforts to reduce emissions.



All our raw material suppliers have undergone our validation process and are committed to our Code of Conduct.

Fredman's baking paper received the highest rating (Very Good) by the German ÖKO-TEST.

ÖKO-TEST is an independent consumer magazine known for its rigorous testing and sustainability criteria.

Largest ever investments of one million euros in the development of production

We streamlined production and internal logistics processes at our Rauma plant and adopted new technologies to support them. This marks the most significant upgrade in operations in the company's nearly 30-year history.



Wood-based raw materials used in our own production are 100% certified.

Recertification of all ISO systems

- ISO 22000
- ISO/TS 22002-4
- ISO 9001
- ISO 45001
- ISO 14001

MATERIALITY OF SUSTAINABILITY THEMES

We carried out a double materiality assessment for the first time in 2024. We assessed the impacts of Fredman’s operations on people, nature and society, as well as the risks and opportunities presented by sustainability issues to Fredman’s business operations.

The themes identified as the most material in the assessment were resource efficiency and circular economy, climate change, own workforce, consumers and end users and ethical business conduct.

We review our materiality assessment every three years, unless there are significant changes in the operating environment or business operations that require a more frequent review of materiality.

OUR MATERIAL SUSTAINABILITY THEMES



Climate change



Resource efficiency and circular economy



Own workforce



Consumers and end users



Ethical business practices

We assessed our ESG risks during 2025

IDENTIFIED RISKS	MANAGEMENT MEASURES
Environmental impact of aluminium products	<ul style="list-style-type: none"> Using and favouring aluminium foil made from production side streams Material efficiency and promotion of recycling Responsible sourcing of raw materials, incl. ASI-certified suppliers
Climate and environmental risks of transports	<ul style="list-style-type: none"> Logistics optimisation and low-emission modes of transport Optimising packaging materials reduces CO₂ emissions and logistics risks
Occupational safety risks: accidents	<ul style="list-style-type: none"> Comprehensive safety guidelines and systems Everyday safety culture at the workplace
Supply chain risks (Asia)	<ul style="list-style-type: none"> Supplier risks (particularly in Asia) are managed through validation processes, audits and the verification of documentation. The measures have already helped reduce risks significantly Due to availability issues, we source only a small portion of our purchases from Asia and are working on switching to European suppliers also for these
Fuel oil tank leak	<ul style="list-style-type: none"> Oil tank inspections and oil level monitoring Contingency plans for accidents (to be updated during 2026)

OUR SUSTAINABILITY PROGRAMME

We want to contribute to the achievement of the UN Sustainable Development Goals (SDGs) by committing especially to the four goals listed below. We have assessed the UN SDGs from the perspective of our operations and prepared our own [Sustainability Programme](#) for 2025–2030. The following pages describe our sustainability themes and their targets and our progress toward them.








Learn more about our targets aligned with the UN SDGs [on our website](#).

Governance and financial sustainability metrics and progress toward the targets

SUSTAINABILITY THEME	OUR TARGET	TARGET YEAR	STATUS IN 2025 (2024)	PROGRESS TOWARD THE TARGET
We take care of the profitability and sustainable growth of our business. Read more	Operating profit more than 10%	2026	12.5% (1.5%, incl. Fredman Perfect Kitchen Oy)	●
We prefer Finnish and Nordic suppliers in our sourcing. Read more	At least 95% of our sourcing comes from European sustainability-certified suppliers.	2026	94% (92%)	●
	All our service providers are committed to our Supplier Code of Conduct	2027	New target set in 2026, 0%	●


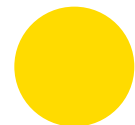




Social metrics and progress toward targets

SUSTAINABILITY THEME	OUR TARGET	TARGET YEAR	STATUS IN 2025 (2024)	PROGRESS TOWARD THE TARGET
We are improving our employee experience Read more	90% of our employees would recommend Fredman as an employer.	2030	69% (72%)	
	Minimum training hours 2.5 hours/year/employee	Annually	5.9 hours/year/employee (7.6 hours)	
0 accidents safety culture at the workplace Read more	0 accidents resulting in absences	Annually	3 total (0 total)	
We are truthful in our marketing Read more	0 accusations of greenwashing	Annually	0 total 0 total	
Our products are safe and comply with regulations Read more	0 product recalls	Annually	0 total 0 total	



Environmental metrics and progress toward targets

SUSTAINABILITY THEME	OUR TARGET	TARGET YEAR	STATUS IN 2025 (2024)	PROGRESS TOWARD THE TARGET
We respect natural resources and use them wisely Read more	90% of our turnover is derived from recyclable products (under the Finnish waste management system) and 70% from products made from renewable materials	2030	95% from recyclable products and 58% from products made from renewable materials. (80%, 58%)	
	95% of waste generated in our production is recycled.		82% of waste generated in our production is recycled (80%)	
We help slow down climate change Read more	Our science-based (SBTi) emissions reduction target is 42% of the figures for 2022	2030	Our Scope 1 and 2 emissions total 17.38 CO₂e. (14.54 CO ₂ e)	
We look after biodiversity Read more	Fredman's own fibre-based products are 100% certified	2025	100% (95%)	



SUSTAINABILITY LEADERSHIP AND MANAGEMENT

Fredman's Board of Directors and Management Team are committed to promoting sustainable development. The CEO and the Board of Directors approve the core principles and the most significant sustainability-related initiatives. Within the Management team, the Chief Communications and Sustainability Officer is in charge of sustainability work, and progress toward the targets is monitored on a quarterly basis.

The Chief Communications and Sustainability Officer and the Quality Director are responsible for strategic sustainability planning, identifying key areas for development and implementing agreed measures together with the rest of the organisation. Each Fredman employee is expected to follow responsible and sustainable practices in their day-to-day work.

We actively monitor industry legislation and collaborate with both the industry association (the Finnish Packaging Association SPY) and the sustainability experts of our customers and partners. We are also a member of the corporate responsibility network FIBS and use the services of external experts as needed to help develop our sustainability work and communications.

PRACTICES AND POLICIES

	Does the organisation have sustainability practices or policies that address any of the following sustainability issues?	Are they publicly available?	Do they include any targets?	More information
Climate change	✓	✓	✓	See the Sustainability Programme
Pollution	✗	✗	✗	Not material
Water and marine resources	✗	✗	✗	Not material
Biodiversity and ecosystems	✓	✓	✓	See the Sustainability Programme
Circular economy	✓	✓	✓	See the Sustainability Programme
Own workforce	✓	✓	✓	See the Sustainability Programme
Workers in the value chain	✓	✓	✓	See the Sustainability Programme
Affected communities	✗	✗	✗	Not material
Consumers and end users	✓	✓	✓	See the Sustainability Programme
Business conduct	✓	✓	✓	See the Sustainability Programme



GOOD GOVERNANCE AND FINANCIAL SUSTAINABILITY

GOOD GOVERNANCE IS THE FOUNDATION OF OUR SUSTAINABILITY WORK

SUSTAINABILITY THEME

We take care of the profitability and sustainable growth of our business

We develop our business in a profitable and financially sustainable manner. We conduct our business ethically, honestly and fairly. We communicate openly and transparently about our work. We have a responsibility to ensure our competitiveness for the benefit of our investors, owners, employees and other stakeholders.

Guiding management principles and ethical conduct

The Board of Directors is responsible for statutory duties as well as Group-level decisions on major investments and strategic projects. The Management team is responsible for promoting growth initiatives and oversees day-to-day operations and their development.

Our Code of Conduct outlines our values-based approach to business and guides everything we do. We require that all our employees follow these guidelines. Our suppliers are required to comply with Fredman Group's Supplier Code of Conduct to ensure responsible practices throughout the supply chain.

Fredman has never been fined or convicted of corruption or bribery.

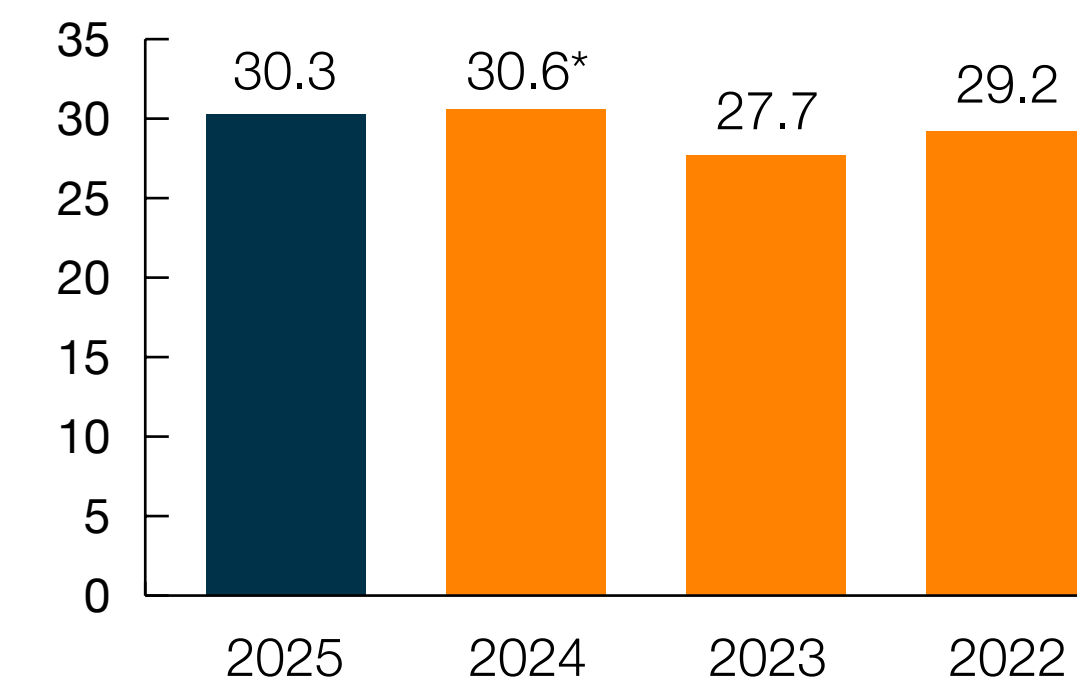
For us, 2025 was a year of steady growth and sustainable choices

Our turnover continued to grow, and the improvements in the Group's profitability demonstrated that our long-term measures are yielding results. We were able to continue to significantly increase our exports,

even as the turbulence and volatility in the global business environment required us to respond quickly to deliveries in line with customer needs. The historically significant investment in production at our Rauma plant improved efficiency and safety as well as our ability to meet growing demand, particularly in fibre-based and recyclable products.

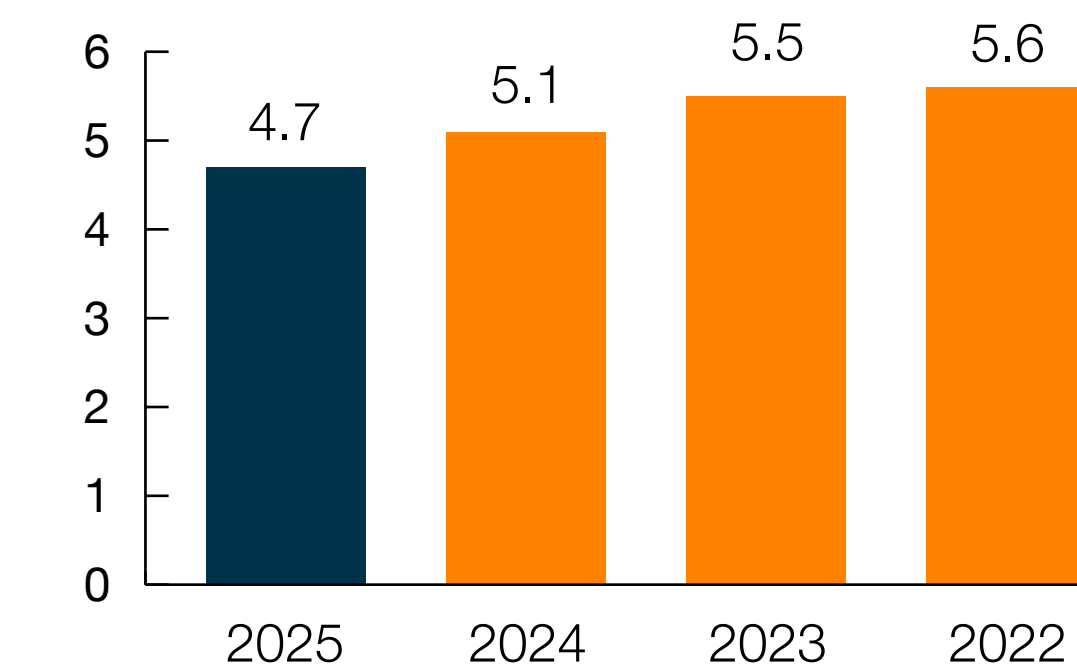
We are investing in improving the transparency of our supply chain and committed to working with Finnish and European partners. We want to maintain our Finnish origin as a strong competitive advantage and offer this as an option to our customers. With this value proposition, we aim to stand out in an increasingly competitive global market.

TURNOVER GROWTH (IN MILLIONS OF EUROS)



*Turnover for Fredman Perfect Kitchen Oy is included until 31 March 2024. The business was sold on 1 April 2024.

DEVELOPMENT OF PERSONNEL EXPENSES (IN MILLIONS OF EUROS)



OUTLOOK FOR 2026

We expect moderate growth for 2026 as the investments in production capacity made in recent years and our efforts to acquire new customers and pursue growth initiatives begin to yield results. The acquisition of Peltolan (paper bags) in early 2026 supports this development: the deal strengthens the company's position in the professional kitchen market, particularly in the bakery segment.

Our goal is to continue our growth trajectory in the future, and sustainability plays a key role in making this possible. Sustainable and certified products manufactured in Finland are increasingly valued by our customers and they also guide our long-term development. The growing demand for fibre-based and recyclable products strengthens our

competitiveness and supports our strategy. The combined effect of these factors, together with our high delivery reliability, gives us a significant advantage in an increasingly competitive global market.

However, geopolitical uncertainty and the indirect impact of rising oil prices may slow down the global economy, affecting our customers' purchasing power. Still, we believe that our value proposition—high-quality, sustainable products made in Finland—will continue to hold up even in uncertain times. Our stable financial position provides a solid foundation for the long-term and systematic development of our operations.

Jari Lepo
CFO & Head of HR



WE SOURCE OUR RAW MATERIALS LOCALLY

SUSTAINABILITY THEME

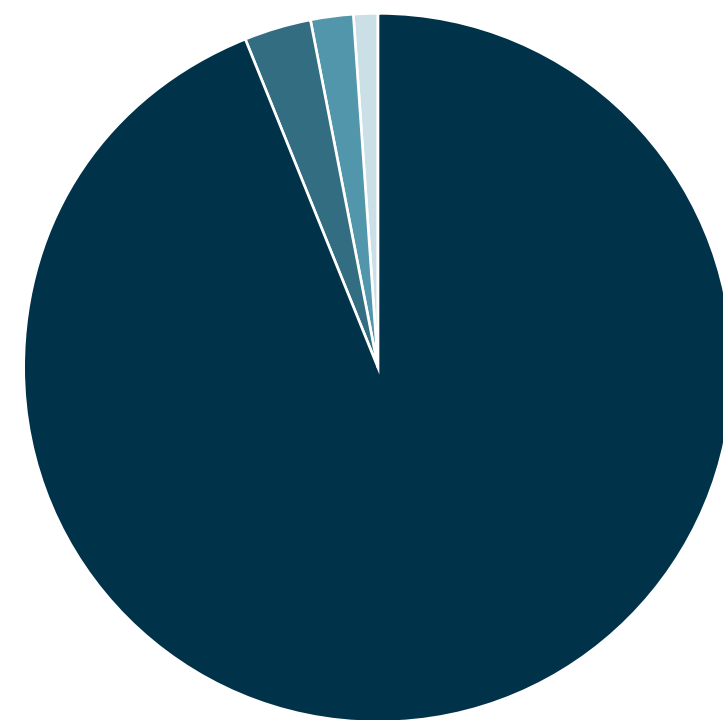
We prefer Finnish and Nordic suppliers in our sourcing

The sourcing of various raw materials is a central part of our operations. We have strict requirements for our suppliers in the areas of food safety and sustainability, especially with regard to human rights.

All our raw material suppliers have undergone our validation process and signed our Supplier Code of Conduct.

In our sourcing, we give priority to suppliers in Finland and the Nordic countries, followed by other parts of Europe. In 2025 due to supply constraints, a small portion of our raw materials was sourced from countries such as China (2%). We are actively seeking alternative suppliers in Europe for these materials.

PURCHASES BY REGION OR COUNTRY



- Europe 94%
- Turkey 3%
- China 2%
- United States 1%



OUR SUPPLY CHAIN IS EFFICIENT AND TRANSPARENT



SOURCING

- Raw materials for own production and traded finished products.
- We primarily source materials from Finland, followed by other EU countries.



LOGISTICS

- The majority of materials are delivered to our production plant by truck.
- About a third of our Finnish partners are local to the Satakunta region.
- Our freight carriers are long-standing Finnish partnerships.

FREDMAN'S OWN OPERATIONS



PRODUCTION

- Food contact materials are manufactured in compliance with safety regulations and conformity.
- Quality II products are sold in our factory shop.



WAREHOUSE & DISTRIBUTION

- Products are mainly stored in the factory warehouse.
- Our products have high delivery reliability.
- Products for export are packaged directly into units suitable for marine containers. Our factory is situated less than 20 km from the Port of Rauma.



USE

- Our largest customers are wholesalers and central stores.
- Our products are used by consumers and foodservice operators.
- All of our products are traceable.



RECYCLING

- Recyclability is taken into consideration in the development of new products.
- All our product packaging is recyclable.
- We take care of our producer responsibilities related to our packaging.



SOCIAL SUSTAINABILITY

EMPLOYEES ARE CENTRAL TO OUR SOCIAL SUSTAINABILITY

SUSTAINABILITY THEME

We are improving our employee experience

Skilled, motivated and healthy employees are the foundation of our operations. Fredman employs 64 professionals in Rauma and Espoo.

We see the diversity of our workforce as a source of strength. Our goal is for every Fredman employee to be healthy, grow professionally and be able to influence their own work. The values that guide our work— together, boldly and responsibly—are reflected in our day-to-day operations and leadership. Employee turnover remains extremely low at just 6%.

Focus areas for 2025

The development measures taken in 2025 were based on the results of the employee survey and grouped into three main themes:

- Leadership during times of change
- Healthy and safe workplace
- Well-functioning work community

These themes particularly supported the significant investments in equipment and processes made at the plant which transformed our way of working. The new technologies adopted for our production processes have significantly reduced our employees’ physical workload.

Throughout the year, we supported the work of supervisors by streamlining day-to-day operations and interaction and by conducting a 360-assessment of senior management. We have planned measures for 2026 to improve supervisory work in middle management.

We continued to improve working conditions in close collaboration with employees and occupational safety and health professionals. We strengthened the role of occupational health, particularly in terms of supporting changes and maintaining work ability.

Promoting employee well-being

For us, job satisfaction means that employees enjoy coming to work to a positive atmosphere, their duties are manageable and they feel supported and empowered by their supervisor. For most of our specialist and administrative positions, we offer flexible working hours and the option to work remotely. Our goal is to ensure a healthy work-life balance and efficient use of working hours. For our employees who have turned 55 years of age, we offer a programme designed to improve the work ability, well-being and resilience of older employees.

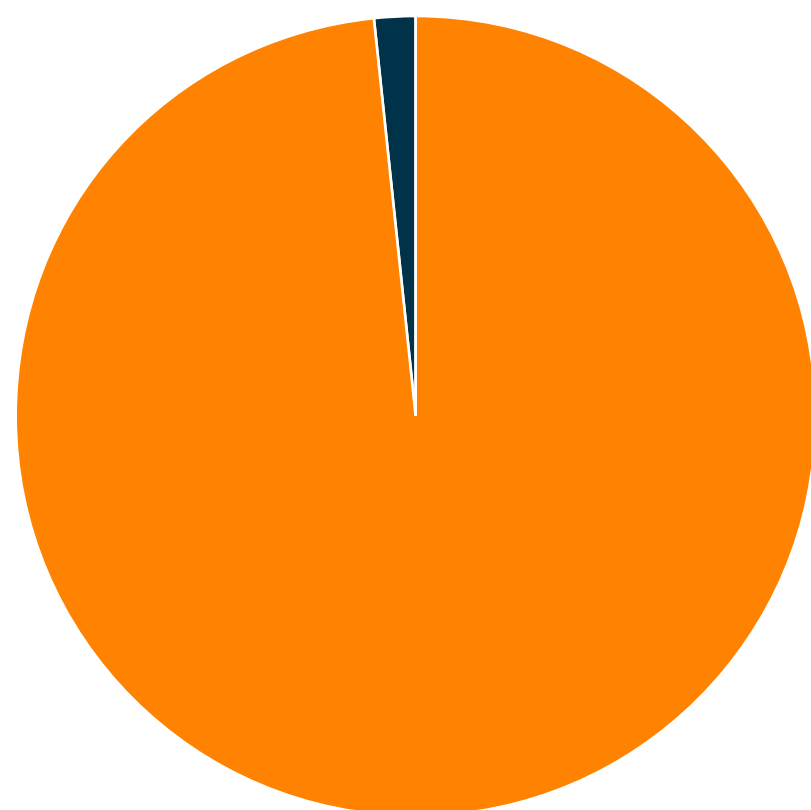
We support well-being both at work as well as outside work. Our employees have access to comprehensive occupational health care services. Through our occupational health care provider, employees have access to a mental health first-aid kit that supports well-being, recovery and resilience. It offers easy-to-adopt solutions as well as content prepared by experts. In addition, employees have access to Epassi employee benefits, which can be used for sports, culture and wellness services. In 2025, we also introduced a bicycle benefit at our employees’ request. Through these measures, we want to encourage a smooth everyday life and healthy choices.



OUR PERSONNEL IN NUMBERS

WE EMPLOY 64 SKILLED PROFESSIONALS

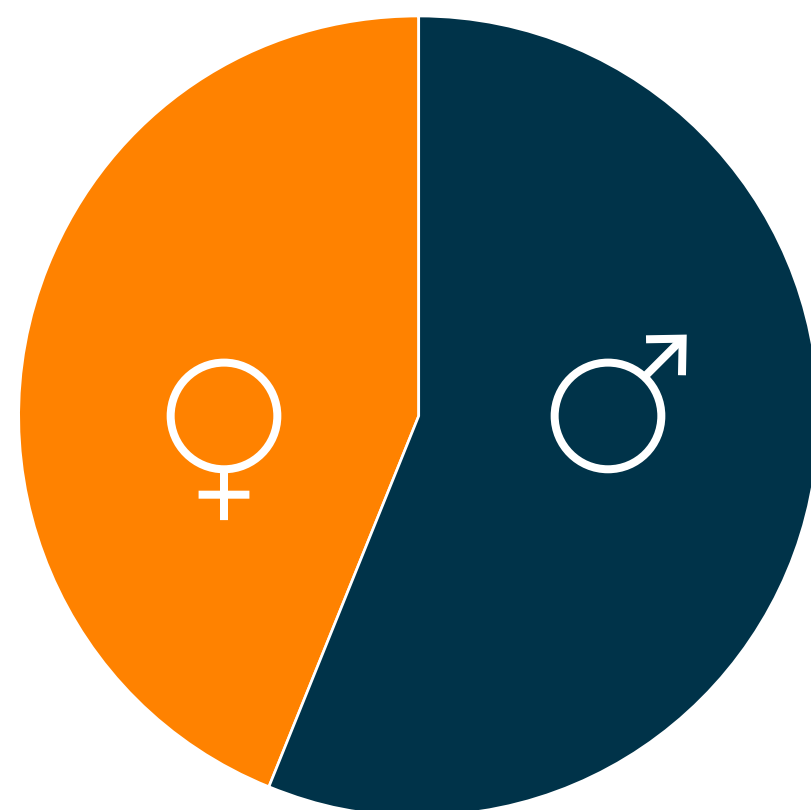
EMPLOYMENT TYPE



- Employed until further notice 98%
- Fixed-term contract 2%

- In 2025, our employee turnover rate was 6%.
- All our employees have employment contracts drawn up in Finland.
- We did not hire any self-employed persons or temporary workers through recruitment agencies in 2025.

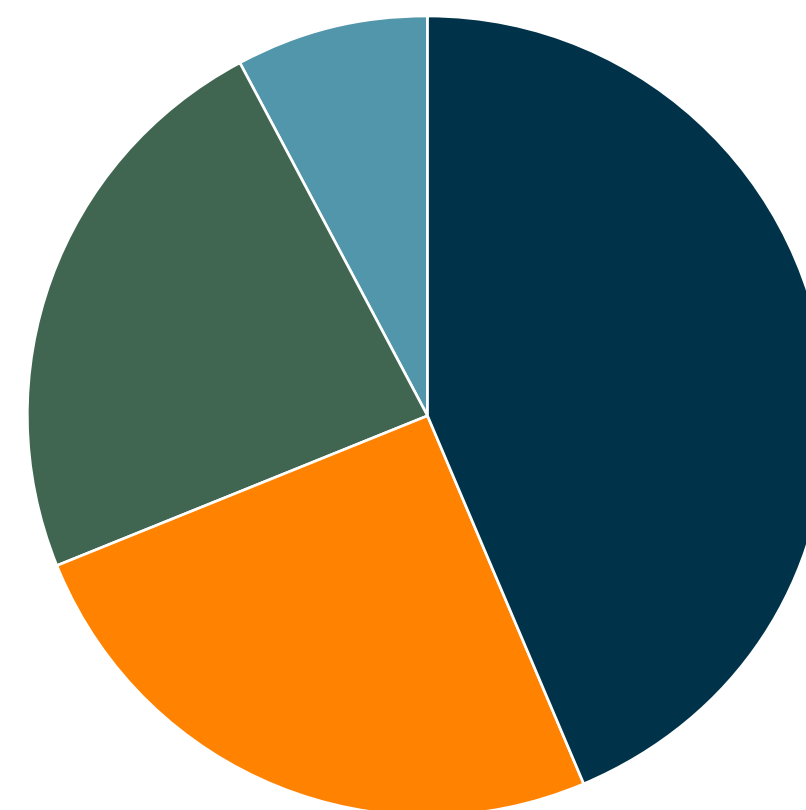
GENDER BALANCE



- Men 56%
- Women 44%

- Fredman Group's Management team consists of two women and five men.
- The Board of Directors consists of one woman and four men.

AGE DISTRIBUTION



- Aged 18-35: 8%
- Aged 36-45: 26%
- Aged 46-55: 45%
- Aged over 56: 24%



WE ARE COMMITTED TO ETHICAL CONDUCT

Our Code of Conduct is grounded in our values and describes the kind of organisation we aspire to be, what ethical conduct means to us and what are the rules we are committed to upholding.

We are not aware of any human rights violations involving our own workforce, other workers in our value chain, affected communities in the regions in which we operate or our consumers or end users.

We encourage speaking up about misconduct

We encourage employees to report if they have concerns about behaviour that violates our Code of Conduct. As the first course of action, we encourage employees and other stakeholders to discuss any concerns they may have with a supervisor or a Fredman representative.

Fredman has an anonymous whistleblowing channel that is open to the public. The channel is available [on our website](#). All reports of suspected misconduct, safety observations and other feedback submitted in good faith will be investigated and responded to appropriately as necessary.

We reinforced our human rights principles with a separate policy

Our human rights policy is based on the UN Guiding Principles on Business and Human Rights and covers both our own operations and our value chain as a whole. The goal of the policy is to ensure that human rights are respected and continuously developed and that any risks related to human rights are identified.

Contents of the human rights policy:

- Fundamental human rights
- Monitoring of human rights and equality
- Non-discrimination and equality
- Safe and fair terms and conditions of employment
- Human rights in the supply chain
- Right to privacy
- Prohibition of forced labour and child labour

Our human rights commitment is available in full [on our website](#).

Contents of the Code of Conduct:

1. COOPERATION AND RESPECT FOR PEOPLE

- Respect for human rights
- Occupational safety and well-being
- Fair terms of employment
- Equal opportunity and prohibition of discrimination
- Privacy and confidentiality

2. SUSTAINABLE BUSINESS PRACTICE

- Respect for the environment
- Avoidance of conflicts of interest
- Gifts and hospitality
- Ban on corruption and prevention of abuse
- Fair competition
- Product safety
- Reputation protection

3. REPORTING VIOLATIONS

WE SUPPORT OUR EMPLOYEES' DEVELOPMENT THROUGH TRAINING

We prepare an annual training curriculum as part of our statutory personnel development plan. Training combines the specific needs of each team with the organisation's overall development goals.

In 2025, our training programmes emphasised first aid skills:

- At the Rauma plant, 12 employees completed a two-day basic first aid (EA1) training course.
- At the Espoo head office, 10 employees completed the Finnish Red Cross first aid course.

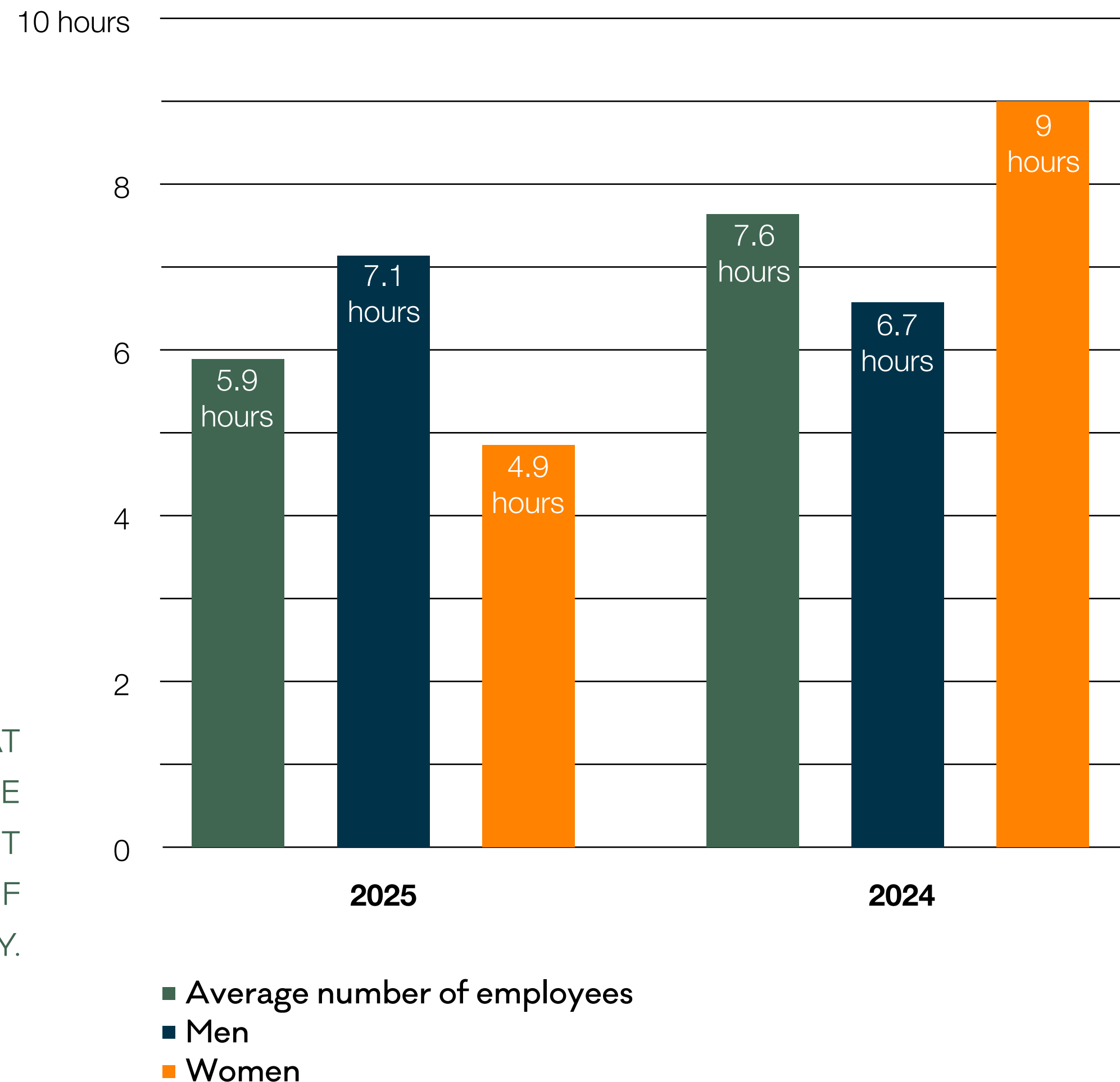
We also organised internal training sessions for employees and management on sustainability and the use of AI, among other themes.

As part of the investments to the factory, production staff also received on-the-job training on the new technologies and equipment. This training is not included in the reported total training hours, but it has been crucial for the purposes of developing production and ensuring a smooth transition.

The minimum pay for our employees is set by the collective agreement. 72% of all our employees are fully covered by collective agreements.

OUR GOAL IS THAT EVERY EMPLOYEE COMPLETES AT LEAST 2.5 HOURS OF TRAINING ANNUALLY.

NUMBER OF HOURS OF TRAINING EXCEEDS TARGET LEVEL



WE INVEST IN HEALTH AND SAFETY

SUSTAINABILITY THEME

We develop our workplace safety culture

In 2025, we focused on improving workplace safety. We introduced weekly safety discussions aimed at increasing openness and proactive risk management in day-to-day work as well as encouraging a more dialogue-oriented workplace safety culture.

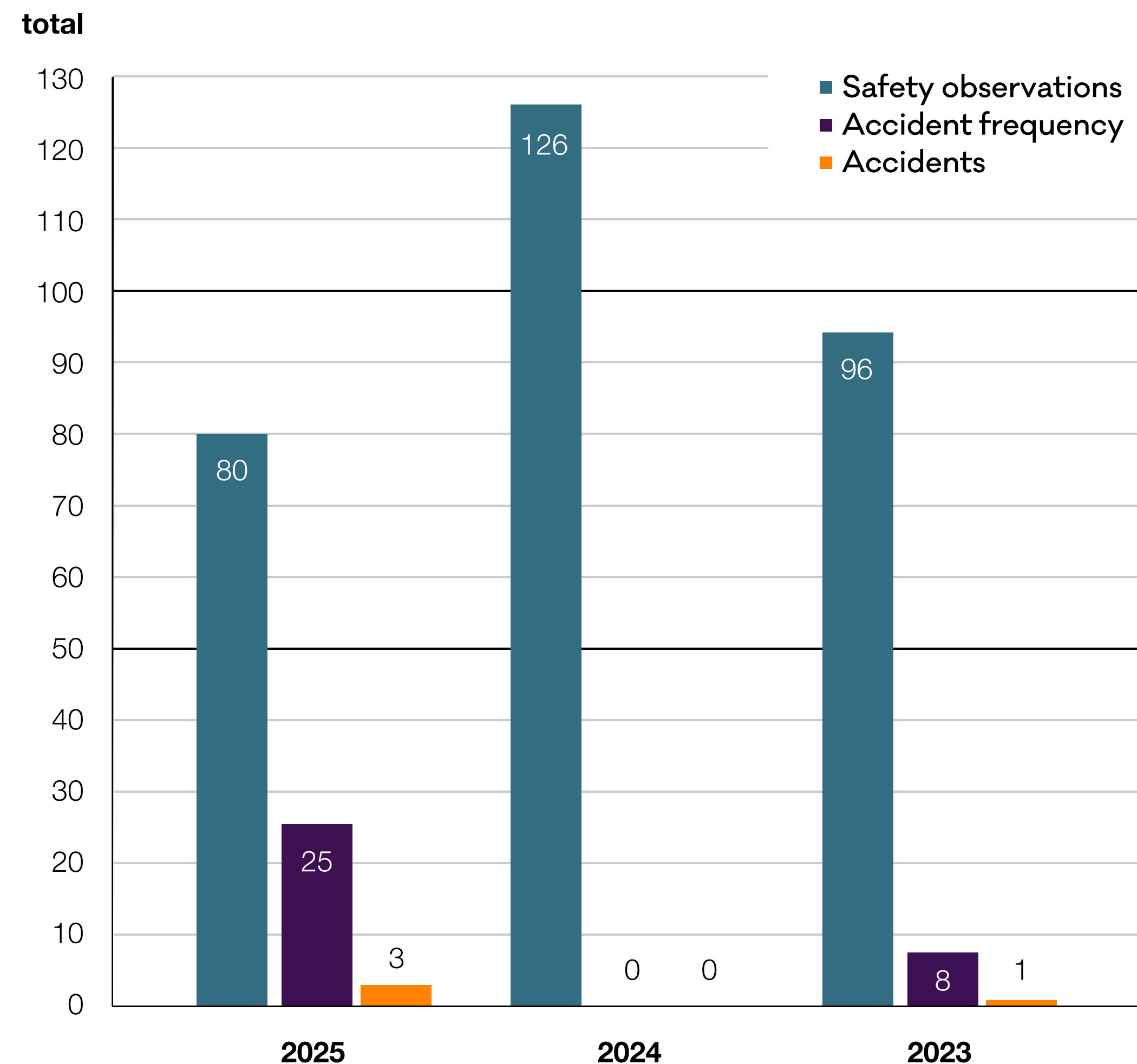
In addition, we carried out noise measurements of workstations and developed measures to control noise levels to improve both well-being at work and occupational safety.

We also improved safety through investments that increase automation in production, reducing the risks associated with manual

work stages and improving the management of material flows. At the same time, we streamlined the layout of the production floor and access routes, which reduces the risk of collisions and slip and fall accidents and promotes smooth and safe working conditions. Thanks to the new automated forklift, other forklift traffic on the production floor can be eliminated nearly entirely.

With these measures, we promote a safer working environment where the well-being of employees and the minimisation of risks are our top priorities.

SAFETY OBSERVATIONS HAVE AN IMPORTANT ROLE IN PREVENTING WORKPLACE ACCIDENTS



The more safety observations there are, the smaller the number of accidents. There has never been an accident resulting in death at our company.

OUR PRODUCTS MEET STRICT SAFETY AND QUALITY REQUIREMENTS

SUSTAINABILITY THEME

Our products are safe and comply with regulations

As a manufacturer of food contact materials, product safety is our top priority. Our goal is to ensure that every one of our products meets strict safety and quality standards and is suitable for handling food reliably and safely.

During 2025, we improved product safety through several development initiatives. We imposed stricter documentation requirements for raw materials, which improves both the traceability of materials and the assurance of compliance throughout the supply chain.

We also developed our Hazard Analysis and Critical Control Point (HACCP) system by refining our risk assessments and improving process control, reducing risks related to product safety.

In addition, we defined and documented the competency requirements for production tasks to ensure that all our employees possess the skills needed in their role and know how to work safely.

These measures enable us to constantly improve the safety and reliability of our products and ensure that our operations meet the highest industry standards.



WE ARE TRUTHFUL IN OUR MARKETING

SUSTAINABILITY THEME

Our marketing is honest and factual

RELIABLE AND FACTUAL MARKETING

Reliable product information and marketing are an essential part of Fredman's way of doing things.

We want to ensure that consumers and other end users of our products have access to clear, accurate and easily accessible information about our products and how to use them and their environmental impact.

This encourages carefully considered purchasing decisions based on informed choices.

COMMUNICATION THAT IS FACT-BASED AND RESPECTS THE USER

All of Fredman's communications are based on transparency and facts.

Product labelling is a key marketing channel for us, which is why we place particular emphasis on its clarity and comprehensibility.

Users should be able to recognise the product's intended use and key features, recycling instructions and our contact information as easily as possible.

CLEAR PACKAGING LABELS AND RECYCLING INSTRUCTIONS

It is important for us to ensure that our packaging labels are up-to-date and easy to understand.

Clear recycling instructions help end users sort both the packaging and the product correctly.

Clearly visible product names and size labels help consumers easily identify the right product when making a purchase.

ACCURACY AND VERIFIABILITY OF ENVIRONMENTAL CLAIMS

We do not make environmental claims without sufficient evidence.

We ensure that all claims about our products are based on proven evidence and, where necessary, verified by an independent third party.

THIRD-PARTY CERTIFICATIONS AS PART OF TRANSPARENCY

We mainly communicate about the environmental properties of our products through recognised and independent eco-labels. These include the Nordic Swan Ecolabel on the environmental life cycle impacts of products and the FSC and PEFC certifications on the origin of wood.

With these labels, our customers can be confident that the information about the environmental properties of our products is objective and verified.



ENVIRONMENTAL SUSTAINABILITY

WE ARE COMMITTED TO REDUCING OUR EMISSIONS

SUSTAINABILITY THEME

We help slow down climate change

We identified climate change as a material sustainability theme in our double materiality assessment.

Our operations produce emissions, particularly from the procurement of raw materials. We are committed to reducing our emissions and have set emission reduction targets that are in line with the Paris Agreement. The company has not been excluded from any EU benchmarks aligned with the Paris Agreement.



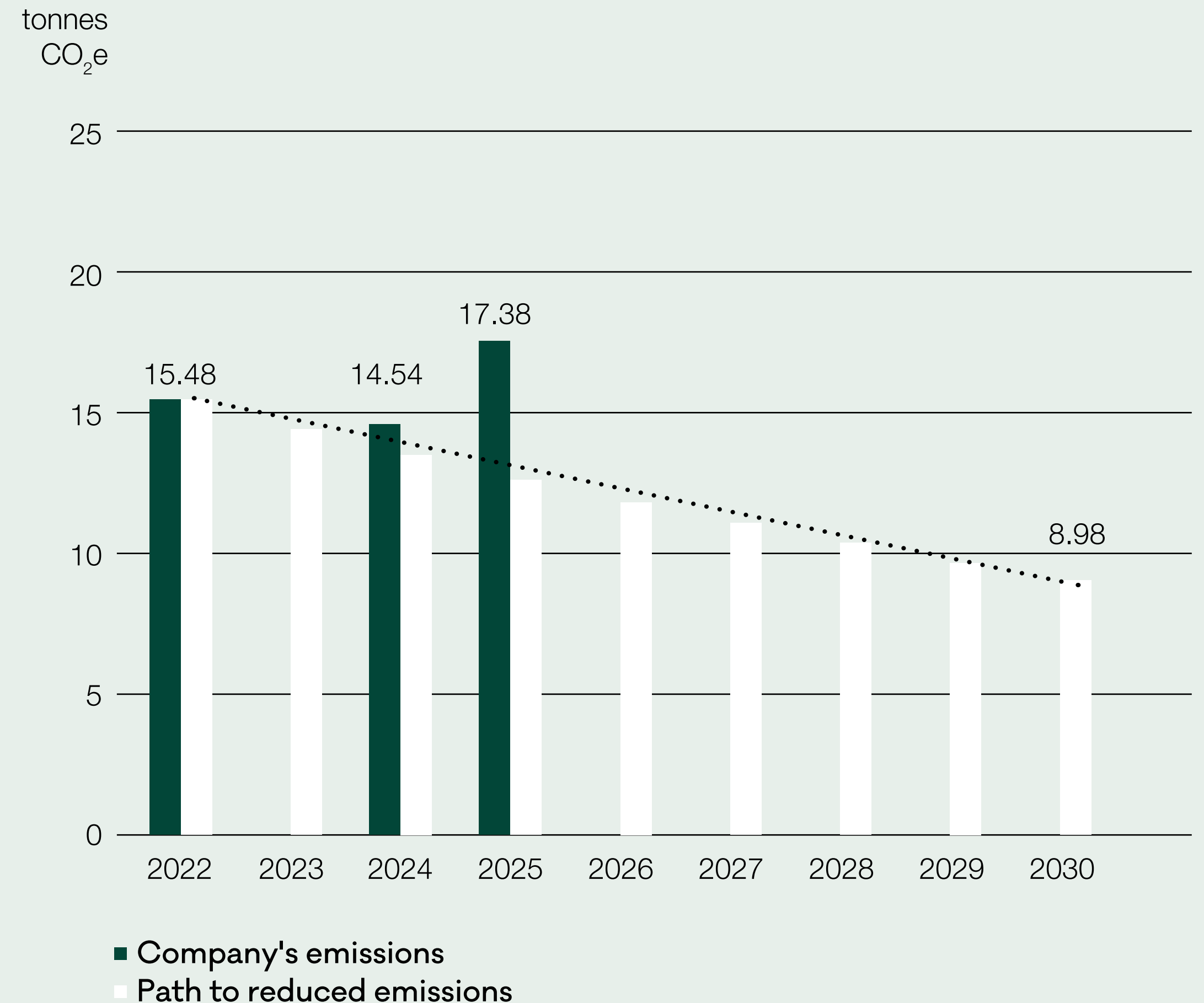
SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Our climate target received approval from the Science Based Targets Initiative in 2024. In line with science-based climate targets, Fredman is committed to:

- Reduce absolute Scope 1 and 2 CO₂ emissions from own operations in Fredman companies by 42% by 2030 compared to the baseline year 2022.
- Measure and reduce other indirect emissions in the value chain (Scope 3).

FREDMAN'S EMISSIONS REDUCTION TARGET (SCOPE 1 & 2)



Plan to reduce GHG emissions

The energy supplier for Fredman’s head office in Espoo has plans to transition to fully carbon-neutral energy by 2030 which, if implemented, would reduce emissions from our own operations by an estimated 41%.

We are constantly improving energy efficiency in our production operations and facilities through measures such as process optimisation and upgrades of equipment and machinery. At the same time, we are moving forward with the electrification of our vehicle fleet, which supports the long-term reduction of our total emissions.

Together, these measures form Fredman’s roadmap toward more low-carbon operations and support our long-term climate goals.

The vast majority of our emissions are made up of Scope 3 emissions, particularly from the procurement of raw materials. For example, aluminium emissions are one of our largest single sources of emissions. To reduce our Scope 3 emissions, we favour raw materials with lower emissions and use production side streams in our manufacturing. In 2025, we launched Folio Plus, the first aluminium foil made from production side streams in Finland, with emissions less than half of that of normal aluminium foil.

Climate risks and their impact on operations and financial performance

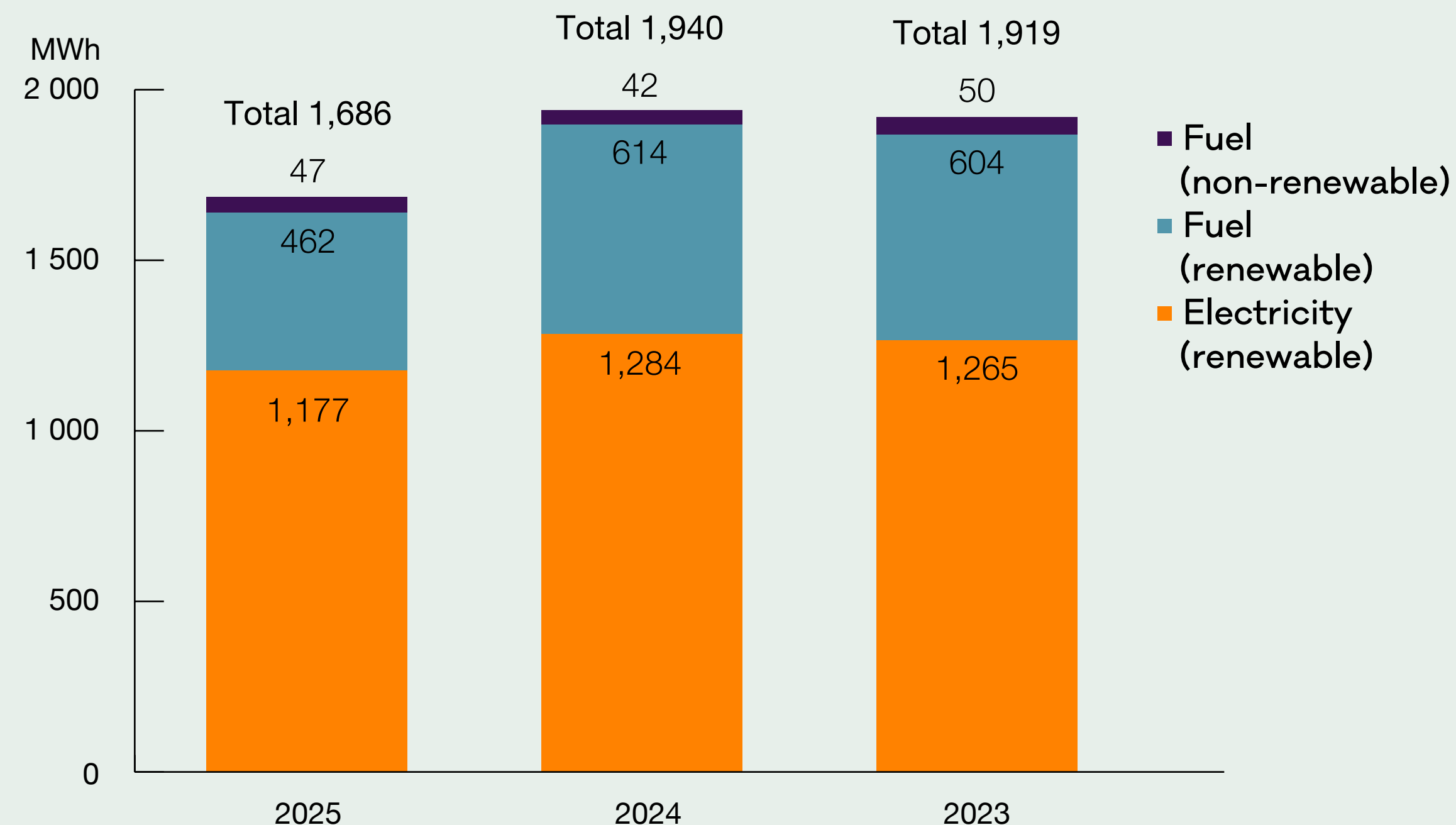
We have so far not identified any clear or significant adverse impacts related to climate change on Fredman’s financial performance or business operations. In the long term, however, fluctuations in coffee crops caused by climate change may affect the availability and price of coffee, which in turn could cause shifts in consumer behaviour and impact the demand for coffee filters. We actively monitor developments in the coffee market to ensure that our product range continues to meet our customers’ needs despite changes in the market.

Emissions from our own operations increased slightly

In 2025, our Scope 1 emissions increased mainly due to three factors: larger number of leased vehicles, higher total kilometres driven and increased overall fuel consumption.

In 2024, our GHG emissions intensity was 704.43 tCO₂e. As we did not calculate our Scope 3 emissions for 2025, we cannot reliably report the GHG emissions intensity for these.

TOTAL ENERGY CONSUMPTION

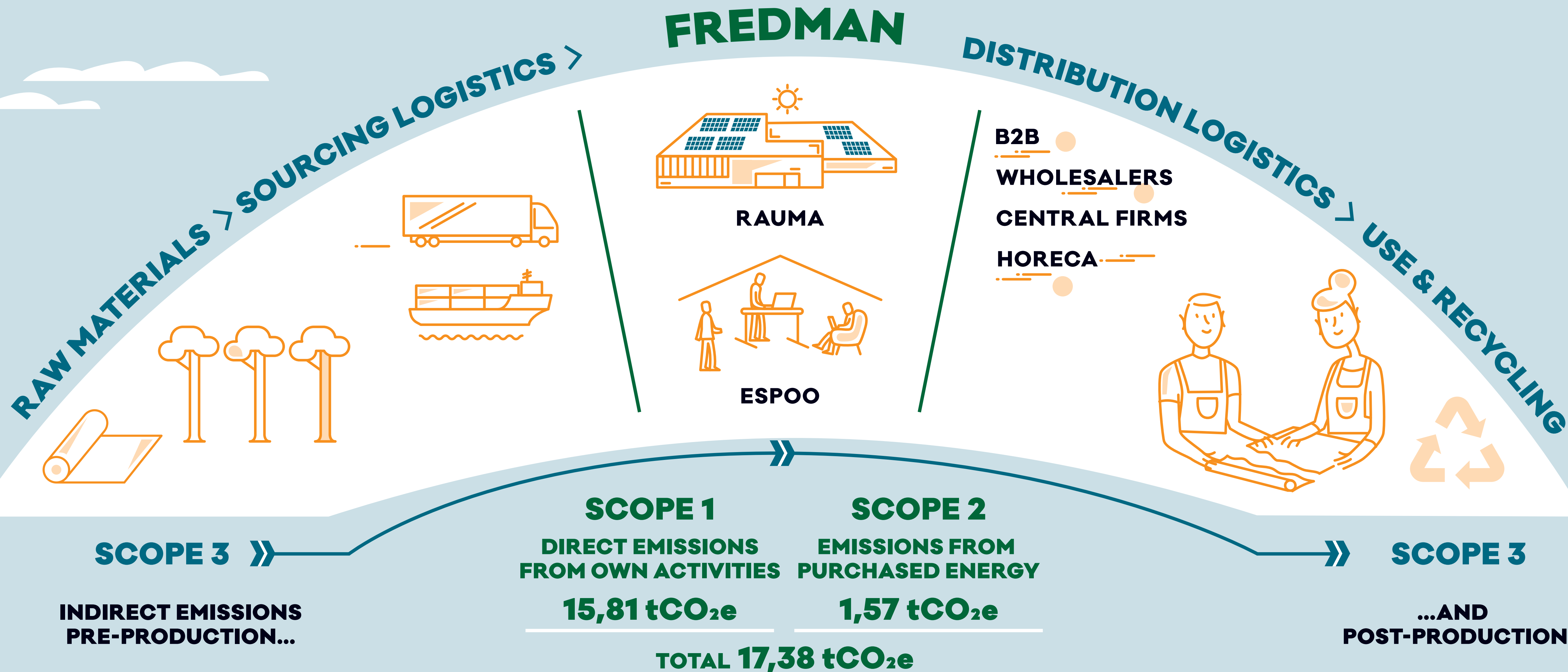


GREENHOUSE GAS EMISSIONS (tCO₂e)

	2025	2024	2022
Scope 1	15.81	12.69	9.08
Scope 2	1.57	1.85	6.4
Scope 3*	not calculated	21,534.03	25,003.51
Total	17.38	21,548.57	25,018.99

* calculated every two years

HOW OUR CLIMATE IMPACT IS CALCULATED



WE ACHIEVED OUR GOAL OF SUPPORTING BIODIVERSITY

SUSTAINABILITY THEME

We look after biodiversity

We achieved our goal on schedule: Fibre-based raw materials used in Fredman’s own production were 100% certified at the end of 2025. The FSC® and PEFC certifications guarantee that our wood-based products are sourced from responsibly managed forests where environmental values, social rights, and economic sustainability are taken into account.

Our choice of raw materials plays a significant role in protecting biodiversity: products made from wood fibre are a key part of our

product range, and the EU Deforestation Regulation classifies wood as a high-risk commodity. That is why it is essential to us that our products do not cause or contribute to deforestation. We began developing our due diligence system well in advance and have established a digital traceability system in accordance with the requirements of the EU Deforestation Regulation.

Fredman does not own, manage or lease properties in or near areas that are sensitive to biodiversity, in other words areas subject to special national or international nature conservation regulations.



WE RESPECT THE CAREFUL USE OF NATURAL RESOURCES

SUSTAINABILITY THEME

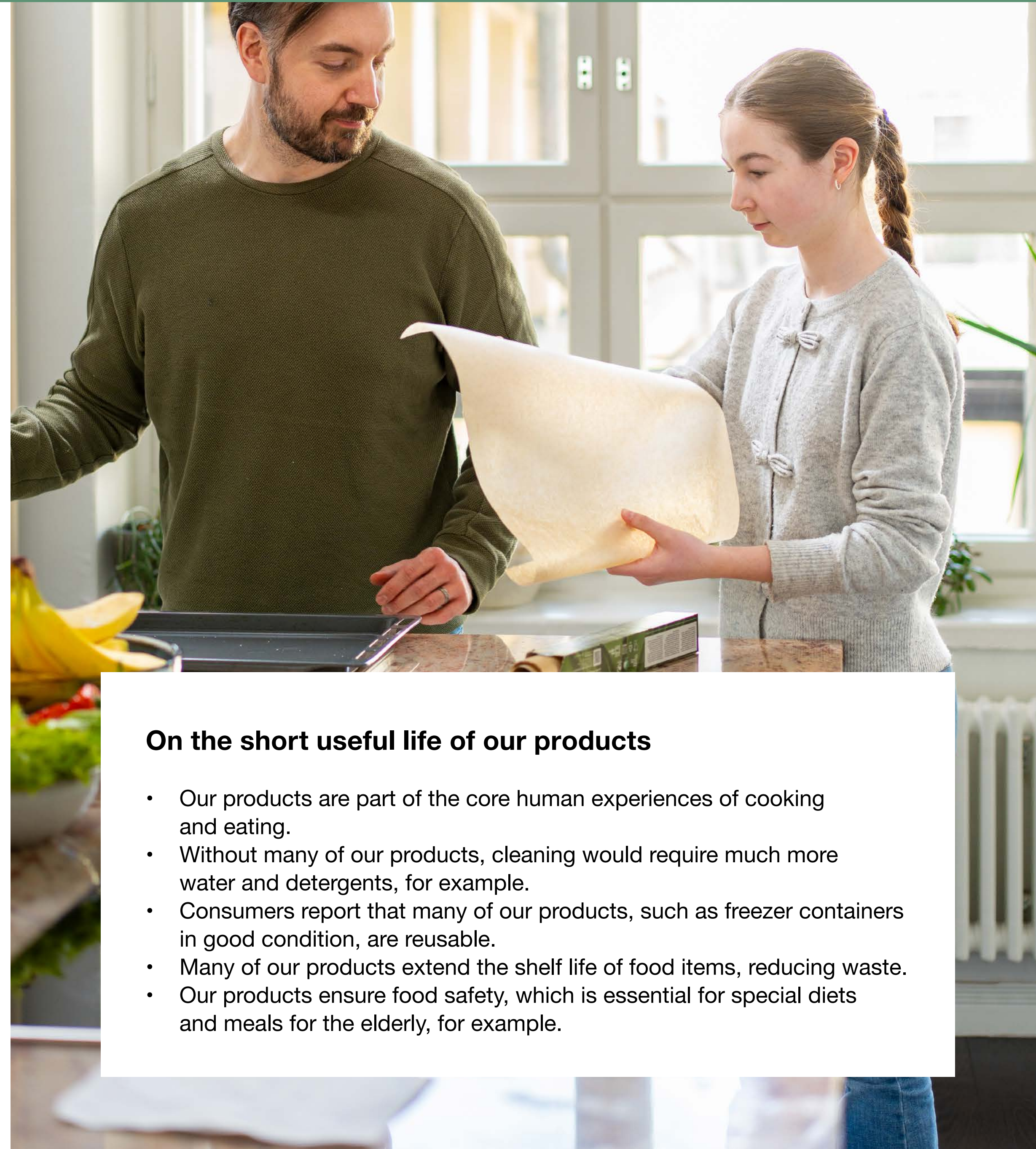
We respect natural resources and use them wisely

As a processor of raw materials, we promote the circular economy by focusing on the efficient use and recycling of materials.

We optimise the use of raw materials by reducing waste in our production through careful planning from the very first stages of product development. Production side streams are reused whenever possible: for example, left-overs from cutting Fredman coffee filters into shapes are reused as new materials for coffee filters. Second-quality products are sold at our factory shop.

In our product packaging, we prefer single-material, easily recyclable options. We replace fossil fuel based raw materials with renewable materials and use certified and traceable raw materials to ensure sustainability.

Currently, 95% of our sold products are recyclable (under the Finnish waste management system), and more than 50% are also made from renewable raw materials. We are taking steps to reduce production waste and increase our recycling rate to ensure materials remain in circulation for as long as possible.



On the short useful life of our products

- Our products are part of the core human experiences of cooking and eating.
- Without many of our products, cleaning would require much more water and detergents, for example.
- Consumers report that many of our products, such as freezer containers in good condition, are reusable.
- Many of our products extend the shelf life of food items, reducing waste.
- Our products ensure food safety, which is essential for special diets and meals for the elderly, for example.

WASTE UTILISATION

	Waste generated (tonnes)	Waste diverted from final disposal (tonnes)
NON-HAZARDOUS WASTE		
Biowaste	0.6	0.6
Energy	106.7	106.7
Cardboard	24.4	24.4
Clear plastic film	0,0	0.0
Cardboard	57.8	57.8
Packaging glass	0.0	0.0
Metal	13.8	13.8
Packaging plastic	6.2	6.2
Mixed waste	0.18	0.18
Waste electrical and electronic equipment	0.1	0.1
Coloured plastic film	1.9	1.9
Paper	404.9	404.9
Construction waste	2,2	2.2
HAZARDOUS WASTE		
Hazardous waste*	3.4	0.5
Total	622	619.1

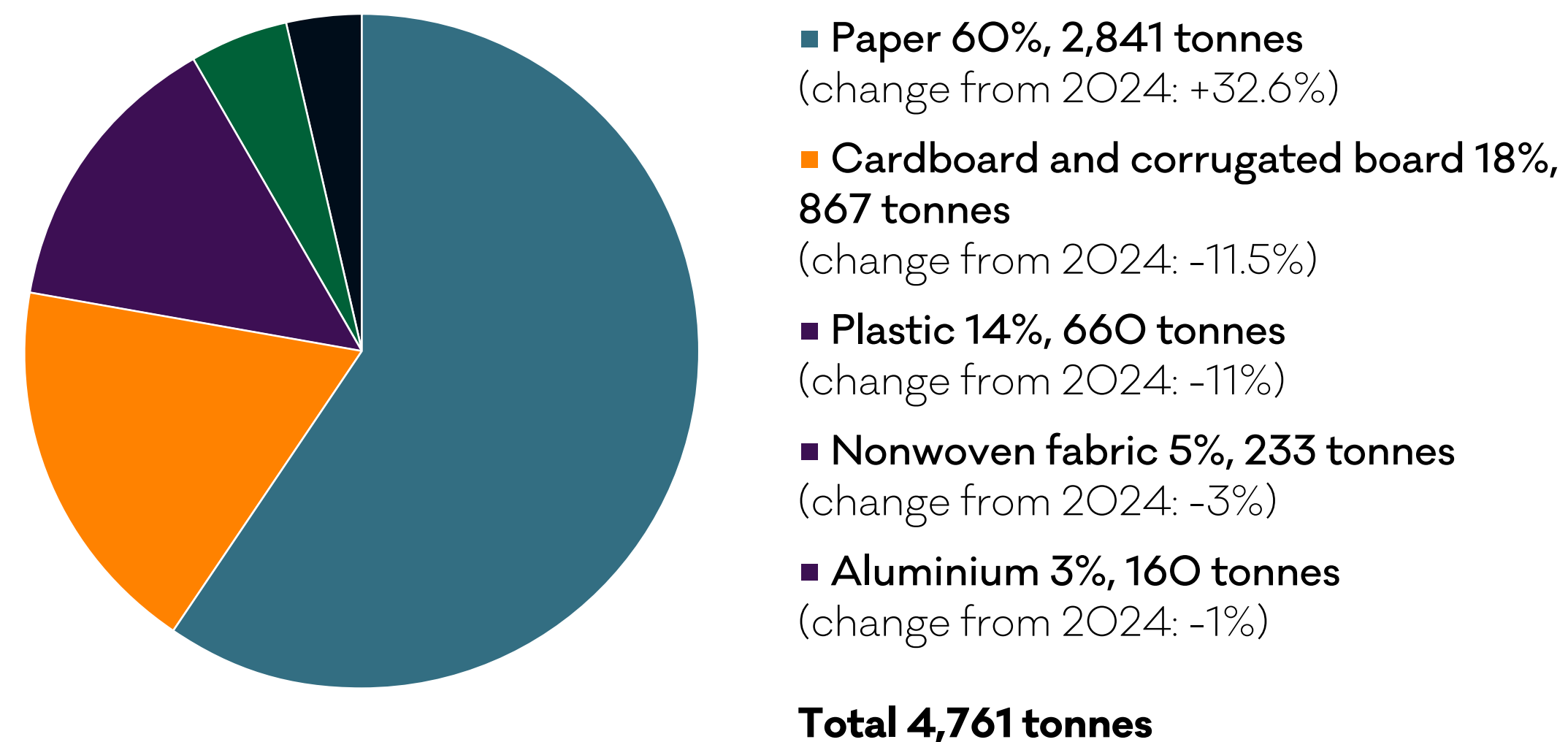
* Waste destined for final disposal (tonnes) 2.98

WATER CONSUMPTION AT THE FACTORY, 2023-2025

Water is used in social facilities. The production process at Fredman’s factory does not use water.

WATER CONSUMPTION	2025, E.G., M ³	2024, E.G., M ³	2023, E.G., M ³
All facilities	666	748	675
Areas with high water stress	0	0	0

MATERIALS MASS FLOW 2025



REPORTING PRINCIPLES

This is Fredman Group's Sustainability Report for 2025. We apply the European Union's Voluntary Sustainability Reporting Standard for non-listed SMEs (VSME). The report covers the basic and comprehensive modules of the VSME.

Requests for information have been answered on the basis of their materiality. No requests for information have been left unanswered due to the sensitive nature of the information or non-disclosure obligations. The financial metrics presented in the report are based on the Report of the Board of Directors and financial statements certified by the auditing firm KPMG Oy Ab. The Sustainability Report has been approved by Fredman's Management Team and Board of Directors.

This report has been prepared at the Group level and covers the following companies:

- Fredman Group Oy,
Itsehallintokuja 6, 02610 Espoo, Finland
- Fredman Operations Oy,
Eurajoentie 10, 27230, Lappi, Finland
- Fredman Professional Kitchen Oy,
Itsehallintokuja 6, 02610 Espoo, Finland



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On the food side

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