



FINANCIAL STATEMENTS 2025

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REPORT OF THE BOARD OF DIRECTORS

The Group's net sales in 2025 totaled EUR 175.5 million (EUR 204.6 million), a decrease of 14.2 percent from the previous year. The Group's operating profit for 2025 was EUR 17.3 million (EUR 13.7 million) and accounted for 9.8 percent (6.7%) of sales. The Group's financial income and expenses totaled EUR 0.3 million (EUR 1.4 million). The Group's profit before taxes was EUR 17.6 million (EUR 15.1 million). The result for the financial year was EUR 12.9 million (EUR 12.1 million). The Group's comprehensive income was EUR (13.5) million (EUR 11.6 million). Undiluted earnings per share were EUR 2.12 (EUR 1.96) and diluted earnings per share were EUR 2.06 (EUR 1.91). Return on equity was 24.0 percent (27.5%).

Raute publishes alternative performance measures (APMs). These performance measures provide complementary information to investors and company management about the company's financial position and development. In this report, two APMs are presented: Comparable EBITDA and EBITDA. The APMs definitions can be found in the tables section of this report (page 13).

In this report, the figures presented in parentheses refer to the corresponding figures for the previous financial years 2024 and 2023.

Key ratios describing the group

EUR 1,000	2025	2024	2023	2022	2021
Net sales	175,539	204,583	145,416	158,324	142,212
Change in net sales, %	-14.2	40.7	-8.2	11.3	23.7
Exported portion of net sales	105,622	172,407	132,293	141,830	130,548
% of net sales	60.2	84.3	91.0	89.6	91.8
EBITDA, Meur	23,561	19,124	6,781	-9,689	2,071
Comparable EBITDA, Meur	26,136	19,785	9,273	-2,258	3,479
% of net sales	14.9	9.7	6.4	-1.4	2.4
Operating profit	17,255	13,720	1,863	-14,642	-2,244
% of net sales	9.8	6.7	1.3	-9.2	-1.6
Result before tax	17,603	15,134	1,795	-13,814	-1,772
% of net sales	10.0	7.4	1.2	-8.7	-1.2
Result for the financial year	12,946	12,111	1,350	-11,513	-1,775
% of net sales	7.4	5.9	0.9	-7.3	-1.2
Return on investment (ROI), %	32.5	31.5**	6.6	-29.9	-2.7
Return on equity (ROE), %	24.0	27.5	4.4	-40.4	-4.8
Balance sheet total	107,336	136,001	135,405	92,053	110,676
Interest-bearing net liabilities	-37,973	-51,887	-39,419	6,721	-12,244
% of net sales	-21.6	-25.4	-27.1	4.2	-8.6
Non-interest-bearing liabilities	46,033	78,025	88,001	56,735	64,065
Equity ratio, %	65.7	55.2	50.2	36.6	44.3
Gearing, %	-65.5	-104.4	-102.7	29.4	-35.9
Gross capital expenditure	4,586	2,799	4,486	6,572	6,297
% of net sales	2.6	1.4	3.1	4.2	4.4
Research and development costs	4,837	5,341	5,215	6,295	4,919
% of net sales	2.8	2.6	3.6	4.0	3.5
Order book, EUR million	98	184	266	84	158
Order intake, EUR million	91	121	315	138	203
Personnel at Dec. 31	698	783	754	778	802
Personnel, effective, on average	710	740	749	774	780
Dividend	3 924*	3,315	612	-	-

* 2025: The Board of Directors' proposal to the Annual General Meeting 2026 for the profit distribution of 2025.

** The comparison figure for 2024 has been corrected because the table in question had previously shown an incorrect figure (30,9).

Business environment

In 2025, Raute's operating environment remained challenging, characterized by global economic and geopolitical uncertainty affecting customers' investment decisions. The primary source of uncertainty has been the political actions of the United States, creating overall turbulence and concern regarding tariffs, especially for companies exporting goods to the country. In Europe, the war in Ukraine, as well as the continued downturn of construction, have affected demand for end products. As a result of these factors, Raute's customers have canceled or postponed their investment decisions, which was reflected in the order intake especially during the first half of the year.

Competition among technology providers has also intensified, with operators demonstrating increasingly aggressive pricing. Raute sees its competitive advantage in its global reach and capability to deliver integrated production lines and even mill-level projects, while many competitors remain specialized in individual process stages and operate more locally. In addition, Raute benefits from the growing role of its Services business, which remained stable during the year.

While it is still difficult to estimate the timing and extent of the overall market recovery, Raute expects market demand to improve going into 2026. Despite the uncertainty, some of Raute's European and North American customers are preparing for the market to become more active and are actively promoting their investment plans for process efficiency and additional capacity. Over the long term, technological advancements and sustainability requirements are creating new opportunities for investments. Raute's position is strengthened by its broad product portfolio, ability to respond to sustainability demands, and technological leadership in digitalization and data analytics. Further, Raute's capability to offer a wide range of supplementary services throughout the product life cycle is an enabler for additional business opportunities.

Raute streamlined its global manufacturing network and closed its production facility in Changzhou, China

On June 9, 2025, Raute announced it had decided to close its production unit in Changzhou, China, as part of a broader restructuring of its global manufacturing network. The decision was driven by weak market demand in China, which resulted in profitability challenges at the unit, as well as Raute's plan to concentrate production resources more cost-effectively and increase flexibility in manufacturing.

The decision is in line with Raute's strategic objective to strengthen operational efficiency and secure competitiveness in a changing market environment.

As a result of these measures, Raute's fixed costs will decrease by approximately EUR 2 million annually. The estimate of impairments and restructuring costs has been lowered from EUR 3.8 million to EUR 3.5 million.

During 2025 the impairments and costs related to closure totaled EUR 3.2 million, of which EUR 2.2 million were items impacting EBITDA and EUR 1.0 million were items booked as impairments below EBITDA. The remaining costs are expected to be booked mostly during 2026.

Russia business wind-down

Raute drove down its Russian operations during 2022 and 2023. At the end of 2023, Raute decided to terminate its Russian subsidiary Raute Service LLC. Since the beginning of 2024, Raute has no longer had employees in Russia. At the end of 2025, the company's liquidation is still ongoing and expected to be completed during 2026. Raute Service LLC's assets have been written down fully in the financial statements as of 31 December 2025.

Order intake and order book

Raute is the partner to future-proof the wood industry. Our technologies cover different production processes with supporting digital and analytics solutions for engineered wood products. Additionally, we offer full-scale service concepts

ranging from spare parts to regular maintenance and modernizations. Our innovative hardware and software solutions are designed to support our customers' efficient consumption of natural resources. In mill-scale projects, Raute is a global market leader both in the plywood and LVL industries.

In 2025, the total order intake was EUR 91 million (EUR 121 million) and included after-sales services, modernizations, upgrades and individual value-adding machinery and analyzers for veneer, plywood and LVL production.

Order intake was composed of 48 percent (67%) from Europe, 34 percent (19%) from North America, 11 percent (5%) from Asia-Pacific, and 7 percent (9%) from South America. Strong fluctuations in the distribution of new orders between the various market areas are typical for a project-focused business.

New orders decreased across all segments. The challenging market environment affected the order intake.

The order book amounted to EUR 98 million (EUR 184 million) at the end of the reporting period.

Competitive position

Raute's competitive position has remained unchanged and is strong. Raute's solutions help customers secure their delivery and service capabilities throughout the life cycle of the production process or a part thereof. Raute's solutions also offer the markets the most environmentally friendly production process, thanks to the efficient use of raw materials and additives and low energy consumption. Raute's overall expertise and extensive and diverse technology offering play an important role when customers select their cooperation partners. Raute's long-term dedication to serving selected customer industries also enhance its credibility and improve its competitive position as a company that carries out long-term investment projects.

Net sales

In 2025, the Group's net sales (IFRS) were EUR 175.5 million (2024: EUR 204.6 million; 2023: EUR 145.4 million), decreasing by 14.2 percent from the previous year. Net sales were affected by the low in order intake especially during the first half of the year. While Raute's project deliveries have continued successfully, still a large part of the order backlog will be recognized as net sales in 2026.

Net sales of the Wood Processing business unit totaled EUR 124.3 million (EUR 147.2 million), a decrease of 15.6 percent from the previous year. Net sales of the Services business unit totaled EUR 38.3 million (EUR 42.1 million) and the Analyzers business unit EUR 13.0 million (EUR 15.3 million).

In 2025, Europe accounted for 74 percent (56%) of net sales, North America for 16 percent (22%), South America for 7 percent (19%) and Asia-Pacific for 4 percent (3%).

The parent company Raute Corporation's net sales (FAS) in 2025 were EUR 154.5 million (2024: EUR 170.6 million; 2023: EUR 108.2 million)

Result and profitability

Comparable EBITDA was EUR 26.1 million (EUR 19.8 million), representing 14.9 percent (9.7%) of net sales. The increase was driven by improved efficiency and strong execution in project deliveries. Comparable EBITDA improved in Wood Processing, while declining in Services and Analyzers.

EBITDA was EUR 23.6 million (EUR 19.1 million). Items affecting comparability (IACs) in EBITDA totaled EUR 2.6 million (EUR 0.7 million). These were mainly related to the closure of a production facility in China.

Operating profit was EUR 17.3 million (EUR 13.7 million).

The result before taxes was EUR 17.6 million (EUR 15.1 million). The result for the reporting period was EUR 12.9 million (EUR 12.1 million). Earnings per share were EUR 2.12 (1.96) and diluted

earnings per share were EUR 2.06 (1.91). Return on investment was 32.5 percent (31.5%) and return on equity was 24.0 percent (27.5%).

Operating profit (FAS) of the parent company Raute Corporation was EUR 15.9 million (2024: EUR 12.1 million; 2023: EUR 0.0 million). Operating result was 10.3 percent of net sales (2024: 7.1%; 2023: 0.0%). Profit for the period (FAS) were EUR (7.4) million (2024: EUR 10.5 million; 2023: EUR -1.5 million).

Cash flow and balance sheet

Raute's financial position remained at a strong level. At the end of the reporting period, gearing was -65.5 percent (-104.4%) and the equity ratio was 65.7 percent (55.2%).

Operating cash flow in January–December 2025 was EUR -6.4 million (EUR 14.1 million). The cash flow was negatively impacted by the change in networking capital during the year. Cash flow from investment activities totaled EUR -4.3 million (EUR -2.4 million), and cash flow from financing activities was EUR -6.4 million (EUR -2.3 million).

Cash and cash equivalents amounted to EUR 40.3 million (EUR 57.5 million) at the end of the reporting period.

At the end of 2025, the Group's balance sheet total was EUR 107.3 million (2024: EUR 136.0 million; 2023: EUR 135.4 million). Fluctuations in balance sheet working capital items and the key figures based on them are due to differences in the timing of customer payments and the cost accumulation from project deliveries, which is typical of the project business.

Interest-bearing net debt at the end of the reporting period amounted to EUR -38.0 million (EUR -51.9 million).

At the end of the reporting period, the company had a credit facility of EUR 5 million, which was not in use. After the reporting period on 3 February 2026 Raute signed new financing agreement. The credit facility was changed to EUR 15 million from the earlier EUR 5 million.

At the end of the financial year, the equity ratio (FAS) of the parent company Raute Corporation was 58 percent (2024: 54%; 2023: 50%).

Convertible junior loans

Raute agreed on a total of EUR 3 million in convertible junior loans with LähiTapiola and Veritas in 2023. The junior loans were drawn on 21 June 2023. The loans are perpetual. The annual floating rate during the first three-year period is 7.50 percent plus the six (6) month EURIBOR rate. The company has an option, but no obligation, to pay the junior loans back after the end of the first interest period on 21 June 2026. The interest rate of the loans rises after the first interest period. Junior loans are treated as equity in the Group's financial statements. Junior loans do not confer shareholder rights on their issuers. LähiTapiola and Veritas have the right to convert the remaining principal of the Junior Loan in full, but not in part, into new shares in the Company in one instalment in accordance with the terms and conditions of the option rights related to the Junior Loan. The subscription price of the stock options is EUR 12.14 at the end of the financial year 2025. A maximum of 247,117 new shares in the Company may be subscribed for on the basis of option rights issued to the issuers of junior loans. The dividends paid by the company during the loan period will reduce the subscription price of the stock options by the amount of dividend paid.

Related party loans and other liabilities

The company has no related party loans. Other liabilities are presented in the notes to the financial statements of this report.

Research and development costs and capital expenditure

Raute is a leading technology supplier for the plywood and LVL industries, focusing strongly on the development of increasingly efficient, productive, safe, and environmentally friendly manufacturing technologies, as well as supporting measurement and machine vision applications. New opportunities provided by digitalization are also an essential part of the R&D activities.

In 2025, the Group's research and development costs amounted to EUR 4.8 million (EUR 5.3 million), representing 2.8 percent (2.6%) of net sales.

The total amount of capital expenditure during the reporting period was EUR 4.5 million (EUR 2.8 million), representing 2.5 percent of net sales (1.4%). Investments during 2025 included normal reinvestments into business.

The parent company Raute Corporation's research and development expenses (FAS) during the financial year amounted to EUR 4,4 million, representing 2,9 percent of net sales (2024: EUR 5.0 million / 2.9% of net sales; 2023: EUR 4.8 million / 4.5% of net sales). The capital expenditure of the parent company Raute Corporation totaled EUR 3.3 million (2024: EUR 2.3 million; 2023: EUR 3.9 million).

Strategy and financial targets

Raute – Making Wood Matter

Raute aims to grow Services concept and strengthen offering in Analyzers and Wood Processing with innovative production solutions and models, as well as data and digital tools in the global market for veneer, plywood and LVL production technologies.

Our aim is to accelerate growth by expanding Raute's portfolio into new wood products segments, especially through digital and analytical solutions and new service concepts. Our commitment is to lead the industry towards a more sustainable future in engineered wood products.

We have integrated sustainability as a fundamental aspect into our operations, balancing economic, social, and environmental considerations in our decision-making processes. Our unwavering principles of safety, ethical conduct, and diversity and inclusion guide us on our journey to generate growth for all our stakeholders with high ESG standards and deliver a lasting positive impact on nature and society.

Raute's new financial targets for 2028 aligned with the strategy are:

- Net sales 250 MEUR, including both organic and inorganic growth
- Services and Analyzers relative share of net sales 40 percent of the Group
- Comparable EBITDA margin 12 percent on average over cycle
- Capital structure: Equity ratio over 40 percent

Raute aims to pay a stable and sustainable dividend over different market conditions.

Personnel and occupational safety

At the end of 2025, the Group had 698 employees (2024: 783; 2023: 754). Of the personnel, Finnish group companies accounted for 77 percent (71%), North American companies for 17 percent (18%), China for 0 percent (6%) and other sales and service companies for 6 percent (5%).

The number of employees converted into full-time employees (the so-called effective number of employees) was 710 on average during the financial year (2024: 740; 2023; 749). The Group's salaries and remuneration totaled EUR 42.0 million (2024: EUR 52.1 million; 2023: EUR 44.9 million). The figure does not include expenses resulting from the share-based incentive plans.

The Group is committed to investing in the competence development of its personnel in order to commit employees more strongly to the company. Current training needs focus on new processes and systems, as well as ethical business conduct.

Occupational safety continues to be the focus of the management, and safety-related metrics have demonstrated a longer-term improvement trend. In January–December 2025, there were 7 (9) lost-time injuries. The accident frequency (LTIF, rolling 12 months) was 5.8, decreasing from

the 2024 level of 6.3. Raute has an ongoing global multi-year safety program to take the company's safety culture and performance to the next level.

The average number of employees in the parent company Raute Corporation in 2025 was 567 (2024: 567; 2023: 513). The parent company's salaries and remuneration totaled EUR 38,8 million (2024: EUR 31.4 million; 2023: EUR 31.1 million).

Remuneration

The Annual General Meeting approved, on 15 April 2025, the Remuneration Report for Governing Bodies proposed by the Board of Directors. The resolution is advisory.

The Group has remuneration systems in place that covers the entire personnel.

Business risks and uncertainties

Economic cycles, legislation or other regulations and political environment

Changes in the global economy and financial markets may have a negative impact on Raute's operations, performance, financial position and sources of capital.

Raute is subject to geopolitical and macroeconomic conditions, where high interest rates and inflation may give cause to economic downturn. Such a downturn would likely impact Raute's operations and reduce underlying demand.

Trade tariffs and the possible escalation of a trade war pose a risk for Raute as a company serving customers globally. Raute has production units globally in Europe, the United States and Canada, which reduces the impact of potential trade tariffs.

Raute's business and products can be affected directly or indirectly by legislation or other regulations, such as sanctions. It is also possible that Raute is subject to litigation. At the end of 2023, Raute terminated all its remaining Russian project agreements. Currently, Raute is in the process of closing its subsidiary Raute Service LLC. However, Raute is still vulnerable

to changes in regulation and sanctions, which may prolong the closing process.

The Group's sustainability-related risks, including climate-related physical and transition risks, are described in the Sustainability Statement. These risks are integrated into the Group's enterprise risk management process.

Operations, deliveries and technology

The bulk of Raute's business operations consists of project deliveries, which expose the company to risks caused by customer-specific and customized solutions related to each customer's end product, production methods, or raw materials. At the quotation and negotiation phase, the company takes risks related to the promised performance and estimates of implementation costs. Other risks for Raute are related to inflation and the availability of raw materials, components, and freight. Also, union strikes may pose short-term risks for Raute.

Raute invests heavily in product development. The product development phase of new technologies involves a risk that the project will not lead to a technically or commercially acceptable solution. The functionality and capacity of the new solutions created as a result of the development work can only be fully verified in production conditions in connection with the first customer deliveries.

Raute's goal is to grow its local business in emerging market areas, where operating involves not only opportunities but also risks typical of emerging markets.

Raute has a strategy and related financial targets that aim for significant growth and profitability improvement by 2028. The company faces the risk that the execution of the strategy is not successful within the set timeline or that the set targets cannot be met. Raute may also experience increasing competitive pressures while executing its strategy.

Human resources

Competence retention and development and ensuring the sufficiency of human resources are particularly important in cyclical business. Continuity is ensured by monitoring the development of the age structure, implementing systematic human resources management and investing in well-being at work. Despite the human resources work and processes, Raute is exposed to the risk of losing key personnel, and difficulties in hiring new talent to address new business challenges.

Financing risks

The most significant financing risks in the Group's international business operations are default risks and currency risks related to counterparties. The Group is also exposed to liquidity, refinancing, interest rate and price risks.

The credit loss risk related to customers' solvency is managed by means of payment terms and by covering the unpaid part of the purchase price with a bank guarantee, letter of credit or other suitable collateral. The Group's liquid assets are mainly held by banks in its largest operating countries, Finland and Canada.

The Group's main currency is the euro. The most significant foreign exchange risks arise from the following currencies: Canadian Dollar (CAD) and United States Dollar (USD). Currency forward contracts are mainly used for hedging currency risks. Exchange rate risks during the offer period are hedged by using currency clauses in the offers. Currency risks related to preliminary agreements can be hedged on a case-by-case basis with currency option contracts.

The financing risks, as well as the risk management objectives and procedures, are described in more detail on page 134 of the notes to the financial statements.

Cyber and information security, payment fraud

Raute's operations are dependent on the security and stable operation of its information and communications systems and software. Successful cyberattack risk management is also

important. These risks are managed in accordance with the information security policy.

The company's IT systems may be affected by cyber security attacks, malfunctions, outages, or failures. These can lead to significant disruptions in the company's business, have a material adverse effect on its reputation, and cause unexpected costs.

Raute is repeatedly targeted by payment fraud attempts. The company has a risk that the fraud company will bypass the control points of payment transactions and cause financial damage to the company.

Risks of damage or loss

Other risks of injury include occupational safety risks, which are managed through active, risk-preventing activities, such as continuous training of personnel and by investigating all near misses. Occupational safety and ergonomics are areas of continuous development.

Raute's most significant individual property and business interruption risks are fire, serious machine breakdown, and information system breakdown or disruption in the main production unit in Lahti, where the entire Group's key technology production, design, financial and ERP systems are centralized. Preparations have been made for these with backup systems and insurance, for example, but despite preparedness, the realization of such a risk in a serious way could cause significant harm to operations.

Raute is implementing a new company-wide ERP system, which has a direct impact on Raute's daily operations and financial management. The ERP system has been implemented in Finland and U.S. The roll-out continues in Raute's other operating countries in 2026. Delays in the roll-out of the system or possible challenges in migrating data to new ERP systems could result in cost overruns for the ERP system implementation, as well as disruptions in the customer

delivery projects, leading potentially to deteriorating customer relationships.

Raute's production operations do not have any significant direct environmental impacts. The main production unit in Lahti is located in a groundwater area. A chemical or fuel leak in a groundwater area can cause environmental damage, financial costs and disruption to the company's production operations. The main units in Lahti have an ISO-certified environmental management system, and special attention has been paid to chemical safety. The principles of the environmental management system are also complied with in other locations, where applicable.

The reputation of the company

Raute is at risk of unknowingly being involved in a business chain that involves corruption, bribery or money laundering, even though business partners are regularly audited, for example, in connection with international sanctions lists and export restrictions. The realization of these risks may have legal consequences, and the company's reputation and financial position may suffer.

International supply chains may involve actors who do not respect Raute's principles regarding human rights or the fundamental rights of employees. Such cases can lead to reputational damage and interruption of the supply chain if the violation is so significant that the cooperation has to be terminated.

Shares and shareholders

Raute Corporation's shares are listed on Nasdaq Helsinki Ltd under the ticker RAUTE. All shares carry one vote and equal voting rights at the Annual General Meeting.

Raute's share capital on 31 December 2025 was EUR 8.3 million and the total number of shares was 6,038,229 (6,122,679 on 31 December 2024). As announced on July 11, 2025, Raute completed a share repurchase program, under which 84,450 own shares were repurchased and consequently cancelled. According to Euroclear Finland Ltd, the number of shareholders at the end of the review period was 7,299 (6,533).

On 31 December 2025, Raute and its subsidiaries held 70,504 (96,011) shares for remuneration purposes, corresponding to 1.2 percent (1.6%) of all outstanding shares.

On 31 December 2025, the shareholding of the Board of Directors, the CEO and the Management Team totaled 141,547 (125,185) of the company's shares, corresponding to 2.3 percent (2.0%) of the total number of shares and voting rights in the company.

Nominee-registered shares accounted for 3.2 per cent (3.9%) of the total number of shares.

The distribution of ownership by sector and by size as well as the largest shareholders are presented in the next tables

Managements's shareholding on December 31, 2025

Owners	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Board of Directors	92,190	90,980	1.53	1.49
President and CEO	22,956	16,761	0.38	0.27
Members of the Executive Board (excl. President and CEO)	26,401	17,444	0.44	0.28
Total	141,547	125,185	2.34	2.04

Distribution of ownership on December 31, 2025

Owners	Number of shareholders	% of shares	Number of shares and voting rights	% of number of shares and voting rights
Households	6,942	95.1	4,732,960	78.4
Companies	283	3.9	721,317	11.9
Financial and insurance institutions	22	0.3	257,376	4.3
Foreign shareholders	25	0.3	21,200	0.4
Non-profit institutions	17	0.2	39,951	0.7
Public institutions	1	0.0	74,608	1.2
Nominee-registered	9	0.1	190,817	3.2
Total	7,299	100.0	6,038,229	100.0

Number of shares	Number of shareholders	% of shares	Number of shares and voting rights	% of number of shares and voting rights
1-100	3,589	49.2	148,671	2.5
101-500	2,721	37.3	656,885	10.9
501-1 000	520	7.1	382,427	6.3
1 001-5 000	359	4.9	710,843	11.8
5 001-10 000	44	0.6	299,471	5.0
10 001-50 000	44	0.6	1,018,905	16.9
50 001-100 000	12	0.2	880,934	14.6
100 001-500 000	9	0.1	1,183,843	19.6
500 001-	1	0.0	756,250	12.5
Yhteensä	7,299	100.0	6,038,229	100.0

Shareholders on December 31, 2025, by number of shares

	Combined series shares, pcs	% of total shares and voting rights, %
1. Sundholm Göran Wilhelm	756,250	12.52
2. Laakkonen Mikko Kalervo	255,335	4.23
3. Mandatum Life Insurance Company Ltd	132,574	2.20
4. eQ Finland Investment Fund	131,259	2.17
5. Stephen Industries Inc Oy	129,687	2.15
6. Suominen Pekka Matias	117,329	1.94
7. Siivonen Osku Pekka	106,901	1.77
8. Kirmo Kaisa Marketta	105,421	1.75
9. Mustakallio Mika Tapani	103,678	1.72
10. Keskiaho Kaija Leena	101,659	1.68
11. Särkijärvi Anna Riitta	98,986	1.64
12. Suominen Tiina Sini-Maria	95,921	1.59
13. Suominen Jussi Matias	74,626	1.24
14. Varma Mutual Pension Insurance Company	74,608	1.24
15. Relander Pär-Gustaf	72,700	1.20
16. Mustakallio Marja Helena	71,144	1.18
17. Eai Raute Holding Oy*	70,504	1.17
18. Särkijärvi Timo Juha	66,307	1.10
19. Mustakallio Kari Pauli	57,000	0.94
20. Kultanen Leea Annikka	56,252	0.93
20 largest shareholders total	2,678,141	44.35
Nominee-registered shares	190,817	3.16
Others	3,169,271	52.49
Total	6,038,229	100.00

*Eveli Alexander Incentives has ownership and holds voting rights in EAI Raute Holding Oy. However, based on the agreement, Raute exercises actual decision-making power in the arrangement and acts as the principal, while EAI acts in the role of an agent through the holding company. Based on this control arising from the contractual features, the holding company is combined to the consolidated financial statements as a structured community

Share key figures

EUR 1,000	2025	2024	2023	2022	2021
Earnings per share, (EPS), undiluted, EUR	2.12	1.96	0.22	-2.56	-0.39
Earnings per share, (EPS), diluted, EUR	2.06	1.91	0.22	-2.56	-0.39
Equity to share, EUR	9.60	8.12	6.92	5.09	7.69
Dividend per combined series (series A) share, EUR*	0.65	0.55	0.10	-	-
Dividend per series K share, EUR	-	-	-	-	-
Dividend per profit, %	30.7	28.1	45.45	-	-
Effective dividend return, %	4.3	4.2	1.02	-	-
Price/earnings ratio (P/E ratio)	6.89	6.68	44.73	-3.06	-47.55
Development in share price (combined series shares, series A shares until April 3, 2023)					
Lowest share price for the financial year, EUR	12.70	9.88	8.02	7.69	18.48
Highest share price for the financial year, EUR	17.70	14.00	11.30	19.33	23.60
Average share price for the financial year, EUR	15.32	12.11	9.30	11.64	21.12
Share price at the end of the financial year, EUR	15.10	13.10	9.84	7.83	18.77
Market value of capital stock at Dec. 31					
Series K shares, before combining the share series, MEUR**			-	8.2	19.6
Series A shares, before combining the share series, MEUR**			-	27.0	64.8
Shares after combining the share series and directed share issue and rights issue, MEUR	91.2	80.2	60.2		
Total, MEUR	91.2	80.2	60.2	35.2	84.4
Trading of the company's shares (combined series shares, series A shares until April 3, 2023)					
Shares traded during the financial year, pcs	1,419,177	1,151,403	993,127	613,077	591,208
Shares traded during the financial year, Me	21.7	13.9	9.4	7.5	13.2
Total number of shares					
Series K shares (20 votes/share), adjusted number of shares***				1,045,727	1,045,727
Series A shares (1 vote/share), adjusted number of shares***				3,452,168	3,452,168
Shares after combining the share series, directed share issue and rights issue	6,038,229	6,122,679	6,122,679		
Total	6,038,229	6,122,679	6,122,679	4,497,895	4,497,895
Issue-adjusted average number of shares, 1000 pcs	6,087	6,123	5,550	4,498	4,498
Issue-adjusted average number of shares, diluted, 1,000 pcs	6,279	6,350	5,597	4,498	4,498

* 2025: The Board of Directors' profit distribution proposal to the Annual General Meeting is EUR 0.65 per share.

** Combination of share series registered in the trade register on April 3, 2023. Series K shares are valued at the end-of-period price of series A shares.

***Combination of share series registered in the trade register on April 3, 2023

Share trading

Share trading volume in January–December 2025 totaled 1,419,177 (1,151,403) shares, corresponding to EUR 21.7 (13.9) million. The highest trading price was EUR 17.70, and the lowest was EUR 12.70. The closing price at the end of the review period was EUR 15.10 (13.10), and the market value based on the closing price was approximately EUR 91 (80) million.

Repurchase of own shares

On February 13, 2025, the Board of Directors of Raute announced it had decided to initiate a share repurchase program based on the authorization received from the Annual General Meeting on April 4, 2024. The repurchase was completed on July 11, 2025.

During the program Raute repurchased a total of 84,450 of its own shares, corresponding to approximately 1.4% of the total number of shares in the company. The shares were purchased at an average price of EUR 15.98.

The repurchases reduced Raute's equity by approximately EUR 1.35 million. As a result of the buy-back program, Raute Corporation owned directly a total of 84,450 own shares. The repurchased shares were cancelled on 20 August 2025.

The purpose of the share repurchase was to optimize Raute's capital structure through the reduction of capital.

Board authorizations

Share repurchase authorization

The Annual General Meeting held on 15 April 2025 authorized the Board of Directors to resolve on the repurchase of a maximum of 600,000 of Raute Corporation's shares using assets from the company's non-restricted equity, which would lead to a decrease in the company's distributable funds.

The authorization entitles the Board to acquire the company's shares to be used for the development of the company's capital structure, as consideration for funding or carrying out

any acquisitions or other arrangements, or to be otherwise disposed of or cancelled.

The purchase consideration paid for shares purchased by virtue of the authorization shall be based on the price of the company's share in public trading such that the minimum price of acquired shares is the lowest market price quoted in public trading during the term of validity of the authorization and, correspondingly, the maximum price is the highest market price quoted in public trading during the term of validity of the authorization.

The authorization includes the right to acquire shares in a directed manner, i.e. not in proportion to the holdings of the shareholders. A directed repurchase of the company's own shares can take place, for example, by acquiring shares in public trading on markets where, according to the regulations, the company is permitted to engage in the trade of its own shares. Repurchasing shares in public trading as mentioned above, or otherwise in a directed manner, requires that the company has a weighty financial reason to do so.

The Board of Directors is authorized to decide on other terms and conditions related to share repurchases.

This authorization replaced the authorization granted by the Annual General Meeting of 4 April 2024 and is effective until the end of the next Annual General Meeting, or at the most for 18 months following the decision of the Annual General Meeting.

Share issue authorization

The Annual General Meeting held on 15 April 2025 authorized the Board of Directors to resolve on an issue of Raute Corporation's shares and the issuance of special rights entitling to shares referred to in chapter 10, section 1 of the Finnish Companies Act in one or several instalments. The Board of Directors is authorized to resolve on all conditions of the share issue or the issuance of special rights, including the recipients and the sum of possible consideration to be paid.

The Board of Directors may, by virtue of the authorization, resolve to issue either new shares or treasury shares held by the company. The aggregate maximum number of shares that can be issued is 600,000 shares. Any shares to be issued based on special rights entitling to shares are included in the above-mentioned aggregate number of shares.

The authorization includes the right to deviate from the shareholders' pre-emptive rights, provided that the company has a weighty financial reason to do so. A directed share issue may be without payment only if a weighty financial reason exists in terms of the company, while taking into account the interests of all the shareholders. The authorization can be used, with the restrictions presented above, to fund or carry out acquisitions or other arrangements or for other purposes decided by the Board of Directors.

The authorization is effective until the end of the next Annual General Meeting, or at the most for 18 months following the resolution of the Annual General Meeting.

Audit and sustainability reporting assurance

The Annual General Meeting held on 15 April 2025 elected audit firm PricewaterhouseCoopers Oy as the company's auditor, with Authorized Public Accountant (KHT) Mikko Nieminen as the principal auditor.

The Annual General Meeting also elected Authorized Sustainability Auditors PricewaterhouseCoopers Oy as the company's sustainability auditor with Authorized Sustainability Auditor (KRT) Mikko Nieminen as the sustainability auditor with principal responsibility.

Corporate governance

Raute Corporation complies with the Finnish Corporate Governance Code 2025 for listed companies issued by the Securities Market Association.

Corporate governance statement

Raute Corporation's Board of Directors has treated Raute Corporation's Corporate Governance Statement 2025 as a separate report in accordance with Chapter 7, Section 7 of the Finnish Securities Markets Act and the Finnish Corporate Governance Code 2025 issued by the Securities Market Association.

Remuneration report for governing bodies

Raute Corporation's Board of Directors has reviewed Raute Corporation's Remuneration Report for Governing Bodies 2025 in accordance with Chapter 7, Section 7 of the Finnish Securities Markets Act and the Finnish Corporate Governance Code 2025 issued by the Securities Market Association, which will be published in connection with the financial statements.

Board of Directors and President and CEO

The Annual General Meeting elects the Chair of the Board of Directors, the Vice-Chair and 3–5 members of the Board of Directors.

The Annual General Meeting held on 15 April 2025 confirmed the number of members of the Board of Directors as seven and elected the Board of Directors for the next term of office ending at the end of the Annual General Meeting in 2026. The Annual General Meeting elected Laura Raitio, Licentiate of Science (Technology), as the Chair of the Board of Directors and Joni Bask, M.Sc. (Tech.), as the Vice-Chair of the Board of Directors and Ari Harmaala, Engineer (Construction Technology), Ari Piik, B.Sc. (Econ.), Mikko Kettunen, M.Sc. (Econ.), Julius Manni, M.Sc. (Econ.) and Jenni Virnes, M.Sc. (Eng.) as members of the Board of Directors.

The Board of Directors appoints the President and CEO and confirms the terms of their employment and salary benefits.

Mika Saariaho, D.Sc. (Tech.), was appointed as the President and CEO of Raute Corporation as of October 1, 2022. The period of notice agreed in the executive contract is six months, and severance pay is equal to twelve months' salary.

The Articles of Association do not give the Board of Directors or the President and CEO any powers that differ from the usual.

Executive board

On 30 September 2025, Raute announced that Jari Myyryläinen, Chief Commercial Officer (CCO), has decided to leave the company by 31 December 2025, to transfer to another employer.

On 24 November 2025, Raute announced that it has appointed Arto Kaikkola as Interim Chief Commercial Officer (CCO), effective 25 November 2025. The recruitment process for a permanent CCO is ongoing.

The members and their areas of responsibility on 31 December 2025, were:

- Mika Saariaho, President and CEO
- Jani Roivainen, Executive Vice President, Wood Processing – Wood Processing business unit
- Kurt Bossuyt, Executive Vice President, Services – Services business unit
- Markus Sirviö, Executive Vice President, Analyzers – Analyzers business unit
- Arto Kaikkola, Interim Chief Commercial Officer (CCO) – Sales & marketing, commercial excellence
- Tarja Moilanen, Chief People Officer (CPO) – Human resources, people development, health & safety
- Ville Halttunen, Chief Financial Officer (CFO) – Finance, ICT, IR, ESG, other business support

Annual General Meeting 2025

Raute Corporation's Annual General Meeting was held on 15 April 2025. The Annual General Meeting adopted the Financial Statements for 2024, approved the Remuneration Report for Governing Bodies and discharged the members of the Board of Directors and the President and CEO from liability. In accordance with the proposal of the Board of Directors, the

Annual General Meeting resolved that a dividend of EUR 0.55 per share will be paid for the financial period 1 January–31 December 2024.

The Annual General Meeting confirmed the number of members of the Board of Directors as seven and elected the Board of Directors for the next term of office ending at the end of the Annual General Meeting in 2026. The Annual General Meeting elected Laura Raitio, Licentiate of Science (Technology), as the Chair of the Board of Directors and Joni Bask, M.Sc. (Tech.), as the Vice-Chair of the Board of Directors and Ari Harmaala, Engineer (Construction Technology), Ari Piik, B.Sc. (Econ.), Mikko Kettunen, M.Sc. (Econ.), Julius Manni, M.Sc. (Econ.) and Jenni Virnes, M.Sc. (Eng.) as members of the Board of Directors.

The Annual General Meeting elected audit firm PricewaterhouseCoopers Oy as the company's auditor, with Authorized Public Accountant (KHT) Mikko Nieminen as the principal auditor. The Annual General Meeting also elected Authorized Sustainability Auditors PricewaterhouseCoopers Oy as the company's sustainability auditor with Authorized Sustainability Auditor (KRT) Mikko Nieminen as the sustainability auditor with principal responsibility.

The Annual General Meeting authorized the Board of Directors to resolve on the repurchase of a maximum of 600,000 of Raute Corporation's shares using assets from the company's non-restricted equity, which would lead to a decrease in the company's distributable funds.

The Annual General Meeting authorized the Board of Directors to resolve on an issue of Raute Corporation's shares and the issuance of special rights entitling to shares referred to in chapter 10, section 1 of the Finnish Companies Act in one or several instalments. The Board of Directors is authorized to resolve on all conditions of the share issue or the issuance of special rights, including the recipients and the sum of possible consideration to be paid.

The Board of Directors may, by virtue of the authorization, resolve to issue either new shares or treasury shares held by the company. The aggregate maximum number of shares that can be issued is 600,000 shares. Any shares to be issued based on special rights entitling to shares are included in the above-mentioned aggregate number of shares.

Further details: www.raute.com

Profit distribution for the financial year 2024

The Annual General Meeting on 15 April 2025 resolved, in accordance with the proposal of the Board of Directors, that a dividend of EUR 0.55 per share will be paid on the basis of the adopted balance sheet for the financial year 2024.

Annual General Meeting 2026

Raute Corporation's Annual General Meeting 2026 will be held on Tuesday, 14 April 2026 at Sibelius Hall in Lahti, starting at 10:00 a.m.

Board of Directors' proposal concerning the use of profit and payment of dividend

On 31 December 2025, the parent company Raute Corporation's distributable funds amounted to EUR 43.0 million.

The Board of Directors proposes to the Annual General Meeting, to be held on 14 April 2026, that a dividend of EUR 0.65 per share be paid for the financial year 1 January–31 December 2025.

Events after the reporting period

On 27 January 2026, Raute announced the proposals of the Shareholders' Nomination Board to Raute Corporation's Annual General Meeting 2026.

The Shareholders' Nomination Board proposes that Raute's Board of Directors would consist of seven members. The Nomination Board proposes that Laura Raitio, Licentiate of Science (Technology), would continue to be elected as the Chair of the Board of Directors and Joni Bask, M.Sc. (Eng.),

would continue to be elected as the Vice Chair of the Board of Directors. It is proposed that Mikko Kettunen, M.Sc. (Econ.), Julius Manni, M.Sc. (Econ.), Ari Piik, M.Sc. (Econ.), and Jenni Virnes, M.Sc. (Eng.), be re-elected as members of the Board of Directors.

In addition, the Nomination Board proposes that Anna Hyvönen, Licentiate of Science (Technology), be elected as a new member of the Board of Directors. More information on company's website.

On 3 February 2026, Raute signed new financing agreements. The amount committed revolving credit facility was increased to EUR 15 million from the earlier EUR 5 million. The new financing agreement is valid until 2029.

On February 12, 2026, Raute announced to initiate a share repurchase program based on the authorization received from the Annual General Meeting on April 15, 2025. The purpose of the share repurchase program is to optimize Raute's capital structure through reduction of capital. The repurchase of shares will reduce Raute's unrestricted equity. The repurchased shares will be cancelled. The maximum number of shares to be repurchased is 100,000 shares, corresponding to approximately 1.7% of the total number of shares. A maximum of EUR 1,500,000 will be used for the repurchase of shares. The share repurchase will commence on February 16, 2026, at the earliest and will end no later than December 31, 2026.

On February 12, 2026, Raute announced the commencement of a long-term incentive plan for the Group's senior management and selected key persons. The decision includes a Performance Share Plan ("PSP") as the main structure and a restricted Share Plan ("RSP") as a complementary structure. The purpose of the plan is to align the objectives of the owners and management in order to develop the company's value for the long term, as well as to commit the company's management and key persons to the company and to achieving the company's strategic goals.

Guidance statement for 2026

Raute's 2026 net sales are expected to be between EUR 135–170 million (EUR 175.5 million in 2025) and comparable EBITDA is expected to be between EUR 10-19 million (EUR 26.1 million in 2025).

Calculation of key ratios

Change in net sales, %	$\frac{\text{Net sales of the financial year} - \text{net sales of the previous financial year}}{\text{Net sales}} \times 100$
Exported portion of net sales	Exported portion of materials and services sold from Finland
Exported portion of net sales, %	$\frac{\text{Exported portion}}{\text{Net sales of the financial year}} \times 100$
EBITDA	EBITDA is the net amount that is formed when other revenue from business operations is added to the net sales, and the purchase costs are subtracted, adjusted by the change of the purchase costs of finished and work-in-progress products, adjusted by costs arising from manufacturing for own use, and the expenses arising from employee benefits and other business expenses subtracted.
Comparable EBITDA	EBITDA + items affecting comparability
Comparable EBITDA, % of net sales	$\frac{\text{Comparable EBITDA}}{\text{Net sales}} \times 100$
Operating profit	Operating profit is the net sum calculated by adding other operating income to net sales, deducting purchase expenses that have been adjusted by changes in inventories of finished goods and work in progress and by expenses from production for own use; and by deducting expenses from employee benefits, depreciation and possible impairment losses, as well as other operating expenses
Operating profit, % of net sales	$\frac{\text{Operating profit}}{\text{Net sales of the financial year}} \times 100$
Profit before tax, % of net sales	$\frac{\text{Profit before tax}}{\text{Net sales of the financial year}} \times 100$
Profit for the financial year, % of net sales	$\frac{\text{Profit for the financial year}}{\text{Net sales of the financial year}} \times 100$
Return on investment (ROI), %	$\frac{\text{Profit before tax} + \text{financial expenses}}{\text{Shareholders' equity} + \text{interest-bearing financial liabilities (average of the financial year)}} \times 100$
Return on equity (ROE), %	$\frac{\text{Profit/loss for the financial year}}{\text{Shareholders' equity (average of the financial year)}} \times 100$
Interest-bearing net liabilities	Interest-bearing liabilities \div (cash and cash equivalents + financial assets at fair value through profit or loss)
Interest-bearing net liabilities % of net sales	$\frac{\text{Interest-bearing liabilities} \div (\text{cash and cash equivalents} + \text{financial assets at fair value through profit or loss})}{\text{Net sales}} \times 100$
Non-interest-bearing liabilities	Provisions + current advance payments received + income tax liability + trade payables and other liabilities
Equity ratio, %	$\frac{\text{Total equity}}{\text{Balance sheet total} \div \text{advance payments received}} \times 100$

Gearing, %	$\frac{\text{Interest-bearing net financial liabilities}}{\text{Total equity}} \times 100$
Gross capital expenditure	Gross capital expenditure includes additions in intangible and tangible assets.
Gross capital expenditure, % of net sales	$\frac{\text{Gross capital expenditure}}{\text{Net sales of the financial year}} \times 100$
Research and development costs	Research and development costs include materials and supplies, working hours and other operating costs
Research and development costs, % of net sales	$\frac{\text{Research and development costs}}{\text{Net sales of the financial year}} \times 100$
Order book, EUR million	Binding sales contracts received but not yet delivered as far the orders have not been recognized in net sales.
Order intake, EUR million	Binding sales contracts entered into force during the financial year according to the latest net sales estimate.
Personnel at Dec. 31	Number of employed personnel at the end of the financial year.
Personnel, average	Average of the number of employed personnel at the end of calendar months.
Personnel, effective	Effective number of employed personnel at the end of the calendar months of the financial year
Personnel, effective, average	Average of the effective number of employed personnel at the end of the calendar months of the financial year
Dividend distribution	Dividend distribution confirmed or proposed for the financial year.
Repayment of equity	Repayment of equity from the non-restricted equity reserve confirmed or proposed for the financial year.

Calculation of share-related data
Earnings per share, undiluted, euros

Result for the financial year
Average number of shares during the financial year

Earnings per share, diluted, euros

Diluted profit (loss) for the financial year
Diluted equity issue-adjusted average number of shares during the financial year

Equity to share, euros

Share of shareholders' equity belonging to the owners of the Parent company
Number of shares at the end of the financial year

Dividend per share, euros

Distributed dividend for the financial year
Number of shares at the end of the financial year

Dividend per profit, %

Dividend per share
Earnings per share

x 100

Effective dividend return, %

Dividend per share
Closing share price at the end of the financial year

x 100

Price/earnings ratio (P/E ratio)

Closing share price at the end of the financial year
Earnings per share

Average share price for the financial year, euros

Total EUR value of series A shares traded during the financial year
Average number of series A shares traded during the financial year

Market value of capital stock at Dec. 31, EUR 1,000**

Number of shares (combined series shares / series A and series K shares) at the end of the financial year x closing price of the combined series share at the end of the financial year

Share turnover combined series (A series) shares during the financial year, %

Total number of combined series (series A) shares traded during the financial year
Average number of combined series (series A) shares during the financial year

x 100

Number of shares, average

Average of the number of shares at the end of calendar months of the financial year

Number of shares, average, diluted

Average of the issue-adjusted number of shares at the end of calendar months (options) of the financial year.

SUSTAINABILITY STATEMENT

General information

ESRS 2 General disclosures

Basis for preparation

BP-1 GENERAL BASIS FOR PREPARATION OF SUSTAINABILITY STATEMENTS

Raute Group’s sustainability statement has been prepared in accordance with the requirements laid down in Chapter 7 of the Finnish Accounting Act for sustainability reporting. Raute uses the term sustainability statement for the group sustainability report. The sustainability statement reports on Raute’s impacts, risks, and opportunities related to the environmental, social, and governance (ESG) in accordance with the European Sustainability Reporting Standards (ESRS). The scope of the sustainability statement is the same as for Raute’s consolidated financial statements.

The sustainability statement covers the impacts, risks and opportunities of Raute’s own operations. In terms of value chain information, Raute has applied the transitional provisions, which give the company time to collect data and improve its coverage and reliability. The value chain and Raute’s upstream and downstream actors have been taken into account in the materiality assessment. Raute’s materiality assessment covers both its own operations and the most relevant parts of its upstream and downstream value chain. Upstream, actors include suppliers of goods and services, and downstream, customers using Raute’s technologies. Current policies and targets primarily apply to Raute’s operations, but the Code of Conduct and Supplier Code of Conduct are for the upstream actors.

Raute has applied the following phased-in disclosure requirements set out in ESRS 1 Appendix C, as well as the transitional provisions pursuant to the Quick Fix Delegated Regulation (EU) 2025/1416:

- ESRS 2 SBM-3, 48(e): The company omits the information prescribed by ESRS 2 SBM-3 paragraph 48(e) (anticipated financial effects) in accordance with the Quick Fix regulation.
- ESRS E1-9: The company omits information on the anticipated financial effects from material physical and transition risks, as well as potential climate-related opportunities, in accordance with the Quick Fix regulation.
- ESRS E5-6: The company omits information on the anticipated financial effects from resource use and circular economy-related risks, and opportunities in accordance with the Quick Fix regulation.

- ESRS S1-13: The company omits the specified information on training and skills development in the preparation of its sustainability statement in accordance with the Quick Fix regulation.
- ESRS S1-14: Disclosures do not cover non-employee workers in accordance with the Quick Fix regulation.

Raute has not used the option to omit a specific piece of information corresponding to intellectual property, know-how, or the results of innovation. The company has not used the option to omit information for undertakings based in an EU member state that allows for the exemption from disclosure of impending developments or matters in the course of negotiation in exceptional cases.

BP-2 DISCLOSURES IN RELATION TO SPECIFIC CIRCUMSTANCES

In preparing the sustainability statement, Raute applies the definitions of time horizons presented in ESRS 1 section 6.4 “Definition of short-, medium- and long-term for reporting purposes”. In line with ESRS 1 section 7.2, Raute’s reporting boundary covers material impacts, risks, and opportunities across its own operations and relevant parts of its upstream and downstream value chain. Raute discloses all known data gaps and estimates transparently in its sustainability statement. Raute continuously works to improve the completeness and reliability of value-chain data, read more about actions related to E1 data from section E1-3. The assurance provider has verified Raute’s sustainability statement at a limited assurance level. The measurements of the datapoint-level metrics were not validated by an external body other than the assurance provider. Raute does not use other generally accepted sustainability reporting standards or frameworks in its sustainability statement. Raute’s sustainability statement covers all the material topics and applies the transitional provisions as stated in section BP-1.

When Raute’s reported metrics include information from its upstream or downstream value chain, the data is currently based on indirect sources such as industry averages and publicly available proxies. These estimates mainly concern Scope 3 greenhouse gas emissions and material use in supply chains. The basis for calculation, data sources, and indirect sources used in the measurements are described in the respective relevant topic sections E1-6 and E5-5. The resulting accuracy reflects indicative estimates appropriate for the current level of data availability.

There have been changes in Raute’s company structure, data quality, and calculation methodologies compared to the previous reporting period. During the reporting period, changes occurred in Raute’s company structure (closing of the Changzhou factory) and in the quality and availability of sustainability data. Calculation methods for selected indicators, particularly climate- and energy-related metrics, were refined to improve their accuracy and comparability. Read more from sections E1-5 and E5-4. These updates enhance the reliability and usefulness of the

reported information. Comparative figures have been adjusted where possible; where revision was impracticable due to methodological changes, resource constraints, or data limitations, this has been disclosed in the respective topic sections.

During the reporting period, the Group implemented a significant change in the calculation methodology for Scope 3 greenhouse gas emissions, Category 11 (Use of sold products), by developing the calculation methods, applying standardized assumptions on product lifetime and energy use, introducing a total energy consumption calculator, updating the emission factors used in the calculations, and strengthening the quality assurance processes. The revised methodology reflects updated assumptions, data sources, and calculation approaches aimed at improving the accuracy and relevance of the emissions estimate in line with evolving best practices and guidance. As a result of this change, the Scope 3 Category 11 GHG emissions quantities disclosed for the reporting year are not comparable with the figures reported for the prior reporting period. Due to the nature and extent of the methodological changes, revision of prior-year Scope 3 Category 11 GHG emissions was not feasible. No other Scope 3 categories or Scope 1 and Scope 2 emissions were materially affected by this change in methodology.

Corrections relating to the previous reporting period

A calculation error was identified in the safety figures disclosed under ESRS S1-14 for the reporting year 2024, affecting both the Lost Time Injury Frequency (LTIF) and the Total Recordable Injury Frequency (TRIF). The error related to the working hours used as the normalizer in the calculation of the injury frequency rates and was based on an estimation of annual working hours for Finland, as primary data was not available at the time of reporting.

Following the implementation of a new system, primary working-hours data has since become available and has been used to recalculate the 2024 LTIF and TRIF figures. As a result, a slight increase compared to the previously reported figures was identified, and the corrected figures for the comparative period are disclosed in this sustainability statement. From 2026 onwards, the undertaking will use TRIF as the primary safety indicator for external reporting. Primary working-hours data will be used consistently for the calculation of safety indicators going forward.

Metrics with a moderate level of measurement uncertainty:

E1 Climate change: Scope 3 GHG emission calculation

<p>There has been a significant change in the way Raute calculates category 11. For more information about the scope 3 calculation data sources, methodology, assumptions, and quality, see section E1-6. The Scope 3 emissions cannot be directly compared to the Scope 3 (2024) data.</p>	<p>Scope 3 GHG emissions – Category 11 (Use of sold products), disclosed under ESRS E1-6 (Gross Scope 3 GHG emissions).</p>
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E5 Circular economy: Quantity of materials and waste data

In relation to each quantitative metric identified: For information about the sources of uncertainty and assumptions the entity has made in the measurements, see sections E5-4 and E5-5.

E5-4:	E5-5:
31a	37b
31b	37c
31c	

Governance

GOV-1 THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Raute's operations and governance are guided by the Code of Conduct and by the company's internal governance model, which support the integration of sustainability considerations into decision-making processes across the organization. The overall governance structure, responsibilities, and reporting lines remain consistent with the previous reporting period. Raute's key sustainability governance bodies are the Board of Directors, the Executive Board (RXB), and their supporting committees. Raute's Board of Directors manages sustainability reporting and ensures that it is comprehensive and transparent. The RXB monitors the progress of both sustainability reporting and the sustainability roadmap on a regular basis and implements related practices. The Audit Committee supervises the management of impacts, risks, and opportunities, assisting the Board of Directors. The CFO updates the Executive Board, the Board of Directors, and the Audit Committee on relevant sustainability topics and their progress.

Composition and independence of the governing bodies

Governance body	Metric	2024	2025
Board of Directors	Number of members	7	7
	Independent of the company (%)	85.7%	85.7%
	Gender diversity (%)*	40.0%	40.0%
Audit Committee	Number of members	4	4
	Independent of the company (%)	75.0%	75.0%
	Gender diversity (%)*	33.3%	33.3%
People Committee	Number of members	3	3
	Independent of the company (%)	100.0%	100.0%
	Gender diversity (%)*	50.0%	50.0%
Executive Board	Number of members	7	7
	Independent of the company (%)	100.0%	100.0%
	Gender diversity (%)*	16.7%	16.7%
ESG Steering Group	Number of members	16	16
	Independent of the company (%)	100%	100%
	Gender diversity (%)*	45.5%	33.3%

*amount of women divided by the share of men

Role of the Board of Directors

Raute's Board of Directors is responsible for the administration of Raute Group and for ensuring the appropriate organization of its operations. The Board's principal duties include approving the Group strategy, supervising its implementation, approving the annual plan and financial reports, and overseeing the management of business risks, including sustainability impacts, risks, and opportunities. The Board of Directors is the highest body that approves the company's long-term sustainability strategy and long-term targets and supervises the implementation of sustainability matters.

Raute's Board of Directors has seven members. The Chair of the Board of Directors, Laura Raitio, and members Ari Harmaala, Ari Piik, Jenni Virnes, Julius Manni, and Mikko Kettunen are independent of the company. The Board member Joni Bask is dependent on the company for having served on the company's Board of Directors for more than 10 years. Four Board members own shares in Raute (Raitio, Bask, Piik, Harmaala). The other members do not hold shares in the company. The Board of Directors has sufficient expertise, collective skills, and experience in Raute's sector, and the topics related to the business activities and sustainability matters. The Company's Board of Directors does not include executive members or employee representatives. All members of the Board of Directors are non-executive.

The Board has two committees to enhance its efficiency: the Audit Committee, which monitors and evaluates the effectiveness of the company's risk management practices and internal control, and oversees the process for sustainability reporting and external assurance; and the People Committee, which prepares matters relating to remuneration, incentive schemes and succession planning. The Board of Directors assesses the adequacy of its collective skills and expertise as part of its governance processes, including Board composition, succession planning, and the appointment of new members. Changes in the Company's strategy, operating environment, or regulatory requirements are considered when determining whether additional competencies or expertise are required. Any identified needs are addressed through Board appointments, training, or the use of external advisors. The collective skills and expertise of the Board of Directors are aligned with Raute's material impacts, risks, and opportunities. In particular, the Board's experience in industrial manufacturing, technology development, health and safety, environmental performance, climate-related risks, supply chain management, and corporate governance supports effective oversight of the Company's material sustainability topics.

Board appointments are prepared by Raute's Nomination Board, which considers applicable legislation and the Finnish Corporate Governance Code to ensure that the Board as a whole has sufficient expertise relevant to the Company's operations and sustainability matters. Committee members are selected based on their governance and sustainability expertise. The Board

annually evaluates its own performance and working methods and conducts an annual assessment of the President and CEO's performance.

Audit Committee

The Audit Committee, chaired by Mikko Kettunen with members Jenni Virnes, Joni Bask, and Julius Manni, oversees the preparation of the sustainability statement, the double materiality assessment, and related reporting processes. The CFO reports directly to the Committee on sustainability topics. The Audit Committee supervises particularly the progress of the double materiality assessment, the enterprise risk management process and the completion of the sustainability statement. The Audit Committee also oversees the implementation of risk mitigation actions that combine ESG risks and other enterprise risks into an annual procedure. The Audit Committee's materials are available to the entire Board of Directors.

People Committee

The People Committee, chaired by Laura Raitio and including Ari Harmaala and Ari Piik, focused in 2025 on executive remuneration and succession planning for the President and CEO and senior management. The People Committee is an established governance body, and its role and mandate are based on business needs and the objective of developing the company's competitiveness. The Committee's duties include preparing the remuneration policy and remuneration report, addressing the appointment, dismissal, remuneration, pension, benefits, and other key terms of employment of the President and CEO and other members of the Executive Board, and preparing both short- and long-term incentive plans. In addition, the People Committee assesses remuneration structures and packages, ensures alignment with the company's strategy and governance principles, and monitors management succession planning to support leadership continuity.

Role of the President and CEO and the Executive Board

The task of the President and CEO is to manage the Group's business activities and governance in accordance with the Articles of Association, the Finnish Companies Act, and the Board of Directors' instructions. The President and CEO is accountable to the Board of Directors for the implementation of the targets, plans, procedures, and goals set by the Board. The President and CEO serves as the Chair of the Raute Executive Board.

The Raute Executive Board (RXB) assists the President and CEO in managing the corporation, preparing the business plans, strategy, policies, and other important matters, and in implementing the strategic and operational targets. The Raute Executive Board has seven members. Mika Saariaho serves as the President and CEO. Raute's sustainability matters are the responsibility of Chief Financial Officer Ville Halttunen. The other Executive Board members are Kurt Bossuyt, Jari Myyryläinen, Markus Sirviö, Tarja Moilanen, and Jani Roivainen. All Executive Board members are executive members. Jari Myyryläinen was a member of the Executive Board

from 1 January 2025 to 24 November 2025. Arto Kaikkola was appointed as interim CCO and a member of the Executive Board as of 25 November 2025.

The RXB is responsible for Raute’s business risk management, which includes an annual cycle where all risks are assessed, discussed, and mitigation actions agreed upon. The Audit Committee then oversees the implementation of risk mitigation actions and assesses its effectiveness. The RXB monitors and assesses business risks and sustainability-related risks as part of the double materiality assessment. Alongside risks, the RXB both regularly monitors the progress of sustainability actions and activities and is an active party in implementing the sustainability actions. The RXB approves the annual plans, interim targets, measures, and budget. Sustainability themes and metrics are regularly on the RXB’s agenda. The RXB reviews and approves internal policies collectively, while the relevant function supports the implementation of the policies. Each of the strategic sustainability themes has a nominated sponsor from the RXB. The management teams of each business unit (Wood processing, Service, Analyzers) approve and review business unit level action plans related to targets and resource allocation, and implementation plans.

The RXB has strong skills in the field of technology and long experience in Raute’s products and services. In addition, they have plenty of experience in international business, as Raute has a long track record of international operations when it comes to both manufacturing operations and customer deliveries. The RXB members represent two nationalities, and the main language is English. The RXB members have broad skills in the various sub-topics of the sustainability themes. The skills of Chief Financial Officer Ville Halttunen are especially focused on the E1 and G1 sustainability topics, and Chief People Officer Tarja Moilanen’s skills are on the S1 sustainability themes. Kurt Bossuyt has in-depth skills in supply chains and especially the G1 sustainability themes. Mika Saariaho, Jari Myyryläinen, Arto Kaikkola, Jani Roivainen, Kurt Bossuyt, and Markus Sirviö have special skills in customer needs, supply chains, business models, new applications and technologies, research and development, and occupational safety.

Raute has determined to provide training on different areas of ESG to its own workforce to raise awareness and develop needed skills. In 2025, Raute has provided training on safety, Code of Conduct, Anti-Corruption, design for environment, and life cycle assessment (LCA). Raute has also offered voluntary e-learning modules for DEI training. The RXB and the President and CEO have taken part in these trainings in the 2025 reporting period. In addition, there are several experts in the organization with skills in sustainability matters.

ESG Steering Group

Operational sustainability management at Raute is coordinated through the internal ESG Steering Group, which supports the planning and implementation of sustainability projects, programs, and processes. The group includes representatives from all business units, ensuring

that each site and function is supported by a designated ESG contact responsible for data collection, local implementation of targets, communication, and alignment of budgeting and resource allocation. The Steering Group, chaired by the Chief Financial Officer, comprises sixteen members—four women and twelve men—representing multiple nationalities, of whom twelve hold executive positions. Members bring extensive experience in Raute’s operations and in the key subtopics of sustainability, reflecting the company’s long-standing international presence in both manufacturing and customer deliveries. The ESG Steering Group consists of line managers and members of the RXB. Employees are not represented in the ESG Steering Group in a representative capacity.

Sustainability-related actions, projects, and reporting are managed jointly by the Sustainability Manager and the Chief Financial Officer, with the Steering Group addressing relevant topics and preparing materials for Executive Board decision-making. The group meets approximately four times a year, and during 2025, its members received targeted training on sustainability matters to further strengthen governance capabilities.

Ethics team

Compliance with the Code of Conduct is monitored by the Ethics Team, consisting of the Chief People Officer, the Chief Financial Officer, and the Sustainability Manager. Two of the three members also serve on the Executive Board, ensuring direct oversight and accountability. The Ethics Team is responsible for the management and investigation of reports submitted through the whistleblowing channel, with the Chief People Officer overseeing related processes in cooperation with the team.

GOV-2: INFORMATION PROVIDED TO, AND SUSTAINABILITY MATTERS ADDRESSED BY THE UNDERTAKING'S ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

See section GOV-1 for a detailed description of the governance structure of sustainability matters. The operational sustainability management is taken care of by the ESG Steering Group, but the overall strategic and double materiality assessment is overseen by the Audit Committee and the Executive Board. The Board of Directors is accountable for the sustainability statement and the advancement of Raute’s ESG roadmap.

Sustainability matters were reported to each Audit Committee meeting in 2025, as well as in all Executive Board meetings. In its meetings, the Audit Committee addressed the plan for the sustainability reporting for 2025, regulation changes regarding sustainability reporting, the overall process of the double materiality assessment, risk assessment, and overall reporting updates. The Executive Board addressed more operational topics such as new regulation, policy changes, and introduction of the Supplier Code of Conduct policy, life cycle assessment results, climate transition plan and regular updates on the ongoing sustainability reporting.

In 2025, the ESG Steering Group convened twice. In its meetings, the ESG Steering Group addressed elements of the annual action plan, upcoming trainings, information on safety developments like the Golden safety Rules, DEI awareness, and discussion about the budget, climate transition plan, and emission reductions and projects for the coming year.

The Audit Committee reviews the material impacts, risks, and opportunities identified in the double materiality assessment at an aggregated level during the reporting period. The ESG Steering Group is informed of the identified impacts, risks, and opportunities, including through the IRO table, but does not formally review them. The Audit Committee assisted the Board of Directors by overseeing the progress of sustainability reporting and the completion of the sustainability statement.

Due diligence

The due diligence process and the double materiality assessment are key elements in implementing Raute’s sustainable development and ESG strategy. The due diligence process is the structure of how the risks are identified, assessed, discussed, the effectiveness of actions reviewed, and risk mitigation plans actively reviewed throughout the year. Policies are covered in training, communicated, and enforced. Due diligence is considered effective based on meetings held, implemented policies, personnel pulse surveys, improved risk review process, active risk controls, and basic monitoring.

Board of Directors

- The Board of Directors held 14 meetings in 2025.
- During the reporting period, the Board discussed and oversaw key sustainability matters, including ESG targets, the double materiality assessment, remuneration and incentive schemes, and anonymized whistleblowing cases.
- During the annual cycle, the Board approved Raute’s ESG targets, including a new sustainability target related to the circular economy.
- The Board prepared the 2025 sustainability statement with the support of the Audit Committee.
- Information on the implementation of due diligence is consolidated by management and provided to the Board of Directors in connection with the Company’s sustainability reporting, risk management processes, and relevant approvals, as further described in GOV-4.

Audit Committee

- Held six meetings during the reporting period.
- Was informed of the Company’s material impacts, risks, and opportunities (IROs) and the sustainability statement preparation process on five occasions.

- Information on material IROs and sustainability matters was provided by the Chief Financial Officer (CFO).
- Discussed topics included the preparation of the 2025 sustainability statement, the identification and assessment of material IROs, and the progress of the sustainability reporting.
- The implementation of due diligence is reported by management to the Audit Committee as part of its regular meeting cycle at least annually and in connection with key approvals, as further described in GOV-4.

Raute Executive Board (RXB)

- Held eleven meetings during the reporting period.
- Approved the results of the double materiality assessment and decided on related actions and future resource needs.
- Approved key sustainability policies and rules, including the Supplier Code of Conduct, updates to the Code of Conduct, and the Golden Safety Rules.
- Reviewed material impacts, risks, and opportunities (IROs) and other general sustainability-related matters.
- Received reporting on stakeholder engagement matters, including results of the ESG risk survey and customer ESG engagements.
- Discussed personnel surveys and company-level HR practices, including performance and development discussions and equal pay.
- Reviewed progress on the climate transition plan, climate targets, life-cycle assessment (LCA) results, regulatory risks, and the strategic importance of ESG as a business driver.
- Addressed occupational safety matters, including deviations, work-related injuries, investigation findings, and actions to strengthen the safety culture.
- Cases related to the whistleblowing channel are reported immediately to the President and CEO and twice a year to the Audit Committee.
- The Executive Board reviews the implementation of due diligence as part of the sustainability reporting and risk management processes and reports on the implementation of due diligence to the Audit Committee and the Board of Directors in accordance with their regular meeting cycles.

ESG Steering Group

- Held two meetings in 2025.
- Reviewed key sustainability-related data and analyses, including emissions calculation results, the climate transition plan, a proposal concerning the circular economy target, climate targets, supply chain sustainability, preliminary life cycle assessment results, regulatory risks, and the implementation of policies.
- Discussed occupational safety topics, including ongoing development work, trainings, and the Golden Safety Rules.

- Was informed of upcoming DEI campaigns and training materials, as well as ongoing work related to training and development, including performance and development discussions.
- Discussed updates to the double materiality assessment.
- Materials of the ESG Steering Group are available to all employees, and responsible parties report to their teams on agreed actions.

GOV-3 – INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

At Raute, total remuneration comprises fixed base salary, fringe benefits, short-term incentives based on financial performance and/or individual performance criteria, and long-term incentive schemes. This description applies to the President and CEO and the Executive Board, who together constitute the Company's top management. The annual short-term incentive (STI) schemes for the President and CEO and the Executive Board are based either on financial performance targets or on a combination of financial and individual performance objectives.

Raute's remuneration principles are designed to support long-term value creation and sustainable high performance. The principles ensure internal consistency and external competitiveness of remuneration structures. In accordance with these principles, remuneration may include sustainability-related performance criteria, such as safety-related targets. The performance-based long-term incentive (LTI) scheme for the President and CEO and the Executive Board is share-based and linked to value creation and growth. The currently ongoing LTI programs comprise three rolling three-year performance periods: 2023–2025, 2024–2026 and 2025–2027. The 2022–2024 program ended, and the related rewards were paid in 2025. The 2022–2024 program was based on share value and net sales growth. The 2023–2025, 2024–2026 and 2025–2027 programs are based on profitability and growth metrics.

In addition, the Board of Directors has resolved on a complementary conditional share-based incentive plan applicable to the President and CEO, the Executive Board and selected key employees. This plan is time-based and subject to continued employment throughout the vesting period. The plan does not include separate financial or sustainability-related performance criteria.

With regard to sustainability matters, Raute has integrated safety as a performance metric in its incentive framework. The Executive Board has a safety-related sustainability objective based on the Lost Time Injury Frequency (LTIF). At present, climate-related greenhouse gas (GHG) emission reduction targets are not included in executive remuneration. The LTIF metric carries a weighting of 10% within the performance criteria of the short-term incentive scheme for top management. Remuneration of the Board of Directors does not include specific sustainability-related performance criteria.

GOV-4 – STATEMENT ON DUE DILIGENCE

Raute's due diligence encompasses the identification, assessment, and management of impacts, risks, and opportunities, stakeholder consultations, and the transparency of reporting. The Board of Directors has overall responsibility for sustainability matters and approves the key policies that frame our due diligence approach (e.g., Code of Conduct). The Audit Committee oversees the design and effectiveness of the due diligence process, including integration of sustainability risks into enterprise risk management, monitoring of significant impacts, risks, and opportunities identified through due diligence, and follow-up on management's remediation and improvement plans.

Raute's due diligence is implemented on an ongoing basis through the Company's daily operations, management processes, and governance structures. This includes the application of policies and codes, employee training, whistleblowing and grievance mechanisms, risk identification and assessment, the management of impacts, risks, and opportunities, and monitoring and reporting activities. Information on the implementation and outcomes of due diligence is consolidated by management and communicated to the Executive Board, the Audit Committee, and the Board of Directors in line with their respective oversight responsibilities and meeting cycles.

The BU Management Teams approve, and review BU-level action plans related to targets, as well as resourcing and implementation plans. The day-to-day coordination sits with the ESG team and other functions such as the safety and HR department and procurement department, which maintains the due diligence methodology and tools, supports business units in applying the process in their operations and value chains, and consolidates findings for reporting to management and the Board. Global policies are maintained by the CFO department. In 2025, we continued to embed due diligence into the company's key sustainability risk management processes and followed Raute's annual process cycle. Sustainability-related risks were addressed at the Executive Board, Audit Committee, and ESG Steering Group levels, with a special focus on strengthening different structures (channels, policies). Through its supervisory and administrative governance structure, including the Board of Directors, its committees, and executive management, Raute oversees, manages, and mitigates its material impacts, risks, and opportunities, and ensures that relevant information is appropriately reported and communicated. The double materiality assessment has been integrated into Raute's overall risk assessment process. Operational due diligence activities are monitored continuously, while consolidated updates are provided to the RXB on a monthly basis, to the Audit Committee as part of its regular meetings, and to the Board of Directors at least annually and in connection with key approvals.

Board of Directors

- Has the ownership of the sustainability statement and therefore oversees the sustainability reporting process and general ESG performance.
- Reviews annually the effectiveness of sustainability activities performed and achievement against set targets.
- Assesses the effectiveness of Raute’s risk management and internal control performance in relation to the sustainability reporting process.
- Approves long-term focus areas, ambition level, and targets and key group level policies, as well as the results of the double materiality assessment and the sustainability statement.

Audit Committee

- Oversees the creation of the sustainability statement, the double materiality assessment, and related reporting processes. The Committee also oversees the effectiveness of the due diligence process, including monitoring of significant impacts, risks, and opportunities and the integration of sustainability risks into enterprise risk management.
- Supervises the completion of the sustainability statement.
- Reviews the implementation of risk mitigation actions.
- Assesses management’s remediation and improvement plans.

Raute Executive Board (RXB)

- Monitors sustainability performance and activities monthly. Each strategic ESG priority topic has a RXB level topic sponsor.
- Approves the annual plans, actions, and budget for the Group and BU-level action plans.
- Sustainability activities are cascaded to the BU management team through the BU ESG contact person. The BU Management Teams approve BU-level action plans related to targets, as well as provide resourcing and support implementation activities.

ESG Steering Group

- Manages operational sustainability activities, such as projects, programs, and processes, acting as the BU/function ESG contact person. Communication on the meeting is communicated to the members.
- Develops proposals for KPIs, long-term and annual targets, and action plans, and implements global ESG processes.
- Reviews the double materiality assessment process and its outcome.
- Prepares topics for decision-making for the RXB, such as targets and policies.
- Reviews ESG data and current performance.
- Discusses current ESG focus areas, strategy, and action plans and shares information on e.g., new legislation.

Policies and Procedures

Raute’s operations are guided by a comprehensive set of policies, including the Code of Conduct, the Safety Policy, the Environmental Policy, the Respect in the Workplace Policy, the Anti-Corruption Policy, and the Supplier Code of Conduct. The Code of Conduct is reinforced through annually recurring training with changing focus areas, and in 2025, 90% of Raute employees completed the basic Code of Conduct e-learning. Raute targets a minimum annual completion rate of 95% for Code of Conduct training. The Anti-Corruption Policy was delivered as targeted training to 84% of employees in roles where exposure to bribery or corruption risks is possible. Oversight of ethical conduct is carried out by the Ethics Team, which is responsible for implementing ethical practices and managing investigations arising from notifications submitted through the company’s whistleblowing process, administered by the Chief People Officer. Any whistleblowing cases are reported immediately to the President and CEO and summarized for the Audit Committee twice a year. Throughout the year, the whistleblowing channel and all other available avenues for reporting suspected misconduct were actively communicated through the company’s intranet, ensuring visibility and accessibility. Reports of suspected misconduct can be submitted anonymously or with the whistleblower’s identity included, either through the whistleblowing channel or alternative reporting mechanisms. The electronic whistleblowing system is also available to external stakeholders, and all investigations are conducted in accordance with the guidance provided by Raute’s Ethics Team.

Implementation of the Safety Policy continued during the reporting period, while the Environmental Policy was communicated through the Compass platform and supported by line-manager training sessions. The Respect in the Workplace Policy was highlighted as part of the company’s DEI campaign, strengthening awareness and behavioral expectations. Work on the Supplier Code of Conduct progressed as implementation began in Q3 and continued thereafter. In addition, Raute provided dedicated training for product designers focused on energy efficiency and the efficient use of materials, supporting both sustainability objectives and regulatory expectations.

Core elements of due diligence

CORE ELEMENTS OF DUE DILIGENCE	Sections in the sustainability statement where the information can be found
a) Embedding due diligence in governance, strategy, and business model	<ul style="list-style-type: none"> • GOV-1 The role of the administrative, management, and supervisory bodies • GOV-2 Information provided and sustainability matters addressed by the undertaking's administrative, management, and supervisory bodies • GOV-3 Integration of sustainability-related performance in incentive schemes • SBM-1 Strategy, business model, and value chain • SBM-3 Material impacts, risks, and opportunities and their interaction with strategy and business model • G1-1 Corporate culture and business conduct policies • G1-3 Prevention and detection of corruption and bribery
b) Engaging with affected stakeholders in all key steps of the due diligence	<ul style="list-style-type: none"> • SBM-2 Interests and views of stakeholders • GOV-2 Information provided and sustainability matters addressed by the undertaking's administrative, management, and supervisory bodies • IRO-1 Description of the processes to identify and assess material impacts, risks, and opportunities • SI-2 Processes for engaging with own workforce and workers' representatives about impacts
c) Identifying and assessing adverse impacts	<ul style="list-style-type: none"> • SBM-3 Material impacts, risks, and opportunities and their interaction with strategy and business model • IRO-1 Description of the processes to identify and assess material impacts, risks, and opportunities
d) Taking actions to address those adverse impacts	<ul style="list-style-type: none"> • E1-3 Actions and resources in relation to climate change policies • E5-2 Actions and resources in relation to resource use and circular economy • SI-4 Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and an assessment of the effectiveness of those actions • G1-3 Prevention and detection of corruption and bribery
e) Tracking the effectiveness of these efforts and communicating	<ul style="list-style-type: none"> • Tracking of ESRS-aligned targets. • The Raute Executive Board and ESG Steering Group track the progress of the targets and projects. There are also other ways in place for tracking, such as the whistleblowing channel and safety observations

GOV-5 - RISK MANAGEMENT AND INTERNAL CONTROLS OVER SUSTAINABILITY REPORTING

Raute's sustainability manager is responsible for the processes related to sustainability reporting, together with the Chief Financial Officer. The Chief Financial Officer reports on the progress of sustainability reporting to the Board's Audit Committee. Raute has identified several risks relating to the preparation of its sustainability reporting under the ESRS framework. These include limitations in internal resources and in-depth knowledge of the evolving reporting standards, as well as challenges concerning the availability, consistency, and quality of underlying data. Additional risks arise from the complexity of interpreting ESRS requirements. Dependencies on manual, non-integrated data collection systems further increase the risk of errors, delays, and inconsistencies. Together, these factors may impact the accuracy, completeness, or timeliness of the sustainability disclosures. Risks were identified and prioritized through practical experience gained during the preparation of the sustainability statement and through ongoing collaboration between the sustainability team, finance, and other relevant functions. The prioritization of risks was based on observed challenges and recurring issues encountered in the reporting process, including data availability, interpretation of requirements, and process efficiency. Risks related to sustainability reporting were regularly assessed and discussed between the Chief Financial Officer and the project manager, and, when necessary, escalated for discussion in the Executive Board. No separate documented risk assessment was prepared; instead, the assessment was integrated into the practical implementation of the reporting process.

To mitigate these risks, Raute defined a set of targeted internal controls, including the appointment of named data owners for each disclosure, the use of standardized data collection templates, and the systematic documentation of methods, sources, and assumptions. During the year, Raute further enhanced oversight of these risks by introducing new controls focused on documenting the overall reporting process and improving the quality of primary data. Initial processes and guidelines have been established for data validation, documentation, and retention, and these are being progressively strengthened to support auditability and consistency. The status of the risks involved with corporate sustainability reporting and related controls is reviewed annually by management and reported to the Board as part of the overall discussion on sustainability governance and reporting.

Strategy

SBM-1 - STRATEGY, BUSINESS MODEL AND VALUE CHAIN

Raute wants to lead the way with its innovations as the partner to future-proof the engineered wood products industry. Engineered wood products are structural solutions made from processed timber and are widely used in construction due to their durability, dimensional stability, and versatile applications. Raute's business model is focused on promoting resource-efficient production of engineered wood products industry by offering complete mills,

production lines and equipment, and various service solutions to support customers. With Raute's products, Raute's customers produce veneer, plywood, laminated veneer lumber (LVL), or other engineered wood products. Net sales consist of revenue from production machines and analyzer equipment, digital services, and maintenance and spare parts services. Raute's global sales and maintenance network ensures the availability of products and services to customers globally. According to a competitor analysis carried out by the company in 2024, Raute is the market leader and the only full-scope supplier in the world to offer mill-scale technological solutions for veneer, plywood, and LVL production.

Raute's technologies and services are designed to improve the resource efficiency of the customer's whole production process and the quality of the end product. The Wood Processing business unit offers comprehensive design and machine solutions for resource-saving veneer, plywood, and LVL production. The Analyzers business unit offers a wide spectrum of camera technologies and data analytics for the optimization of production. The Services business unit supports the two above-mentioned business units by offering service and maintenance solutions for production optimization, energy efficiency, and extending the life cycle of the equipment and maintaining its performance. Understanding customer needs is at the core of Raute's operations.

Raute's key sustainability-related impacts, risks and opportunities are particularly linked to the upstream and downstream parts of the value chain. Upstream, the focus is on supply chain responsibility, data availability and compliance, while downstream, the role of Raute's technologies in enabling customers' resource efficiency, energy efficiency and emission reductions is central. These perspectives have been taken into account in Raute's strategic decision-making and in the development of its business model.

Raute focuses its strategy on sustainable growth and resource efficiency. The objective is to act as a partner for a sustainable future in the wood products industry. The strategy is built on three mutually reinforcing focus areas that guide operations and capital allocation. Raute strives to promote ESG matters within the industry and aims to make sustainability a key source of competitiveness and value creation for both the company and its customers. At the same time, the goal is to improve profitability and reduce earnings volatility regardless of market cycles, while creating a stable foundation for investments and growth in existing and new markets. The company seeks to grow faster than the market and to expand its offering by gradually renewing its business portfolio, focusing on more profitable solutions that generate long-term growth and are less exposed to fluctuations. Raute's business model relies on an extensive supply chain that is critical to the continuity of its operations.

The main critical solutions will be related to production optimization guided by data and resource savings also in the future. Incorporating safety-by-design principles into machinery improves employee well-being, reduces accidents, and supports regulatory compliance. The six

core sustainability themes that Raute aims to improve are sustainable financial growth, promoting climate and circular economy actions, focusing on resource efficiency, developing the safety culture, improving sustainability in the entire value chain, and supporting skills development to ensure innovativeness, as well as in attracting and retaining diverse professionals.

Wood product industry market and downstream value chain

Raute operates globally, and its main markets are in Europe, North America, and Asia. Raute’s production machinery, technologies, and services are sold to all markets. Raute’s customers are wood products industry companies that manufacture veneer, plywood, and LVL. These include major industrial companies that value the sustainable and efficient production solutions offered by Raute and the long service life and upgradability of the products. Raute’s product offering supports customers in their own sustainability targets. The geographical distribution of net sales is reported as part of the financial statements (Financial statements, page 90). The headcount of employees by geographical areas is reported as part of section S1-6.

Raute’s development efforts in 2025 focused on improving real-time visibility, predictive capabilities, and the overall performance of mill-wide processes. At the same time, the company expanded and deepened its service offering, supporting customers not only with spare parts, maintenance, and modernizations but increasingly with integrated production support, remote services, and lifecycle solutions tailored to daily operational needs. Through these initiatives, Raute continued to improve value for customers and reinforce its role as a partner in efficient, safe, and sustainable wood-product manufacturing.

Own operation and the upstream value chain

Raute is committed to improving sustainability in its entire value chain. Raute’s downstream value chain includes the manufacturers, distribution channels, and end-users of wood products. The company’s upstream value chain, in turn, includes suppliers that offer raw materials, machine parts, logistics, electronics and components, and services required for installation projects and IT services. Raute’s position in the value chain is to act as a partner that future-proofs the engineered wood products industry, promoting resource-efficient production through smart solutions.

Raute’s production process covers the full lifecycle of its equipment and solutions, beginning with the planning and design of projects and upgrades, followed by machining, welding, and assembly. Once completed, the equipment is delivered to customers for installation and start-up. Raute works in close collaboration with key suppliers, customers, and distribution partners to ensure efficient operations and timely deliveries throughout the value chain. In addition to machinery and project deliveries, Raute provides a comprehensive service offering that includes

spare parts, maintenance, repairs, modernizations, and expert support on end-product quality and production optimization.

Raute’s production relies mainly on reprocessed steel, supported by a range of additional raw materials, components, and industrial supplies. The design team defines the technical specifications for machinery and equipment, and these drawings flow directly into the procurement process. Reliable access to high-quality components is essential to ensuring the performance and durability of Raute’s end products. Metal accounts for roughly 95% of the materials used in the equipment sold.

Raute’s procurement strategy aims to minimize availability risks, strengthen value creation, increase operational flexibility through scalable sourcing, and ensure cost-effective and high-quality operations. In 2025, Raute did not encounter material challenges related to the availability of required raw materials or components. However, geopolitical developments continued to affect global supply chains. These risks were mitigated by shifting production focus toward Europe and by systematically monitoring category-specific indicators—such as steel price trends, logistics costs, and inflation—to anticipate market developments and adjust procurement decisions when needed.

Society

The use of engineered wood products (EWPs) in construction creates societal value by reducing overall greenhouse gas emissions through the substitution of more carbon-intensive materials such as concrete and steel, while enabling renewable, resource-efficient, and low-carbon building solutions. The use of various new types of wood structures is gaining ground in construction. The environmental targets of the construction sector are very closely related to carbon-neutral construction and low-carbon construction solutions. LVL, for example, is a very strong and versatile material that is well-suited for different load-bearing structures thanks to its tensile strength and stiffness, making it an excellent alternative to replace steel beams and concrete elements in construction. The use of wood products in construction contributes to lower greenhouse gas emissions, as wood is a renewable and carbon-storing material that can be used in a wide range of modern building applications. In response to increasing demand for sustainable construction materials, Raute’s activities focus on developing technologies for the wood products industry that can support more resource-efficient and sustainable use of wood-based materials.

SBM-2 - INTERESTS AND VIEWS OF STAKEHOLDERS

The materiality assessment was updated in 2025, taking into account both impact materiality and financial materiality. Raute’s own personnel were among the key stakeholders in this process, alongside customers, suppliers, partners, and financiers. Stakeholders were engaged primarily through interviews conducted in the 2023–2024 period with employees, customers, members of the Executive Board and Board of Directors, and financiers, complemented by

internal workshops. The purpose of this engagement was to identify and assess material impacts, risks, and opportunities and to ensure that Raute's strategy and business model reflect stakeholder views. As part of the double materiality assessment and the assessment of material impacts, risks and opportunities (IROs), Raute also evaluated which stakeholder groups are most affected by these IROs, both positively and negatively, and assessed their time horizon as short-term (already visible), medium-term (expected to materialize within five years) or long-term (beyond five years).

As stakeholder interests in Raute's core sustainability topics did not materially change based on Raute's continuous interactions and business context, the 2023–2024 stakeholder insights were validated and carried forward to the 2025 update of the assessment. The results of the engagement and materiality assessment were discussed with the Executive Board and the Board of Directors as part of the strategy process, ensuring that the views and interests of key stakeholders are considered in strategic decision-making and in the further development of Raute's business model.

The views and interests of stakeholders are also discussed in Raute's administrative, management, and supervisory bodies (Board of Directors, Executive Board, Board committees, and ESG Steering Group), for example, in connection with updates of the materiality assessment. During the double materiality assessment, these views were documented in a dedicated document and taken into account when assessing material impacts, risks, and opportunities. The assessment was submitted to the Audit Committee for review and approval. Stakeholder views have been summarized in a concise form in the table below. For more information, see table below.

When assessing the potential need to adjust its business model, Raute monitors market pressures, including shifts in customer demand, regulatory developments, cost structures, conditions for maintaining competitiveness, and emerging business opportunities, alongside stakeholder views. Particular attention is given to customers' expectations, which increasingly highlight the importance of sustainable products and services. The results of the 2025 double materiality assessment did not indicate an immediate need to change Raute's current strategy or business model. However, based on the assessment, the Executive Board, guided by the Board of Directors, decided to further refine the strategic priorities, elevating ESG to the top priority within the existing strategy.

Stakeholder engagement and impact on operations

Stakeholder group	Discussion topics, priorities	Interaction and engagement	Impact on operations
Personnel	<ul style="list-style-type: none"> Occupational safety Ethical conduct Equal opportunities Training, targets Sustainability impacts and targets of own operations Anti-Corruption DEI – respect in the workplace Whistleblowing Energy efficiency, climate transition plan Organizational changes, including lay-offs and their implications for personnel 	<ul style="list-style-type: none"> Daily communication Training Performance and development discussions Personnel surveys ESG Steering Group work Quarterly business reviews from RXB Whistleblowing channel Internal communication (Compass) Internal audits E-learning platforms Internal team meetings Info screens Shop stewards (employee representatives) 	<p>Raute's personnel are a key group affected by impacts, risks, and opportunities (IROs) related to sustainability matters. Employees' interests, views, and rights are considered in the development of the company's strategy and business model, and their views are gathered through regular interaction and engagement. Any operational changes and their impact on personnel are discussed with employees through established engagement channels. Employee feedback directly influences operations, and staff receive training on sustainability topics and approaches, with sustainability regularly discussed in these training sessions.</p> <p>The frequency of employee engagement varies by engagement type and location: formal engagement activities such as employee surveys and structured dialogue take place on a regular (typically annual or periodic) basis, while day-to-day interaction, operational discussions, and feedback mechanisms are continuous and embedded in normal management and supervisory practices across all locations.</p>
Customers	<ul style="list-style-type: none"> Long service life of fixed assets and maintenance services Material savings Energy-efficient products Responsible business, ethical practices Respect for human rights Safety of products and employees Carbon footprint of products 	<ul style="list-style-type: none"> Customers mainly interact with the sales department, key account managers and service technicians and installation personnel Customer satisfaction is reviewed annually through engagement activities Raute's large customer event in May was aimed at increasing stakeholders' awareness of sustainability by bringing together several stakeholders and discussing challenges together. (May 27, 2025) Customers' annual supplier assessments Stakeholders' requests for information Separate meetings regarding supplier code of conduct 	<p>Frequent discussions are held with customers, and dedicated discussions about sustainability and customers' future needs have been organized. Based on the discussions, development projects have been launched.</p> <p>Raute also organized a customer event at which sustainability was one of the topics addressed.</p>
Business partners, suppliers	<ul style="list-style-type: none"> Sustainability risks Ethical practices, sustainability requirements Sustainability of the supply chain and the opportunity to provide ESG data Safety of employees and products 	<ul style="list-style-type: none"> Interaction with suppliers takes place through procurements, supplier assessments and negotiations, as well as contract management. 	<p>Raute engages with the supplier through category managers on-need basis. Raute also has basic processes in supplier management and issue an ESG risk questionnaire to selected suppliers annually.</p>

SBM-3 – MATERIAL IMPACTS, RISKS, AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

The identified material impacts, risks and opportunities influence Raute's strategic priorities, the allocation of investments and the prioritization of development actions. The materiality assessment was updated in 2025, taking into account both impact materiality and financial materiality. Raute's identification of material sustainability impacts, risks, and opportunities is based on its ongoing business operations, stakeholder interactions, and continuous assessment of developments in the global wood products industry.

As part of the double materiality assessment, Raute has established a formal process for identifying and assessing impacts, risks, and opportunities in accordance with ESRS requirements. The outcomes of this assessment are used to determine and prioritize material sustainability matters. All material impacts, risks, and opportunities identified through this process are reported in accordance with the applicable ESRS Disclosure Requirements.

The outcomes of this assessment form the basis for Raute's sustainability reporting. The material impacts, risks, and opportunities identified in Raute's double materiality assessment relate to climate change (E1), the use of natural resources and the circular economy (E5), own workforce (S1), and business conduct (G1). The material impacts, risks, and opportunities and how they affect the value chain are described in the SBM-3 IRO table.

Raute's material impacts, risks, and opportunities originate from and are closely connected to its strategy and business model as a technology provider for the global wood products industry. The development, manufacture, and delivery of large-scale industrial machinery and related services, as well as long-term customer relationships and global service operations, are the basis for the identified environmental, social, and governance impacts, risks, and opportunities.

Raute has considered the resilience of its strategy and business model at a high level as part of its strategic planning and double materiality assessment processes. This assessment considers the company's capacity to manage its identified material impacts and risks and to respond to related opportunities within its current strategic framework. At this stage, Raute has not conducted a separate quantitative resilience analysis or scenario-based assessment across defined time horizons. The resilience analysis will be further developed as part of the company's ongoing risk management and strategic planning processes.

Based on this qualitative assessment, Raute considers its current strategy and business model to be resilient in the short to medium term with respect to its identified material impacts, risks, and opportunities. The company's positioning as a technology provider to the global wood products industry, its focus on engineered wood products, long-term customer relationships, and continuous product development support its capacity to manage sustainability-related risks and

to take advantage of opportunities related to low-carbon construction and the circular economy. In the longer term, resilience is expected to depend on Raute's ability to continue adapting its technologies, products, and operating model in response to evolving regulation, customer expectations, and market developments, which are monitored as part of strategic planning and R&D processes.

Compared to the previous reporting period, Raute's material impacts, risks, and opportunities have remained largely unchanged. The 2025 double materiality assessment resulted in limited refinements to the descriptions, scope, and classification of certain impacts, risks, and opportunities, reflecting improved methodological clarity, removal of overlaps between topics, and more precise value-chain and time-horizon definitions. A small number of positive impacts were newly articulated where these were previously implicit, while some risks and opportunities were removed where they were no longer considered financially material or were better addressed under other topics. These changes did not affect the overall set of material sustainability matters or require changes to Raute's strategy or business model.

Raute conducts an annual materiality assessment, so these risks, impacts, and opportunities are always considered as part of Raute's operations and especially as part of all strategy preparation work. The risks, impacts, and opportunities identified in the double materiality assessment are included in Raute's sustainability roadmap, strategy, and sustainability targets. Raute's efforts to advance the circular economy, reduce carbon emissions, and pursue more energy-efficient solutions may lead to changes in employees' tasks, work environments, and the tools they use. To support this transition, reskilling and competence development will play a central role in ensuring that employees are equipped for new requirements. Raute has initiated work on its climate transition plan, but the specific impacts on the workforce cannot yet be assessed.

Raute's business model focuses on promoting resource-efficient production in the engineered wood products industry by providing complete mill solutions, production lines and equipment, as well as various service solutions to support customers' operations. Sustainability is an integral part of Raute's strategy. In addition to sustainable economic growth, the strategic objectives include advancing responsibility throughout the value chain, accelerating climate action, innovating advanced products and services to improve resource efficiency, attracting diverse expertise and developing competencies, and promoting occupational health and safety. Raute's solutions will continue to focus on production optimization, resource savings, energy efficiency, and extending the lifecycle of equipment.

The results of the double materiality assessment guide Raute's strategic decision-making, the development of its technologies and services, and the management of sustainability topics across the value chain. Regarding changes in business models, Raute closely monitors customer technology preferences, upcoming legislation, costs, and other factors necessary for maintaining competitiveness. Particular attention is given to customer expectations, where sustainability in both products and services is a key consideration.

The results of the 2025 double materiality assessment support the current selected strategy and do not require changes to Raute's current strategy or business model. The material impacts, risks, and opportunities identified in the double materiality assessment have been incorporated into Raute's sustainability program. At this stage, Raute has not quantified the financial effects of sustainability-related risks and opportunities on its financial position, financial performance, and cash flows. While sustainability-related risks and opportunities have been identified as part of the double materiality assessment, the methodologies and data required to reliably quantify their financial impacts are still under development. Raute continues to develop its internal processes and capabilities to improve the assessment of the financial effects of sustainability-related risks and opportunities over time.

Material impacts, risks and opportunities (IRO summary)

- Negative Impact | + Positive Impact | ▼ Risk | ▲ Opportunity / ▲ Upstream | ● Own operations | ▼ Downstream / S Short | M Medium | L Long

Classification	IRO	Material impact, risk or opportunity	Description	Value chain location	Time horizon
EI: Climate Change					
Climate change adaptation	▼	Climate Events Threaten Business Continuity (Physical risk)	Raute's operations and upstream value chain are exposed to physical climate risks, including extreme weather, power outages, and rising temperatures. These events can disrupt production, logistics, and supplier operations, causing delays or increased material costs. Climate-driven impacts on forests—such as heat, storms, and wildfires—also affect the availability, quality, and price of wood-based raw materials essential for manufacturing engineered wood products (EWP) in the downstream. Broader global supply chain disruptions may further limit access to key inputs and increase price volatility.	▲ ● ▼	M L
	▼	Regulatory changes increase adaptation costs (transition risk)	Raute faces transition risks stemming from tightening climate and energy regulations, carbon-pricing mechanisms, and evolving customer and market expectations for energy-efficient technologies. These changes may require significant investments in product development, reporting systems, and supply-chain adaptation, potentially increasing operational costs and affecting competitiveness.	▲ ● ▼	S M L
	▲	Shift in the construction market toward renewable materials	The ongoing shift from non-renewable construction materials such as concrete and steel to renewable wood products creates clear business opportunities for Raute. Engineered wood products (EWPs) have a substantially lower carbon footprint and store carbon throughout their lifetime, supporting low-carbon construction. As demand for sustainable and resource-efficient building materials grows, Raute's technologies enable material and energy-efficient manufacturing of engineered wood products, while providing the company with an opportunity to benefit from the transition toward sustainable and low-carbon constructions.	● ▼	S M L
Climate change mitigation	-	Raute's contribution to climate change	Raute's operations and value chain contribute to greenhouse gas emissions from own operations (energy, materials, logistics) and emissions from the upstream and downstream (especially from energy consumption of sold products) value chain.	▲ ● ▼	S M L
	▼	High costs of decarbonization investments (transition risk)	Uncertainty in achieving the company's own emission reduction targets without considerable investments and new technology. The lack of direct control over value chain emissions may create challenges in reducing Scope 3 emissions. Without adequate investments in energy efficiency, renewable energy, process upgrades, or low-carbon materials, own operations may remain reliant on carbon-intensive inputs. This could lead to increased operational costs due to rising emissions allowance prices or exclusion from green funding opportunities.	●	M L
Energy	-	Emissions from non-renewable energy use	Environmental impacts resulting from the use of non-renewable energy sources in operations. The cumulative effect of greenhouse gas emissions from energy consumption accelerates climate change.	●	S M L
	-	Energy use of sold products	The use phase of Raute's sold products, primarily machinery and production lines, during with emissions arise particularly from energy consumption, represents the largest source of greenhouse gas emissions in the company's value chain (Scope 3, category 11: Use of sold products). These downstream emissions occur during the operational lifetime of equipment at customer facilities, where significant energy consumption is required for production processes such as peeling, drying, and pressing.	● ▼	S M L
	+	Energy-efficient customer solutions	Improving the energy efficiency of customers' production processes and equipment through services. Through advanced automation, process parameter optimization, modernization projects, and equipment upgrades, Raute helps customers reduce unnecessary energy use (idling) and enhance process performance that takes immediate effect (savings in kWh).	● ▼	S M L
	▼	Energy-efficient solutions impact operational costs and competitiveness	Investing in developing energy-efficient technologies and machinery to help customers reduce operational emissions and energy costs. However, advanced efficiency features increase product development expenses and may lead to higher purchase prices for customers, which can affect competitiveness in cost-sensitive markets.	● ▼	S M
	▲	Demand for energy-efficient machinery	Raute has an opportunity to grow revenue by developing and offering energy-saving equipment and features that help customers optimize energy use. As industries seek to reduce both operating costs and emissions, demand for energy-efficient machinery creates a clear business advantage for Raute.	● ▼	S M L
ES: Resource use and circular economy					
Resource inflows	-	Dependence on non-renewable natural resources	Raute's products rely on non-renewable metal resources, resulting in environmental impacts across the upstream value chain. In particular, steel production is resource- and emission-intensive, contributing to high energy and water use, greenhouse gas emissions, waste generation, and resource depletion.	▲ ●	S M L
	▼	Regulatory and Market Cost Exposure	Raute's operations depend on a stable and cost-effective supply of steel, exposing the company to financial risk from price volatility and supply disruptions. This risk is further amplified by decarbonization requirements and carbon-pricing mechanisms, which may increase procurement costs and constrain sourcing flexibility.	▲ ●	S M L

- Negative Impact | + Positive Impact | ⚠ Risk | 🌱 Opportunity / ▲ Upstream | ● Own operations | ▼ Downstream / S Short | M Medium | L Long

Classification	IRO	Material impact, risk or opportunity	Description	Value chain location	Time horizon
Resource outflows	-	Significant material footprint	Raute uses large amounts of steel in its machinery and equipment to ensure durability and safety, but this also creates a significant material footprint and embodied emissions. Steel production is energy- and resource-intensive, leading to high upstream carbon emissions and resource depletion.	▲ ●	S M L
	+	Long-lasting, repairable, upgradable, and recyclable products	Raute's machinery delivers positive environmental impact through long service life, reparability, and opportunities for modernization and refurbishment, extending product use over decades and preserving material value. High recyclability at the end of life and reduced replacement needs lower lifecycle emissions and total cost of ownership.	● ▼	S M L
	🌱	Solutions that increase resource efficiency	Raute enhances resource efficiency by developing and applying material- and energy-efficient technologies across its operations and product portfolio. Optimized material use, reduced production side streams, and data generated from production side streams support efficient material recovery and recycling, while maintaining high performance and product quality. This strengthens the company's competitiveness and creates business opportunities as resource efficiency increases.	● ▼	S M L
SI: Own workforce					
Occupational Health and Safety	-	Reducing Accident and Injury Exposure	Raute's material negative impacts on its own workforce relate to occupational accidents and workplace health risks, particularly in factory operations, as well as equipment maintenance and installation work at customer sites. In severe cases, these risks can result in serious injuries or fatalities and negatively affect employees' health due to physically demanding work.	●	S M
	+	Advancing Safety-by-Design in Solutions	Through the integration of safety-by-design and ergonomic principles into Raute's machinery and production solutions, safety-by-design positively impacts employees and other workers, particularly those involved in production and maintenance activities, by reducing workplace accidents, occupational illnesses, and physical strain and workplace-related hazards while ensuring compliance with occupational health and safety requirements. This improves employee well-being and supports safe and stable working conditions by preventing incidents that could disrupt work and negatively affect employees' health and safety.	● ▼	S M L
Training and Skills Development	+	Empowering Growth Through Skill Development	Raute's training and skills development initiatives have a positive impact on employees by strengthening their capabilities, supporting professional growth, and enabling them to respond to evolving job requirements. Continuous learning opportunities enhance employees' confidence, engagement, and well-being, contributing to a working environment where competence development and continuous improvement are part of normal operations.	●	S M
Workforce Diversity	+	Fostering Fair and Inclusive Workplace	Principles and actions to advance diversity create a positive impact for employees by supporting a fair and inclusive working environment at Raute and improving workplace conditions, particularly in terms of equal treatment, inclusion, and collaboration. Employees benefit from working with colleagues from different backgrounds, which promotes learning, broadens perspectives, reduces blind spots, and improves the quality of collaboration and decision-making.	●	S M L
GI: Business Conduct					
Corporate Culture and Ethics	🌱	Driving Sustainable Growth Through Ethical Culture	Raute's strong corporate culture creates a financial opportunity by enabling trust-based, long-term partnerships across the value chain and positioning the company as a reliable and responsible partner for suppliers and customers. By embedding ethical conduct, accountability, and ESG considerations into decision-making and risk management, Raute strengthens partner confidence, reduces value-chain risks, and supports revenue growth through repeat business and stable long-term customer relationships.	▲ ● ▼	S M L
Anti-Corruption and	+	Strengthening Trust Through Anti-Corruption Practices	Anti-corruption training has a positive impact on employees by strengthening their ability to recognize corruption risks and act ethically, supporting fair treatment, transparency, and lawful conduct in workplace and business interactions. By reinforcing a shared ethical culture across functions and regions, the training strengthens employees' awareness and accountability, supporting consistent ethical decision-making, early identification and prevention of integrity risks in their roles, and trustworthy interactions with customers and other stakeholders.	●	S M L
Corruption and Bribery Incidents	⚠	Mitigating Corruption and Bribery Risks	Corruption and bribery represent a potential financial and reputational risk for Raute, as such incidents could result in legal penalties, direct financial losses, contract termination, and increased regulatory scrutiny. In addition, unethical conduct within Raute's operations or value chain could raise compliance and financing costs, disrupt business relationships, erode stakeholder trust, and weaken the company's competitive position in global markets.	▲ ● ▼	S M L

IRO-1 – DESCRIPTION OF THE PROCESSES TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS, AND OPPORTUNITIES

Methodology and assumptions

Raute's process for identifying and assessing material impacts, risks and opportunities is integrated into the company's strategy and risk management processes. In the 2023-2024 period, Raute carried out an extensive double materiality assessment to identify and assess risks, impacts, and opportunities, which was reviewed in 2025 for all ESRS sub-topics and sub-sub-topics. The assessment was carried out in accordance with the CSRD directive, ESRS standards and EFRAG's guidelines. Available existing internal assessments and reports, such as risk assessments, sustainability performance data, compliance reviews, and relevant policies, as well as interviews and workshops with various stakeholders, were used in identifying impacts, financial risks, and opportunities. Raute has based its assumptions on the best available data and internal discussions. The assumptions used in the materiality assessment are based on various background materials, such as industry research, Raute's internal documents and practices, and stakeholder interviews.

Views on the material impacts, risks, and opportunities were collected from various stakeholders, such as customers, financiers, analysts, employees, suppliers, members of the Board of Directors, and the Executive Board. The double materiality assessment considered the negative and positive impacts of Raute's own operations and value chain on the different sustainability topics, sub-topics, and sub-sub-topics, as well as the related financial risks and opportunities. The process reviewed Raute's different activities, business relationships, and the geographies related to Raute's business conduct.

Raute's impacts on society and the environment were divided into actual and potential impacts and positive and negative impacts (impact materiality) and scored based on their respective severity (scale, scope and irremediable character) and likelihood. The impact assessment also covered the importance of the company's upstream and downstream value chain and the time horizon of the impacts. The connections between the impacts, risks, and opportunities were also reviewed as part of the double materiality assessment process. In addition, Raute considered key business dependencies, such as dependencies on suppliers, availability of raw materials, energy, and skilled workforce, and assessed how these dependencies may give rise to related impacts, risks, and opportunities. The likelihood of the identified financial risks and opportunities and the magnitude of the financial impacts were assessed using the quantitative thresholds and criteria for financial materiality as prescribed by ESRS 1 section 3.5. The prioritization of potential negative impacts was based on their severity and likelihood, and that of positive impacts on their scale, scope, and likelihood. Actual impacts were prioritized based on their severity: for positive impacts scale and scope, while for negative impacts scale, scope, and irremediability. Negative impacts have been ranked in a separate order of priority. In addition to impacts arising from its own

operations, the process explicitly considers impacts with which Raute may be involved through its business relationships, including upstream suppliers and downstream customers, across the value chain.

The double materiality assessment process includes internal control elements to ensure consistency, completeness and appropriate decision-making, such as defined roles and responsibilities, management review of the assessment outcomes, and documentation of key assumptions and decisions. The methodology, assumptions, and results of the assessment are reviewed internally, with key judgments discussed and validated by relevant functions and management. The final identification and prioritization of material impacts, risks, and opportunities are approved through Raute's management decision-making processes. The identification and assessment of opportunities are integrated into Raute's overall management processes, with relevant opportunities considered alongside risks and impacts in strategic planning, sustainability roadmaps, and management decision-making.

The methodology and overall process used to identify and assess material impacts, risks, and opportunities have remained unchanged compared to the previous reporting period. The double materiality assessment process was last substantively updated in the 2023–2024 period and is subject to annual review. While the application of the process has continued to mature through improved data availability and internal engagement, no changes were made to the underlying methodology in 2025. The next review of the double materiality assessment is planned as part of the regular annual reporting cycle.

Scoring

Raute's risks and opportunities (financial materiality) were scored according to the magnitude and likelihood of the potential impact. The scoring system was developed based on stakeholder interviews and internal workshops using an external partner. The scoring and thresholds of financial impacts were calculated by multiplying the magnitude (assessed on a scale of 1–5) and likelihood of occurrence (assessed on a scale 1–5, where the multiplier 5 is 90%, 4 is 75%, 3 is 60%, 2 is 40%, 1 is 25% and 0 is 10%). The financial impacts were deemed material if they exceeded the threshold of 1.8. In addition, financial impacts were always deemed material if both their magnitude and their likelihood were 3 or higher.

For actual impacts, their level of materiality was determined by their severity. The levels of materiality of actual positive impacts were obtained as the average of scale and scope. The level of materiality of actual negative impacts was obtained as the average of scale, scope, and irremediable character (each assessed on a scale of 1–5). The impacts were deemed material if the materiality level exceeded 3.5. In addition, if one of the drivers of financial materiality, such as scale, scope, or irremediable character, was deemed severe and scored 5, the impact was automatically deemed material.

For potential impacts, their level of materiality was determined by their severity and likelihood. The potential positive impacts were calculated by multiplying the average of scale and scope (assessed on a scale of 1–5) by the likelihood of occurrence (assessed on a scale of 1–5, where the multiplier 5 is 90%, 4 is 75%, 3 is 60%, 2 is 40%, 1 is 25% and 0 is 10%). The potential negative impacts were scored by multiplying the average of scale, scope, and irremediable character by the likelihood of occurrence, using the same scoring system as above. The impacts were deemed material if the level of materiality was met. In addition, if one of the impact drivers, scale, scope, or irremediable character, was deemed severe and given a score of 5, the impact was automatically deemed material, as is specified in EFRAG’s guidelines.

In assessing impacts, risks, and opportunities, Raute applied criteria in line with ESRS 1 Section 3.4. For potential negative impacts on people (human rights), the assessment prioritized severity over likelihood, in accordance with ESRS 1 paragraph 45. Potential human rights impacts were assessed based on their severity in terms of scale, scope, and irremediability, meaning that highly severe impacts were treated as actual even where the likelihood was low. As part of the process, an initial screening was conducted to identify ESG topics with a clear and direct human rights relevance. Where such relevance was identified, potential impacts were further assessed within the double materiality assessment. In determining materiality, Raute also considered its operational context and leverage in the value chain, while ensuring that severity remained the primary criterion for potential human rights impacts. Please refer to section GOV-1 on how the double materiality process was governed and how the due diligence and controls were structured, and the effectiveness of actions assessed in section GOV-4.

Risk management

The Chief Financial Officer keeps Raute’s management, Board of Directors, and Audit Committee informed on sustainability topics and the progress of the related measures. Risk assessment is also regularly addressed in the updates, and the new merged process of enterprise risk management has been implemented. The Chief Financial Officer leads decision-making and the Executive Board-level discussion in demanding risk management projects. The Chief Financial Officer prepares matters related to risk management and measures to be decided by the Executive Board. The Board of Directors approves the long-term sustainability strategy and the related long-term targets. In 2025, business risks and the results of the double materiality assessment were addressed in the same forum and included in the templates. The results of the double materiality assessment were taken into account when prioritizing risks, and they fully impacted the work and actions of the Executive Board. Raute’s administrative, management, and supervisory bodies addressed the material impacts, risks, and opportunities identified in the double materiality assessment during the reporting period. The materiality assessment will be updated annually.

ESRS - EI Climate change

Climate change represents for Raute both a strategic opportunity and a risk related to the business environment, affecting both the company’s own operations and its value chain. The company had previously announced that its climate transition plan would be prepared and approved in 2025. During 2025, the transition planning process became more detailed and expanded beyond the original estimate, for example in terms of scenario analysis, value chain emissions analysis and the assessment of financial impacts. As a result, the preparation and approval of the climate transition plan were not finalized within the originally communicated timeframe. Work on the climate transition plan has progressed during the reporting period, and preparation for key elements, including the identification of relevant climate-related risks and opportunities and preliminary decarbonization pathways, has started.

During 2025, Raute identified climate-related transition risks and opportunities as part of its double materiality assessment and preparatory work for a future climate transition plan. This included the identification of key transition events such as tightening climate and energy regulation, carbon pricing mechanisms, evolving customer requirements for energy-efficient technologies, and potential future investment needs in products and supply chains. At this stage, Raute has not conducted a separate quantitative climate resilience analysis or a scenario-based assessment across defined time horizons. In FY2025, Raute used climate-related scenarios as high-level reference inputs to support the identification of climate-related risks and opportunities as part of the double materiality assessment and preparatory work related to climate transition planning. This work did not constitute a formal climate scenario analysis, but focused on identifying relevant physical climate hazards and understanding their potential high-level implications for Raute’s business activities and value chain. IPCC Representative Concentration Pathways (RCP 2.6–8.5) and global climate models were primarily used to identify relevant physical climate hazards and to understand potential high-level implications for Raute’s business activities and value chain.

Climate-related transition risks and opportunities were assessed qualitatively at the level of business activities and value-chain segments, based on monitoring of regulatory developments, market trends, and internal emissions data. A dedicated Paris-aligned (1.5°C) transition scenario analysis and asset-level exposure assessment have not yet been conducted and are expected to be further developed as part of the ongoing preparation of Raute’s climate transition plan.

Raute has assessed climate change-related impacts, risks, and opportunities as part of its double materiality assessment, with the full process being defined in section ESRS 2 IRO-1. Raute contributes to climate change through greenhouse gas emissions from its own operations (energy, materials) and the value chain (product energy use). Opportunities arise from the market shift to support low-carbon construction and the use of wood products and Raute’s technologies supporting material efficiency and circularity. Raute’s process to identify and assess

its own direct climate impacts, particularly greenhouse gas (GHG) emissions, is structured around a comprehensive GHG inventory and annual reporting cycle in line with the GHG Protocol and ESRS E1-6. This ensures all significant sources of emissions are identified and measured.

Raute assessed the financial transition risks related to climate change based on Raute's current understanding of regulatory developments and the initial preparatory work for a climate transition plan. The assessment reflects ongoing monitoring of material and carbon price developments, noting that the transition plan and related processes are still in an early stage of development. In 2025, Raute progressed in its transition planning by improving the baseline calculation of Scope 3 greenhouse gas emissions, particularly for Category 11, by developing calculation methodologies, applying standardized assumptions on product lifetimes and energy consumption, introducing a total energy consumption calculator, updating the emission factors used in the calculations, and initiating the documentation of emission reduction measures in the transition plan. The assessment identified potential transition risks related to regulatory changes, carbon pricing, and possible future investment needs in product development and supply chain adaptation, the financial impacts of which are subject to uncertainty. If these risks were to materialize, they could affect Raute's financial performance, operations, and strategic positioning.

As an outcome of the double materiality assessment process, the following material physical climate risks related to Raute's operations and value chain were assessed as material. Material physical climate risks in terms of Raute's operations and upstream value chain are extreme weather events (storms, hurricanes), heat waves, potential flooding, forest fires, and the resulting power outages. Physical climate risks may lead to global supply chain disruptions, which may lead to late deliveries and increase the prices of raw materials. In the future, there may be general challenges in the availability of raw materials and resources, as climate risks increase resource scarcity. Material physical climate risks in terms of the downstream value chain are extreme weather events, forest fires, and significant changes in forest ecosystems resulting from global warming. The physical climate risks affecting the wood products industry include forest fires, storms, pests and diseases, and changes in precipitation. These risks may weaken the availability and quality of raw materials, which in turn may increase production costs and make production processes more difficult.

ESRS - E2 Pollution

Raute has assessed pollution-related impacts, risks, and opportunities as part of the double materiality assessment. Pollution risks have been assessed from the perspective of both impact materiality and financial materiality. In assessing the pollution impacts, the importance of the upstream and downstream value chain, the time horizon, impact materiality, and financial materiality were addressed through the scoring mechanism of the double materiality assessment. No material pollution-related impacts, risks, or opportunities were identified in the assessment. Raute has not used specific screening methods to identify actual or potential

pollution-related impacts, risks, and opportunities in its own operations and along the upstream and downstream value chain. The company has not arranged consultations with communities on the matter, as the impacts are not material.

ESRS - E3 Water and marine resources

Raute has assessed the impacts, risks, and opportunities related to water use as part of the double materiality assessment. Water use impacts, risks, and opportunities have been assessed from the perspective of both impact materiality and financial materiality. In assessing the impacts related to water use, the importance of the upstream and downstream value chain, the time horizon, impact materiality, and financial materiality were addressed through the scoring mechanism. No material water use-related impacts, risks, or opportunities were identified in the assessment. Raute has not screened its assets to identify actual or potential impacts, risks, and opportunities related to water and marine resources in its own operations and along the upstream and downstream value chain. The company has not arranged consultations with communities on the matter, as the impacts are not material.

ESRS - E4 Biodiversity

Raute has assessed biodiversity-related impacts, risks, and opportunities as part of the double materiality assessment. In assessing the biodiversity-related impacts, the importance of the upstream and downstream value chain, the time horizon, impact materiality, and financial materiality were addressed through the scoring mechanism. No material biodiversity-related impacts, risks, or opportunities were identified in the double materiality assessment.

Raute has not conducted more in-depth research into or assessed dependencies on impacts related to biodiversity and ecosystems at its own sites' locations and in the upstream and downstream value chain. Raute has also not yet identified or assessed transition and physical risks and opportunities related to biodiversity and ecosystems or reviewed systemic risks. The company has not arranged consultations with communities.

Raute's sites are located in areas zoned for industrial use. In 2025, Raute conducted an assessment to determine whether the sites are located in or near areas sensitive to biodiversity. Raute used the WWF Biodiversity Risk Filter (BRF) to evaluate biodiversity-related risks at its production and assembly site locations. Raute's biodiversity risk assessment shows that the company's Finnish sites in Nastola and Kajaani are located in areas with overall low pressures on biodiversity, with nearby nature conservation areas but no direct proximity to high-risk zones. In contrast, the sites in Delta, Canada, and Pullman, Washington are situated in ecosystems with significantly higher biodiversity pressures, driven primarily by the widespread presence of invasive species—identified as very high risk through the WWF Biodiversity Risk Filter—as well as medium levels of forest canopy loss and broader land-use pressures. Delta lies near the ecologically critical Fraser River Delta Ramsar Wetland, while Pullman is located within the

endangered Palouse Prairie, a highly fragmented and sensitive habitat. These findings highlight that while Raute's direct operational impacts remain relatively limited, site-specific ecological contexts vary considerably, and North American locations require closer attention to local biodiversity pressures and conservation sensitivities.

Based on the results of the double materiality assessment, Raute concluded that its activities do not trigger the need for biodiversity-specific mitigation measures as referenced in key EU conservation directives or equivalent international standards. The assessment determined that Raute's operations do not fall within the scope of requirements set out in the EU Birds Directive (2009/147/EC), the EU Habitats Directive (92/43/EEC), or the EU Environmental Impact Assessment Directive (2011/92/EU Article 1(2)(g)). For operations in third countries, the assessment similarly found no conditions that would require the application of national biodiversity protection provisions or international frameworks such as the IFC Performance Standard 6 on Biodiversity Conservation and Sustainable Management of Living Natural Resources.

ESRS - E5 Circular economy

Resource efficiency and the efficient use of materials are a central part of Raute's business model and the value it creates for its customers. Raute has assessed the impacts, risks, and opportunities related to the circular economy as part of its double materiality assessment, the process of which is described in the sustainability statement ESRS 2 IRO-1 section. Raute has assessed assets and activities to identify actual and potential impacts, risks, and opportunities related to resource use and circular economy across its own operations and its upstream and downstream value chain. Circular economy-related impacts, risks, and opportunities have been assessed from the perspective of both impact materiality and financial materiality. The assessment focused on resource inflows that have a negative impact and simultaneously carry risks, such as the procurement of steel. Raute analyzed the opportunities of resource outflows from the perspective of product design, extended product lifecycle, and the development of Raute product features that can support downstream resource efficiency. This assessment looked at short-, medium-, and long-term horizons.

As an outcome of the double materiality assessment process described above, the following material impacts related to resource use and the circular economy (E5) were assessed as material. The material negative impacts related to resource use and circular economy focus on Raute's dependence on non-renewable natural resources and having a significant material footprint. The material impacts related to the circular economy focus on the use of non-renewable resources and the environmental impact at the beginning of the value chain for steel products. Raute uses a lot of metal in its products, making it dependent on non-renewable natural resources. The inflow of resources includes the negative environmental impacts caused by the extraction, processing, and transportation of materials. The production of steel products at

the beginning of the value chain causes significant carbon dioxide emissions, consumes a lot of natural resources, and generates waste and emissions.

Based on the double materiality assessment, waste generated from Raute's own operations does not meet the materiality thresholds defined under ESRS and is therefore not identified as a material topic for mandatory reporting. Nevertheless, Raute discloses information on operational waste to enhance transparency and provide relevant contextual information to stakeholders. The positive impact arises from long-lasting, repairable, upgradable, and recyclable products. The resource use and circular economy-related impacts are particularly emphasized at the upstream and in own operations.

The material risks come from regulatory and market cost exposure. The material risks related to the circular economy are associated with dependence on the supply chain, i.e., the availability and price fluctuations of materials, as well as the cost impacts of regulations being passed on to raw material costs. Steel materials in particular involve financial risks and additional costs through, for example, the Carbon Border Adjustment Mechanism or, alternatively, through the procurement of carbon-free steel.

The material opportunities Raute sees in resource use and circular economy relate to Raute's offering that can directly increase resource efficiency and be key in Raute's customer endeavors to cut emissions and reduce resource use. The material efficiency, energy efficiency, long product lifecycles, maintainability, and reparability achieved through Raute's product offering provide business advantages across all markets. The machines are built to last, ensuring that the materials are in use for a long time, reducing the total cost of ownership. Also, the risks and opportunities related to resource use and circular economy related impacts are particularly emphasized at the upstream and in own operations.

The process to assess the circular economy impacts, risks, and opportunities consisted of internal reviews of material flows and internal stakeholder discussion on circular principles, supplier engagement, and reviewing regulatory requirements, such as carbon border adjustment mechanism (CBAM). Raute has not conducted formal consultations with affected communities regarding resource use and the circular economy. Engagement has primarily been internal, involving product designers, procurement teams, and service units to ensure alignment with environmental objectives, and external by engaging key suppliers.

Raute has assessed its fixed assets and operations to identify their actual and potential impacts, risks, and opportunities in its own operations as well as in the upstream and downstream value chain. Raute has not based its assessment on assumptions but has utilized emission calculations, energy consumption data of equipment, and technological opportunities in its evaluation. As part of the process to identify and assess impacts, risks, and opportunities, the undertaking did

not conduct consultations with external experts. However, the assessment was supported by internal workshops involving relevant internal experts and functions. This included dedicated workshops on Scope 3 Category 11 emissions and life-cycle assessment (LCA), which were used to inform the identification and assessment of related impacts, risks, and opportunities. The impacts related to the circular economy concern Raute's own operations in particular, which means that wider consultations with stakeholders were not arranged.

ESRS - G1 Business conduct

The annual double materiality assessment related to business conduct matters examined Raute's business activities, business relationships, and geographical areas, including geopolitical factors, that may present heightened risks of adverse impacts. The assessment considered both Raute's own operations and its value-chain relationships, with the outcome reflecting the company's operating locations, business model, and sector characteristics. Stakeholder feedback was also incorporated to identify relevant impacts, risks, and opportunities. More information on the double materiality assessment process and applied criteria is provided under this section ESRS 2 IRO-1, and information on Raute's business model, locations, and sector is provided under the section ESRS 2 SBM-1 above.

The company's location, activity, and sector were considered in assessing material impacts, risks, and opportunities related to business conduct. Raute Corporation is a Finnish company headquartered in Lahti. Other sites are located in Kajaani (Finland), Delta (Canada), and Pullman (USA). The Changzhou factory, which is located in China, was closed in Q2. The company operates in the wood processing industry and specializes in the supply of machinery and equipment for the manufacture of veneer, plywood, and LVL. Raute's customers are veneer, plywood, and LVL manufacturers whose products are used in areas such as construction, housing, international trade, and the transport sector.

As an outcome of the double materiality assessment process described above, the following material impacts, risks, and opportunities related to business conduct (G1) were assessed as material. For business conduct, the material impact arises from strengthening trust through anti-corruption practices. Anti-corruption training has a positive impact on employees by strengthening their ability to recognize corruption risks and act ethically, supporting fair treatment, transparency, and lawful conduct in workplace and business interactions. It contributes to a shared ethical culture across functions and regions, fostering trust and integrity in daily decision-making. By strengthening employees' awareness and accountability, the training also supports early identification and prevention of integrity risks in their roles and interactions, contributing to trustworthy relationships with customers and other stakeholders.

The key risk includes potential corruption and bribery incidents, which could lead to significant financial losses and severe reputational damage. Although Raute has not experienced any

confirmed cases of corruption or bribery, such incidents are recognized as a significant potential financial and reputational risk. Corruption can lead to direct financial losses, legal penalties, contract termination, and exclusion from public or private tenders. It may also result in higher compliance costs, disrupt business relationships, and restrict access to financing or insurance. Indirectly, corruption or unethical conduct in the value chain could harm Raute's reputation, erode stakeholder trust, and weaken its competitive position. In high-risk markets, the misuse of influence or conflicts of interest could expose the company to regulatory scrutiny or sanctions.

The material opportunities in business conduct relate to driving sustainable growth through an ethical culture. Raute's strong corporate culture is a foundation for building long-term, trust-based partnerships across its value chain. By embedding integrity, responsibility, and continuous improvement into everyday decision-making, the company positions itself as a sustainable and strategic partner for both upstream suppliers and downstream customers. This culture enables transparent collaboration, strengthens compliance, and supports shared innovation, creating opportunities for sustainable revenue growth through circular and resource-efficient solutions. A culture of ethical conduct and accountability fosters resilience and competitiveness. It helps integrate ESG considerations into risk management, ensuring that environmental, social, and governance risks are identified, assessed, and mitigated in alignment with financial and operational priorities. This proactive governance approach enhances stakeholder confidence and positions Raute as a reliable partner in global markets.

IRO-2 – DISCLOSURE REQUIREMENTS IN ESRS COVERED BY THE UNDERTAKING'S SUSTAINABILITY STATEMENT

Raute's sustainability statement covers the ESRS 1 General Requirements and includes the disclosure requirements prescribed by ESRS 2 General Disclosures and, where applicable based on the double materiality assessment, the disclosure requirements of ESRS E1 Climate Change, ESRS E5 Circular Economy, ESRS S1 Own Workforce, and ESRS G1 Business Conduct. ESRS E1 Climate Change requirements are covered comprehensively; however, disclosure requirements E1-7 and E1-8 are not applicable, as Raute does not use emission trading schemes or internal carbon pricing as mitigation measures. For ESRS E2 Pollution, ESRS E3 Water and Marine Resources, and ESRS E4 Biodiversity and Ecosystems, no material impacts, risks, or opportunities were identified in the double materiality assessment, that relate to the topics and these standards are therefore not covered by this sustainability statement. ESRS E5 Circular Economy requirements are covered in full. For ESRS S1 Own Workforce, selected disclosure requirements are covered; disclosure requirements S1-7, S1-8, S1-10, S1-11, S1-12, S1-15, S1-16, and S1-17 were not identified as material based on the double materiality assessment and are therefore not included in the sustainability statement. Within ESRS G1 Business Conduct, disclosure requirements G1-2, G1-5, and G1-6 were not identified as material based on the double materiality assessment and are therefore not covered.

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List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure Requirement and related datapoint	Material/ Non-material datapoint to Raute	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Material p. 17	Indicator n.13 of Table #1 of Annex 1		Commission Delegated Regulation (CDR) (EU) 2020/1816(5)*, Annex II	
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)	Material p. 17			Delegated Regulation (EU) 2020/1816, Annex II	
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Material p. 17	Indicator n. 10 Table #3 of Annex 1			
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Material, not relevant	Indicators n. 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453(6)* Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk.	Delegated Regulation (EU) 2020/1816, Annex II	
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Material, not relevant	Indicator n. 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II	
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Material, not relevant	Indicator n. 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818(7)*, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II	
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv	Material, not relevant			Article 12(1) of Commission Delegated Regulation (EU) 2020/1818 and Annex II of Commission Delegated Regulation (EU) 2020/1816	
ESRS EI-1 Transition plan to reach climate neutrality by 2050 paragraph 14	Material Aim to finalize in 2026 p. 52				Regulation (EU) 2021-1119 Article 2 (1)

Disclosure Requirement and related datapoint	Material/ Non-material datapoint to Raute	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference
ESRS EI-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)	Non-material		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 12.1 (d) to (g), and Article 12.2	
ESRS EI-4 GHG emission reduction targets paragraph 34	Material p. 58	Indicator n. 4 Table #2 of Annex 1	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	
ESRS EI-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Material p. 60	Indicator number 5 Table #1 and Indicator n.5 Table #2 of Annex 1			
ESRS EI-5 Energy consumption and mix paragraph 37	Material p. 58	Indicator number 5 Table #1 of Annex 1			
ESRS EI-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Non-material	Indicator n. 6 Table #1 of Annex 1			
ESRS EI-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Material p. 65	Indicators n. 1 and 2 Table #1 of Annex 1	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)	
ESRS EI-6 Gross GHG emissions intensity paragraphs 53 to 55	Material p. 65	Indicators n. 3 Table #1 of Annex 1	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)	
ESRS EI-7 GHG removals and carbon credits paragraph 56	Non-material				Regulation (EU) 2021/1119 Article 2 (1)
ESRS EI-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66	Material Transitional provision			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II	

Disclosure Requirement and related datapoint	Material/ Non-material datapoint to Raute	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)	Material Transitional provision		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		
ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).					
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).	Material Transitional provision		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book -Climate change transition risk: Loans collateralized by immovable property - Energy efficiency of the collateral		
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69	Material Transitional provision			Delegated Regulation (EU) 2020/1818, Annex II	
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	Non-material	Indicator n. 8 Table #1 of Annex 1 Indicator n. 2 Table #2 of Annex 1 Indicator n. 1 Table #2 of Annex 1 Indicator n. 3 Table #2 Of Annex 1			
ESRS E3-1 Water and marine resources paragraph 9	Non-material	Indicator n. 7 Table #2 of Annex 1			
ESRS E3-1 Dedicated policy paragraph 13	Non-material	Indicator n. 8 Table 2 of Annex 1			
ESRS E3-1 Sustainable oceans and seas paragraph 14	Non-material	Indicator n. 12 Table #2 of Annex 1			
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Non-material	Indicator n. 6.2 Table #2 of Annex 1			
ESRS E3-4 Total water consumption in m ³ per net revenue on own operations paragraph 29	Non-material	Indicator n. 6.1 Table #2 of Annex 1			

Disclosure Requirement and related datapoint	Material/ Non-material datapoint to Raute	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference
ESRS 2 – SBM-3 – E4 paragraph 16 (a) i	Material, not relevant	Indicator n. 7 Table #1 of Annex 1			
ESRS 2 – SBM-3 – E4 paragraph 16 (b)	Material, not relevant	Indicator n. 10 Table #2 of Annex 1			
ESRS 2 – SBM-3 – E4 paragraph 16 (c)	Material, not relevant	Indicator n. 14 Table #2 of Annex 1			
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Non-material	Indicator n. 11 Table #2 of Annex 1			
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Non-material	Indicator n. 12 Table #2 of Annex 1			
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Non-material	Indicator n. 15 Table #2 of Annex 1			
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Non-material but included in reporting voluntarily, p. 71	Indicator n. 13 Table #2 of Annex 1			
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Non-material but included in reporting voluntarily, p. 71	Indicator n.9 Table #1 of Annex 1			
ESRS 2 – SBM-3 – S1 Risk of incidents of forced labor paragraph 14 (f)	Material p. 72	Indicator n.13 Table #3 of Annex I			
ESRS 2 – SBM-3 – S1 Risk of incidents of child labor paragraph 14 (g)	Material p. 72	Indicator n.12 Table #3 of Annex I			
ESRS S1-1 Human rights policy commitments paragraph 20	Material p. 72	Indicator n. 9 Table #3 and Indicator n. 11 Table #1 of Annex I			
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8, paragraph 21	Material p. 73			Delegated Regulation (EU) 2020/1816, Annex II	

Disclosure Requirement and related datapoint	Material/ Non-material datapoint to Raute	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	Material p.73	Indicator n.11 Table #3 of Annex I			
ESRS S1-1 Workplace accident prevention policy or management system paragraph 23	Material p.73	Indicator n.1 Table #3 of Annex I			
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	Material p.74	Indicator n.5 Table #3 of Annex I			
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Material p.80	Indicator n.2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Material p.80	Indicator n.3 Table #3 of Annex I			
ESRS S1-16 Unadjusted gender pay gap and weighted average gender pay gap paragraph 97 (a)	Non-material	Indicator n.12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Non-material	Indicator n.8 Table #3 of Annex I			
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Non-material	Indicator n.7 Table #3 of Annex I			
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 104 (a)	Non-material	Indicator n.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 (l)	
ESRS 2 – SBM-3 – S2 Significant risk of child labor or forced labor in the value chain paragraph 11 (b)	Material, not relevant	Indicators n.12 and n.13 Table #3 of Annex I			
ESRS S2-1 Human rights policy commitments paragraph 17	Non-material	Indicator n.9 Table #3 and Indicator n.11 Table #1 of Annex I			

Disclosure Requirement and related datapoint	Material/ Non-material datapoint to Raute	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference
ESRS S2-1 Policies related to value chain workers paragraph 18	Non-material	Indicator n. 11 and n. 4 Table #3 of Annex 1			
ESRS S2-1 Non- respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Non-material	Indicator n. 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (l)	
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8, paragraph 19	Non-material			Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Non-material	Indicator n. 14 Table #3 of Annex 1			
ESRS S3-1 Human policy commitments paragraph 16	Non-material	Indicator n. 9 Table #3 of Annex 1 and Indicator n. 11 Table #1 of Annex 1			
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17	Non-material	Indicator n. 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (l)	
ESRS S3-4 Human rights issues and incidents paragraph 36	Non-material	Indicator n. 14 Table #3 of Annex 1			
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Non-material	Indicator n. 9 Table #3 and Indicator n. 11 Table #1 of Annex 1			
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Non-material	Indicator n. 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (l)	
ESRS S4-4 Human rights issues and incidents paragraph 35	Non-material	Indicator n. 14 Table #3 of Annex 1			

Disclosure Requirement and related datapoint	Material/ Non-material datapoint to Raute	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Material, p.82	Indicator n. 15 Table #3 of Annex 1			
ESRS G1-1 Protection of whistle- blowers paragraph 10 (d)	Material p.84	Indicator n. 6 Table #3 of Annex 1			
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Material p.86	Indicator n. 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)	
ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24 (b)	Material p. 86	Indicator n. 16 Table #3 of Annex 1			

ENVIRONMENTAL INFORMATION

EU Taxonomy

DISCLOSURES IN ACCORDANCE WITH THE EU TAXONOMY REGULATION

The EU taxonomy is a classification system for environmentally sustainable activities. It was established to enable the achievement of the European Green Deal objectives and meet the EU's climate and energy targets for 2030. The environmental objectives to be promoted through sustainable activities are climate change mitigation, climate change adaptation, the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control, and the protection and restoration of biodiversity and ecosystems. For 2025 reporting, Raute has assessed the taxonomy eligibility and alignment of its activities based on the classification system and technical screening criteria for environmental objectives. Raute has identified taxonomy-eligible economic activities in relation to the "transition to a circular economy" objective. The activities are taxonomy-eligible, but they are not considered taxonomy-aligned, as during the reporting period they did not meet all of the Technical Screening Criteria and the Do No Significant Harm (DNSH) criteria.

ASSESSMENT OF TAXONOMY ELIGIBILITY AND ALIGNMENT

Environmental objectives 1 and 2: Climate change mitigation and adaptation

The economic activities that have the greatest potential for climate change mitigation and adaptation are included in the climate change assessment criteria. The supply of wood processing equipment is not covered by the list of economic activities in Annex I of the Climate Delegated Act supplementing the EU Taxonomy Regulation. This means that Raute's products are not eligible under the environmental objectives 1 and 2. The alignment of these activities was not assessed as they were not eligible.

As regards Raute's solutions aimed at improving energy efficiency, the activity was assessed under CCM 3.6 "Manufacture of other low carbon technologies." Raute was unable to demonstrate compliance with the applicable technical screening criteria, in particular the requirement to demonstrate substantial life cycle GHG emission savings compared to the best performing alternative solution available on the market. Consequently, the activity cannot be considered taxonomy-eligible and therefore cannot be considered taxonomy-aligned. Raute had capital expenditures related to climate change mitigation in 2025, which can be reported individually when they pertain to taxonomy-eligible investments. Raute has invested in electric charging stations in its parking area for electric cars which can be considered taxonomy-eligible capital expenditure.

Environmental objective 4: The transition to a circular economy

Raute is committed to offering long-lasting, repairable, and upgradeable production solutions that maximize the end-product yield and minimize the amount of side streams. Raute is able to extend the service life of its products with the help of product design, maintenance service concepts, and digital solutions. These play a key role in optimizing resources. The company is also able to provide remanufacturing to maximize resource efficiency and extend the service life of existing production lines by repairing or replacing worn-out or outdated components and modules. With its solutions, Raute is able to contribute to the transition to a circular economy through taxonomy-eligible economic activities in accordance with the regulation (EU) 2020/852, Article 13 (2).

Raute's taxonomy-eligible activities include the extension of production lines' service life with the help of the company's maintenance service concepts (modernizations and upgrades) and digital solutions. In addition to extending the life cycle, these service concepts can optimize energy consumption and minimize side streams and ensure uninterrupted operation of the equipment. Raute's production lines can be recycled at the end of their life cycle.

The taxonomy eligibility of the turnover from external customers was assessed in accordance with the Regulation (EU) 2020/852 and the technical screening criteria in Annex II of the Taxonomy Environmental Delegated Act (Delegated Regulation (EU) 2023/2486) for the products and services presented below. The calculation of the percentage of turnover from taxonomy-eligible economic activities of total turnover is based on extending the life cycle of products with the help of maintenance service concepts and digital solutions, which play a central role in the optimization of resources. The taxonomy-eligible services account for 30.5 percent (2024: 32.3 percent) of Raute's turnover. In order to avoid double counting, Raute has allocated all analyzer products to category CE 4.1. Provision of IT/OT data-driven solutions. This, in turn, reduces the amount of category CE 5.1. Repair, refurbishment, and remanufacturing (% and €), as some of the analyzer projects are major modernizations that extend the product's life cycle. Raute's operations do not meet all the technical screening criteria for taxonomy alignment, and therefore taxonomy aligned turnover is reported as zero.

CE 4.1. Provision of IT/OT data-driven solutions

In this economic activity, Raute includes the Analyzers business and MillsIGHTS software, which supports the Analyzers technology by collecting and analyzing product line data concerning the quality of the end product and the energy efficiency of the process. Raute's Analyzers camera technology enables the maximization of end product quality, optimization of energy consumption, and minimization of waste, which meets the technical screening criteria for taxonomy eligibility. The MillsIGHTS software plays an important role in resource efficiency, production line performance analysis, and quality control, and can also be used for remote monitoring, which meets the technical screening criteria for taxonomy eligibility. The economic activity as regards 4.1a includes turnover from the manufacture of production line analyzing and processing equipment, and the economic activity as regards 4.1f consists of turnover from the MillsIGHTS software. Raute's operations do not meet all the technical screening criteria for taxonomy alignment, and therefore taxonomy aligned turnover is reported as zero.

CE 5.1. Repair, refurbishment, and remanufacturing

This economic activity includes planned repairs and consultation services, modernizations, and upgrades for existing equipment. Raute offers modernizations (major upgrades that extend the service life of the entire line / machine component) for its own products and for products of other brands, which meets the technical screening criteria for taxonomy eligibility. The activity 5.1 includes turnover from maintenance services, remanufacturing, and modernizations. All criteria for taxonomy alignment are not fulfilled, which is why taxonomy aligned turnover is reported as zero.

CE 5.2. Sale of spare parts

Although the supply of wood processing equipment is not included in the NACE codes listed under this subsection, Raute sees that the supply of spare parts helps to extend the life cycle of machines and production lines, improve overall efficiency, and save raw materials, which fulfills the technical screening criteria for taxonomy eligibility. The activity 5.2 includes turnover from the sale of spare parts in accordance with the screening criteria. Taxonomy aligned turnover is reported as zero, because the criteria related to packaging cannot be met.

Operational and capital expenditures

Operational and capital expenditures can be reported individually when they are directed at taxonomy-eligible investments. Raute has invested in electric vehicle charging stations in its parking area, which are classified as taxonomy-eligible capital expenditure under CCM 6.15. The investment supports climate change mitigation and is assessed against the applicable technical screening criteria.

Raute's total operational expenditure includes research and product development costs, costs related to the maintenance and repair of the company's premises, and short-term leasing costs. These activities include, for example, building renovation and development projects. Raute did not have any taxonomy-aligned operational expenditures in 2025. Raute's capital expenditures consist of investments in new equipment, technology, or infrastructure, and research and development costs. Raute had capital expenditures of 1.02% in line with the taxonomy-eligible categories A and B. The classification of taxonomy-eligible capital expenditures differs from the prior year due to changes in the nature of investments. In 2024, capital expenditures were primarily related to renewable energy technologies (CCM 7.6) and low-carbon technologies (CCM 3.6), whereas in 2025 investments relate to electric vehicle charging infrastructure (CCM 6.15).

Proportion of turnover from products or services associated with Taxonomy-eligible and aligned economic activities

Financial year 2025	2025		Substantial contribution criteria							DNSH-criteria ("Do Not Significantly Harm")									
	Code	Turnover	Proportion of Turnover, year 2025	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy aligned (A.1) or eligible (A.2) turnover, year 2024	Category enabling activity	Category transitional activity
	MEUR	%	Y;N;N/ EL	Y;N;N/ EL	Y;N;N/ EL	Y;N;N/ EL	Y;N;N/ EL	Y;N;N/ EL	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)																			
Manufacture of other low carbon technologies																			
A.1 Environmentally sustainable activities (taxonomy-aligned)	0	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%			
Of which Enabling Of which Transitional																			
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)				EL;	EL;	EL;	EL;	EL;	EL;										
Provision of IT/OT data-driven solutions	CE 4.1	13.03	7.4%	N/EL	N/EL	N/EL	N/EL	N/EL	EL	N/EL								7.3%	
Repair, refurbishment and remanufacturing	CE 5.1	14.63	8.3%	N/EL	N/EL	N/EL	N/EL	EL	N/EL									13.5%	
Sale of spare parts	CE 5.2	25.87	14.7%	N/EL	N/EL	N/EL	N/EL	EL	N/EL									12.9%	
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	53.53	30.5%	0.0%	0.0%	0.0%	0.0%	0.0%	30.5%	0,0%									33.8%	
A. Turnover of Taxonomy eligible activities (A.1 + A.2)	53.53	30.5%	0.0%	0.0%	0.0%	0.0%	0.0%	30.5%	0,0%										
B. TAXONOMY-NON ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities	122.01	69.5%																	
Total	175.5	100.0%																	

Abbreviations:

- Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
- N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
- N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective
- EL – Taxonomy-eligible activity for the relevant objective
- N/EL – Taxonomy-non-eligible activity for the relevant objective.

Total turnover as per Raute group reported figures. Raute’s principles for defining turnover and capital expenditure can be found from page 3 of the Financial Statements.

Proportion of CapEx from products or services associated with Taxonomy-eligible and aligned economic activities

Financial year 2025	2025		Substantial contribution criteria							DNSH-criteria									
Economic activities	Code	CapEx	Proportion of turnover, year 2025	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaption	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) Capex, year 2024	Category enabling activity	Category transioinal activity
	MEUR	%		Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	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)																			
A.1 Capex of environmentally sustainable activities (taxonomy-aligned)		0	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL							0%			
		Of which Enabling																	
		Of which Transitional																	
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	0.05	1.02%	EL	N/EL	N/EL	N/EL	N/EL	N/EL							0.0%			
Installation, maintenance, and repair or renewable energy techonologies	CCM 7.6	0.00	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL							4.60%			
Manufacture of low carbon technologies	CCM 3.6	0.00	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL							1.40%			
Capex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.05	1.02%	1.02%	0%	0%	0%	0%	0%							6.00%			
A. Capex of Taxonomy-eligible activities (A.1+A.2)		0.05	1.02%																
B. TAXONOMY-NON ELIGIBLE ACTIVITIES																			
Capex of Taxonomy-non-eligible activities		4.54	99.0%																
Total		4.59	100.0%																

Abbreviations:

Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective

N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective

N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective

EL – Taxonomy-eligible activity for the relevant objective

N/EL – Taxonomy-non-eligible activity for the relevant objective.

Total turnover as per Raute group reported figures. Raute’s principles for defining turnover and capital expenditure can be found from page 3 of the Financial Statements.

Proportion of Opex from products or services associated with Taxonomy-eligible and aligned economic activities

Financial year 2025	2025		Substantial contribution criteria							DNSH-criteria									
	Code	OpEx	Proportion of OpEx, year 2025	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) Opex, year 2024	Category enabling activity	Category transitional activity
	MEUR	%	Y;N;/N/ EL	Y;N;/N/ EL	Y;N;/N/ EL	Y;N;/N/ EL	Y;N;/N/ EL	Y;N;/N/ EL	Y;N;/N/ EL	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)	0	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL							0%			
Of which Enabling Of which Transitional																			
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)			EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Opex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	0.0	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL							0%			
A. Opex of Taxonomy-eligible activities (A.1+A.2)	0	0.0%	0%	0%	0%	0%	0%	0%	0%							0%			
B. TAXONOMY-NON ELIGIBLE ACTIVITIES																			
Opex of Taxonomy-non-eligible activities	5.55	100.0%																	
Total	5.55	100.0%																	

Abbreviations:

Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective

N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective

N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective

EL – Taxonomy-eligible activity for the relevant objective

N/EL – Taxonomy-non-eligible activity for the relevant objective.

Total turnover as per Raute group reported figures. Raute's principles for defining turnover and capital expenditure can be found from page 3 of the Financial Statements.

Nuclear energy and fossil gas related activities

Row	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
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/cool using fossil gaseous fuels.	NO

ENVIRONMENTAL INFORMATION

EI Climate change

EI. SBM-3

Raute has identified and assessed key climate change-related impacts, risks, and opportunities in its double materiality assessment, aligning them with the sub-topics and sub-sub-topics of the European sustainability reporting standards. Raute's material climate change-related impacts, risks, and opportunities are described within section IRO-1.

The material negative impacts related to climate change addressed climate change mitigation (own contribution to climate change), the use of non-renewable energy sources, energy use in sold products, and the positive impacts from energy-efficient customer solutions. Climate change-related impacts occur across the value chain, with particular emphasis on the downstream phase due to energy consumption during the product lifecycle.

The material impacts, risks and opportunities associated with Raute's operations are related to physical climate risks, transition risks, climate change mitigation, and energy consumption in the downstream value chain. The climate impacts are especially related to the use of steel and the life-cycle energy consumption of equipment manufactured by Raute. The greenhouse gas emissions from Raute's own operations and upstream and downstream value chain have a negative impact on climate change.

The material risks related to climate change include climate events that can threaten business continuity, regulatory changes that may increase adaptation costs, and investments in energy-efficient solutions aimed at reducing greenhouse gas emissions during the use phase of sold products, which may impact operational costs and competitiveness. A long-term business opportunity related to climate change adaptation is the growing role of renewable materials, such as engineered wood products (EWP), in the construction market. Raute sees energy efficiency improvements and the use of renewable energy in its own operations as important measures to support the achievement of its emission reduction targets. The material climate change-related risks in the IRO table are categorized into physical risks and transition risks.

At this stage, Raute has not conducted a separate quantitative climate resilience analysis or a scenario-based assessment across defined time horizons. In FY2025, Raute used climate-related scenarios as high-level reference inputs to support the identification of climate-related risks and opportunities as part of the double materiality assessment and preparatory work related to climate transition planning. This work did not constitute a formal climate scenario analysis, but focused on identifying relevant physical climate hazards and understanding their potential high-level implications for Raute's business activities and value chain.

A dedicated Paris-aligned (1.5°C) scenario analysis, asset-level exposure assessment, and detailed climate resilience analysis have not yet been conducted and are expected to be further developed as part of the ongoing preparation of Raute's climate transition plan. Raute currently estimates that the climate transition plan and related resilience analysis will be completed by the end of 2026. Raute has a formal process to ensure that identified climate-related risks and opportunities are continuously considered in strategic planning and sustainability programs. Based on the 2025 double materiality assessment, no changes to Raute's current strategy or business model were identified as necessary at this stage.

EI-1 – TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION

The Company had previously communicated that the climate transition plan would be prepared and approved in 2025. During 2025, it became evident that the development of the transition plan requires a higher level of granularity and methodological robustness in greenhouse gas emissions data than initially anticipated, particularly with respect to Scope 3 emissions. A substantial part of the 2025 reporting period was therefore dedicated to improving Scope 3 calculation methodologies, enhancing data quality, strengthening documentation, and standardizing accounting practices. Given that Scope 3 emissions constitute a significant share of Raute's total greenhouse gas emissions and are critical for defining credible mitigation actions and future targets, management considered it appropriate to further strengthen the underlying data foundation prior to finalizing the transition plan. As a result, the preparation and approval of the transition plan have been postponed from the originally communicated timetable. During the reporting period, however, key components of the transition planning process were advanced, including the identification of material climate-related risks and opportunities and the preliminary assessment of use-phase emission reduction potential.

Raute used climate-related scenarios in 2025 as high-level reference inputs to support the preparation of the climate transition plan. This did not constitute a formal scenario analysis or a detailed climate resilience assessment. The climate transition plan and related resilience analysis are expected to be completed by the end of 2026. Neither Raute nor its sector is excluded from the EU Paris-aligned Benchmarks.

Although Raute has Scope 1 and Scope 2 GHG emission reduction targets, the company's climate change mitigation and adaptation targets do not yet meet all minimum disclosure requirements under ESRS EI-1, as the formal transition plan for climate change mitigation is still under development. Consequently, Raute is not yet able to disclose target information related to the transition plan as required by ESRS EI-1.

Raute has set numerical Scope 1 and Scope 2 GHG emission reduction targets. The company is committed to reducing Scope 1 emissions from its own operations by 50% and Scope 2 emissions

by 80% by 2030, compared to the 2024 baseline. The targets cover all Raute operations and countries of operation and are calculated in carbon dioxide equivalent (tCO₂e). From the 2024 baseline of 944 tCO₂e, the targets correspond to a total emission reduction of 725 tCO₂e by 2030, of which 62 tCO₂e relates to Scope 1 and 663 tCO₂e to Scope 2 emissions. Scope 2 emissions are calculated using the market-based method. The targets have been calculated using the SBTi target-setting tool as a methodological reference and are designed to align with a 1.5°C pathway. The targets have not been submitted to, nor validated by, the SBTi, and therefore do not constitute formally approved science-based targets. Scope 3 emissions are currently being quantified, and Scope 3 emission reduction targets will be set once a robust baseline has been established. The emission reduction actions in Raute's own operations have focused especially on reducing Scope 1 and 2 emissions, described in more detail in section E1-3, and the targets related to these measures are described in more detail in section E1-4.

Raute's operations are likely associated with locked-in GHG emissions, primarily through Raute's current infrastructure and operations. A qualitative assessment of the potential locked-in GHG emissions from the key assets and products has not been conducted. This examination will be carried out at the same time as the transition plan for climate change mitigation is prepared.

E1-2 – POLICIES RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

Raute's environmental policy describes practices related to environmental themes that promote the environmental responsibility of the business. The environmental policy covers topics related to, for example, emission reductions, resource efficiency, and the circular economy. Raute is committed to offering resource-efficient production and service solutions, promoting sustainable innovations, and reducing negative environmental impacts. The policy serves to manage the environmental risks related to the company's own operations and consider business opportunities. Raute aims to minimize its adverse environmental impacts across its sites, and in its products, services, and value chain. The Environmental Policy applies globally and covers Raute's own operations. To ensure consistent implementation, Environmental Policy training was conducted across all production sites during 2025.

Raute's environmental policy complies with the ten principles of the UN Global Compact initiative, which emphasizes the precautionary principle in responding to environmental challenges and the promotion of environmental responsibility and encourages innovation and the deployment of technologies that reduce environmental impacts. Raute has identified the most significant Sustainable Development Goals by the United Nations (SDG 8, 11, 12, and 13), to which contribution is made to through Raute's sustainability targets. The environmental policy was developed using internal stakeholders' views, customer demands, and supplier survey responses. Raute's Chief Financial Officer is responsible for the implementation of the environmental policy to all functions and sites. The policy is publicly available. The full environmental policy is available internally to all employees via the intranet and to other

stakeholders through the website. Potentially affected external stakeholders can access key environmental commitments via Raute's sustainability reporting and, where relevant, receive targeted communication in connection with local operations.

The environmental policy covers Raute's material climate impacts, risks, and opportunities. In its policies related to climate change mitigation and adaptation, Raute is committed to:

- Ensuring that all operations meet or exceed local, national and international environmental laws and regulations.
- Minimizing adverse environmental impacts and protecting the environment by minimizing harmful emissions to air, water, and soil.
- Improving the performance of environmental management through energy and material efficiency, and by reducing waste and promoting the use of renewable resources where feasible.
- Setting ambitious environmental targets and reporting regularly on environmental performance and progress in the achievement of the targets.
- Developing strategies to mitigate climate change-related impacts and improve climate resilience in its own operations and solutions.
- Engaging with stakeholders to promote environmental awareness and collaborative efforts towards environmental sustainability.
- Promoting the circular economy by designing products and processes that are long-lasting, repairable, upgradable, and energy efficient.
- Supporting customers with solutions that optimize the use of resources. Extending the life cycle of the production line with repairs, upgrades, and modernizations saves natural resources and reduces greenhouse gas emissions.

The policy addresses Raute's material impacts, risks, and opportunities related to climate change and resource use. Material impacts include Raute's contribution to climate change through its own emissions, the use of non-renewable energy sources, energy use during the use phase of sold products, the environmental effects of non-renewable natural resource consumption, the company's significant material footprint, and the design of long-lasting, repairable, upgradable, and recyclable products. Material risks relate to physical climate-related events that may threaten business continuity, regulatory changes that may increase adaptation costs, the high cost of decarbonization investments, the financial implications of investing in energy-efficient solutions, and regulatory- and market-driven cost exposures. Material opportunities arise from the construction industry's shift toward renewable materials, growing demand for energy-efficient machinery, and the potential for Raute's solutions to improve customer resource efficiency, reduce greenhouse gas emissions and improve resource efficiency.

In the climate change section of its Environmental Policy, Raute commits to reducing greenhouse gas emissions and minimizing the carbon footprint of its own operations as well as the machines and production solutions it delivers to customers. In product development, Raute focuses on the selection of materials, durability, repairability, and energy efficiency, supporting climate change mitigation across the value chain and in all geographical areas of operation. In its own operations, the policy emphasizes reducing the use of fossil fuels, improving energy efficiency, and increasing the use of renewable energy at manufacturing sites.

Raute recognizes that its most significant climate-related impacts arise from indirect greenhouse gas emissions across the value chain. Addressing these impacts requires long-term strategic actions and investments, which are being progressed through the development of a climate transition plan. Through the policy, Raute commits to contributing to the reduction of identified climate-related impacts, including energy and material consumption and greenhouse gas emissions, in its own operations and value chain. The policy supports the management of climate-related risks and guide the integration of climate change-related impacts into strategic planning. At the same time, they support the development of energy- and material-efficient solutions as well as the improvement of energy efficiency in Raute's own operations.

Raute's Executive Board approved the environmental policy in 2024, and there has been no revision since. The efficiency, progress, and effectiveness of environmental actions are monitored with regular reviews. Training on the environmental policy and its practical implementation was conducted during 2025 for line managers who, in turn, are tasked with cascading the information to employees.

EI-3 – ACTIONS AND RESOURCES IN RELATION TO CLIMATE CHANGE POLICIES

Scope 1 and 2 actions remain focused on renewable energy, electrification, and efficiency improvements. These measures will continue to be implemented and expanded in the coming years. Scope 3 climate-related actions prioritized a substantial refinement of the calculation methodology for Category 11 (Use of sold products) and the strengthening of the related calculation framework, in order to establish a sufficiently reliable baseline for emissions.

Operational and capital expenditures for 2025 climate actions are detailed in the EU taxonomy reporting. Raute finances its operations primarily through cash flow. Raute does not have financial instruments allocated to the implementation of the sustainability targets in place. However, the company recognizes that future investments will be necessary to meet long-term climate objectives. During 2025, preparatory work for the climate transition plan focused primarily on significantly refining the Scope 3 emissions calculation and strengthening the underlying data foundation, which is a prerequisite for developing a robust transition plan and assessing its financial implications. For 2025, Raute did not have a longer-term plan for

investments and funding for climate-related activities, as Raute is currently working on the transition plan.

To address the identified climate-related impacts, risks, and opportunities, Raute has implemented and progressed a set of climate-related actions during the reporting period. Several of these actions contribute to multiple impacts, risks, and opportunities. To avoid repetition and ensure clarity, the actions are presented below as a consolidated list and referenced across the relevant disclosures. The actions are grouped by those taken in 2025 and those planned for 2026.

Actions implemented or measures taken to advance targets in 2025

- **A1. Transition plan groundwork** – Initiated the strategic preparation of the climate transition plan. The work included a comprehensive review of Scope 1, Scope 2 and Scope 3 emission sources, as well as an assessment of potential emission reduction pathways and their timelines as part of the company's long-term strategic planning. Particular attention was given to the structure and materiality of Scope 3 emissions and their role in assessing transition risks and opportunities. (2025; ongoing)
- **A2. Development of greenhouse gas data collection and calculation methodologies** - Enhanced Scope 1, Scope 2 and Scope 3 greenhouse gas data collection processes, boundaries and calculation methodologies to improve accuracy, completeness and reproducibility. The work included refining data sources, updating calculation assumptions, and significantly improving Scope 3 calculations, particularly Category 11 (Use of sold products). (2025; ongoing annually)
- **A3. Scope 1 emission reduction measures** – Progressed electrification of vehicles and equipment in Raute's own operations, as well as selective retirement of fossil-fuel assets and preparatory work for a transition to HVO biodiesel. (2025; ongoing annually).
- **A4. Scope 2 emission reduction measures** – Increased the share of renewable electricity and heating, including 100% renewable electricity and heating at the Lahti site and renewable energy solutions at other sites. (2025; ongoing annually, maintained beyond 2030)
- **A5. Scope 3 emission management measures** – Advanced Scope 3 work through supplier localization, improved transport-related emissions management, enhanced reporting of travel- and service-related fuel use. (2025; ongoing annually)

- **A6. Life cycle assessment (LCA)** – Conducted a full life cycle assessment for the R7 Peeling Line to identify emissions across the product life cycle. (completed in 2025)
- **A7. Emission reduction measures related to products and services** – Introduced new MillsIGHTS energy reporting features (electricity consumption in kWh and monitoring of thermal energy consumption of dryers), enhancing customers' ability to monitor and optimize energy use. In addition, a new VOC (volatile organic compounds) treatment technology for dryers was launched. These measures support the management of use-phase emissions of sold products and their reduction potential. (2025; continuous annual development)
- **A8. Capability building and internal engagement** – Delivered training on GHG emission reduction and circularity to approximately 60 designers and facilitated product-line-specific workshops to identify feasible mitigation measures. (completed in 2025)
- **A9. Regulatory preparedness** – Strengthened regulatory preparedness through systematic monitoring and follow-up of climate- and sustainability-related regulatory developments. (2025; ongoing annually)
- **A10. Supply chain resilience and dual sourcing** – Implemented and further developed a dual sourcing strategy to mitigate supply chain disruption risks and reduce dependency on single suppliers, supporting climate-related risk mitigation in the value chain. (2025; ongoing annually)
- **A11. Promoting low-carbon construction and climate solutions through stakeholder collaboration** – Participated in dialogue on climate change and low-carbon construction within the activities of the Green Building Council Finland, organised a customer event addressing on climate change, and delivered lectures at educational institutions on responsible engineered wood construction. (2025; ongoing annually)

Planned development actions for 2026

- **B1. Climate transition plan completion** – Finalize the climate transition plan, including mitigation and adaptation actions, expected outcomes, timelines, and financial impacts.

- **B2. Climate resilience and regulatory risk integration** – Further develop the climate resilience analysis and integrate regulatory risk scenarios into climate, resilience, and financial assessments.
- **B3. Energy efficiency and fuel switching** – Implement fuel switching to HVO biodiesel at the Lahti site and conduct an external energy audit focusing on ventilation, machinery, and heating efficiency.
- **B4. Development of Scope 3 emission management and reduction opportunities** – Continued development of Scope 3 emission management and quantification, including further refinement of calculation methodologies for Category 11 (Use of sold products) and systematic assessment of use-phase emissions of sold products and their reduction potential. The work also includes evaluating energy efficiency opportunities at the product and service portfolio level as part of managing downstream value chain climate impacts and supporting transition planning.

The financial resources related to climate-related actions in 2025 are listed below. They primarily relate to operating expenses associated with renewable energy procurement and energy use in Raute's own operations, particularly Scope 2 electricity and heating. To a limited extent, climate-related operating expenses related to Scope 1 activities, such as vehicle use and fuel consumption, are included within operating expenses. At this stage, Raute does not yet allocate climate-related costs systematically across different emission categories nor disaggregate them by financial statement line items. However, the company is developing its cost tracking practices as part of its climate transition plan.

Climate actions and their progress

Sub-sub-topic	Identified material topic	Actions (A=2025, B=2026)
Climate change adaptation	Climate events threaten business continuity	This risk is addressed through actions A10, B1, and B2.
	Regulatory changes increase adaptation costs	This risk is addressed through actions A9, B2, and B1.
	Shift in the construction market toward renewable materials (EWP)	This opportunity is addressed through actions A1, A9, A11 and B4.
Climate change mitigation	Raute's contribution to climate change	<p>This impact is mitigated through the following actions: A3, A4, A5, A6, A7, B3.</p> <p>In addition, it is supported by enabling and strategic actions: A1, A2, A8, B1, B4.</p> <ul style="list-style-type: none"> • Scope 1 emission reduction actions focused on electrification of vehicles and equipment, selective retirement of fossil-fuel assets, and planned fuel switching for lift trucks from fossil diesel to HVO biodiesel, reducing emissions by approximately ~89% with this action (32.46 tCO₂e annually). • Scope 2 and site-level emission reduction actions at the Lahti site focused on securing renewable electricity and renewable heating and increasing the use of renewable energy. Planned actions also include an external energy audit focusing on ventilation, machinery, and heating efficiency improvements. • Scope 3 work focused on data, methodology, and capability development, including supplier localization, Category 11 accounting methodology development, an LCA of the R7 Peeling Line, improved travel-related emissions reporting, and internal training; reported expenses relate primarily to these activities.
	High costs of decarbonization investments	This risk is addressed through actions A1, A8 and B1.
Energy	Emissions from non-renewable energy use*	<p>This impact is addressed through actions A3, A4, B1 and B3.</p> <p>Scope 1</p> <ul style="list-style-type: none"> • Retiring diesel forklifts and switching to electric forklifts (Lahti, Delta) • Planned fuel switching for lift trucks in the Lahti site from fossil diesel to HVO biodiesel, reducing emissions by approximately 89% (32.46 tCO₂e annually). <p>Scope 2</p> <ul style="list-style-type: none"> • Switching natural gas into renewable solutions (Delta, Pullman) • Increasing the amount of renewable heating (Kajaani) • The cost for 100% renewable electricity (Finland) 203,473€ (2024: 213,870€) • The cost for 98% renewable electricity (Canada) 32,000€ • The cost for 100% renewable heating (Lahti) 307,828€
	Energy use of sold products	This impact is addressed through actions A6, A7, and B4.
	Energy-efficient customer solutions	This impact is addressed through actions A6, A7, A8, B4 and B1.
	Energy-efficient solutions impact operational costs and competitiveness	This risk is addressed through actions A6, A7, A8, B4 and B1.
	Demand for energy-efficient machinery	This opportunity is addressed through actions A1, A8, B4, and B1.

*Quantitative contributions of individual levers are currently available only for selected measures with direct activity data (e.g., electrification/fuel switch of forklifts). A complete quantified breakdown of decarbonization levers toward the 2030 target will be finalized as part of the climate transition plan in 2026.

EI-4 - TARGETS RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

Development compared to the prior reporting year

Compared to the previous reporting year, Raute has advanced its climate-related target setting and related disclosures. In 2024, Raute did not have formally defined climate targets, and disclosures focused primarily on establishing baseline emissions data and developing methodologies. During the first reporting year, Raute completed its first group-wide greenhouse gas emissions calculations, including expanded Scope 3 coverage. Based on this work, in December 2024 Raute established its first quantitative Scope 1 and Scope 2 greenhouse gas emission reduction targets, designed to be consistent with limiting global warming to 1.5°C and developed using the methodological framework of the Science Based Targets initiative (SBTi). The targets have not been submitted to SBTi for validation. The development of Raute's climate-related work compared to the first reporting year reflects improvements in internal data quality, calculation methodologies, and climate governance, as well as progress in advancing the climate transition planning process.

Raute assesses the effectiveness of its climate-related policies and actions by monitoring greenhouse gas emissions against established Scope 1 and Scope 2 emission reduction targets. Changes in reported emissions are analyzed to distinguish between the effects of mitigation actions and changes resulting from improved data quality, methodological updates, or expanded reporting Scope. Internal stakeholders were involved in setting the targets through dedicated workshops. External stakeholders were not directly involved in the target-setting process. The progress against targets on Scope 1 emissions is monitored through an annual GHG inventory, coordinated by the CFO and ESG team and subject to review by the Executive Board and Audit Committee as applicable. Changes in Scope 2 emissions during the reporting period were driven primarily by the closure of the Changzhou site and increased use of renewable energy.

Baseline recalculation is considered only for significant structural changes that alter the organizational boundary (e.g., acquisitions/divestments), while organic changes (e.g., site closures without transfer of ownership/control) are reflected in year-on-year progress without recalculating the base year. In 2025, Raute announced the closure of its production facility in Changzhou, China, as part of a strategic initiative to streamline its global manufacturing network and strengthen operational efficiency. The manufacturing site in China was permanently closed and did not involve a transfer of ownership or control and is therefore treated as an organic change that does not require base year recalculation. Although the impact on emissions is significant, the base year figures have not been recalculated. The effect of the closure is transparently reflected in the year-on-year development of greenhouse gas emissions and progress towards targets. Therefore, the 2024 baseline and 2030 reduction target remain unchanged. This reduction is disclosed transparently to reflect its impact on Raute's overall carbon footprint, without categorizing it as a planned decarbonization action.

Progress toward Raute's Scope 1 and Scope 2 emission reduction targets is presented in Table E1-6 (target year 2030). The targets are expressed in tons of carbon dioxide equivalent and apply to all Raute operations and countries of operation. As 2024 serves as the baseline year for the targets, no progress against the targets was reported in the previous reporting period, and progress is disclosed for this reporting period.

The current reporting year is the first reporting period in which Raute can assess and disclose progress against the targets. The target-setting tool of the Science Based Targets initiative (SBTi) has been used as a methodological reference to calculate Scope 1 and Scope 2 emission reduction levels aligned with a 1.5°C pathway using the SBTi target-setting tool as a methodological reference. The tool provides a reference for calculating, in percentage terms, of minimum emission reductions by 2030 based on the company's emission data. These targets have not been submitted to, nor validated by, the SBTi and do not constitute formally approved science-based targets. There is currently no industry-specific SBTi decarbonization pathway applicable to Raute's sector. Target monitoring and further target-related disclosures are expected to be enhanced as the climate transition plan is completed. Scope 1 and 2 emission reductions are expected to be achieved primarily through electrification, renewable energy procurement and energy efficiency improvements.

Raute has not set emission reduction targets for Scope 3. The development of Scope 3 targets requires the completion of the climate transition plan, further refinement of calculation methodologies, and more granular data availability. Raute intends to set Scope 3 targets once the underlying analyses are complete. Scope 3 emissions are disclosed; however, comparability with the 2024 base year is limited due to a comprehensive update of the calculation methodology. A revision of the 2024 figures is therefore not available.

Emissions results and performance

Raute reports, for the first time in the current reporting year, its progress against climate-related emission reduction targets. Changes in reported emissions reflect the combined effects of implemented emission reduction measures, structural changes in operations, and improvements in data quality and calculation methodologies. Accordingly, year-on-year changes should be interpreted in light of both operational developments and methodological refinements. Actions such as the continued electrification of vehicles have contributed positively to Raute's Scope 1 target. In 2025, Scope 1 emissions amounted to 64.03 tCO₂e, representing a 36% reduction compared to the 2024 baseline. Scope 2 emissions decreased by 34% year-on-year, from 843.78 tCO₂e to 557.43 tCO₂e. The cessation of production in Changzhou, China, in mid-2025 reduced Scope 2 emissions by 265.76 tCO₂e compared to the previous reporting period. In addition, the Lahti site used 100% renewable heating for the first time, reducing emissions by 22 tCO₂e compared to 2024. These factors contributed to the overall reduction in reported

emissions in 2025 relative to the 2024 baseline. Progress against emission reduction targets is presented in the table below.

Targets, metrics and progress

TARGET FOR 2030	METRICS	BASELINE 2024	PROGRESS 2025
Reduce Scope 1 emissions by 50% by 2030 ¹⁾ (-50 tons by 2030)	Absolute Scope 1 emissions (tCO ₂ e)	100 tCO ₂ e	64 tCO ₂ e
Reduce Scope 2 emissions by 80% by 2030 ²⁾ (-675 tons by 2030)	Absolute Scope 2 emissions (tCO ₂ e)	844 tCO ₂ e ⁴⁾	557 tCO ₂ e
No Scope 3 reduction target set ³⁾	Scope 3 emissions (tCO ₂ e)	No target	105,870 tCO ₂ e *not comparable with 2024 figures due to methodology change
Use 100% of renewable electricity in all Raute production sites ⁴⁾	Share of renewable electricity (%)	74%	90%

* Market-based Scope 2 emissions are calculated using unbundled guarantees of origin and bundled renewable electricity contracts.

1) Scope 1 emissions are calculated in accordance with the GHG Protocol from direct emission sources owned or controlled by Raute, in particular fuel consumption from vehicles, leased and service vehicles, and other equipment using fossil fuels. The calculation is based on primary consumption data (e.g. fuel receipts and fuel consumption data provided by third parties). During the reporting period, the methodology was refined for leased and service vehicles to improve data quality.

2) Scope 2 emissions comprise indirect emissions from the generation of purchased electricity and heat consumed in Raute's facilities, leased premises and manufacturing operations, including electricity used by electric vehicles. Emissions are calculated based on measured electricity and heat consumption data using both the location-based and market-based methods. Market-based Scope 2 emissions are calculated using unbundled guarantees of origin (GOs) and electricity contracts supported by guarantees of origin.

3) Scope 3 emissions are calculated in accordance with the GHG Protocol for those value chain categories assessed as material (Categories 1, 2, 3, 4, 5, 6, 11 and 12). Calculations are primarily

based on activity data and secondarily on emission factors obtained from recognized databases. As supplier-specific primary data remain limited, a significant portion of Scope 3 emissions is estimated using secondary emission factors and proxy indicators. During the reporting period, Scope 3 methodology was significantly developed, particularly for Category 11 (Use of sold products); consequently, the 2025 figures are not comparable with the 2024 figures and retrospective revision was not feasible.

4) The share of renewable electricity is determined based on site-specific electricity consumption data and classified as renewable under the market-based method using guarantees of origin (GOs) and electricity contracts backed by guarantees of origin. At the Lahti and Kajaani sites, electricity contracts are based on 100% renewable electricity, while at the Delta site approximately 98% of electricity originates from renewable sources in line with the local production mix. Guarantees of origin are procured annually and received after the end of the reporting period. The share of renewable electricity is calculated based solely on electricity consumption at production sites; office premises are excluded due to their immateriality.

EI-5 - ENERGY CONSUMPTION AND MIX

Energy consumption figures cover all Raute operations, including production and service sites, across all countries of operation. Information on energy consumption and energy sources is derived from Raute's own measurements, energy suppliers, and property managers. For leased offices, total energy consumption data is provided by property managers and allocated to Raute based on the proportion of floor area leased.

Raute's Lahti and Kajaani sites operate under 100% renewable electricity contracts supported by guarantees of origin. Raute's Delta site uses electricity with a renewable share of approximately 98%, reflecting the applicable regional electricity mix. In addition, the Lahti site uses 100% renewable heating. Certificates of origin for renewable electricity and renewable heating are obtained annually and become available after the end of the reporting period.

The split between renewable and non-renewable energy consumption, electricity consumption, and heating consumption is presented in the accompanying tables. Year-on-year changes reflect both changes in energy sourcing and improvements in data availability and calculation methodologies. Raute operates in a sector classified as high climate impact under NACE Class 28.99 – Manufacture of other special-purpose machinery. In line with ESRS requirements, energy intensity is calculated using total net sales as reported in Raute's financial statements.

Changes in energy intensity compared to the prior reporting year are influenced by variations in energy consumption and business activity. Climate-related impacts associated with energy use are addressed through actions A3, A4, B1, and B3 described in section EI-3.

Energy consumption data is collected from internal records and supplier invoices covering electricity, fuels, and other energy sources used in Raute's own operations. Energy consumption is reported in megawatt-hours (MWh) and classified by energy source where applicable. The methodologies applied are based on actual consumption data. In cases where complete data is not available, reasonable estimates are used. The definitions and units applied are consistent across reporting periods. As energy consumption is disclosed in physical units, no currency selection was required.

Energy consumption by energy source

Energy consumption and mix	2024	2025
1) Fuel consumption from coal and coal products (MWh)	0	0
2) Fuel consumption from crude oil and petroleum products (MWh)	390.4	249.1
3) Fuel consumption from natural gas (MWh)	0	0
4) Fuel consumption from other fossil sources (MWh)	0	0
5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	3,360.2	2,070.3
6) Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)	3,750.6	2,319.4
Share of fossil sources in total energy consumption (%)	40.8%	27.9%
7) Consumption from nuclear sources (MWh)	0	0
Share of consumption from nuclear sources in total energy consumption (%)	0%	0%
8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	0	0
9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	5,285.2	5,714.8
10) The consumption of self-generated non-fuel renewable energy (MWh)	161.0	270.2
11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	5,446.2	5,985.1
Share of renewable sources in total energy consumption (%)	59.2%	72.1%
Total energy consumption (MWh) (calculated as the sum of lines 6 and 11)	9,196.8	8,304.5

Energy intensity per net revenue	2024	2025	% 2025 / 2024
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/MEUR)	44.95	47.31	5.25%

EI-6 - GROSS SCOPES 1, 2 AND 3 AND TOTAL GHG EMISSIONS
Overview and Scope

Raute's Scope 1, Scope 2, and Scope 3 greenhouse gas (GHG) emissions have been calculated in accordance with the GHG Protocol using Raute's internal calculation tools, with methodological support from an external expert. The emissions calculation covers the same operations as Raute's financial statements and sustainability statement.

Greenhouse gas (GHG) emissions are calculated in accordance with the Greenhouse Gas Protocol and are reported as gross emissions for Scope 1, Scope 2, and Scope 3, as well as total emissions. Scope 1 emissions include direct emissions from owned or controlled sources, Scope 2 emissions include indirect emissions from purchased electricity, and Scope 3 emissions include other indirect emissions along the value chain, where applicable.

The calculation of GHG emissions is based on activity data from internal systems, supplier information, and other available data sources. Where primary data is not available, reasonable estimates and assumptions are applied. The main limitations relate to data availability and the

use of estimates, particularly for Scope 3 emissions. Emissions are reported in tons of CO₂ equivalent (tCO₂e). Part of the emissions is reported based on physical activity data, while part of the calculation is based on a spend-based method.

Scope coverage

Scope 1 emissions arise from sources owned or controlled by Raute and include fuel use in facility maintenance vehicles, leased cars, and other fossil-fuel-powered vehicles such as forklifts used in logistics, as well as on-site electricity generation for own use.

Scope 2 emissions arise from the production of purchased electricity and heat used in Raute's properties, rented service locations, and manufacturing operations, as well as electricity consumed by leased electric cars. Scope 2 emissions are calculated using the location-based and market-based methods. During the reporting period, 0% of Raute's electricity consumption within Scope 2 was covered by unbundled Guarantees of Origin (GOs), and 100% was supplied

under electricity contracts linked to Guarantees of Origin. No other contractual instruments were used.

Scope 3 emissions include all Scope 3 categories assessed as material for Raute's value chain. The categories included in the inventory are:

- Purchased goods and services (Category 1)
- Capital goods (Category 2)
- Fuel- and energy-related activities, including transmission and distribution losses (Category 3)
- Upstream transportation and distribution (Category 4)
- Waste generated in operations (Category 5)
- Business travel (Category 6)
- Downstream transportation and distribution (Category 9)
- Use of sold products (Category 11)
- End-of-life treatment of sold products (Category 12)

The E1-6 Table 1 below presents the Scope 3 GHG emission categories included in and excluded from Raute's inventory. Categories not calculated or marked as not applicable are excluded based on their immateriality or lack of relevant emission sources, as described.

Methodological considerations

In addition to operational changes, the calculation methodology for Scope 1 emissions was improved for leased and service vehicles. The closure of the Chinese production site resulted in an estimated reduction of approximately 265.76 tCO₂e in Scope 2 emissions compared to 2024, as the facility relied heavily on fossil-based electricity. Although the impact on emissions is significant, the base year has not been recalculated, and the effect of the closure is transparently reflected in year-on-year emissions development and target progress. Therefore, the 2024 baseline and 2030 reduction target remain unchanged. This reduction is disclosed transparently to reflect its impact on Raute's overall carbon footprint, without categorizing it as a planned decarbonization action.

Scope 3 emissions are disclosed; however, comparability with the 2024 base year is limited due to a significant methodological changes of the calculation methodology. For a detailed explanation of this methodology change, its rationale, and its effect on comparability, see chapter Data quality, uncertainties, and improvements. Part of the reported emission reduction is attributable to improved data quality and methodological updates rather than operational emission reductions.

Data sources and calculation methods

Across all Scopes, emissions calculations are based on invoices, meter readings, internal reports, expert assessments, and external databases. Scope 3 emissions are primarily calculated using secondary emission factors, with primary data used where available (e.g., cost data).

Activity-based and spend-based calculations: Scope 1 emissions are calculated using primary fuel consumption data, including supplier-provided fuel data for facility maintenance vehicles and fuel receipts and reports for leased cars. Scope 2 emissions have been calculated based on metered electricity and heating consumption, including on-site solar electricity generation. The consumption data are derived from site-specific consumption meters and measurement reports provided by energy suppliers, as further described in section E1-5 Energy consumption and energy mix.

Scope 3 greenhouse gas emissions are primarily calculated using activity-based data and secondary emission factors. The calculation is based on inputs from relevant upstream and downstream value-chain activities, including purchased goods and services and use of sold products. Primary data from suppliers or other value-chain partners is currently limited, and the majority of Scope 3 emissions are calculated using secondary data and estimates. The undertaking continues to develop its processes to increase the use of primary data over time.

Emission factors

Emission factors used in the calculations are sourced from recognized databases, including:

- DEFRA (2025)
- Carbon Database Initiative (2025)
- Carbon Footprint (2023)
- Energy suppliers' specific emission factors (e.g., Loiste Lämpö)
- SYKE (2021), Y-hiilari carbon footprint calculator
- Finnair's emissions calculator
- Base Empreinte (2024) for materials
- US Environmental Protection Agency GHG emission factors (2025)
- US EPA Supply Chain GHG Emission Factors v1.2 (NAICS-6)

All greenhouse gas emissions are calculated in carbon dioxide equivalents (CO₂e.) and reported in metric tons (tCO₂e.). Greenhouse gas intensity is calculated using the total revenue reported in Raute's financial statements.

Biogenic emissions

Raute's operations do not generate biogenic Scope 1 carbon dioxide emissions. Biogenic Scope 2 emissions arise from biomass combustion for heat production at the Lahti and Kajaani sites, as well as from district heating used at the Oulu and Espoo sites. In 2025, biogenic Scope 2

emissions totaled 1,129 tCO₂. (2024: 1,152 tCO₂.) Biogenic Scope 3 emissions arise from product lines sold in 2024 that are known to use biomass for heat production. Biogenic Scope 3 emissions totaled 920,878 tCO₂. (2024: 1,681,820 tCO₂.)

Data quality, uncertainties, and improvements

The Scope 3 emissions calculation includes measurement uncertainties. However, Raute has included all material sources in it and used primary data, for example, cost data. The percentage of emissions for which primary data from suppliers or other value chain partners has been used has not been estimated. There are challenges in combining data collected from different sources, especially in relation to data formats and manual entries. The Scope 3 calculation provides a broad and indicative picture of Raute’s operations, products, and value chain. Raute’s current priority is improving the quality and reliability of existing Scope 3 calculations rather than expanding coverage. The resources will be focused on improving the quality of the current emissions calculation.

Data availability remains a key challenge, particularly for detailed activity data from suppliers and subcontractors. Where weight- or quantity-based data is not available, spend-based proxies are used. These limitations primarily affect the precision of individual Scope 3 categories but do not materially affect the completeness of the emissions inventory. During the reporting period, Raute implemented several improvements to enhance the accuracy, consistency, and replicability of emissions calculations across all Scopes. Data collection has been made more granular, documentation standardized, and internal validation processes strengthened to support trend analysis and comparability over time.

In addition to the methodological improvements described above, the results for Category 11 include inherent measurement uncertainty arising from external factors beyond Raute’s control. Year-on-year variations are primarily driven by customer-specific energy sources, market demand, and other downstream operating conditions.

For Scope 1 and Scope 2, data collection processes were standardized, roles and responsibilities clarified, and validation checkpoints introduced. Primary fuel consumption data replaced earlier estimates for leased and rented vehicles.

For Scope 3, methodological improvements were implemented in several categories:

- Cat 1: This category is now calculated only by using spend-based data for Purchased goods and services.
- Cat11: During the reporting period, the Group implemented a significant change in the calculation methodology for Scope 3 greenhouse gas emissions, Category 11 (Use of sold products). The methodology was standardized and documented in detail in collaboration with external experts and internal cross-functional teams. The calculation methodology improvement also aims to incorporate more primary data, such as customer-specific emission factors and real-world operational data. As a result of this change, the Scope 3 Category 11 emissions disclosed for the reporting year are not comparable with the figures reported for the prior reporting period. Due to the nature and extent of the methodological changes, revision of prior-year Scope 3 Category 11 emissions was not feasible.
- Cat 6: Business travel emissions were improved through the use of automated travel systems and recognized calculation methodologies.
- Categories 4 and 9: During the reporting period, the calculation methodologies for emissions from logistics and downstream transportation and distribution activities were further developed. Category 9 was included in reporting for the first time, and its emissions were determined based on primary data supplemented with estimates.

The revised methodology reflects updated assumptions, data sources, and calculation approaches aimed at improving the accuracy and relevance of the emissions estimate in line with evolving best practices and guidance. The most significant methodological changes relate to the Use of sold products (Scope 3, Category 11) and include updated assumptions on product lifetime, energy consumption profiles during the use phase, and underlying emission factors, as well as a more standardized and documented calculation approach developed in collaboration with internal experts and external specialists.

Primary supplier-specific emissions data is currently very limited and is not sufficient to calculate reliable Scope 3 emissions based on supplier primary data; the majority of Scope 3 emissions are therefore calculated using secondary emission factors and proxies. Raute will develop the capability to quantify and disclose this percentage as supplier ESG data collection matures. The Scope 3 calculation data sources, assumptions, and quality estimates of emission data are given in the table below.

Scope 3 emissions categories: data sources and boundaries

Scope 3 emission category	Data sources and assumptions	Emission data (secondary, primary)	Reporting scope (included business units)
Category 1: Purchased goods and services	Secondary data on services and goods (€)	Secondary data	<ul style="list-style-type: none"> • Raute Finland • Raute China • Raute Canada • Raute US • Service operations
Category 2: Capital goods	Primary data on investments (€)	Secondary data	<ul style="list-style-type: none"> • Raute Finland • Raute China • Raute Canada • Raute US • Service operations
Category 3: Fuel- and energy-related activities	Primary data (kWh/liters)	Secondary data	<ul style="list-style-type: none"> • Raute Finland • Raute China • Raute Canada • Raute US • Service operations
Category 4: Upstream transportation and distribution	Primary data from logistics companies (weights, distances, ton-km) with transport mode emissions factors applied. Spend-based method where logistics reports were unavailable.	Secondary data	<ul style="list-style-type: none"> • Raute Finland • Raute China • Raute Canada • Raute US
Category 5: Waste generated in operations	Primary data on waste volumes (metric tons)	Secondary data	<ul style="list-style-type: none"> • Raute Finland • Raute China • Raute Canada • Raute US
Category 6: Business travel	Primary data (distance travelled, hotel nights or €)	Primary data for Raute Finland (flight, car rental) and Delta (flight, accommodation, car rental). Remaining, secondary data	<ul style="list-style-type: none"> • Raute Finland • Raute China • Raute Canada • Raute US • Service operations
Category 7: Employee commuting	Not calculated, minor impact		
Category 8: Upstream leased assets	Not applicable, no emission sources in this category		
Category 9: Downstream transportation and distribution	Primary data from logistics companies (weights, distances, ton-km) with transport mode emissions factors applied.	Primary data from Raute Finland and Raute China (transport documentation); secondary data from Raute US (estimate based on proportion of shipments and spend based data).	<ul style="list-style-type: none"> • Raute Finland • Raute China • Raute US
Category 10: Processing of sold products	Not applicable, products are end products, no processing is required.		

Scope 3 emission category	Data sources and assumptions	Emission data (secondary, primary)	Reporting scope (included business units)
Category 11: Use of sold products	Methodology fully revised, standardized and documented. Increased use of primary data (customer-specific emission factors, real-world operational data).	Secondary data based on a sample of primary data	<ul style="list-style-type: none"> • Raute Finland • Raute China • Raute Canada • Raute US
Category 12: End-of-life treatment of sold products	Secondary data (estimated total mass and main materials' composition according to Raute's experts)	Secondary data	<ul style="list-style-type: none"> • Raute Finland • Raute China • Raute Canada • Raute US
Category 13: Downstream leased assets	Not applicable, no emission sources in this category		
Category 14: Franchises	Not applicable, no emission sources in this category		
Category 15: Investments	Not applicable, no emission sources in this category		

Development of Scope 1–3 greenhouse gas emissions and targets	Retrospective				Milestones and target years		
	Base year	2024	2025	% 2025/ 2024	2025	2030	Annual % 2030 (2050) /2024
Scope 1 GHG emissions							
Gross Scope 1 GHG emissions (tCO ₂ e)	100	100	64	-36%		50	-8%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	-	-	-	0%			
Scope 2 GHG emissions							
Gross location-based Scope 2 GHG emissions (tCO ₂ e)	1,483	1,483	1,072	-28%			
Gross market-based Scope 2 GHG emissions (tCO ₂ e)	844	844	557	-34%		169	-13%
Significant Scope 3 GHG emissions							
Total Gross indirect (Scope 3) GHG emissions (tCO ₂ e)		877,300 *	105,870 *	-88% *			
1. Purchased goods and services		15,592	19,421	25%			
2. Capital goods		88	450	411%			
3. Fuel and energy-related activities (not included in Scope 1 or Scope 2)		322	147	-54%			
4. Upstream transportation and distribution		948	3,405	259%			
5. Waste generated in operations		177	92	-48%			
6. Business travel		1,761	1,896	8%			
9. Downstream transportation and distribution			470				
11. Use of sold products		858,187	79,589 *	-91% *			
12. End-of-life treatment of sold products		224	400	79%			
Total GHG emissions							
Total GHG emissions (location-based) (tCO ₂ e)		878,883 *	107,006 *	-88% *			
Total GHG emissions (market-based) (tCO ₂ e)		878,244 *	106,491 *	-88% *			
GHG intensity per net revenue							
	2024	2025**	% 2025/ 2024				
Total GHG emissions (location-based) per net revenue (tCO ₂ e/MEUR)	4,295.6	609.6 *	-86% *				
Total GHG emissions (market-based) per net revenue (tCO ₂ e/MEUR)	4,292.5	606.7 *	-86% *				

*2024 Scope 3 data not comparable due to methodology change. Raute has also not set a base year for Scope 3 yet. Read more in E1-6.

**Revenue from financial statements, page 90 of the Financial Statements.

E5 Resource use and circular economy

E5. SBM-3

Positive impacts arise from Raute’s ability to design and deliver long-lasting, repairable, upgradable, and recyclable products, which support improved resource efficiency and reduced side stream generation over the life cycle of industrial assets. The material negative impacts related to resource use and circular economy are primarily associated with Raute’s dependence on non-renewable natural resources, particularly metals, through its supply chain and the material footprint of its own operations.

The material impacts related to resource use and circular economy are particularly emphasized upstream and downstream in the value chain, as well as in Raute’s own operations. Material risks arise mainly from regulatory developments and exposure to increasing resource- and material-related costs, particularly for critical metals such as steel, cast iron, and aluminum used in Raute’s products, which create financial risks in its own operations and upstream value chain. These risks arise from market volatility, supply chain disruption, and transition risks arising from evolving climate-related regulation and carbon pricing mechanisms, such as CBAM. In addition, low-carbon steel is expensive and its availability is limited, meaning that mitigating adverse impacts may increase Raute’s costs and affect profitability.

Material opportunities relate to Raute’s product and service offering, which can directly improve resource efficiency at customer sites and support customers in their efforts to reduce emissions and resource consumption. The material efficiency, energy efficiency, long product lifecycles, maintainability, and reparability achieved through Raute’s offering provide business advantages across all markets.

As described in section SBM-1, Raute creates value through solutions that support production optimization and resource efficiency in the wood products industry. Raute’s contribution to the circular economy is primarily realized through technology upgrades, modernizations and efficiency improvements implemented at customer sites, rather than through traditional circular economy models based on closed material loops within its own operations.

Raute enables resource efficiency and circular economy principles by optimizing manufacturing processes and the use of key resources, including energy, and adhesives; by designing products with a long operational life cycle; and by maintaining and extending the service life of fixed assets through life-cycle services. Improvements in plywood and LVL production processes can enhance operational efficiency and support the reduction of environmental impacts, which may be reflected in lower resource and energy consumption at customer sites. Extending the life cycle of production lines through repairs, upgrades, and modernizations contributes to reduced demand for virgin materials and lower greenhouse gas emissions over time. To support the

management and further development of these impacts and opportunities, Raute is strengthening digital capabilities and data-driven services that enable predictive maintenance and improved follow-up of energy and resource efficiency at customer sites.

E5-1 POLICIES RELATED TO RESOURCE USE AND CIRCULAR ECONOMY

Raute has established an Environmental Policy approved by the Executive Board, which sets the framework for minimizing environmental impacts across operations and the value chain. The policy emphasizes key circular economy principles, and more information is available in section E1-2. Raute’s environmental policy describes practices related to environmental themes that promote environmental responsibility. The policy addresses themes such as emission reductions, resource efficiency, and circular economy. In its environmental policy, Raute is committed to promoting the use of renewable resources when possible and the sustainable procurement of renewable natural resources. At present, the policy does not include a quantitative target to increase the use of secondary (recycled) resources or reduce the use of primary resources.

E5-2 ACTIONS AND RESOURCES RELATED TO RESOURCE USE AND CIRCULAR ECONOMY

Actions related to circularity and material efficiency are driven across Raute’s business units, including R&D and Service operations. Procurement and category managers coordinate supplier-related activities, with support from the ESG team. Resources for these actions are allocated through annual budgeting and operational planning processes, including funding for environmental improvements, supplier engagement activities, and the development of data and reporting capabilities, where applicable.

Actions related to material inflows, including procurement practices and supplier engagement, are primarily coordinated by Raute’s Procurement organization and category managers, with support from the ESG team and Engineering functions. These teams collaborate to address resource availability, regulatory and market cost exposure, and data requirements related to materials and suppliers. Supplier engagement processes are used to support the implementation of actions related to resource efficiency and responsible sourcing. These actions focus on strengthening sourcing practices, supplier engagement, and internal capabilities to manage resource-related risks and opportunities. The ESG team supports resource use and circular economy-related actions by contributing to impact identification, policy development, and data collection processes. The development of digital processes related to resource efficiency is mostly handled in close co-operation of Analyzers, Service, and the technological expertise of the R&D team.

Actions related to resource efficiency and circular economy aspects of Raute’s offering, including upgrades, modernizations and service-related activities, are implemented across the Wood Processing, Analyzers, and Services business units, in close cooperation with Sales and Marketing Communications. These actions are supported by Engineering teams responsible for product

development and technical solutions, with coordination across business units to ensure consistency.

To address the identified circular economy impacts, risks, and opportunities, Raute has conducted a set of actions during the reporting period. Several of these actions contribute to multiple impacts, risks, and opportunities. To avoid repetition and ensure clarity, the actions are presented below as a consolidated list and referenced across the relevant disclosures. The actions are grouped by those implemented in 2025 and those planned for 2026. 2025 actions were implemented during the reporting period (and where noted, are continuous); 2026 actions are planned for completion during 2026 unless otherwise stated. Expected outcomes are summarized per action below.

Actions implemented in 2025 (Climate – A, Circularity – C)

- **A6. Life cycle assessment (LCA)** – Conducted a full life cycle assessment for the R7 Peeling Line to identify emissions across the product life cycle and to identify material and energy hotspots and data gaps, supporting the development of more systematic LCA capabilities across product lines. (2025; finalized)
- **A9. Regulatory preparedness** – Strengthened regulatory preparedness through systematic monitoring and follow-up of climate- and circularity-related regulatory developments. (2025; ongoing annually)
- **C1. Supply chain resilience** – Diversified sourcing through dual-supplier arrangements and increased nearshoring and localization to improve supply chain resilience, manage regulatory and market-related risks. (2025; ongoing annually)
- **C2. Development of bio-based material solutions as part of the circular economy** – Participated in piloting bio-based adhesives in collaboration with research institutions and industry partners. (2025; continued in 2026)
- **C3. Product lifetime extension through modernization** – Completed modernization and upgrade projects to extend equipment lifetime and reduce the need for new material inputs. (2025; ongoing annually)
- **C4. Strengthening resource efficiency and lifecycle management through digitalization** – Expanded digital monitoring and analytics solutions enabling real-time performance tracking of production lines. These solutions support improved raw material yield,

measurement and utilization of side streams, enhanced quality management, optimization of energy efficiency, and optimization of machine utilization. (2025; ongoing annually)

- **C5. Circularity in investment decision-making** – Sustainability and circularity-related evaluation criteria are integrated into the product development investment process and form a mandatory part of investment decision-making. (2025; ongoing annually)
- **C6. Capability building and internal engagement** – Delivered training on emission reduction and circularity to approximately 60 engineers and facilitated structured product-line workshops to identify resource- and energy-intensive processes and improvement potential. (2025; finalized)
- **C7. Preparation for integrating circular economy principles into R&D and product development processes** – Environmental and circular economy aspects were assessed and scored as part of the product investment review process. Internal discussions were conducted and a preliminary plan was prepared for integrating a circular economy framework into R&D and product development processes. (2025; preparatory phase, implementation has not yet commenced)

Actions planned for 2026 (Climate – B, Circularity – D)

- **B1. Climate transition plan completion** – Finalize the climate transition plan, including climate resilience analysis, mitigation and adaptation actions, expected outcomes, timelines, and financial impacts, with an explicit focus on material efficiency and circularity.
- **D1. Regulatory impact assessment** – Assess the impacts of regulatory changes on material costs and incorporate the identified risks into climate- and circular economy-related planning as well as financial assessments.
- **D2. Supplier engagement and data transparency** – Enhance supplier engagement and digital data collection to improve transparency, traceability, and availability of upstream material data.
- **D3. Digitalization across product lines** – Expand digital monitoring and optimization solutions across new product lines to unlock further resource savings related to materials, energy, and side-streams.

The financial resources related to resource use and circular economy actions in 2025 primarily consist of operating expenses related to product development, supplier engagement, digitalization, and modernization activities. These costs are recognized mainly within cost of goods sold, research and development expenses, and other operating expenses, in line with applicable accounting practices. Certain modernization and upgrade expenditures are capitalized where applicable.

Circular economy actions and their progress

Sub-sub-topic	Identified material topic	Actions (A, C=2025, B, D=2026)
Resource inflows	Regulatory and Market Cost Exposure	This risk is addressed through actions A9, C1, D1 and D2.
	Dependence on non-renewable natural resources	This impact is addressed through actions C2, C3, C5 and D2.
Resource outflows	Significant material footprint	This impact is addressed through actions C3, C4, C5, A6 and D2.
	Long-lasting, repairable, upgradable and recyclable products	This impact is addressed through actions C3, C4, C5, C6, C7 and B1.
	Solutions that increase resource efficiency	This opportunity is addressed through actions C4, C5, C6, C7 and D3.

E5-3 TARGETS RELATED TO RESOURCE USE AND CIRCULAR ECONOMY

Raute has not set measurable, result-oriented, and time-bound targets related to resource use and circular economy for the financial year 2025. Targets have been defined starting from the beginning of 2026 and focus on improving resource efficiency through increased data availability, digitalized production monitoring, and the development of service-based business models supporting extended equipment lifecycles. Once implemented, Raute will monitor the effectiveness of actions in relation to the identified material sustainability-related impacts, risks, and opportunities. During 2025, the company has focused on establishing the necessary foundations for target setting and implementation, including actions disclosed under section E5-2.

E5-4 RESOURCE INFLOWS

Based on project-level gross weight data for shipped deliveries, Raute estimates the total weight of technical materials used in products during the reporting period to be approximately 8,100 tons (3,900 tons in 2024). Steel continued to represent the dominant material input, accounting for 7,500 tons (93%) of materials used in 2025, broadly in line with the figures reported in 2024 (3,600 tons, 91.7%) in percentage terms. According to the suppliers, the purchased steel materials contain around 27% recycled steel (27% in 2024), which means that the use of recycled steel amounted to some 2025 tons (969 tons in 2024). The share of recycled steel is Raute’s own

estimate, based on information received from suppliers. In addition to steel, the materials used in products are mainly technical materials, such as iron, aluminum, electrical and electronic components, as well as plastic and rubber.

The gross weight of materials and the material composition of Raute’s products is collected on a project level, representing shipped products, including production lines, separate machines, modernizations, upgrades, and spare parts shipped for 2025. The level of detail currently available for material inflows does not fully meet the granularity required by the ESRS. Due to system and supplier data limitations across the value chain, this level of granularity cannot currently be achieved. Raute is prioritizing foundational data improvements to increase granularity over time. The undertaking does not use biological materials as primary inputs in the manufacturing of its products or spare parts. Any biological materials used are limited to packaging and minor auxiliary structures, such as plywood elements used for protective or partitioning purposes, and are not part of the functional, moving, or process-critical components of the machinery. Due to system and supplier-data limitations, Raute cannot reliably quantify the total weight of biological materials used or determine the share that is sustainably sourced (including certification schemes or the cascading principle). This information is therefore not available for the reporting period.

As described in section E5-2, actions planned in the future include procurement digitalization projects which have the objective, amongst other things, of capturing item-level data on weight, material composition, and other supporting ESG data. In 2025, Raute encouraged suppliers to collect and provide emission data based on representative samples for emission-intensive procurement materials, such as steel, to support the assessment of the climate impacts of materials. Information on the amounts of rare earth elements and critical raw materials, as defined by the European Union, used by Raute is not available. The information systems used by Raute do not make it possible to separate these ingredients from the weight data of the hundreds of thousands of items.

Wood and plastic are used in packaging, and sometimes metal if required. Raute uses different packaging materials, both due to the large size of the products and to ensure adequate anti-corrosion protection for the products in different modes of transport and weather conditions. Raute’s wood packaging ends up in the international markets, and it can be reused as such. However, Raute does not have the information on how the downstream value chain applies the cascade principle.

The use of recycled steel in the Group’s products is currently limited by the availability of suitable recycled steel grades in the European market, particularly for applications requiring high and consistent material performance. For the reporting period, recycled steel represents approximately 27% of total steel use (2024: 969 tons, 27%). The share of recycled steel is Raute’s

own estimate based on information obtained from suppliers. The recycled content percentage provided by suppliers refers to the steel purchased and does not cover other technical materials (e.g., cast iron, aluminum, electronics, plastics) for which recycled-content data is not available.

While there may be limited potential to increase the share of recycled steel over time, any increase is dependent on market availability, supplier capabilities, and technical requirements, and is therefore expected to be incremental rather than significant in the short term. Raute does not use secondary reused components (e.g., refurbished components) in new deliveries; components are manufactured to customer-specific technical requirements.

There are shortcomings regarding resource inflows, as not all required information is available. Weight of packaging materials is not collected. As a result, complete information on the total weight of materials used in products and services, the share of sustainably sourced biological materials, and the amount or percentage of reused or recycled materials cannot be fully disclosed. The share of sustainably procured packaging materials is not available. The information on materials used in products has been obtained from Raute's own planning systems, suppliers, and own calculations, but part of the weight data is based on averages. The total amounts of materials used in products and the shares of different materials and components have been collected on a delivery project basis. The information on inflows of materials is not at the level of detail required by the ESRS, and reaching the required level of detail would require substantial changes to item-level data management and underlying information systems, which would involve significant resources and system redesign. The existing information systems should undergo major changes to be able to clearly specify the share of the materials and weights in an item. Customizing products according to customers' wishes often requires one-off commercial items. Breaking down the weights of different materials in commercial items is difficult or impossible without the supplier's or manufacturer's assistance, which leads to additional costs.

E5-5 RESOURCE OUTFLOWS

Raute's key resource outflows consist of industrial machinery, analyzing equipment, production lines, software solutions, and related services for the engineered wood products industry. Due to the nature of these products, circular economy principles are primarily realized through durability, reparability, upgradability, and extended use at customer sites, rather than through waste reduction or material reuse within Raute's own operations.

The most significant and long-term contribution to resource efficiency is realized during the use phase, through the performance of Raute's machinery, services, and digital solutions in customer production operations. Raute's machinery and production line solutions are designed for long operational lifetimes and are supported by maintenance, repair, upgrade, and modernization services, which enable continued operation of production lines, support efficient use of raw materials and auxiliary inputs, and defer the need for full equipment replacement over time.

In addition to physical equipment, Raute provides software, digital solutions, and service-based offerings, including analyzers and MillsIGHTS software, which support the optimization of production processes, equipment utilization, maintenance planning, material use, and energy efficiency in customer production operations. These solutions support improved resource efficiency during the use phase by enabling better monitoring and more efficient operation of existing assets. Raute's machinery can be upgraded or modernized to extend its service life, and materials can be recovered and recycled at the end of life in accordance with applicable processes and requirements. Upgrades embed current technology into existing machines by replacing unsupported or end-of-life components, while modernizations involve more comprehensive overhauls that extend the service life of production lines and support compliance with current regulatory, maintenance, and production requirements.

Life-cycle performance of products and solutions

The life cycle of the products manufactured by Raute spans decades (typically 15 to 40 years), and to extend their life cycle, the products are repairable, modernizable, and upgradable. Repairable and upgradable solutions offer customers opportunities to save resources throughout their life cycle. There is also a secondary market for the used machines.

The service life figures presented reflect observed and expected operating lifetimes of Raute's machinery based on available historical information and equipment currently in operation. For several product categories, especially newer technologies, comparable market data on average service life is limited or not available. In these cases, expected service life has been estimated based on Raute's installed base and machines that remain in active use.

Raute applies a reference service life of approximately 25 years for internal calculations, including climate-related assessments, reflecting the period after which equipment typically requires upgrades or modernizations to continue operating efficiently. The longer service life (expected service life) figures disclosed represent the maximum operational lifetimes observed or reasonably expected, assuming appropriate maintenance, repairs, and modernizations over time.

As systematic, externally comparable operational lifetime data is not available for all product categories, the disclosed figures should be interpreted as indicative estimates rather than statistically derived averages and are subject to uncertainty. Raute continues to develop its database and monitoring practices to improve the robustness of service life information over time.

- Dryers: Average life cycle 30 y/ Raute 30 y
- Composers: Average life cycle 25 y/ Raute 35 y
- Scarf: Average life cycle 25 y/ Raute 30 y
- Lathe: Average life cycle 30 y/ Raute 30 y
- Patching: There is no average life cycle, because there is no similar product on the market/ Raute 30 y
- Lay-up and pressing: Average life cycle 30 y/ Raute 30 y
- Analyzers: Average life cycle 30 y/ Raute 30 y

The service life values presented in part E5 describe the estimated technical service life of Raute equipment under real-world conditions, including major modernizations, upgrades, and component replacements that significantly extend operational life.

The metrics disclosed under part E5 are primarily qualitative and process-based and reflect the integration of resource efficiency and circular economy principles into Raute's products, services, and operations. Quantitative information on material inflows and outflows is based on project-level data from internal systems, supplier information, and management estimates, as described in the relevant sections. The main limitations relate to data granularity, system readiness, and value-chain data availability.

Waste generation, repairability, and recyclable content

Raute's environmental policy addresses the efficient use of resources and the application of the waste hierarchy. Waste generated in Raute's own operations is sorted and treated in compliance with EU waste legislation and applicable local regulations, with the objective of maximizing recycling and reuse where feasible.

All of Raute's offering, especially industrial machinery, analyzing equipment, and production lines, are repairable and supported by maintenance, spare parts, and modernization services. Repairability is ensured in practice through these services rather than through standardized product-level repairability rating systems. Product-level repairability ratings based on established rating systems are not available, as such systems are primarily developed for consumer products and are not applicable to bespoke, system-level industrial equipment.

In 2025 efforts were made to map project deliveries and capture more accurate weight data. Material outflows cannot be reliably allocated to individual products or product categories, and rates of recyclable content in products and their packaging are therefore not calculated at the product level. This reflects limitations in material-level data availability and the nature of Raute's complex, project-specific deliveries. Group-level disclosure would require aggregation from product-level material data.

The most significant waste streams from Raute's own operations consist of metal and wood waste, primarily generated at the Lahti site and directed to recycling. Other waste streams include energy waste, hazardous waste, and mixed waste, all of which are handled in accordance with applicable regulations.

Waste-related circular economy metrics are subject to data limitations and measurement uncertainty. Waste quantities are mainly based on site-level reporting, while data for the Delta site is estimated using a cost-to-volume correlation method based on waste management invoices and container or compactor volumes. Compared to FY2024, the scope of waste data has changed, as waste quantities for the Delta site are included for the first time in the current reporting period. Raute intends to improve the completeness and accuracy of waste-related data over time, including through closer cooperation with waste management service providers.

Waste volumes and treatment methods in own operations

Total amounts of waste generated from Raute's own operations	2024	2025*
Total amount of waste generated, tons	910	551
Total amount of waste diverted from disposal, tons	825	493
Total amount of non-hazardous waste	825	493
Non-hazardous waste, preparation for reuse	0	0
Non-hazardous waste, recycling	791	455
Non-hazardous waste, other recovery operations	34	39
Total amount of hazardous waste (incl. radioactive waste)	0	0
Hazardous waste, preparation for reuse	0	0
Hazardous waste, recycling	0	0
Hazardous waste, other recovery operations	0	0
Total amount of waste directed to disposal, tons	85	57
Total amount of non-hazardous waste	36	27
Non-hazardous waste, incineration	0	0
Non-hazardous waste, landfill	36	27
Non-hazardous waste, other disposal operations	0	0
Total amount of hazardous waste (incl. radioactive waste)	49	30
Hazardous waste, incineration	49	30
Total amount of radioactive waste	0	0
Hazardous waste, landfill	0	0
Hazardous waste, other disposal operations	0	0
Total amount of non-recycled waste, tons	119	96
Percentage of non-recycled waste, %	13%	17%
Total amount of hazardous waste, tons	49	30
Total amount of radioactive waste, tons	0	0

* Waste figures for the Delta site are included for the first time in the 2025 reporting period. Delta waste quantities are estimated using a cost-to-volume correlation method based on waste management invoices and container or compactor volumes. Delta waste data was not included in FY2024.

SOCIAL INFORMATION

SI Own workforce

SI. SBM-3

Raute has identified and assessed in its double materiality assessment the key impacts related to its own workforce in relation to the sub-topics and sub-sub-topics of the European Sustainability Reporting Standards. Health and safety, training and skills development, and diversity were identified as Raute’s material sustainability topics related to its own workforce. The material negative impacts identified based on the double materiality assessment are related to individual incidents.

In terms of its own workforce, Raute’s material impacts relate to reducing accident and injury exposure, advancing wellbeing with safe-by-design solutions, empowering professional growth through training and skills development, and promoting diversity in the workplace. Positive impacts from training and skills development affect all employee groups, including production workers, office-based employees, and line managers, with the content and delivery tailored to different roles and responsibilities. Improvements in occupational safety and well-being particularly benefit employees involved in production, service, installation, and maintenance activities, where exposure to physical risks is higher. Diversity-related actions positively impact the entire workforce by supporting fair treatment and equal opportunities across the workforce. These impacts primarily affect Raute’s own workforce across its operations.

Negative impacts related to occupational safety arise primarily due to the nature of Raute’s operations, which involve manufacturing, installation, maintenance, and other work in industrial environments. Raute therefore places strong emphasis on systematically identifying, evaluating, and prioritizing occupational safety hazards and impacts across all business units and activities. The insights gained from the hazard assessment process support Raute’s efforts to improve safety performance and inform operational planning and safety-related decision-making. This includes integrating safety considerations into engineering design and service operations. Raute continuously evaluates how its products, production processes, and ways of working can be improved to reduce hazard exposure and prevent accidents.

Definition of own workforce

All people belonging to Raute’s own workforce have been assessed as a single group in the double materiality assessment and are included in the scope of the reported ESRS SI disclosures. Raute’s own workforce comprises all employees directly employed by Raute, including permanent, part-time, fixed-term, and zero-hour contract employees, in accordance with ESRS definitions.

Raute also engages a limited number of non-employees, such as temporary agency workers and subcontractors’ employees working on its premises (e.g., packaging operations and logistics). These individuals are employed by external parties and are not part of Raute’s own workforce under ESRS definitions. Non-employees have been assessed as non-material due to their limited number and scope of engagement and are therefore not included in the reported ESRS SI disclosures.

Raute recognizes that certain employee groups, such as those engaged in heavy assembly work, may be more exposed to specific occupational hazards. There is a probability for occupational accidents, and they are most prominent in machinery and equipment installation, commissioning, and maintenance activities, where employees work in dynamic industrial environments with heavy components, moving machinery, and elevated work areas. These exposures are inherent to the tasks and processes themselves and are not linked to any specific demographic groups, geographies, or diversity of characteristics. Raute addresses these occupational hazards through structured safety management practices, including hazard identification, task-specific risk assessments, preventive safety measures, competence and safety training, and continuous monitoring of safety performance. The focus is on ensuring that every employee and contractor has the knowledge, tools, and working conditions needed to perform tasks safely.

Forced and child labor risk context for Raute’s operations

Raute has service operations in Indonesia, which are commonly identified in public sources as geographical areas with an elevated risk of forced labor or child labor. Raute has not conducted a standalone or in-depth human rights assessment in these areas, such as a dedicated audit or third-party human rights due diligence review. Raute has not detected any cases of forced labor or child labor within its own operations or job roles in these locations. Human rights considerations related to Raute’s own workforce are addressed through the double materiality assessment and the company’s overall risk management processes. No material human rights impacts have been identified in relation to Raute’s own workforce. Raute nevertheless recognizes that operating in different country contexts may involve varying regulatory and social conditions and therefore continues to monitor relevant risks as part of its ongoing risk management.

SI-I- POLICIES RELATED TO OWN WORKFORCE

Raute manages material impacts, risks, and opportunities related to its own workforce through group-level policies that apply across all operations and geographies. The policies governing workforce-related matters are the Code of Conduct, the Occupational Health and Safety Policy, and the Respect in the Workplace Policy. These policies apply to Raute’s own workforce and address the material workforce-related topics identified in the double materiality assessment. The interests and perspectives of Raute’s own workforce have been considered in the development of workforce-related policies through internal review and feedback processes. Draft

policies have been circulated internally prior to approval, allowing relevant functions and representatives of own workforce, including management and Human Resources (HR), to provide input and comments. Raute addresses workforce-related human rights concerns through established HR case management processes, occupational safety incident handling, and the whistleblowing channel. Reported concerns are investigated, appropriate corrective actions are taken, and retaliation against those raising concerns is prohibited.

Code of Conduct

The Code of Conduct applies to all employees directly employed by Raute, regardless of role, function, or employment type. It sets out Raute’s commitments to ethical business conduct, respect for human rights, equal treatment and non-discrimination, the prohibition of forced labor, child labor, and human trafficking, and respect for freedom of association and collective bargaining. The Code of Conduct is approved by Raute’s Board of Directors, and responsibility for its implementation lies with the Board of Directors together with the President and CEO, the Chief Financial Officer, and the Chief People Officer. The policy is implemented through mandatory annual training for employees, including onboarding training for new hires. Employees may raise concerns related to the Code of Conduct through their supervisor, HR, or Raute’s confidential whistleblowing channel. The Code of Conduct reflects Raute’s commitment to internationally recognized human rights and labor standards. Raute follows the principles of the United Nations Universal Declaration of Human Rights and supports the fundamental rights at work as defined by the International Labor Organization, including freedom of association, the right to collective bargaining, elimination of forced labor, and equal treatment of employees. Raute is a participant of the UN Global Compact and is committed to its Ten Principles related to human rights, labor, environment and anti-corruption.

Raute is committed to eliminating forced labor, forbids human trafficking and the use of child labor, and requires its suppliers to adhere to the same principles. In several respects, Raute follows the OECD Guidelines for Multinational Enterprises, with its Code of Conduct and related processes aligned with these guidelines. Raute also supports the United Nations Sustainable Development Goals, in particular SDGs 8, 11, 12, and 13.

The Code of Conduct addresses actual and potential impacts on Raute’s own workforce related to respect for human rights, equal treatment, freedom of association, and fair working conditions, and sets out principles and requirements aimed at preventing discrimination, forced labor, and other labor rights violations. Compliance with the Code of Conduct is monitored through training completion, reported cases, and follow-up actions.

Occupational Health and Safety Policy

The Occupational Health and Safety Policy applies to all employees across Raute’s operations. The policy commits Raute to providing a safe and healthy working environment and focuses

primarily on physical occupational safety and health risks. It establishes a zero-tolerance approach to unsafe working conditions and recognizes the right and obligation of employees to stop work if unsafe conditions are identified. Overall responsibility for occupational health and safety rests with the President and CEO and is implemented through senior management and site-level responsibilities. Safety is managed through a consistent framework of guidelines and standards. The policy is implemented through global safety standards, safety training, hazard identification and assessment procedures, safety observations, and near-miss reporting. Employees can raise occupational health and safety concerns through line management, though Raute’s own online safety platform, HR processes, or the whistleblowing channel. The policy is internal and available to employees.

Raute complies with applicable occupational safety legislation and machine safety directives and standards in all operating countries and units. While Raute does not have a certified safety management system, occupational safety is managed systematically at each site, taking into account the specific characteristics of manufacturing, installation, maintenance, and service operations. OHS performance is monitored through safety observations, incident reporting, and management reviews.

Respect in the Workplace Policy

In accordance with its Code of Conduct, Raute is committed to respecting human rights and promoting equal opportunities and non-discrimination across its own workforce and does not tolerate discrimination in any form. The Respect in the Workplace Policy applies globally to all employees of Raute. It commits the company to diversity, equity, and inclusion, equal employment opportunities, and a zero-tolerance approach to discrimination, harassment, bullying, or unfair treatment. Together, these policies set out Raute’s commitments, responsibilities, and mechanisms for managing workforce-related impacts, risks, and opportunities, while operational processes and performance outcomes are addressed in the relevant subsequent ESRS S1 disclosures.

Responsibility for implementation lies with management and HR functions across the organization. The policy is implemented through internal communication, awareness-raising initiatives, and people management practices designed to promote respectful behavior and inclusion. Employees are encouraged to raise possible concerns related to discrimination or inappropriate behavior through supervisors, HR, or the whistleblowing channel, with reported concerns investigated and addressed in line with applicable laws and internal procedures. The policy is an internal policy available to employees. The policy supports the management of actual and potential impacts on employees related to equal opportunities, non-discrimination, and inclusion, and mitigates risks related to harassment, bullying, and unfair treatment in the workplace, as identified in the ESRS 2 IRO table and addressed in part ESRS S1.

Non-discrimination principles are embedded in Raute's Code of Conduct and Respect in the Workplace Policy. Raute does not tolerate discrimination based on race or ethnic origin, caste, nationality, religion or belief, disability, gender, sexual orientation, or other comparable characteristics. Recruitment and employment decisions are based on job-related criteria such as competence, education, and experience, with the aim of ensuring equal treatment and equal opportunities. Diversity and inclusion are promoted through DEI training, inclusive leadership guidance, inclusive recruitment practices, and the inclusion campaign described in section S1-4 (E8–E9), and progress is monitored via the Inclusion Index disclosed in section S1-5.

Raute is committed to promoting inclusion and open communication across all employee groups. Based on its assessment of the composition of its own workforce and the nature of its operations, Raute has not identified any employee groups that would require dedicated or additional protection measures beyond those defined in its group-level policies. Workforce-related human rights concerns can be raised through HR processes, the safety organization, or a confidential whistleblowing channel. These channels allow concerns to be reported without fear of retaliation. Respect policy effectiveness is monitored through employee survey results, HR case handling trends, and training participation.

S1-2 - PROCESSES FOR ENGAGING WITH OWN WORKFORCE AND WORKERS' REPRESENTATIVES ABOUT IMPACTS

Raute engages with its own workforce and workers' representatives through a range of established, recurring channels designed to support open dialogue and incorporate employee perspectives into the identification and management of workforce-related impacts. Engagement is carried out both directly with employees and, where applicable, through employee representatives, in accordance with local practices and legal requirements.

Direct engagement with employees takes place through regular line manager discussions, performance and development reviews, personnel information sessions, training events, internal communication channels, and company-wide meetings. Raute's "Employees' Voice" concept provides a structured framework for gathering employee feedback, with broad personnel surveys complemented by more frequent Pulse surveys. These surveys cover topics relevant to workforce-related impacts, such as working conditions, well-being, diversity, and inclusion. Survey results are reviewed at the team, unit, and management levels and are used to identify development actions and monitor progress over time. Raute does not currently consider that its personnel includes groups that would require additional or targeted surveys based on specific needs.

Engagement with workers' representatives is conducted in line with applicable local labor laws and collective bargaining agreements. In Finland, dialogue takes place through technology industry collective agreements and established shop steward practices. At the sites outside

Finland, engagement follows locally applicable cooperation and consultation arrangements. These processes enable employees and their representatives to influence matters related to working conditions, health and safety, and operational practices. The insights gathered through employee engagement are used to inform the assessment of actual and potential workforce-related impacts and to support decision-making related to workforce management.

S1-3 – PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR OWN WORKFORCE TO RAISE CONCERNS

Raute promotes an open and transparent culture and operates in accordance with its Code of Conduct. This is supported through training and by offering the opportunity to report policy breaches. Raute has in place a Code of Conduct, whistleblowing channels, defined sanctions for retaliation, training, and monitoring to protect whistleblowers. Raute encourages its personnel to report potential misconduct at an early stage, for example, through their supervisor or the HR department. If this is not possible, any suspected misconduct or violations of law can be reported through an electronic whistleblowing channel provided by a third party. For more information about the whistleblowing channel and the related structures and processes, see section G1-1. Awareness of the channels is supported through onboarding and annual training and internal communications; trust is assessed through survey feedback, case follow-up, and the usage of channels.

Issues raised through these channels are documented, tracked, and handled in accordance with established internal procedures. The functioning and effectiveness of the reporting channels are monitored on a regular basis through Ethics team oversight, including reviews of reported cases, resolution processes, and awareness of the channels. Any feedback received from employees, as the intended users of the channels, as well as insights from training sessions and internal dialogue, are used to assess whether the channels are accessible, trusted, and effective, and to identify potential needs for improvement.

S1-4 – ACTIONS, RISK MANAGEMENT AND EFFECTIVENESS RELATED TO MATERIAL IMPACTS, RISKS AND OPPORTUNITIES CONCERNING OWN WORKFORCE

Raute takes action to address material impacts, risks, and opportunities related to its own workforce through structured approaches embedded in human resources management, occupational health and safety practices, and people development processes. These actions aim to prevent and mitigate negative impacts on employees' health, safety, and well-being, while supporting positive impacts related to skills development, inclusion, and employee engagement.

Actions related to occupational health and safety are coordinated through a Group-level safety function in cooperation with local safety officers, site management, and HR. Safety-related risks are addressed through preventive practices, including hazard identification, safety training, defined procedures for safe working, and site-level safety management. These approaches are

designed to reduce the likelihood and severity of work-related accidents and occupational health risks across different operational environments, including manufacturing, installation, maintenance, and service activities.

Actions related to training, competence development, and workforce well-being are led by HR in close cooperation with line management. These include onboarding practices, role-specific training, competence development initiatives, and people management practices that support a balanced workload and employee development. Diversity, equity, and inclusion considerations are integrated into HR policies and applied across all employee groups.

Workforce-related actions are implemented through annual budgeting and operational planning processes. Responsibilities are defined at group, business unit, and site levels, with HR and safety functions supporting implementation and line management responsible for day-to-day execution. Digital HR systems support consistent application of workforce-related processes. The special characteristics of assembly operations, maintenance, and service business have been considered in safety management.

These actions and approaches are designed to address material workforce-related risks and to support positive outcomes for employees over time. The effectiveness of workforce-related actions and policies, including progress against indicators and targets where applicable, is disclosed separately in section S1-5.

To address the identified impacts, risks, and opportunities of own workforce, Raute has conducted a set of actions during the reporting period. Several of these actions contribute to multiple impacts, risks, and opportunities. To avoid repetition and ensure clarity, the actions are presented below as a consolidated list and referenced across the relevant disclosures. The actions are grouped by those implemented in 2025 and those planned for 2026.

Actions implemented in 2025

- **E1. Strengthening safety leadership, culture and awareness** - Safety leadership and safety culture were strengthened through training and coaching provided to line managers and senior management. Regular management-led safety discussions were conducted, and safety leadership training and coaching sessions were delivered. Safety awareness was promoted through internal initiatives, including participation in the World Day for Safety and Health at Work. In addition, the implementation of the multi-year safety culture program was continued. (2025; ongoing annually)
- **E2. Implementation of safety rules, standards and policy** - Life Critical Standards and Golden Safety Rules were developed and implemented across operations. The implementation of

the Occupational Health and Safety Policy was further reinforced to promote consistent safety requirements and safe working practices throughout the organization. (2025; finalized)

- **E3. Site-level preventive risk management and audits** - Preventive safety practices were strengthened at production facilities and other sites through regular safety rounds, 5S audits, and occupational health and safety hazard assessments. Hazard assessment processes and tools were further developed to support systematic risk identification and prioritization. (2025; ongoing annually)
- **E4. Safety-by-design and ergonomics in products and solutions** - Integrated safety-by-design principles into machinery, equipment, and production solutions through standardization and conceptualization of product lines, supporting safer use and operation. (2025; ongoing annually)
- **E5. Training, competence, and skills development** - Provided training and development opportunities for employees based on the 70–20–10 learning model, supported by performance and development discussions to identify skill gaps, plan individual development actions, and align individual objectives with Raute’s strategic targets. (2025; ongoing annually)
- **E6. Performance development and engagement practices** - Implemented the Performance Development Framework across salaried employees, enabled job rotation practices to support skills development and knowledge sharing, and carried out People Pulse surveys with follow-up actions at the team level to identify and address development needs. (2025; ongoing annually)
- **E7. Diversity, equity, and inclusion capability building** - Delivered ongoing DEI-related actions, including voluntary e-learning modules on diversity, equity, and inclusion, inclusive leadership guidance for managers, and inclusive recruitment practices adapted to local contexts. (2025; finalized)
- **E8. Respect in the workplace and inclusion initiatives** - Implemented the Respect in the Workplace Policy across the organization and rolled out the “Achieve Together Through Inclusion” DEI campaign to raise awareness, promote inclusive behaviors, and support policy compliance across regions. (2025; finalized)

Actions planned for 2026

- F1. Development of safety practices and reporting** - Golden Safety Rules training will be delivered, including awareness-raising initiatives such as participation in the World Day for Safety and Health at Work. Hazard assessment activities will be continued, with a focus on improving the quality, consistency, and harmonization of safety reporting across operations.
- F2. Development of project, service, and travel safety** - Safety processes related to project delivery and service operations will be further developed, together with internal safety audit practices, to strengthen systematic safety management. At the same time, personnel competence in travel and project safety will be reinforced through targeted training, and the consistent application of safety practices in operational activities will be enhanced.
- F3. Strengthening machinery safety** - Compliance with new machinery safety requirements will be ensured for delivered machines, equipment, and production lines. The integration of safety improvement measures into product and solution development will be continued.
- F4. Expansion of competence development practices** - Expand development discussions and competence development practices to additional employee groups where applicable, further develop competence assessment and planning processes, and initiate core competence development work.
- F5. Continued DEI awareness and inclusion actions** - Continue the “Achieve Together Through Inclusion” DEI campaign to reinforce inclusive behaviors, policy awareness, and consistent implementation across regions.

The financial resources related to own workforce actions in 2025 primarily relate to operating expenses associated with occupational health and safety activities, training and competence development, people management processes, and diversity, equity, and inclusion initiatives. These costs are recognized in the financial statements mainly within personnel expenses and other operating expenses, in line with the accounting treatment of workforce-related and operational support activities.

Actions related to own workforce and their progress

Sub-sub-topic	Identified material topic	Actions
Occupational Health and Safety	Accident and injury exposure	This impact is addressed through actions E1, E2, E3, E4, F1, F2 and F3.
	Advancing Safety-by-Design in Solutions	This impact is addressed through action E4 and F3.
Training and Skills Development	Empowering Growth Through Skill Development	This impact is addressed through actions E5 and E6, and F4.
Diversity	Driving Innovation Through Workforce Diversity	This impact is addressed through actions E7, E8, and F5.

SI-5 –TARGETS RELATED TO MANAGING MATERIAL NEGATIVE IMPACTS, ADVANCING POSITIVE IMPACTS, AND MANAGING MATERIAL RISKS AND OPPORTUNITIES RELATED TO OWN WORKFORCE

In the prior reporting year, Raute did not have formally defined workforce-related targets, and disclosures focused primarily on identifying material impacts, risks, and opportunities and on describing policies and actions. During the current reporting year, Raute established selected measurable and time-bound workforce-related targets and clarified the related metrics and baselines. Compared to the previous year, Raute’s workforce-related work demonstrated progress in identifying workforce-related targets, monitoring practices, and the development of leadership and governance practices. Actions related to occupational health and safety, training and skills development, and diversity and inclusion were continued.

The process for setting workforce-related targets is led by Raute’s Human Resources and occupational health and safety functions, in line with their responsibilities for people management, workforce development, and safety performance. The targets were defined, discussed, and validated within a limited internal working group comprising these functions and relevant management representatives. Employees or workers’ representatives were not directly involved in the target-setting process during the reporting year.

Raute assesses the effectiveness of its workforce-related policies and actions by monitoring defined workforce metrics in relation to the established targets. Changes in reported performance are analyzed by taking into account organizational developments and the maturity of the underlying actions and processes. As the workforce-related targets apply from 1 January 2025 onwards and 2024 serves as the baseline year, no assessment of progress against the targets was reported for the prior reporting year. The 2025 reporting year is the first period in which Raute can disclose progress against these targets.

Performance against workforce-related targets is monitored by the responsible functions through regular review of workforce metrics, including HR and safety data. Progress is assessed internally by management, and the workforce or workers' representatives are not directly involved in the formal tracking or review of performance against targets. Lessons learned and potential improvements related to workforce-related targets are identified through internal performance reviews, analysis of deviations from target levels, and observations from the implementation of related actions. At this stage, the identification of improvements is based on internal assessments by HR, occupational health and safety, and management.

The targets set for own workforce address the material impacts, risks, and opportunities identified for workforce diversity, training and skills development, and occupational health and safety as described in section S1. SBM-3. The workforce-related targets apply to Raute's own workforce across its operations.

Targets, metrics and performance

TARGET FOR 2028	METRIC	BASELINE 2024	PROGRESS 2025
Raute aims to increase the global representation of women in its workforce to 15% by 2028. ¹⁾	Gender diversity: Female representation (%)	12%	11%
Raute aims to achieve an Inclusion Index score of at least 75 by 2028. ²⁾	Inclusion Index score	71.1	71.9
Raute aims to achieve a “Good” to “Very Good” level in its employee engagement measurement by 2028. Entity specific target ³⁾	People Power rating Measurement frequency: Bi-yearly Employee Net Promoter Score (eNPS)	People Power rating: A=“Satisfactory” 8	PP= Not measured in 2025 eNPS=-4
Raute aims to increase the share of employees who complete an annual performance and development dialogue to at least 93% by 2028. Entity specific target ⁴⁾	Share of completed Performance (PD) and development dialogues (DD)	PD: 79% DD: 76%	PD: 68% DD: 63%
Raute aims to reduce the Total Recordable Injury Frequency Rate (TRIF) by 50% by 2028 from a 2024 base year ⁵⁾	Total Recordable Injury Frequency rate (TRIF)	11.3 (corrected)	11.6
Raute aims to increase the number of recorded safety observations to a minimum of 2 or 5 observations per employee per year, depending on the department. ⁶⁾	Number of safety observations	No baseline, annual average-based target (observation / person)	Average of safety observations per employee is 0.93 (depending on the department)
Raute aims to implement new safety-enhancing features in its products and services on an annual basis. ⁷⁾	Number of actions started or completed	No baseline established	13

1) The share of women (%) is calculated by dividing the number of employees who identify as female at year-end by the total number of Raute’s own workforce on the same date. The metric covers all employees with a direct employment relationship with Raute, including all functions and geographical locations. The data is derived from Raute’s human resources information system (HRIS). The metric is calculated annually.

2) The Inclusion Index is based on the results of Raute’s internal employee survey and reflects employees’ perceptions of inclusiveness, equal treatment and respectful behavior in the workplace. The index is calculated as the average score of selected survey questions related to inclusion and fairness, on a scale of 0–100. The survey covers Raute’s own workforce and results are aggregated at Group level. Participation is voluntary, and the results may be influenced by the response rate and survey coverage.

3) The People Power Index is based on the results of a larger external employee (bi-annual) survey or Raute’s internal employee survey (annual). The key reported metrics are the employee Net Promoter Score (eNPS) and the overall People Power index score. The employee Net Promoter Score (eNPS) is calculated by subtracting the percentage of detractors from the percentage of promoters. The proportion of passive respondents is excluded from the calculation. The eNPS can range from –100 to +100.

4) The share of Raute employees who completed a target/performance discussion during the year is calculated as follows:
(Number of white-collar employees who completed a performance discussion divided by the total number of white-collar employees at year-end) × 100.

5) Total Recordable Injury Frequency (TRIF) is calculated by dividing the total number of recordable injuries by the total number of hours worked and multiplying the result by one million (injuries per 1,000,000 hours worked). Based on revised working hour data, TRIF has been recalculated (the TRIF reported for 2024 was 12.4).

6) The number of safety observations is based on the safety observation target set for each personnel group (blue-collar employees and white-collar employees, in accordance with the HR system classification). There is no comparative year; the target is based on an annual average (observations per person).

7) This metric reflects the number of safety improvement actions in products and services that were initiated or completed during the reporting year. The figure is based on internal monitoring and includes development actions formally launched or finalized during the reporting period.

SI-6 - CHARACTERISTICS OF THE UNDERTAKING'S EMPLOYEES

All the information has been collected from Mepco in January 2026. The figures are reported as headcounts. The figures reflect the end of the reporting period, December 31, 2025. Almost all employees are permanent and full-time employees.

Employee headcount by gender*	2024	2025
Male	680	619
Female	103	79
Total headcount	783	698

*The "Other" category is not applicable.

*Reference on figures on personnel in the Financial Statements, page 4.

*Raute Executive Board included.

Employee headcount by country*	2024 - Female	2024 - Male	2024 - Headcount
Canada	15	100	115
China	14	33	47
Finland	63	489	552
USA	8	19	27
All other employees (APAC/ EMEA / AME)	3	39	42
Total headcount	103	680	783

*The "Other" category is not applicable.

Employee headcount by country*	2025 - Female	2025 - Male	2025 - Headcount
Canada	15	83	98
Finland	57	481	538
USA	4	19	23
All other employees (APAC/ EMEA / AME)	3	36	39
Total headcount	79	619	698

*The "Other" category is not applicable.

Employees by contract type, broken down by gender*	2024 - Female	2024 - Male	2025 - Female	2025 - Male
Number of employees, total	103	680	79	619
Number of permanent employees	97	663	78	607
Number of temporary employees	6	17	1	12
Number of non-guaranteed hours employees**	0	8	0	3

*The "Other" category is not applicable.

**Employment type "non-guaranteed hours" are workers to be called to work if necessary. Only used in Finland.

Turnover*	2024	2025
The total number of employees who have left the undertaking during the reporting period	122	161
Employee turnover rate	15.6%	23.1%

*All terminated employment relationships regardless of the reason for termination. The employee turnover rate takes into account all terminated employment contracts in relation to the total number of employees as of December 31.

SI-9 - DIVERSITY METRICS

Distribution of employees by age group*	2024	2025
Total headcount	783	698
Under 30 years old	97	72
30–50 years old	441	387
Over 50 years old	245	239

*Includes all employees, also Executive Board

Gender distribution in management*	2024 -		
	Female	2024 - Male	2024 - Total
Gender distribution (headcount) at top management level	13	74	87
Gender distribution % of employees at top management level	14.9%	85.1%	100%

*Raute's definition of management includes Line Managers. It does not include members of Raute's Executive Board.

*The "Other" category is not applicable.

Gender distribution in management*	2025 -		
	Female	2025 - Male	2025 - Total
Gender distribution (headcount) at top management level	8	75	83
Gender distribution % of employees at top management level	9.64%	90.36%	100%

*Raute's definition of management includes Line Managers. It does not include members of Raute's Executive Board.

*The "Other" category is not applicable.

SI-14 – OCCUPATIONAL HEALTH AND SAFETY METRICS

Safety metrics	2024	2025
Percentage of people who are covered by health and safety management system*	100%	100%
Number of fatalities as a result of work-related injuries and work-related ill health	0	0
The number of recordable accidents	16	14
Rate of recordable accidents**	11.3 (corrected)	11.6
LTIF***	6.3	5.8
Number of cases of recordable work-related ill health of employees	0	0
Number of days lost due to work-related accidents/injuries/fatalities/work-related ill health	153	83

The company has not included the safety metrics of non-employees due to transitional provisions.

*Raute has in place an ESRS-aligned systematic approach to safety management, which includes the necessary organizational structures, responsibilities, practices, and procedures. Raute does not have a certified safety management system.

**The figure is calculated by dividing the recorded work accidents by one million working hours. Working hours are actual working hours. An error was identified in the safety figures disclosed under ESRS SI-14 for the reporting year 2024, affecting both the Lost Time Injury Frequency (LTIF) and the Total Recordable Injury Frequency (TRIF). The error is related to the working hours. Raute reported this rate in 2024 to be 10.7. This figure has been adjusted and updated based on corrections.

***Entity-specific metric. Lost Time Injury Frequency (LTIF) is calculated by dividing the number of lost time injuries by the total number of hours worked and multiplying the result by one million (injuries per 1,000,000 hours worked). Hours worked refer to actual hours worked. An error was identified in the reported number of hours used in the calculation, and therefore the LTIF for 2024 (previously reported as 6.0) has been recalculated and updated to reflect the corrected hours worked.

GOVERNANCE INFORMATION

G1 Business conduct

G1. SBM-3

For business conduct, material impacts include strengthening trust through anti-corruption practices. Anti-corruption training strengthens Raute’s internal culture by increasing employees’ ability to identify unethical behavior and act appropriately. This improved awareness reduces the likelihood of misconduct, supports ethical decision-making in daily work, and reinforces a shared commitment to integrity across the company. The impacts are most prominent within own operations. The key risks include potential corruption and bribery incidents, which could lead to significant financial losses and severe reputational damage. The risks are present at the upstream and downstream value chain as well as within own operations. The material opportunities in business conduct relate to driving sustainable growth through an ethical culture. An ethical corporate culture fosters collaboration, which enhances productivity and overall business performance. The opportunities are present at the upstream and downstream value chain as well as within own operations.

G1-1 - BUSINESS CONDUCT POLICIES AND CORPORATE CULTURE

Raute’s governance-related material impacts, risks and opportunities relate primarily to business ethics, anti-corruption, compliance with laws and regulations, whistleblower protection, and responsible conduct across its own operations and value chain. The Code of Conduct and its supporting policies address Raute’s material governance-related risk related to corruption and bribery, as identified in the double materiality assessment (see section IRO-1 for details) and provide a broader framework for ethical business conduct across the organization.

Raute’s operations and approaches are guided by the Code of Conduct that provides clear instructions to personnel and sets a general framework for appropriate conduct and behaviors. The Code of Conduct addresses various sustainability themes, emphasizing how Raute wants to handle matters in daily business operations. The Code of Conduct is available on the company’s website. The updates to the Code of Conduct are approved by Raute’s Board of Directors. Raute Corporation’s Board of Directors and President and CEO are responsible for the implementation of the company’s Code of Conduct together with the Chief Financial Officer and the Chief People Officer.

Raute establishes its corporate culture through a clear tone from the top, set by the Board of Directors and Executive Management, and formalized through the Code of Conduct and supporting policies. The corporate culture is developed and promoted by embedding ethical principles, compliance expectations, and responsible behavior into daily operations, internal communications, leadership practices, and regular training. Employees are encouraged to speak

up and raise concerns through defined reporting channels, including the whistleblowing channel, without fear of retaliation. The effectiveness of Raute’s corporate culture is evaluated through monitoring of policy compliance, whistleblowing reports and investigations, identified misconduct cases, and management follow-up actions, with material issues escalated to the Executive Board and Board of Directors.

The Code of Conduct is supported by the Respect in the Workplace policy and Anti-corruption policy, which give more detailed guidance on appropriate daily business conduct. All these three policies apply to Raute’s personnel. To support ethical practices and reporting about misconduct, Raute has defined reporting channels, where the whistleblowing channel has been specifically communicated to be the recommended channel to report about possible corruption and bribery incidents. Raute also has clear guidance on sanctions for retaliation as well as strict whistleblower protection. Raute regularly communicates about the Code of Conduct and the Whistleblowing channel. Read more about the internal process, channels, responsibilities, and investigation from the chapter Whistleblowing procedures.

All of the below-listed Raute policies are global and cover all the company’s geographies. Raute’s internal stakeholders were involved in the creation of our internal policies. Other stakeholders were not directly involved in policy creation work. The policies are targeted at Raute’s own operations and partly also at the upstream and downstream value chain. Subcontractors working on Raute premises are required to comply with the Code of Conduct, the Safety Policy, the Respect in the Workplace Policy, and Raute’s Supplier Code of Conduct. With the exception of the Code of Conduct, Environmental Policy, and the Supplier Code of Conduct, the policies are not publicly available. Raute monitors the effectiveness of its business conduct policies and related actions through regular management review, internal reporting processes, and follow-up mechanisms. Monitoring includes review of reported compliance-related matters, whistleblowing reports, internal assessments, and management discussions on identified risks and incidents. The results of monitoring are used to identify potential improvement needs and to support updates to policies, controls, and related actions where necessary. More information on governance, approval, and oversight of policies is provided in sections GOV-1 and GOV-2.

Policies related to business conduct

Policy	Policy description	Scope	Approving body + person responsible for implementation
Code of Conduct Implemented in 2018, updated in 2025	The Raute Code of Conduct covers compliance with laws and regulations, respect for human rights, diversity and non-discrimination, and anti-corruption. Raute’s goal is to offer a safe and healthy working environment and to promote environmental responsibility. Raute promotes equal opportunities and values employees’ diversity and does not tolerate discrimination in any form. Raute is committed to fighting corruption and bribery and requires its suppliers to do the same. Reference to Third-Party Standards: UDHR, ILO, UN Global Compact’s Ten Principles, SDG, ISO 9001:2015, ISO 14001:2015. The Impacts, risks and opportunities related to business conduct are addresses in the ESRS G1 disclosures of this sustainability statement. The Code of Conduct supports governance and workforce-related topics and is referenced where relevant in the ESRS S1 disclosures.	Personnel	Board of Directors + CFO, CPO
Respect in the Workplace policy Implemented in 2024	The Raute Respect in the Workplace policy is about committing to the promotion of diversity, equity, and inclusion (DEI). This policy sets a standard for behaviors and expectations for all employees and partners worldwide. The policy entails zero tolerance for all forms of bullying, harassment, and discrimination. It aims to create an environment where all employees have equal opportunities and where recruitment, promotion, and evaluation processes are carried out equitably and without biases. The policy also encourages open communication and ensures that employees have efficient channels to raise concerns and issues. The impacts, risks, and opportunities related to respect in the workplace are addressed in the ESRS S1 disclosures of this sustainability statement.	Personnel	Executive Board + CPO
Whistleblowing process description and guidance Implemented in 2023	Raute’s whistleblowing process is based on the EU Whistleblower Protection Directive and the Finnish Whistleblower Act. The company encourages people to report potential misconduct as early as possible. The whistleblowing channel makes sure that the reported cases are reviewed rapidly and taken seriously, and that they are addressed immediately when they are observed. The company does not tolerate retaliation against persons who raise their concerns in good faith and aims to promote a corporate culture where employees feel confident to raise concerns without fear of retaliation. The impacts, risks, and opportunities related to whistleblowing and business conduct are addressed in the ESRS G1 disclosures of this sustainability statement.	All stakeholders	Board of Directors + CFO, CPO
Anti-corruption policy Implemented in 2024	The policy gives more detailed guidance on Raute’s actions and principles against corruption in addition to the Code of Conduct. Raute has zero tolerance for corruption and bribery. The policy includes concrete instructions and approaches that help personnel identify and prevent corruption. They are aligned with the policies laid down in the United Nations Convention Against Corruption (UNCAC). The impacts, risks, and opportunities related to the policy are described in the ESRS2 IRO table.	Personnel	Executive Board + CFO
Environmental policy Implemented in 2024	Raute’s environmental policy focuses on emission reductions, resource efficiency, and circular economy. The policy promotes environmental responsibility by providing sustainable production and service solutions and reducing environmental impacts. The policy covers all Raute locations and partially the upstream value chain. Raute adheres to the principles of the UN Global Compact initiative and supports the Sustainable Development Goals (SDG 8, 11, 12, and 13). The policy is publicly available on Raute’s website. The policy is discussed with value chain parties in the context of maintaining normal business relationships. The impacts, risks, and opportunities related to anti-corruption and business conduct are addressed in the ESRS G1 disclosures of this sustainability statement.	Personnel	Executive Board + CFO
Supplier Code of Conduct Implemented in 2025	The Supplier Code of Conduct describes Raute’s commitment to responsible procurement practices and reflects Raute’s principles, which all Suppliers must adhere to by formally signing, or by confirming a purchase order, which has the Code attached. By adhering to this Supplier Code of Conduct, the Supplier commits to operating according to high ethical standards of business. The impacts, risks, and opportunities related to responsible procurement and supplier business conduct are addressed in the ESRS G1 disclosures of this sustainability statement.	Suppliers and partners	Executive Board + CFO

Supplier Code of Conduct

The Supplier Code of Conduct describes Raute’s commitment to responsible procurement practices and reflects Raute’s principles for ethical and sustainable business conduct. The Supplier Code of Conduct was introduced in Q3/2025 to suppliers. Raute requires suppliers to acknowledge and commit to the Supplier Code of Conduct as part of the onboarding process and in connection with new or renewed purchase orders. During the reporting period, Raute focused on requiring formal acceptance of the Supplier Code of Conduct from selected main category suppliers.

By accepting the Supplier Code of Conduct, Raute’s suppliers commit to complying with Raute’s ethical principles and sustainability requirements. The Supplier Code of Conduct supports Raute’s efforts to promote responsible business conduct and transparency in the supply chain. The application and coverage of the Supplier Code of Conduct will be further expanded over time. Compliance with the Supplier Code of Conduct helps Raute ensure responsible business conduct and promote transparent and responsible practices throughout the value chain.

Suppliers are required to comply with all applicable ESG-related laws and regulations in every country of operation, including those governing environmental protection, health and safety, labor and human rights, and anti-corruption. Where relevant, international standards on these topics also apply. Suppliers must commit to ethical principles consistent with Raute’s Code of Conduct, protect confidential information, and ensure appropriate handling of personal data. They are expected to maintain safe and non-discriminatory working conditions; prohibit forced labor, child labor, and human trafficking; and adopt measures to prevent bribery, corruption, and money laundering. Suppliers must also identify hazardous substances in their products, provide statutory ESG-related data and documentation upon request, and assess and mitigate their environmental impacts, including reducing energy and water use, minimizing waste and emissions, and working toward lower greenhouse gas emissions and product carbon footprints. Compliance is further reinforced through risk-based audits and ESG questionnaires, which guide supplier expectations and monitor adherence to Raute’s business conduct and sustainability requirements. Together with ESG risk assessments and audits, these principles support Raute’s efforts to identify and mitigate climate change adaptation and mitigation risks in its supply chain. The policy is intended to apply globally to Raute’s suppliers, contractors, and relevant partners, and is being implemented in a phased manner across geographies and activities. The policy is referenced in purchase orders where applicable. The CFO Office and Procurement function are responsible for maintaining and implementing the Code, which was approved by the Raute Executive Board.

Whistleblowing procedures

The whistleblowing channel helps maintain high ethical standards and makes it possible to intervene in and remediate grievances. Reporting misconduct is important as it helps fight fraud, avoid reputational damage, and prevent the escalation of issues. Raute encourages its personnel to report potential misconduct at an early stage, for example, through their supervisor or the HR department. If this is not possible, any suspected misconduct or violations of law can be reported through an online whistleblowing channel provided by a third party. Anonymous whistleblowing is also possible, and the system enables two-way communication with an anonymous whistleblower. The whistleblowing channel is open both to Raute’s own personnel and external stakeholders.

The whistleblowing channel is available for the company’s own personnel on the intranet and on the company’s public website. Raute wants to support a corporate culture where employees feel safe and confident that they can raise concerns without fear of retaliation. In handling reports, the company follows the applicable whistleblower protection legislation, guarantees the necessary safeguards and controls to protect the whistleblower’s personal data and ensures that the whistleblower is not subject to retaliation based on the report. Raute’s whistleblowing process meets the relevant statutory obligations.

The whistleblowing process follows these steps:

1. Reports can be made through a supervisor, HR administration, or an electronic whistleblowing channel. Raute recommends that whistleblowers provide their names when making a report to ensure a more effective investigation. Anonymous reporting is also possible, however.
2. The reported case is documented in the third-party system or a separate document if the report was submitted using another channel.
3. When a whistleblower uses the electronic whistleblowing channel, they are given a personal code to track the status of the report. The system also enables communication with an anonymous whistleblower.
4. The Ethics team assesses whether the report provides enough information and whether the report needs to be investigated further.
5. If further investigation is required, an impartial investigator/investigation team is appointed.
6. The investigator collects the facts and carries out the investigation by, for example, interviewing and gathering background information.
7. The investigation results and the measures are documented and reviewed, if applicable, together with the whistleblower.
8. The Ethics team analyzes whether the case requires an update to the guidelines/general communications – the effectiveness of the actions is also assessed.

9. The Ethics team makes sure that the corrective actions are implemented together with the relevant organization. Retaliation of any kind against the whistleblower is prohibited.
10. All cases are documented and archived.

Raute's personnel have been trained in the use of the whistleblowing channel. Raute's personnel are also annually trained in the use of the whistleblowing channel as part of the Code of Conduct training. The Ethics team that receives the reports has also been provided with training in statutory matters related to the whistleblowing channel and confidentiality. The Ethics team regularly updates its competence.

Investigations based on notifications

Raute's Ethics team handles the reports received through the whistleblowing channel confidentially and determines the necessary corrective actions to address the matter. The Ethics team is comprised of the Group's Chief Financial Officer, Chief People Officer, and ESG Manager. The whistleblower is informed of the investigation of the case and potential follow-up measures. Reported cases are tracked anonymously through a separate case management report, and they are reported to the company's Audit Committee. The Ethics team handles all reports and questions in its meetings. Once a report is received, the case is handled by the Ethics team, and responsibilities for handling the case are allocated. Handling of a case must be initiated within four working days, and a response must be given to the whistleblower no later than within three months, but the aim is to close cases as fast as possible. The whistleblowing channels are a regular communications topic. The channel is available in three languages: Finnish, English, and Chinese.

All reports submitted through the whistleblowing channel, including those related to suspected incidents of corruption and bribery, are first handled by Raute's Ethics team. If one of the Ethics team members has a conflict of interest in the reported case, the member recuses themselves from the investigation of the case right at the start. If necessary, they can also be denied access to the information concerning the case. The composition of the investigation team is decided case by case. On a case-by-case basis, a legal advisor is also employed in the investigations. Raute's Ethics team maintains a record of all submitted reports, investigation outcomes, and conclusions, and recommended measures. The cases related to the whistleblowing channel are reported to the CEO without delay and to the Audit Committee twice a year.

Whistleblower protection

Raute wants to promote an organizational culture where employees feel confident to raise concerns without fear of retaliation. Raute has carried out several key measures to protect whistleblowers. According to its Code of Conduct, Raute ensures safe and confidential whistleblowing. Raute has developed comprehensive and transparent reporting practices that define the whistleblowing process and the safeguards provided to whistleblowers. The

implementation of safe whistleblowing channels is an essential part of Raute's whistleblower protection. The external whistleblowing channel also offers the opportunity for anonymous reporting. For anonymous reports, the whistleblower's identity remains confidential throughout the handling process. Raute carefully protects the identity of whistleblowers and handles concerns discreetly and professionally.

Information on whistleblower protection and the use of the whistleblowing channel is communicated to Raute's personnel as part of the Code of Conduct training and through guidance and materials available on the intranet. The communication addresses the importance of raising concerns, the key steps of the reporting process, and the safeguards in place. This ensures that all employees and supervisors are aware of the importance of whistleblowing and know what to do in potential situations of misconduct. Raute also actively monitors signs of retaliation and, if any are observed, implements strict anti-retaliation practices to protect the whistleblowers. This holistic approach ensures that whistleblowers can raise their concerns safely and confidentially and that their rights are protected in all situations. Raute follows the Finnish laws passed to transpose the Directive (EU) 2019/1937 into national legislation, which means that the directive's legal requirements are applicable to Raute.

Actions related to Business conduct

To address the identified impacts, risks, and opportunities related to business conduct, Raute has conducted a set of actions during the reporting period. Several of these actions contribute to multiple impacts, risks, and opportunities. To avoid repetition and ensure clarity, the actions are presented below as a consolidated list and referenced across the relevant disclosures.

Actions implemented in 2025 (including continuous actions)

- **K1. Code of Conduct training and awareness** – Delivered Code of Conduct training via e-learning to Raute's own employees across all operations to reinforce shared values, ethical behavior and expected standards of conduct. The Code of Conduct was communicated internally and supported through ongoing awareness activities. (2025; finalized)
- **K2. Ethics oversight and investigations** – Operated a group-level Ethics team responsible for receiving and handling notifications related to business conduct across Raute's operations, including internal reports and reports submitted through the whistleblowing channel. The Ethics team reviewed cases, determined corrective actions, and ensured appropriate escalation to management and the Audit Committee. (2025; ongoing annually)
- **K3. Whistleblowing awareness and reporting mechanisms** – Maintained multiple reporting channels, including an anonymous third-party whistleblowing channel, and promoted

awareness of available reporting mechanisms among Raute's own personnel across all operations. (2025; ongoing annually)

- **K4. Anti-corruption and ethics training** – Provided anti-corruption and ethics training to relevant employee groups to strengthen awareness of corruption and bribery risks and reinforce zero-tolerance principles. (2025; ongoing annually)
- **K5. Customer engagement on ethical expectations** – Engaged in discussions with customers on Raute's Code of Conduct and ethical expectations as part of business relationships. (2025; ongoing annually)
- **K6. Supplier ESG risk assessment and monitoring** – Conducted supplier ESG risk surveys and applied the Supplier Code of Conduct to selected suppliers in the upstream value chain, supported by audits and ESG questionnaires, to identify and monitor ethical and sustainability risks. The supplier ESG risk survey covered selected suppliers in the upstream value chain and included questions related to ethical business conduct, compliance, anti-corruption, and sustainability practices. (2025; ongoing annually)
- **K7. Integration of ESG risks into the ERM process** – ESG-related risks identified in the double materiality assessment were incorporated into the Group's annual enterprise risk management and risk mitigation process (ERM). (2025; ongoing annually)
- **K8. Implementation of a digital platform enabling ESG data collection across the value chain** – A digital purchase order platform for suppliers was implemented, and a process and reporting requirements for ESG data requests were defined to enable systematic ESG data collection. By the end of 2025, approximately 55% of Raute Finland's direct purchases were processed through the electronic ordering platform. The implementation of ESG data collection functionalities is planned for 2026. (2025; implemented, ESG expansion to commence in 2026) (2025; ongoing annually)

The financial resources related to business conduct actions primarily relate to operating expenses associated with governance, compliance, ethics, whistleblowing processes, and supplier risk management. These activities are embedded in existing organizational functions and are not allocated or tracked separately at the action level. At this stage, Raute does not separately identify or allocate costs related to business conduct actions in the sustainability statement.

Actions related to business conduct and their progress

Sub-sub-topic	Identified material topic	Actions (K=2025)
Corporate culture	Driving Sustainable Growth Through Ethical Culture	This opportunity is addressed through actions K1, K2, K3, K5, K6, K7 and K8.
Anti-Corruption and Anti-Bribery Training	Strengthening Trust Through Anti-Corruption Practices	This impact and opportunity are addressed through actions K2, K4, and K6.
Corruption and Bribery Incidents	Mitigating Corruption and Bribery Risks	This risk is addressed through actions K2, K3, K4 and K7.

G1-3 – PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY

Raute applies a zero-tolerance approach to corruption and bribery, as defined in the Raute Code of Conduct. All personnel are expected to uphold these principles and to prevent and report any suspected misconduct. Code of Conduct training is mandatory for all employees and is delivered annually via an e-learning platform, including guidance on recognizing and preventing corruption. In 2025, Raute provided additional targeted anti-corruption and anti-bribery training for employees in roles where such risks may arise.

The training focused on recognizing corruption and bribery risks, understanding applicable laws and internal policies, identifying red flags, and applying appropriate escalation and reporting procedures. The targeted training was delivered through three 1.5-hour instructor-led sessions provided by an external expert. In addition, anti-corruption and ethics topics are covered through the mandatory annual Code of Conduct e-learning training. No separate anti-corruption or anti-bribery training was organized specifically for the Board of Directors. Management and employees in roles exposed to corruption and bribery risks were covered through the mandatory annual Code of Conduct training, which includes anti-corruption and ethics content, as well as targeted training sessions during the reporting year.

In 2025, Raute conducted a corruption exposure assessment covering all departments and roles. Raute identifies high-risk functions based on the extent to which each function is exposed to corruption and bribery risks. Raute provided targeted anti-corruption and anti-bribery training to employees and members of management whose roles involve exposure to corruption and bribery situations (such as sales, procurement, project execution, service operations, finance and customer-facing roles). In 2025, additional training was fully targeted at the company's identified risk functions, and the need for training was determined on a risk-based basis. Of these individuals, 84% participated in the mandatory training on the Code of Conduct as well as, where applicable, role-specific additional training.

Raute prevents and detects corruption and bribery by embedding ethical conduct and transparency throughout its operations and value chain. The Anti-corruption training is a preventive measure that aims to strengthen employees' ability to recognize corruption risks and act appropriately, which reduces the likelihood of unethical or unlawful behavior. This supports more reliable decision-making and reinforces Raute's internal controls across different functions and geographies.

The implementation of internal controls, which is also a preventive measure, contributes to reducing the risk of fraud. Raute carries out internal (when necessary) and external audits related to financial information and events, and tracks completed transactions to detect any unusual actions. Raute's practices also may include performing unannounced audits, especially in

businesses exposed to corruption. In addition to these actions, material business risks are assessed as part of the company's risk management process and double materiality assessment.

Raute's whistleblowing channel is a key tool for detecting and handling potential incidents of corruption, in addition to the company's internal controls. The process for handling the reports received through Raute's whistleblowing channel covers all the steps from receiving a report to reporting the results. The whistleblower mechanisms offer a safe and anonymous channel for reporting suspected misconduct without fear of retaliation. Raute performs a thorough internal investigation if the whistleblower's report or the investigation reveals a potential incident of corruption. Raute cooperates with authorities in accordance with applicable laws. The co-operation includes submitting useful information for investigation and evidence purposes and assisting competent authorities in seizing the proceeds of the crime from the perpetrators and recovering these proceeds. For more information, see the chapter 'Whistleblowing process'. The number of reports received through the available reporting channels is monitored regularly as part of Raute's business conduct oversight. To protect confidentiality and the integrity of the reporting process, the number of reports is not disclosed publicly.

Comparative information

In 2024, Raute had not yet carried out a separate and detailed assessment to identify functions exposed to corruption and bribery risks. The assessment was planned to be conducted in 2025. Consequently, in the 2024 reporting year no targeted anti-corruption or anti-bribery training was provided to individuals in high-risk roles, and training coverage in risk-exposed functions was 0%. Anti-corruption and business ethics were addressed through a mandatory annual Code of Conduct e-learning course for all employees, which was completed by 97.6% of employees in 2024. Completions were recorded in the Company's electronic learning platform. In late 2024, the Board of Directors approved updated anti-corruption and anti-bribery principles.

Potential cases of corruption and bribery were monitored during both reporting years through Raute's whistleblowing channel and internal control processes. No cases of corruption or bribery were identified through the whistleblowing channel or internal controls in the previous reporting year (2024) or in the reporting year (2025).

G1-4 – INCIDENTS OF CORRUPTION OR BRIBERY

No convictions or fines for violations of anti-corruption and anti-bribery laws were given to Raute or members of its personnel or supervisory bodies in the financial year 2025. No such convictions or fines were reported in the prior reporting year. The number of convictions is therefore 0, and the number of fines is 0 for both the current and comparative reporting periods.

Metrics and targets related to business conduct

During the reporting year (2025), Raute introduced selected metrics and targets related to business conduct and began systematically monitoring progress against them. In the prior reporting year, business conduct topics were managed through policies, controls, and actions without formally defined targets. Raute monitors progress against business conduct targets using defined metrics related to training coverage. As the targets apply from 2025 onwards, the current reporting year is the first period in which progress can be assessed and disclosed.

Raute has set quantitative targets for selected business conduct topics. Other material business conduct topics, including corporate culture, anti-corruption and bribery, whistleblowing, and responsible business practices, are managed through policies, internal controls, and actions, as described in section G1. SBM-3. Raute has not established quantitative targets specifically for anti-corruption practices or for mitigating financial risks related to corruption. These topics are managed through preventive and control-based measures, including mandatory annual Code of Conduct training, established reporting and whistleblowing channels, and formal internal controls that are continuously reviewed and improved. Raute applies a zero-tolerance approach to corruption and bribery, which is reinforced through the implementation of the Supplier Code of Conduct across its value chain. The business conduct target related to Code of Conduct training coverage was defined by top management and approved by the Board of Directors. No external stakeholders were involved in the target-setting process, and the broader workforce was not separately engaged.

Targets, metrics and performance

TARGET FOR 2028	METRIC	BASELINE 2024	PROGRESS 2025
Maintain annual Code of Conduct training coverage of at least 95% of employees. ¹⁾	Completion rate (%) from all Rauteans (end of year)	97.6%	91.3%
Deliver ESG-related training to own personnel on an annual basis. ²⁾	Annual ESG training for own personnel	No baseline	Environmental Policy training Anti-Corruption and bribery training Circularity training Safety trainings
By 2028, 80% of Raute's key suppliers, based on annual direct procurement spend, will have committed to Raute's Code of Conduct, Supplier Code of Conduct, or verified adherence to an equivalent code aligned with Raute's principles. ³⁾	Ethical principle coverage (%) of direct procurement spend.	No baseline	47.8%
Conduct a minimum of 10 supplier audits per year globally, including ESG aspects. ⁴⁾	Number of conducted audits	No baseline	13 audits completed

- 1) The participation rate is calculated by dividing the number of employees who completed the Code of Conduct training during the reporting year by the average number of employees in an employment relationship during the reporting year and multiplying the result by one hundred. The data is based on headcount information from the HR system and completion records from the learning management system. Annual fluctuations in coverage may be influenced by employees on extended leave, temporary layoffs, or employees who joined the Company late in the year.
- 2) Annual ESG training for Raute's own workforce covers ESG-related training sessions conducted during the reporting year. The metric is reported as the number of ESG-related training sessions delivered during the reporting year. The data is based on records from the HR system and the learning management system.
- 3) Coverage of ethical principles (%) is calculated by dividing the annual direct procurement spend with key suppliers that have committed to comply with Raute's Code of Conduct, Supplier Code of Conduct, or a verifiably equivalent code, by the total direct procurement spend with all key suppliers, and multiplying the result by one hundred. The data is based on purchase data from the procurement system and contractual and due diligence records relating to supplier commitments.
- 4) The number of audits conducted represents the total number of supplier audits completed globally during the reporting year in which ESG aspects were included as part of the audit criteria. The figure is based on the audit register maintained by the procurement and compliance functions and includes audits finalized during the reporting year.

CONSOLIDATED FINANCIAL STATEMENTS 2025

RAUTE CORPORATION

Consolidated Financial Statements January 1–December 31, 2025

Raute Corporation's consolidated financial statements for January 1–December 31, 2025 have been prepared in accordance with the International Financial Reporting Standards (IFRS) and the interpretations issued by IASB and accepted for application in the EU. Preparations have complied with the IAS and IFRS standards, as well as SIC and IFRIC interpretations, effective on December 31, 2025. The notes to the consolidated financial statements also comply with Finnish accounting legislation.

Consolidated statement of income

EUR 1,000	Note	1.1.-31.12. 2025	1.1.-31.12. 2024
Net sales	1	175,539	204,583
Change in inventories of finished goods and work in progress		-468	-1,478
Other operating income	6	159	123
Materials and services	3	-78,133	-101,131
Employee benefits expense	5	-50,757	-59,514
Depreciation, amortization and impairment	15	-6,306	-5,404
Other operating expenses	6	-22,779	-23,460
Total operating expenses		-157,975	-189,509
Operating result		17,255	13,720
Financial income	27	1,529	2,102
Financial expenses	27	-1,181	-688
Financial expenses, net		348	1,415
Result before tax		17,603	15,134
Income taxes	8	-4,657	-3,024
Result for the financial year		12,946	12,111
Result for the financial year attributable to Equity holders of the Parent company		12,946	12,111
Earnings per share for profit attributable to Equity holders of the Parent company, EUR			
Undiluted earnings per share	23	2.12	1.96
Diluted earnings per share	23	2.06	1.91
Shares, 1,000 pcs			
Adjusted average number of shares	23	6,087	6,123
Adjusted average number of shares, diluted	23	6,279	6,350

Consolidated statement of comprehensive income

EUR 1,000	Note	1.1.-31.12. 2025	1.1.-31.12. 2024
Result for the financial year		12,946	12,111
Other comprehensive income items			
Items that will not be reclassified to profit or loss			
Changes in the fair value of financial assets at fair value through other comprehensive income	24	767	-219
Items that may be subsequently reclassified to profit or loss			
Hedging reserve, hedge accounting	20	303	-376
Exchange differences on translating foreign operations	20,21	-565	72
Deferred taxes related to these items	21	-	44
Comprehensive income items for the period, net of tax		505	-479
Comprehensive result for the financial year		13,451	11,632
Comprehensive profit for the financial year attributable to Equity holders of the Parent company		13,451	11,632

Consolidated balance sheet

EUR 1,000	Note	31.12.2025	31.12.2024
ASSETS			
Non-current assets			
Goodwill	10	1,714	1,714
Other intangible assets	11	9,154	9,919
Property, plant and equipment	13	9,344	9,325
Right of use assets	14	2,224	5,800
Other financial assets	25	997	113
Deferred tax assets	9	721	3,217
Total non-current assets		24,155	30,088
Current assets			
Inventories	16	15,439	23,505
Accounts receivables and other receivables	2	27,449	24,863
Income tax receivable	2	20	42
Cash and cash equivalents	25	40,272	57,503
Total current assets		83,181	105,913
TOTAL ASSETS		107,336	136,001

Consolidated balance sheet

EUR 1,000	Note	31.12.2025	31.12.2024
EQUITY AND LIABILITIES			
Equity attributable to Equity holders of the Parent company			
Share capital	20,22	8,256	8,256
Own shares	20	-701	-950
Fair value reserve and other reserves	20	20,352	19,421
Exchange differences	20	-1,190	613
Retained earnings	20	15,329	7,240
Result for the financial year	20	12,946	12,111
Total equity attributable to Equity holders of the Parent company		54,993	46,692
Convertible junior loan	20	3,000	3,000
Total equity		57,993	49,692
Non-current liabilities			
Deferred tax liability	9	577	46
Lease liability	14,24	1,436	4,267
Provisions	4	1,145	424
Total non-current liabilities		3,157	4,738
Current liabilities			
Provisions	4	2,019	2,195
Current interest-bearing liabilities	24	-	-
Lease liability	14,24	863	1,349
Current advance payments received	17	19,033	46,007
Income tax liability	17	2,375	1,687
Trade payables and other liabilities	17	21,896	30,331
Total current liabilities		46,186	81,571
Total liabilities		49,343	86,309
TOTAL EQUITY AND LIABILITIES		107,336	136,001

Consolidated statement of cash flows

EUR 1,000	1.1.–31.12.2025	1.1.–31.12.2024
CASH FLOW FROM OPERATING ACTIVITIES		
Proceeds from customers	143,668	189,845
Other proceeds from operating activities	127	123
Payments to suppliers and employees	-150,676	-175,841
Cash flow before financial items and taxes	-6,881	14,128
Interest paid from operating activities	-244	50
Dividends received from operating activities	417	360
Interest received from operating activities	1,068	1,602
Other financing items from operating activities	-1,051	-1,109
Income taxes paid from operating activities	313	-961
Net cash flow from operating activities (A)	-6,378	14,071
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets	-4,468	-2,799
Investments in shares	-118	-
Proceeds from sale of property, plant and equipment and intangible assets	330	386
Net cash flow from investing activities (B)	-4,256	-2,413
CASH FLOW FROM FINANCING ACTIVITIES		
Directed share issue and rights issue	-	-
Convertible junior loan	-	-
Expenses for share issues and junior loan	-298	-350
Repurchase of own shares	-1,350	-43
Proceeds from current borrowings	-	-
Repayments of current borrowings	-	-
Repayments of lease liability	-1,449	-1,289
Dividends paid	-3,320	-603
Net cash flow from financing activities (C)	-6,417	-2,285
Net change in cash and cash equivalents (A+B+C)	-17,052	9,373
increase (+)/decrease (-)		
Cash and cash equivalents at the beginning of the financial year	57,503	48,105
Net change in cash and cash equivalents	-17,052	9,373
Effects of exchange rate changes on cash	-179	26
Cash and cash equivalents at the end of the financial year	40,272	57,503

Basis of preparation

The **cash flow statement** has been generated using the direct method. The **cash flow from operating activities** includes payment from customers, other operating income as well as payments of supplies and services acquired. Cash flow from operating activities also includes payments to employees as well as interest paid, and interest received from financial assets held for cash management. The cash flow from operating activities does not include accounts payable related to the investments.

The **cash flow from investing activities** includes expenses incurred for the acquisition of intangible and tangible assets and expenses for the acquisition of other assets that can be capitalized. The item also includes capital gains from sale of these assets on accrual basis.

The **cash flow from financing activities** includes monetary changes in equity in cash, dividends paid to shareholders during the period as well as withdrawals and repayments of loans.

Cash and cash equivalents comprise cash and cash equivalents which fall due in less than three months.

Foreign Group companies' cash flow statements have been converted into euros according to the weighted average exchange rate of the financial year.

Repayments of lease agreements are included in the cash flow from financing activities. The payment of the interest expense on the lease agreements is included in the operating cash flow. Payments and rents related to short-term leases and low-value leases are included in operating cash flow. These agreements are not taken into account when determining lease liabilities.

Consolidated statement of changes in shareholders' equity

1 000 euroa	Share capital	Invested non-restricted equity reserve	Own shares	Other reserves	Exchange differences	Retained earnings	To the equity holders of the Parent company	Convertible junior loan	TOTAL EQUITY
EQUITY at Jan. 1, 2025	8,256	18,205	-950	1,216	613	19,351	46,692	3,000	49,692
Comprehensive result for the financial year									
Result for the financial year						12,946	12,946		12,946
Changes in the fair value of financial assets at fair value through other comprehensive income				767			767		767
Hedging reserve				303			303		303
Exchange differences on translating foreign operations				19	-1,804	1,219	-565		-565
Deferred taxes related to these items									
Total comprehensive result for the period	0	0	0	1,089	-1,804	14,165	13,451	0	13,451
Transfer of gain on disposals of equity investments at fair value through other comprehensive income to retained earnings									
Convertible junior loan						-298	-298		-298
Transactions with owners									
Share rewards				-157			-157		-157
Own shares			249			-1,623	-1,374		-1,374
Dividends paid						-3,320	-3,320		-3,320
Total transactions with owners	0	0	249	-157	0	-5,241	-5,150	0	-5,150
EQUITY at Dec. 31, 2025	8,256	18,205	-701	2,148	-1,190	28,275	54,993	3,000	57,993

Consolidated statement of changes in shareholders' equity, comparison year

1 000 euroa	Share capital	Invested non-restricted equity reserve	Own shares	Other reserves	Exchange differences	Retained earnings	To the equity holders of the Parent company	Convertible junior loan	TOTAL EQUITY
EQUITY at Jan. 1, 2024	8,256	18,205	-950	1,321	541	8,028	35,401	3,000	38,401
Comprehensive result for the financial year									
Result for the financial year						12,111	12,111		12,111
Changes in the fair value of financial assets at fair value through other comprehensive income				-219			-219		-219
Hedging reserve				-376			-376		-376
Exchange differences on translating foreign operations				-165	72	166	72		72
Deferred taxes related to these items				44			44		44
Total comprehensive result for the period	0	0	0	-716	72	12,276	11,632	0	11,632
Transfer of gain on disposals of equity investments at fair value through other comprehensive income to retained earnings									
Convertible junior loan						-350	-350		-350
Transactions with owners									
Share rewards			53	611			664		664
Own shares			-53				-53		-53
Dividends paid						-603	-603		-603
Total transactions with owners	0	0		611	0	-953	-342	0	-342
EQUITY at Dec. 31, 2024	8,256	18,205	-950	1,216	613	19,351	46,692	3,000	49,692

General information

Approval of the Consolidated Financial Statements

On March 11, 2026, the board of Raute Oyj approved these consolidated financial statements for the period January 1 - December 31, 2025, for publication. According to the Finnish Companies Act, shareholders have the opportunity to approve or reject the financial statements at the Annual General Meeting arranged after the statements have been issued. The Annual General Meeting also has the opportunity to make changes to the financial statements.

Business and operational segments

Raute Group (“the Group”) is a technology and service company serving the wood products industry worldwide, whose core expertise is the manufacturing processes of selected wood products. Raute’s customers are companies operating in the wood products industry, whose wood products include veneer, plywood, LVL and sawn timber.

Raute’s full-service concept is based on product lifecycle management and includes project deliveries and technology services. Raute’s technology offering covers machinery and equipment for the customer’s entire production process. In addition to a broad range of machines and equipment, Raute’s solutions cover technology services ranging from spare parts deliveries to regular maintenance and equipment modernizations as well as consulting, training, reconditioned machinery and digital services.

Raute Group’s operations fall into three segments: Wood Processing, Services and Analyzers. The highest operational decision-maker responsible for allocating resources to the operating segment and evaluating its results is Raute Corporation’s Board of Directors.

Wood Processing business unit includes Raute’s core technology offering for veneer, plywood and LVL production. Delivery scope includes separate production equipment, modernizations, as

well as full mill-scale projects, where Raute is a global market leader both in the plywood and LVL industries.

Analyzers business unit serves customers with Raute’s latest measurement technology for sorting veneer, plywood and LVL, and special measurement equipment for sawn timber.

Services business unit focuses on Raute’s full-service concept ranging from spare parts deliveries to regular maintenance, digital services and equipment upgrades.

Based on Raute’s business model, nature of operations and management structure, the combined data of the three segments coincides with the entire group’s data, i.e. the income statement items from revenue to comparable EBITDA are allocated to the reportable segments. Raute considers items that affect comparability to be material and items that differ from normal business, related to restructuring costs and provisions and ERP renewal costs, impairments, gains and losses on the sale of assets, transaction costs related to combining business operations, litigation and arbitration costs.

Raute Corporation’s Board of Directors does not monitor the assets and liabilities of the segments on a segment-by-segment basis, so investments, assets and liabilities are presented only at the group level.

Segment reporting follows the principles of preparing consolidated financial statements. Allocation keys are used for the allocation of common costs between the reported segments, which are generally based on annual budgeted sales or expenses. The Raute Group’s segments do not have inter-segment sales, but the sales is entirely from external customers.

Raute’s head office is located in Lahti (previously the municipality of Nastola), Finland. Its other production plants are in Kajaani, in Vancouver area in Canada and in Pullman, Washington state, USA. The company’s sales network has a global reach. The production unit located in the Changzhou region of China has been closed during 2025.

Preparation of consolidated financial statements

Raute Corporation’s consolidated financial statements for January 1–December 31, 2025, have been prepared by IASB in accordance with the International Financial Reporting Standards, IFRS, accepted for application in the European Union. Preparations have complied with the IAS and IFRS standards, as well as SIC and IFRIC interpretations, effective on December 31, 2025.

The Group has prepared a Sustainability Statement in accordance with the European Sustainability Reporting Standards (ESRS). Sustainability-related risks and opportunities identified through the double materiality assessment have been considered, where relevant, in the preparation of these consolidated financial statements, including in the assessment of accounting estimates and judgements.

All figures are presented in thousand euro, unless otherwise stated. Due to the rounding of the figures in the financial statements tables, the sums of figures may deviate from the sum total presented in the table. Figures in parentheses refer to the corresponding figures in the comparison period.

Raute Corporation’s consolidated financial statement information is available online at www.raute.com or at the head office of the Parent company, Rautetie 2, 15550 Nastola, Finland.

Parent company

Raute Group's Parent company, Raute Corporation, is a Finnish public limited liability company established in accordance with Finnish law (Business ID FI01490726). Combined series shares are listed on Nasdaq Helsinki Ltd, under Industrials. Raute Corporation is domiciled in Lahti. The address of its registered office is Rautetie 2, FI-15550 Nastola, and its postal address is P.O. Box 69, FI-15551 Nastola.

Amendments to accounting principles of consolidated financial statements and information to be presented

The consolidated financial statements have been prepared according to the same accounting principles as in 2024, except for the adoption of new and revised standards. The effects of changes in the accounting standards have been presented on pages xx. No new material standards or interpretations have been adopted.

Preparation of consolidated financial statements

The consolidated financial statements include the financial statements of the Parent company Raute Corporation and the financial statements of those subsidiaries in which the Group has control. The Group controls an entity when the group is exposed to or has rights to variable returns from its involvement with the entity. And if the Group has the ability to affect the variable return through its power over entity.

The existence and effect of potential voting rights that are at the time of the review exercisable or convertible are considered when assessing whether the Group has control in the other company. In Raute Group, control is based on share ownership that represents more than 50 percent of the voting rights according to the main rule. Subsidiaries are fully consolidated in the consolidated financial statements from the date on which the Group gained over them and de-consolidated from the date that control ceases.

Business combinations have been entered using the acquisition method. The consideration paid for the acquisition of a subsidiary is determined as the fair value of the transferred assets, liabilities incurred, and equity interests issued by the Group. The consideration transferred contains the fair value of the asset or liability that results from the contingent consideration arrangement. Expenditure related to the acquisition is recognized as an expense when it is incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed by the business combination, have been measured at the acquisition-date fair value. Non-controlling interests have not been recognized in business combinations.

Business transactions, receivables and liabilities, and unrealized profits between Group companies have been eliminated. Unrealized losses have also been eliminated. Where necessary, the accounting principles of the subsidiaries have been changed to comply with the Group's accounting principles.

The allocation of the profit or loss for the financial year to the equity holders of the Parent company has been presented in connection with the comprehensive income statement.

The consolidated financial statements have been presented in euros, which is the Parent company's functional and presentation currency. The figures concerning the profit or loss and financial position of the companies combined under the consolidated financial statements have been recorded in the currency of the country in which that company operates (functional currency).

Group companies	Group's ownership interest and voting power, % in 2025	Group's ownership interest and voting power, % in 2024	Parent company's ownership interest and voting power, % in 2025	Parent company's ownership interest and voting power, % in 2024
Raute Oyj, Lahti (parent company)				
EAI Raute Holding Oy*				
Raute Canada Ltd., Delta, B.C., Canada	100	100	100	100
Raute Inc., Delaware, USA	100	100	100	100
Raute US, Inc., Monroe, Louisiana, USA	100	100	-	-
RWS-Engineering Oy, Lahti, Finland	100	100	100	100
Raute Group Asia Pte Ltd., Singapore	100	100	100	100
Raute WPM Oy, Lahti, Finland	100	100	100	100
Raute Chile Ltda., Concepción, Chile	100	100	50	50
Raute Service LLC, St. Petersburg, Russia	100	100	-	-
Metriguard Technologies, Inc., Pullman, Washington, USA	100	100	-	-
Raute (Changzhou) Machinery Co., Ltd, Changzhou, China	100	100	100	100
Raute Service Indonesia, Indonesia	100	100	99	99
Raute Japan KK, Japan	100	-	100	-

*Eveli Alexander Incentives has ownership and holds voting rights in EAI Raute Holding Oy. However, based on the agreement, Raute exercises actual decision-making power in the arrangement and acts as the principal, while EAI acts in the role of an agent through the holding company. Based on this control arising from the contractual features, the holding company is combined to the consolidated financial statements as a structured community.

Financial statements in foreign currency

The income statements of foreign subsidiaries have been translated into euro using the weighted average exchange rates the fiscal year and balance sheets have been translated at the average rate on the balance sheet date. Translation of income and comprehensive income at different exchange rates in the income statement and in the balance sheet results in translation differences which have been recognized in the balance sheet under equity, the difference of which has been recognized in the other comprehensive income items. The translation differences arising from the elimination of the acquisition cost of foreign subsidiaries and from the translation of equity items accumulated after the acquisition have been recognized in the other items of the comprehensive income. On partial or full disposal of a subsidiary, the accumulated translation differences have been recognized through profit or loss as part of the gains or losses from disposal.

The exchange rates used for the consolidation of subsidiaries have been presented in the table Exchange rates used in consolidation.

EXCHANGE RATES USED IN CONSOLIDATION OF
 SUBSIDIARIES

Income statement Jan. 1–Dec. 31

euro	2025	2024
CNY	8.1151	7.7861
RUB	92.8926	101.1328
CAD	1.5782	1.4816
USD	1.129	1.082
SGD	1.4751	1.4457
CLP	1,073.6275	1,020.8358
IDR	18,760.113	17,145.523
JPY	168.9330	-

Balance sheet at Dec. 31

euro	2025	2024
CNY	8.2262	7.5833
RUB	92.945	113.008
CAD	1.6088	1.4948
USD	1.1750	1.0389
SGD	1.5105	1.4164
CLP	1,070.72	1,033.57
IDR	19,640.83	16,820.88
JPY	184.09	-

Events during the financial year

On January 8, 2025, Raute announced that Hiottu Oy has merged into Raute Corporation on 31 December 2024 as planned. Raute announced on 16 August 2024 that the company has decided to merge its wholly owned subsidiary Hiottu Oy into Raute Corporation. The background for the merger decision was to simplify the Group structure to increase business efficiency.

On January 10, 2025, Raute announced that charges against a member of the Board of Directors of Raute in a Ramirent Oyj related matter have been dropped. The matter did not relate to Raute Corporation nor have had an effect on the work of the Raute Board.

On January 23, 2025, the Shareholders' Nomination Board ("Nomination Board") of Raute Corporation proposed to the Annual General Meeting convening on April 15, 2025, that Raute's Board of Directors would consist of seven members. The Nomination Board proposed that Laura Raitio, Licentiate of Science (Technology), would continue to be elected as the Chair of the Board of Directors and Joni Bask, M.Sc. (Tech.), would continue to be elected as the Vice Chair of the Board of Directors. It was proposed that Ari Harmaala, M.Sc. (Eng.), Mikko Kettunen, M.Sc. (Econ.), Julius Manni, M.Sc. (Econ.), Ari Piik, M.Sc. (Econ.), and Jenni Virnes, M.Sc. (Eng.), be re-elected as members of the Board of Directors.

On February 13, 2025, Raute announced that the Board of Directors of Raute Corporation has decided to initiate a share repurchase program based on the authorization received from the Annual General Meeting on April 4, 2024. The purpose of the share repurchase program is to optimize Raute's capital structure through reduction of capital. The repurchase of shares will reduce Raute's unrestricted equity. The repurchased shares will be cancelled.

On February 19, 2025, Raute announced that Raute Corporation's Board of Directors have decided on the commencement of a long-term incentive plan for the Group's senior management and selected key persons. The decision includes a Performance Share Plan ("PSP") as the main structure and a restricted Share Plan ("RSP") as a complementary structure.

Raute Corporation's Annual General Meeting (AGM) was held in Lahti on 15 April 2025. The resolutions made at the Annual General Meeting are presented elsewhere in this report. The resolutions made at the Annual General Meeting and other detailed information are available on the company's [website](#).

On April 15, 2025, Raute announced the resolutions of the Constitutive Meeting of the Board of Directors. At its constitutive meeting, the Board of Directors elected Mikko Kettunen as the Chair of the Audit Committee and Jenni Virnes, Joni Bask and Julius Manni were elected as members of the Audit Committee. Laura Raitio was elected as a Chair of the People Committee and Ari Harmaala and Ari Piik as members of the People Committee. The composition of the committees remained unchanged.

On April 25, 2025, Raute announced a positive profit warning and updating its guidance regarding profit. New guidance for 2025: Raute's 2025 net sales are expected to be between EUR 190–220 million and comparable EBITDA to be between EUR 20–27 million.

On May 28, 2025, Raute announced to initiate change negotiations on possible temporary layoffs of up to 90 days in the Wood Processing and Analyzers business units in Finland.

On June 9, 2025, Raute announced to streamline its global manufacturing network and close its production facility in Changzhou, China. Raute's strategic objective is strengthening operational efficiency and securing its competitiveness in a changing market environment. In line with this objective, Raute has decided to close its production unit in Changzhou, China, as part of a broader restructuring of its global manufacturing network. The decision is driven by weak market demand in China, which results in profitability challenges at the unit, as well as Raute's plan to concentrate production resources more cost-effectively and increase flexibility in manufacturing.

On July 11, 2025, Raute announced that it has completed a share repurchase program ("buy-back program"), the commencement of which was announced via a stock exchange release on February 13, 2025. During the program Raute repurchased a total of 84,450 own shares between February 17 – July 11, 2025, corresponding to approximately 1.4 % of the total number of shares in the company. The shares were purchased at an average price of EUR 15.98. The purchases made under the buy-back program reduced Raute's equity by approximately EUR 1.35 million. As a result of the buy-back program, Raute Corporation owns directly a total of 84,450 own shares. Shares repurchased under the buy-back program will be cancelled.

On August 20, 2025, Raute announced that it had on that date cancelled shares repurchased under its buy-back program. The company cancelled 84,450 of its own shares, in accordance with the decision made by the company's Board of Directors. Shares were acquired between 17 February 2025 and 11 July 2025 as part of a buy-back program. The cancellation of the shares reduces the total number of shares in Raute but does not affect Raute's share capital. After the cancellation, the total number of Raute's shares and votes is 6,038,229. The cancellation of shares was registered in the Trade Register on 20 August 2025. After the cancellation, Raute Corporation does not hold any own shares in its direct ownership.

On September 26, 2025, Raute announced the composition of Raute's Shareholders' Nomination Board. The following members have been appointed to Raute Corporation's Shareholders' Nomination Board: Pekka Suominen (directly and indirectly by proxies), Göran Sundholm and Mikko Laakkonen. Laura Raitio, the Chair of the Board of Directors of Raute, serves as an expert in the Nomination Board without being a member.

On September 30, 2025, Raute announced that Jari Myyryläinen, Chief Commercial Officer (CCO) at Raute Corporation, has decided to leave Raute by December 31, 2025, to transfer to another employer. The search for a new Chief Commercial Officer will begin immediately.

On October 20, 2025, Raute announced a profit warning and updated its guidance. Comparable EBITDA will remain strong, although net sales will be lower than previously estimated. New guidance for 2025: Raute's 2025 net sales are expected to be between EUR 175–190 million and comparable EBITDA to be between EUR 22–27 million.

On October 30, 2025, Raute announced to initiate change negotiations regarding potential temporary layoffs in all Raute Corporation locations in Finland concerning the Wood Processing and Analyzers business units, as well as the installation team of Services business unit.

On November 24, 2025, Raute announced that it had appointed Arto Kaikkola, M.Sc. (Industrial Engineering and Management) as Interim Chief Commercial Officer (CCO), effective 25 November 2025. This appointment follows the earlier announcement made on 30 September 2025 regarding Jari Myyryläinen's decision to leave Raute by 31 December 2025 to pursue new opportunities outside the company. The recruitment process for a permanent CCO is ongoing.

Events After The Financial Year

On 27 January 2026, Raute announced the proposals of the Shareholders' Nomination Board to Raute Corporation's Annual General Meeting 2026. The Shareholders' Nomination Board proposes that Raute's Board of Directors would consist of seven members. The Nomination Board proposes that Laura Raitio, Licentiate of Science (Technology), would continue to be elected as the Chair of the Board of Directors and Joni Bask, M.Sc. (Eng.), would continue to be elected as the Vice Chair of the Board of Directors. It is proposed that Mikko Kettunen, M.Sc. (Econ.), Julius Manni, M.Sc. (Econ.), Ari Piik, M.Sc. (Econ.), and Jenni Virnes, M.Sc. (Eng.), be re-elected as members of the Board of Directors. In addition, the Nomination Board proposes that Anna Hyvönen, Licentiate of Science (Technology), be elected as a new member of the Board of Directors. More information on company's [website](#).

On 3 February 2026, Raute signed new financing agreements. The amount committed revolving credit facility was increased to EUR 15 million from the earlier EUR 5 million. The new financing agreement is valid until 2029.

On February 12, 2026, Raute announced to initiate a share repurchase program based on the authorization received from the Annual General Meeting on April 15, 2025. The purpose of the share repurchase program is to optimize Raute's capital structure through reduction of capital. The repurchase of shares will reduce Raute's unrestricted equity. The repurchased shares will be cancelled. The maximum number of shares to be repurchased is 100,000 shares, corresponding to approximately 1.7% of the total number of shares. A maximum of EUR 1,500,000 will be used for the repurchase of shares. The share repurchase will commence on February 16, 2026, at the earliest and will end no later than December 31, 2026.

On February 12, 2026, Raute announced the commencement of a long-term incentive plan for the Group's senior management and selected key persons. The decision includes a Performance Share Plan ("PSP") as the main structure and a restricted Share Plan ("RSP") as a complementary structure. The purpose of the plan is to align the objectives of the owners and management in order to develop the company's value for the long term, as well as to commit the company's management and key persons to the company and to achieving the company's strategic goals.

Critical accounting judgments of the company management and key sources of estimation uncertainty

When preparing the consolidated financial statements in compliance with International Financial Reporting Standards, the company management has made certain estimates and assumptions. In addition, the management has exercised its judgment in selecting and applying the accounting policies. These estimates and assumptions have affected the assets and liabilities in the Group's balance sheet, the disclosure of commitments and possible assets in the consolidated financial statements, and income and expenses for the financial year.

Because the estimates have been based on management's best knowledge at the reporting date, and they comprise risks and uncertainties, therefore actual results may differ from these estimates. Possible changes in estimates and assumptions have been recognized in the financial year in which the estimate or assumptions has been changed. Management has to identify the differences between changes in accounting principles and changes in accounting estimates. Identifying these differences is important due to the fact that changes in accounting estimates are adopted on non-retrospective basis for forthcoming transactions and other future events, whereas changes in accounting principles are generally adopted on retrospective basis for the past transactions and other past events or events in the financial period.

Raute's management is not aware of any key estimation uncertainty or key assumptions concerning the future until the publication date of the financial statements that would cause a significant risk for assets and liabilities carrying values being materially changed during the following financial year.

Management has assessed whether sustainability-related risks, including climate-related risks, have an impact on key estimates and assumptions (such as impairment testing and useful lives of assets). Based on the assessment performed, no material adjustments were required for the reporting period.

The judgments the management has used, when applying the accounting policies and which has the most significant impact on the financial statements, has been presented in the note it concerns. The management estimations have been presented in:

Notes for the financial items that typically have the greatest impact on the figures presented in the financial statements

- Reservations, page 113, Note 4
- Employment benefits, page 119
- Group goodwill, page 124, Note 10
- Other intangible assets, page 125, Note 11
- Accounts receivable – Assets based on customer contracts, page 111, Note 2

Notes for the financial items that typically contain a significant risk that the book values of assets and liabilities will change substantially during the next accounting period

- Amount of performance obligations to be satisfied over time, page 105, Note 1
- Accounts receivable – Assets based on customer contracts, page 111, Note 2
- Income taxes, page 122, Note 8
- Research and development expenses, page 127, Note 12
- Financial assets, pages 145, Note 25

NEW AND REVISED STANDARDS

IFRS-standards that have been published and are valid in reported financial periods

International Accounting Standard Board (IASB) and International Sustainability Standards Board (ISSB) have published new or revised IFRS-standards and interpretations or amendments, which the Group has applied since the beginning on the date that each standard and interpretation comes into effect. If the effective date is a date other than the first day of the financial year, the Group has applied the standard at the start of the financial year following the effective date.

Amendments to IAS 21: Lack of exchangeability

The IASB has issued new amendments to IAS 21 concerning occasions where an entity uses a foreign exchange spot rate when translation transactions in foreign currencies. According to the amendment, the entity usually has market information available for the spot rate, but in the occasions where there is lack of exchangeability, the entity needs to assess the right useable spot rate based on current market circumstances and market participants prevailing at the date. The amendments are applied when they are effective estimated at 1 January 2025. Revised standard will not be expected to have a significant impact on Raute Corporation's consolidated financial statements.

IFRS-standards that have been published and will be valid in future financial periods

Amendments to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments

IASB has issued amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) to address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 'Financial Instruments'. The amendments are effective for reporting periods beginning on or after 1 January 2026. Revised standard will not be expected to have a significant impact on Raute Corporation's consolidated financial statements.

IFRS 18 Presentation and Disclosures in Financial Statements

IFRS 18 was issued in April 2024. The standard concerns the presentation and disclosures of financial statements, especially the presentation of financial statements' main statements and notes. The standard will replace current IAS 1 standard Presentation of financial statements and it will change also many others IFRS accounting standards, such as IAS 7 Statement of Cash Flows and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

The standard includes among others

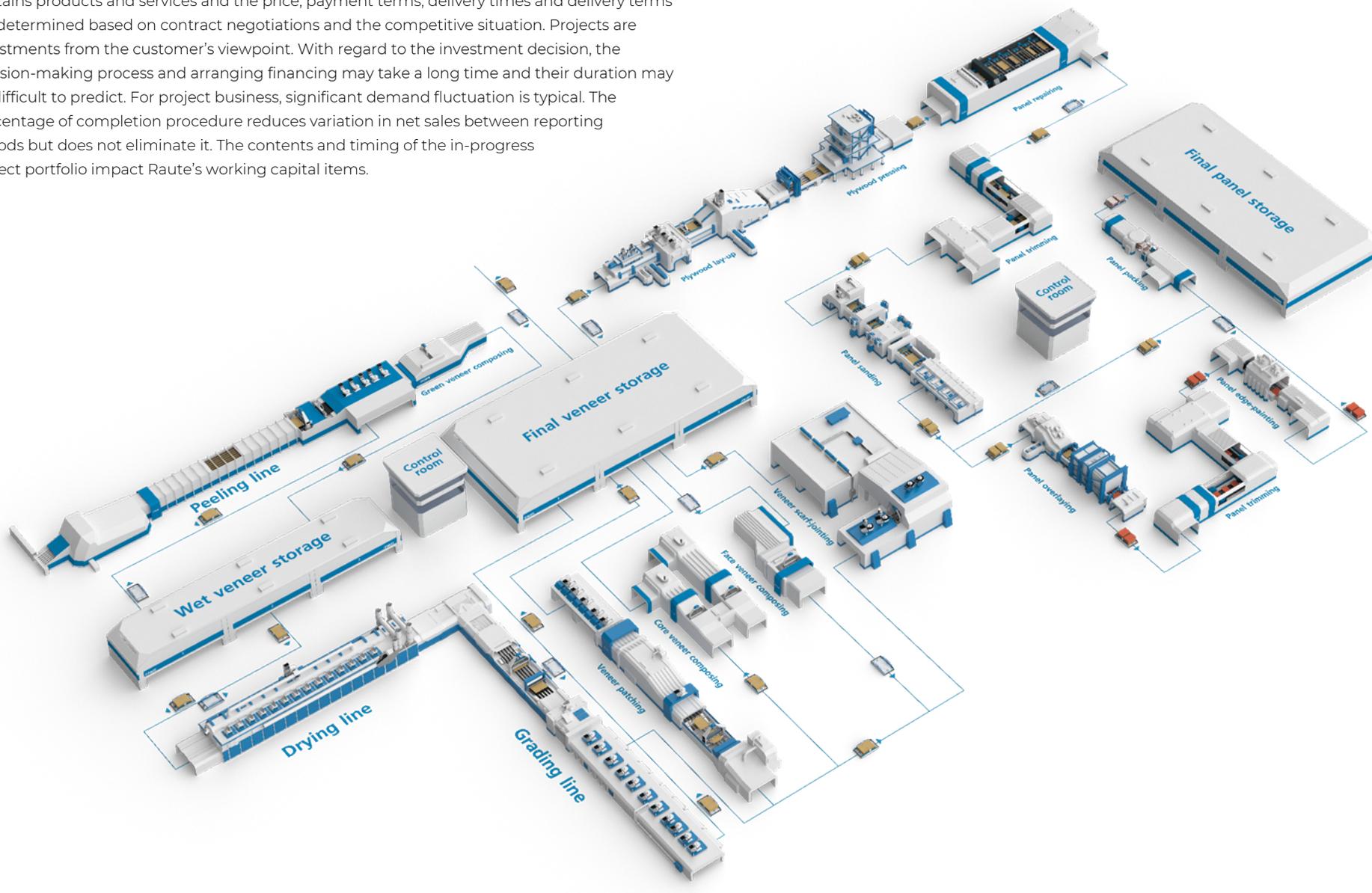
- new requirements concerning certain subsums presentation in Income Statement,
- new requirements concerning giving management defined, profitability describing figures,
- new requirements regarding principles for combining or specifying information.

The standard is applied for financial years beginning on or after 1 January 2027. The Group has started preparations for the introduction of the standard, and its impacts have been assessed. The chart of accounts and accounting guidelines have been updated to meet the new classification and presentation requirements, and the impacts on the presentation of the income statement have been assessed proactively. During 2026, comparative information in accordance with the IFRS 18 structure will be collected in order to present the required comparative figures for the financial year 2027.

The adoption of IFRS 18 will have an impact on the presentation of the result and notes to the consolidated financial statements. The structure of the income statement and the subtotals presented will change, but the standard is not expected to have a material impact on the Group's result or financial position.

PROJECT BUSINESS

A major share of the Group's business is project-type business in which the delivery package contains products and services and the price, payment terms, delivery times and delivery terms are determined based on contract negotiations and the competitive situation. Projects are investments from the customer's viewpoint. With regard to the investment decision, the decision-making process and arranging financing may take a long time and their duration may be difficult to predict. For project business, significant demand fluctuation is typical. The percentage of completion procedure reduces variation in net sales between reporting periods but does not eliminate it. The contents and timing of the in-progress project portfolio impact Raute's working capital items.



NOTE 1 - NET SALES

EUR 1,000	2025	%	2024	%
NET SALES				
Net sales by market area				
EMEA (Europe and Africa, excluding Finland)	59,314	34	81,822	40
EMEA (Finland)	69,917	40	32,176	16
NA (North America)	27,991	16	45,849	22
LAM (South America)	11,809	7	37,861	19
APAC (Asia-Pacific)	6,508	4	6,462	3
CIS (Russia)	-	-	413	0
TOTAL	175,539	100	204,583	100

Raute serves the wood products industry with a full-service concept based on technology solutions that cover the customer's entire production process and services. Raute's business consists of project deliveries and technology services. Project deliveries encompass projects from individual machine or production line deliveries to the deliveries of entire mill production process, covering all the required machines and equipment.

Additionally, Raute's full-service concept includes comprehensive technology services ranging from spare parts deliveries to regular maintenance and equipment modernizations, as well as consulting, training, reconditioned machinery and digital services. Project deliveries and technology services related modernizations include sales of both products and services, therefore the split of group's net sales into purely product and service sales cannot be presented reliably. Large mill or production line-scale delivery projects can temporarily increase the share of an individual customer of the Group's net sales to more than ten percent. At the end of the reporting period, the Group had one customer, whose customer-specific share of the Group's net sales temporarily exceeded ten percent.

Basis of preparation

Net sales include revenues recorded from the sale of project deliveries and technology services, as well as raw materials and equipment in the amount of consideration to which the group expects to be entitled in return for the goods or services delivered to the customer. The entered compensation amount takes into account the fixed transaction price adjusted by indirect taxes and variable compensation, such as discounts and penalties expected to be realized such as late fees. All components pertaining to each contractual entity have been treated as a whole and the same revenue recognition method is applied to them.

The revenue from the sales is recognized when or as control of the transferred goods or service passes to the customer. When determining the time of revenue recognition, it is analyzed whether control of the goods or service subject to the performance obligation is transferred over time or at a point in time.

The main part of the net sales is comprised of project deliveries and modernization projects belonging to the Technology Services are classified as performance obligations to be fulfilled over time. The principles of preparation of the performance obligations to be fulfilled over time has been presented on page 107.

Project deliveries and modernizations related to technology services include both product and service sales, and the breakdown of the Group's net sales into product and service sales is not separately presented.

Revenues from service maintenance and other expert services, such as consulting, training and digital services, is recognized as net sales for the period in which the service has been provided. Performance obligation of maintenance and other expert services is fulfilled over time as the customer receives and consumes the benefit at the same time as the service is performed. Revenues from other services is recognized in net sales for the period in which the service is provided.

Performance obligations to be fulfilled at a point in time include e.g. individual standard product deliveries and spare parts. Performance obligations related to the product and spare part deliveries are recognized as income based on the delivery terms.

Revenues from the sale of spare parts and other goods, as well as from standard product deliveries, i.e. from small and short-term projects, is recognized in full after the transfer of control to the customer. The control is considered transferred when the Group no longer has the right of possession or other control related to the product. In the sale of spare parts and goods, revenue is recognized at the moment when the goods have been delivered to the customer on the agreed terms of delivery.

The delivery terms used in the Group are based on Incoterms 2010 delivery clauses, which are presented in the official rules published by the International Chamber of Commerce for the interpretation of trade terms.

For small and short-term projects, revenue is recognized when the customer has accepted the delivery.

Raute grants its customers guarantees that certify that the product or project complies with the agreed requirements. The warranty period begins when the customer has accepted the project. Raute's warranties are either 12 months or 24 months long. The estimated costs during the warranty period are presented in the warranty reservations.

Raute does not adjust the transaction price with the effect of the time value of money if the time between receiving the payment and fulfilling the performance obligation is a maximum of one year. In the financial period 2025 and the comparison period, the Group has not had customer contracts from which the effect of a significant financial component would have been adjusted.

Raute does not record sales commissions or other possible additional costs resulting from obtaining the contract as an asset in the balance sheet, if the asset would be recorded as an expense within one year at the most, but are recorded as an expense at the time of completion.

EUR 1,000	2025	2024
Specification of net sales		
Performance obligations to be satisfied over time	130,437	155,647
Performance obligations to be satisfied at a point in time	45,102	48,936
TOTAL	175,539	204,583
	89,794	174,325
Amount of performance obligations to be satisfied over time not yet entered as income (order book)		
- of which related to contracts where maturity is more than one year and where it is expected to be recognised		
EUR 85,1 million during financial year 2026		
- of which financial year 2027 portion is EUR 4.7 million*		
Current customer contract assets	15,693	10,966
Current customer contract liabilities	17,611	44,007
Advance payments included in current liabilities in the balance sheet		
Current customer contract liabilities	17,611	44,007
Other advance payments received	1,421	2,000
Total	19,033	46,007

*Raute does not present information when the performance obligation is part of a contract with an initial expected duration of no more than one year.

SPECIFICATION OF NET SALES, SEGMENTS

EUR 1,000	1.1.-31.12.2025				1.1.-31.12.2024			
	Wood processing	Services	Analyzers	Group total	Wood processing	Services	Analyzers	Group total
Specification of net sales								
Performance obligations to be satisfied over time	122,148	-	8,289	130,437	146,797	-	8,850	155,647
Performance obligations to be satisfied at a point in time	2,120	38,294	4,688	45,102	377	42,091	6,467	48,936
TOTAL	124,268	38,294	12,977	175,539	147,174	42,091	15,317	204,583

Basis of preparation

Project deliveries and modernization projects recognized by percentage of completion and customized and tailored to customer's needs, shall be determined as a performance obligation over time. These performance obligations do not have the alternative use in IFRS 15, those constitute still one performance obligation and Group has the right to receive the payment for the performance produced at the time of review. As a rule, project deliveries and modernization sized and customized to the buyer's needs form a single performance obligation. If one contractual entity (e.g. mill-scale delivery) includes sub-entities (e.g. production lines) from which the buyer can benefit separately and according to the terms of the contract, the sub-assemblies can be separated from the rest of the contractual entity, they have been treated as separate projects.

The company applies the percentage of completion method as a revenue recognition principle in performance obligations to be fulfilled over time, so that the fulfillment rate is determined as the ratio of the project's realized expenses to the project's estimated total expenses, including estimates of the risks included in the contracts, adjusted by typical forecast refinements for similar contracts.

The estimates are based on previous experience with similar projects, and in addition, the estimates take into account the special features of each project. If the final result of the customer contract to be recognized based on percentage of completion has not been reliably assessed, the expenses arising from the project have been recorded as expenses for the same accounting period in which they were incurred, and the income from the project has only been recorded up to the amount when the amount of money corresponding to the realized expenses is available.

Project deliveries are typically fixed-price contracts. In fixed-price contracts, the customer pays a fixed amount according to the payment schedule. When it is likely that the total costs needed to complete the project will exceed total contract revenue, the expected loss is immediately recorded as expense and provision as a loss-making project. If the net sales of performance obligation to be satisfied over time recognized by percentage of completion (incurred costs and recognized profits) is larger than the amount of advance payment received for the project, the difference has been recognized as a current customer contract asset in the balance sheet item Accounts receivables and other receivables. If the net sales of performance obligation to be satisfied over time recognized by percentage of completion (incurred costs and recognized profits) are minor than the amount of advance payment received for the project, the difference has been recognized as a current customer contract liability in the balance sheet item Short-term advance payments received.

The scope and price of the contract can be changed during the project. At Raute, a contract change is typically caused by the customer increasing the scope of the contract with an additional contract. If the contract is changed and the increase cannot be separated from the partially completed and already revenue-generating part of the project, the contract change is treated as part of the existing contract so that the effect of the change increases the transaction price and total expenses.

Management key uncertainties related to estimates

The percentage of completion method is based on estimates of the expected project. Raute updates the cost forecasts of unfinished projects monthly in connection with reporting. The cost estimation is based on a project-specific calculation that identifies and defines different types of costs. The cost estimation is already prepared during the bidding phase of the project, and the estimation is updated monthly. Determining and updating the estimated total costs at the time of reporting requires estimates of the development of the total costs needed to complete the project. These estimates are based on Raute's previous experience with similar projects, and in addition, the estimates consider the special features of each project based on the best available information. Realized expenses in proportion to total estimated expenses describes, according to the management's discretion, in the most reliable and best verifiable way how Raute produces a deliverable, i.e., a project or service, when transferring it to the customer's control. If the estimates of the final result of the project have changed, the estimates related to the project have been changed in the period when the change was known or could be estimated for the first time.

Management judgement related to estimates

The recognition of sales revenue requires the determination of the sales revenue from the customer contract, i.e. the transaction price. The variable compensation is included in the transaction price in such a way that it is very likely that a significant reversal of the recorded sales revenue will not have to be made later, when the uncertainty related to the variable compensation is resolved.

At Raute, variable compensation is typically penalty-type discounts and incentives, and in some projects, payment posts, if the conditions for their payment cannot be assessed as very likely to be met.

Raute uses the cost to cost -method to estimate the completion rate, which, according to management's judgement, best reflects the actual progress of the projects.

SEGMENT INFORMATION

EUR 1,000	31.12.2025	31.12.2024
SEGMENT INFORMATION		
Wood Processing		
Net sales	124,268	147,174
EBITDA	16,035	10,931
Items affecting comparability	2,389	420
Comparable EBITDA	18,424	11,351
Services		
Net sales	38,294	42,091
EBITDA	6,591	6,767
Items affecting comparability	104	138
Comparable EBITDA	6,695	6,905
Analyzers		
Net sales	12,977	15,317
EBITDA	935	1,425
Items affecting comparability	82	104
Comparable EBITDA	1,017	1,529
SEGMENTS TOTAL		
Net sales	175,539	204,583
EBITDA	23,561	19,124
Items affecting comparability	2,575	662
Comparable EBITDA	26,136	19,785

Segment-related key performance indicators

The Board of Directors monitors profitability of the segments with the key figures EBITDA and comparable EBITDA. The Group has defined EBITDA as follows: EBITDA is the net sum calculated by adding other operating income to net sales; deducting purchase expenses that have been adjusted by changes in inventories of finished goods and work in progress and by expenses from production for own use; and by deducting expenses from employee benefits, as well as other operating expenses. Compared to EBIT in Income Statement, EBITDA does not include depreciation, amortization and possible impairment losses. Comparable EBITDA adjusts items affecting comparability off from the EBITDA. Reconciliation between EBIT, EBITDA and comparable EBITDA has been presented on page 109. All other income statement items are presented under operating profit before the profit for the financial year.

Basis of preparation

Raute Group's operations fall into three segments: Wood Processing, Services and Analyzers. The basis of the organization structure and operational segments is the scope of products and services delivered to the customers. The highest operational decision-maker responsible for allocating resources to the operating segment and evaluating its results is Raute Corporation's Board of Directors. The Board monitors profitability with the key figures EBITDA and Comparable EBITDA. Raute Corporation's Board of Directors do not monitor assets and liabilities for the segments on segment level.

Based on Raute's business model, nature of operations and the management structure, the combined data of the three operating segments coincides with the entire group's data, i.e. the income statement items from revenue to comparable EBITDA are allocated to the reportable segments. Raute considers items that affect comparability to be material and items that differ from normal business, related to restructuring costs and ERP renewal costs, impairments, gains and losses on the sale of assets, transaction costs related to business combinations, and litigation and arbitration costs. Raute Corporation's Board of Directors does not monitor the assets and liabilities on the segment level, therefore investments, assets and liabilities are presented only at the group level. In segment reporting, the principles of preparation of consolidated financial statements are followed. Raute Group's segments do not have inter-segment sales.

Wood Processing business unit includes Raute's core technology offering for veneer, plywood and LVL production. Delivery scope includes separate production equipment, modernizations, as well as full mill-scale projects, where Raute is a global market leader both in the plywood and LVL industries.

Analyzers business unit serves customers with Raute's latest measurement technology for sorting veneer, plywood and LVL, and special measurement equipment for sawn timber.

Services business unit focuses on Raute's full-service concept ranging from spare parts deliveries to regular maintenance, digital services and equipment upgrades.

The division into operating segments is based on the Group's internal decision-making order and is consistent with the financial reports submitted to the chief operating decision maker. Segment reporting follows the principles of presentation of the consolidated financial statements.

Allocation keys are used for the allocation of common costs between the reported segments, which are generally based on annual budgeted sales or expenses. The Raute Group's segments do not have inter-segment sales, but the turnover is entirely from external customers.

Information concerning the revenues is presented on note nr 1 Revenues. Project deliveries and modernizations included in the technology services comprise of both product and service sales, so the division between Group's product and service revenues cannot be reliably presented.

At the end of the financial year 2025, the Group had one customer, whose customized share of the Group's net sales temporarily exceeded ten percent. Three clients exceeded 10 per cent revenue threshold during the financial year 2024.

COMPARABLE EBITDA

EUR 1,000	1.1.-31.12.2025				1.1.-31.12.2024			
	Wood processing	Services	Analyzers	Group total	Wood processing	Services	Analyzers	Group total
EBITDA	16,035	6,591	935	23,561	10,931	6,767	1,425	19,124
Items affecting comparability	2,389	104	82	2,575	420	138	104	662
Comparable EBITDA	18,424	6,695	1,017	26,136	11,351	6,905	1,529	19,785

COMPARABLE EBITDA

MEUR	1.1.-31.12.2025	1.1.-31.12.2024
Comparable EBITDA	26.1	19.8
Items affecting comparability:		
Restructuring costs	-2.1	-0.1
Costs related to new ERP system	-0.5	-0.6
Total items affecting comparability	-2.6	-0.7
EBITDA	23.6	19.1
Depreciations	-5.3	-5.4
Impairments	-1.0	-
Operating result	17.3	13.7
Financing expenses, net	0.3	1.4
Result before tax	17.6	15.1

EUR 1,000	1.1.-31.12.2025				1.1.-31.12.2024			
	Wood Processing	Services	Analyzers	Total	Wood Processing	Services	Analyzers	Total
Net sales by market area								
EMEA (Europe and Africa, excluding Finland)	42,503	11,949	4,862	59,314	66,110	11,868	3,844	81,822
EMEA (Finland)	61,799	5,048	3,070	69,917	22,820	5,202	4,154	32,176
NA (North America)	12,965	12,502	2,524	27,991	26,475	15,806	3,567	45,849
LAM (South America)	4,657	6,113	1,039	11,809	29,752	5,876	2,234	37,861
APAC (Asia-Pacific)	2,344	2,682	1,482	6,508	1,741	3,144	1,577	6,462
CIS (Russia)	-	-	-	-	276	196	-58	413
TOTAL	124,268	38,294	12,977	175,539	147,174	42,091	15,317	204,583

NOTE 2 - ACCOUNTS RECEIVABLES - CURRENT CUSTOMER CONTRACT ASSETS

EUR 1,000	2025	2024
ACCOUNTS RECEIVABLES AND OTHER RECEIVABLES		
Accounts receivables	6,533	8,272
Customer contract assets	15,693	10,966
Accrued income and prepaid expenses	3,889	3,482
Derivative contract receivables	632	64
Value added tax receivables	353	620
Other receivables	369	1,500
TOTAL	27,470	24,905
Substantial items included in accrued income and prepaid expenses		
Accrued employee related expenses	-	-
Income tax receivable	20	42
Accrued purchase invoices	2,633	2,170
Other accrued income and prepaid expenses	1,235	1,269
TOTAL	3,889	3,482

Basis of preparation

The Group's accounts receivables and other receivables include accounts receivables, customer contract assets, accrued income and prepaid expenses, derivative contract receivables and other receivables.

Information on impairments related to assets based on accounts receivables is presented in Note no. 18 Derivatives. The fair values of the receivables are presented in Note no. 24 Financial assets.

Key uncertainties related to estimates requiring management judgment

The management has assessed the ability of customers and other counterparties to meet their ability to settle the commercial receivables and payment obligations related to loans. According to management's judgment, there are risk factors associated with the receivables of some projects. Due to these risk factors, write-downs of receivables of EUR 2.3 million have been made in the financial statements, targeting one project. In addition, individual smaller provisions for credit losses based on management's judgment have been made.

Basis of preparation

Trade receivables are receivables that arise from products or services sold to customers in the ordinary course of business. The receivable is presented in trade receivables when only the passage of time is required for the payment to be due. Sales and other revenue is recognized in accounts receivable at the original receivable amount. Current accounts receivables are valued at the amount of the original receivable and their book value is equal with their fair value. The payment terms of customer contracts are primarily based on the percentage of completion of the project, specified in the customer contract, the service level performed, the payment schedule or the goal agreed in the contract. The payment term is 30 days on average.

Assets based on customer contracts are presented as the amount by which the revenue generated according to the stage of completion of an individual customer contract to be recognized over time exceeds the amount of the advance payment received, but for which there is still no sales invoice. The balance sheet values of accounts receivable and assets based on customer contracts are presented in note Financial assets.

The credit risk related to the accounts receivables has been estimated according to the standard IFRS 9 based on evaluation of the validity period expected for accounts receivables at the balance sheet date. Raute Group has applied the simplified approach allowed for recognition of credit losses of accounts receivables, because accounts receivables do not contain significant financing component. The accounts receivables have been grouped for determination based on age distribution and a credit risk characteristic. The expected credit loss is based on historical credit loss amounts, considering the individual estimates for each claim. Estimated impairment losses have been recognized through profit or loss.

The value of the accounts receivable on the balance sheet has been reduced by 297 thousand euros (805 thousand euros) based on the expected credit loss. The amount of receivables of project recognition overtime has been reduced in the accounting period by the expected losses, 2,338 thousand euros (931 thousand euros). If the amount of the impairment loss decreases in any subsequent financial year and deduction may be considered to be related to the recognition of impairment after the event, the recognized loss is reversed through profit or loss.

The impact of the impairments of expected credit loss allowance on accounts receivable was EUR 881 thousand negative (EUR 1,574 thousand negative) due to the increase in credit loss allowance previously recognized. Impairments are recognized to the item Other operating expenses in the income statement. The information of credit losses on the accounts receivables has been presented in Note Impairment of financial assets.

Risk management

The total value of accounts receivables and customer contract assets in the balance sheet corresponds to the amount of money that is the maximum amount of credit risk at the balance sheet date without taking into account the fair value of collateral and contractual obligations arising later in the case that the contractual parties are unable to fulfill their obligations to pay in accordance with the sales contract.

The Group's credit or counterparty risk materializes when a customer or other counterparty is unable to fulfill its commitments to the Group. Receivables related to accounts receivables and current customer contract assets are written off the balance sheet as final credit losses when the contractual payment is significantly delayed, eg. due to significant financial difficulties of counterparty.

According to the principles of credit management, the quality of receivables is assessed based on customer-specific analysis. Credit risks related to contractual counterparties of project deliveries are managed for established suppliers and customers by advance payment terms and/or by expecting bank guarantees or confirmed letters of credit for the unpaid purchase price. Credit risks related to technology services are managed by regularly monitoring the customer-specific amounts of receivables and customers' payment behavior.

The maximum credit risk relating to customers' solvency is the amount of receivables relating to binding sales contracts that are not covered by bank guarantees, letters of credit or other securities. Received bank guarantees and letters of credit covered 39.8 percent (23.3%) of the accounts receivables and the customer contract assets recorded in the balance sheet and 37.9 percent (16.4%) of the order backlog at the end of the financial year. A main part of the receivables was related to established counterparties and customers. During the financial year, a credit loss amounting to EUR 272 thousand (EUR 44 thousand) has been recognized as an expense. No significant credit risk clusters were recognized in the accounts receivables at the balance sheet date.

NOTE 3 - MATERIALS AND SERVICES – PROVISIONS

EUR 1,000	2025	2024
MATERIALS AND SERVICES		
Purchases during the financial year	-60,493	-90,953
Change in inventories, materials and supplies	-4,459	-800
External services	-13,182	-9,377
TOTAL	-78,133	-101,131

Basis of preparation

Purchases include materials and raw materials, as well as variable costs related to purchasing and manufacturing the products. External services include variable costs of production and subcontracting costs as well as service payments to suppliers.

Risk management

The raw materials used by the Group are reprocessed steel products, other raw materials, components, and commodities. It is not possible to actively hedge against their market price risk with derivatives. The price risk of steel is managed by regular price variation analysis and monitoring. The price risk of components is reduced by making blanket agreements with suppliers. The price risk of the electric power used in the Group's production processes is monitored and managed with fixed-price energy supply contracts.

At the balance sheet date, there were no derivatives hedging price risk that would have affect the result.

NOTE 4 – PROVISIONS

EUR 1,000	2025	2024
PROVISIONS		
Warranty provisions		
Book value at Jan. 1	2,292	2,247
Additions	2,706	2,180
Decrease	-1,810	-2,148
Warranty period expired	-893	-1,616
Realized warranty costs	-917	-532
Exchange differences	-25	14
Book value at Dec. 31	3,163	2,292
Other provisions		
Book value at Jan. 1	357	98
Additions	24	330
Decrease	-331	-72
Exchange differences	-25	1
Book value at Dec. 31	26	357
TOTAL	3,190	2,649
from which		
- non-current	1,171	454
- current	2,019	2,195

Basis of preparation

A **provision** has been recognized when the Group has had a present legal or constructive obligation based on an earlier event at the time of financial statement and it has been probable that the fulfillment of the obligation will require a later payment, and when the amount of this obligation can be reliably estimated.

A provision related to warranty obligations is recognized through profit or loss when revenue from a long-term project, service or spare part including a warranty clause is recognized. The amount of the warranty provision is estimated at the beginning of the project, and it is based on experience-based information about the realization of warranty expenses. The unused provision has been recognized as income at the end of the warranty period and expiry of the warranty obligations. The warranty provisions for customer contracts that will be realized over time are included in the projected total costs of the project. Provision for a loss-making contract has been recognized when the estimated total production costs exceed the contract value. Other provisions consist of cost overrun to the projects. Typically for project business, the amount of reservations varies each year.

Raute grants its customers guarantees that certify that the product or project complies with the agreed requirements. The warranty period begins when the customer has accepted the project. Raute's warranties are either 12 months or 24 months long. These obligations are recorded as short-term and long-term provisions. Long-term provisions include items that extend more than 12 months from the reporting date. Items with a duration of less than 12 months are recorded as short-term provisions.

Other provisions last less than 12 months and are included in the short-term provisions item.

Management's critical accounting estimation related uncertainty

In assessing the amount of warranties and other provisions, management's experience-based estimates of the warranty cost of the products, considering the specific product and contract risks.

Management's critical accounting judgments related uncertainty

Management judgement is used for potential costs that deviate from normal provisions. Such judgment can be applied, for example, in assessing provisions related to legal proceedings. A provision related to a legal case is recognized if it is probable that the company will have to pay compensation to the counterparty and the amount of the obligation can be reliably estimated.

Contingent liabilities

During the first quarter of 2025, Raute received information that Chongzuo Guanglin Difen New Materials Technology Co., Ltd. has filed a request for arbitration against Raute (Changzhou) Machinery Co., Ltd, a subsidiary of Raute Corporation. According to Raute, the claims made by Chongzuo Guanglin Difen New Materials Technology Co., Ltd. are unfounded and lack any factual basis. Moreover, the terms of the agreement do not substantiate the claims from the customer, and Raute has met all contractual obligations. According to management's estimates, no expense provision has been recorded for the 2025 financial year.

NOTE 5 - PERSONNEL AND PERSONNEL COSTS

	2025	2024
NUMBER OF PERSONNEL		
Employed at Dec. 31, persons		
Workers	215	251
Office staff	483	532
TOTAL	698	783
Personnel working abroad	160	231
Effective, on average, persons		
Workers	217	233
Office staff	493	507
TOTAL	710	740
Personnel working abroad, effective, on average	191	196
EUR 1,000		
EMPLOYEE BENEFITS EXPENSES		
Wages and salaries	-41,967	-52,107
Share-based benefits	-408	-611
Pension contributions	-6,284	-6,030
Other personnel costs	-2,097	-766
TOTAL	-50,757	-59,514

Basis of preparation

Wages and salaries include basic salaries with fringe benefits, profit and performance rewards (performance-based bonuses) and long-term incentive schemes recorded on an accrual basis during the financial year. Information on share-based payments is disclosed on page 116, Share-based incentive schemes.

Performance-based bonus systems based on annual targets

The performance-based bonus system includes bonus systems for the CEO and for the Group's Executive Board, key personnel and the other personnel. A person can receive the bonus from one of these performance bonus systems at a time. The Board of Directors annually confirms the principles, maximum amounts and calculation method for the remuneration systems. The performance bonus system is in force for one year at a time. Prerequisite for the bonus payment is positive Group's profit.

In the performance bonus systems for the CEO, other members of the Group's management team and key personnel, the basis for payment of the bonus is the Group's and the individual's own unit's financial indicators (revenue and profit) and the unit or personal targets set for the year related to the position.

In the performance bonus system for all personnel, the basis for payment of the bonus is the Group's operating result.

Performance-based bonus systems based on annual targets has been recognized as a provision when the Group has a contractual obligation or when a constructive payment obligation has arisen from an earlier practice.

Management's critical accounting judgments and estimation

The expense and debt to be recorded from performance-based reward systems based on annual goals are based on calculations of rewards based on valid contracts. In evaluating the amount of performance bonuses, the management has used estimates of the achievement levels of the targets related to the results, quality and operations of individuals and different groups of individuals.

Pension plans

Pension plans have been classified as defined benefit and defined contribution plans. Under a defined contribution plan the Group pays fixed contributions to a separate insurance company, after which the Group has no other payment obligations. In addition, the Group has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay retirement benefits. Payments made to defined contribution pension plans are recognized in the income statement as an expense for the period in which they were due. The Finnish statutory employment pension scheme and the pension plans of foreign subsidiaries are classified as defined contribution plans. The company does not have defined benefit pension plans.

Share-based payment plan for senior management

The Group's management and key personnel are covered by the company's share-based long-term incentive plan. The system consists of a performance-based share reward system (Performance Share Plan "PSP") as the main structure and a conditional share reward system (Restricted Share Program "RSP") as a supplementary share reward system. The purpose of the plan is to align the objectives of the owners and management to develop the company's value and to commit the management and key personnel to the company and to the achievement of the company's strategic goals by offering them a competitive long-term incentive plan. The incentive plan is described in detail on company's website www.raute.com.

The company's Board of Directors decides separately on when each plan commences, the length of the earning period, the performance targets, the persons entitled to the program and the earning opportunity.

The rewards payable based on the Performance Share Plan and on the Restricted Share Program will at the company's choice either be paid in listed shares of Raute or in cash based on the value of the share reward at the time of payment. The reward can for example be paid partly in listed shares of Raute and the rest in cash to cover the tax consequences caused for the recipients due to the receiving of the share rewards. The share part will as an assumption be transferred from company's own shares if such are possessed, where in that part no dilution effect would take place for the shareholders' ownings. The purchase and administration of company's own shares is handled by Evli Alexander Incentives Oy (EAI) based on and according to incentive-related own shares purchase financing Finnish Company Act clauses. EAI Raute Holding Oy purchases shares according to the contract financed by Raute, which are used entirely as part of Raute's share-based incentive schemes according to its terms. At the end of the financial period, EAI Raute Holding Oy controlled by Raute possessed 70,504 Raute shares.

The board is entitled to limit the remuneration paid from the long-term incentive systems, if the remuneration exceeds the threshold value proportional to the key person's fixed gross annual salary. If the participant's employment or business relationship ends before the reward is paid, the reward will not be paid as a general rule.

In accordance with the ownership recommendation of the company abides by, the members of the company's Executive Board are expected to accrue and, after attaining, to retain in their ownership an amount of the company's shares that equals, for the CEO, his/her gross annual fixed salary, and for the other Executive Board members, their six months' gross fixed salary. The members of the Executive Board are expected to use 50 per cent of the net bonus he/she receives from the plan to accrue his/her share ownership until such ownership meets the recommended level.

The impact of the share-based incentive plan on the result of the financial year was EUR 408 thousand (EUR 611 thousand). During the financial year, the estimate of shares to be earned has been updated in accordance with the latest forecast. At the end of the financial year, EUR 1022 thousand (EUR 991 thousand) was allocated to the equity item "Other reserves" from the share-based incentive schemes in force.

Performance-based incentive plans in force 2025 (Performance Share Plan "PSP")

PSP Plan 2023-2025

PSP 2023-2025 started in the beginning of 2023 and it consists of three-year earning period, for which two performance indicators are adopted. Another performance indicator is defined EBITDA targets with a weight of 60 percent. The other is defined net sales targets, which is weighted 40 percent. Based on both performance indicators potentially payable incentives will be paid after the expiry of the three-year program and finalization of the financial statements during the spring 2026 provided that the performance targets set by the Board of Directors are achieved.

PSP Plan 2024-2026

PSP 2024-2026 started in the beginning of 2024 and it consists of three-year earning period, for which two performance indicators are adopted. Another performance indicator is defined EBITDA targets with a weight of 60 percent. The other is defined net sales targets, which is weighted 40 percent. Based on both performance indicators potentially payable incentives will be paid after the expiry of the three-year program and finalization of the financial statements during the spring 2027 provided that the performance targets set by the Board of Directors are achieved.

PSP Plan 2025-2027

PSP 2025-2027 started in the beginning of 2025 and it consists of three-year earning period, for which two performance indicators are adopted. Another performance indicator is defined EBITDA targets with a weight of 70 percent. The other is defined net sales targets, which is weighted 30 percent. Based on both performance indicators potentially payable incentives will be paid after the expiry of the three-year program and finalization of the financial statements during the spring 2028 provided that the performance targets set by the Board of Directors are achieved.

Conditional share bonus systems (Restricted Share Plan "RSP")

RSP 2023-2025, RSP 2024-2026 and RSP 2025-2027

Conditional share bonus systems aims at committing, encouraging and rewarding separately selected Raute key personnel members and align their objectives with those of the owners by creating them a long-term shareholding objective to develop the company's value in long term. Conditional share bonus system can also include Raute's Group management team members. The length of the program is in entirety three years, during which the company can promise fixed EUR-amount share bonuses to separately selected key personnel applying a commitment period of a maximum of three years. The share bonus is paid after the commitment period applicable to the respective individual share bonus offer. The company can, according to its choice, pay the promised share bonuses either as a one-time payment or in several installments within the three-year total duration of the program. Payment of the bonus requires that the recipient's employment or business relationship with Raute still continues at the time of payment of the bonus. Under the RSP, the amount of remuneration paid to participants is limited by a maximum value, which is linked to the development of Raute's share price based on the coefficient set by the company. The Board of Directors has decided three RSPs in force: RSP 2023-2025, RSP 2024-2026 and RSP 2025-2027. RSP 2023-2025 started during 2023 and covers years 2023-2025. RSP 2024-2026 started during 2024 and covers years 2024-2026. RSP 2025-2027 started during 2025 and covers years 2025-2027.

Basis of preparation

Share-based payment plans have been recognized as an expense during the earnings period in the income statement item employee benefits expense. The fair value of the benefit is the share value at the benefit's grant date. The amount to be recognized as an expense is based on an estimate of the number of shares to which the right is expected to arise during the earnings period.

An estimate of the shares to be earned is evaluated on each balance sheet date. If the estimate changes in later periods, the change is adjusted to the income statement to the period in which the change is detected. The counter account for the portion of share-based reward systems that is paid in shares is the Other reserves.

GRANTED PERFORMANCE-BASED SHARE BONUSES

	PSP Plan 2025-2027	PSP Plan 2024-2026	PSP Plan 2023-2025	PSP Plan 2022-2024
Grant date	Apr 17, 2025	May 6, 2024	Apr 17, 2023	Feb 10, 2022
Bonus shares maximum, pcs	90,000	53,350	64 000	41 000
Indicator period starts	Jan 1, 2025	Jan 1, 2024	Jan 1, 2023	Jan 1, 2022
Indicator period ends	Dec 31, 2027	Dec 31, 2026	Dec 31, 2025	Mar 31, 2025
Vesting period ends	Mar 31, 2028	Mar 31, 2027	Mar 31, 2026	Mar 31, 2025
Share fair value at grant date, eur	15,05	11,25	8,16	16,65
Granted shares at 1 January 2025, pcs	0	53,350	63,816	19,423
Shares granted during the period	85,180	0	2,969	0
Shares forfeited during the period	4,600	5,760	7,372	389
Shares realized during the period	0	0	0	19,034
Granted shares at 31 December 2025, pcs	80,580	47,590	59,413	0

GRANTED SHARE BONUSES

	RSP 2025-2027	RSP 2024-2026	RSP 2023-2025	RSP 2022-2024
Grant date	No shares granted	No shares granted	Apr 17, 2023	Oct 24, 2022
Bonus shares maximum, pcs	68 000	68 000	72,000	76 000
Vesting period starts	Jan 1, 2025	Jan 1, 2024	Jan 1, 2023	Jan 1, 2022
Vesting period ends	Mar 15, 2028	Mar 15, 2027	Mar 15, 2026	Mar 15, 2025
Share fair value at grant date	No shares granted	No shares granted	8,42	8,86
Granted shares at 1 January 2025, pcs	0	0	67,084	25,611
Shares granted during the period	0	0	1,851	0
Shares forfeited during the period	0	0	2,304	0
Shares realized during the period	0	0	33,851	25,611
Granted shares at 31 December 2025, pcs	0	0	32,780	0

Management's accounting judgments and estimation
Management judgements

The management judgement has been used to set the performance level which is the basis of the bonuses and the number of people entitled to the bonuses at the end of the vesting period in PSP and RSP programs.

Management estimations used

On the balance sheet date, the management has estimated the number of shares earned from the share-based incentive plans.

Related-party transactions

Raute Group's related parties include the group's subsidiaries, group parent company's board members, group's CEO and group management. Group's related parties include also these persons' close family members and entities, which are in their control or in common control. Raute Group parent company's management consists of the board of directors, the CEO and the group's executive team.

Compensation paid to related parties is presented in the following table:

EUR 1,000	2025	2024
Salaries and remunerations of the President and CEO		
Mika Saariaho, President and CEO		
Salaries and other short-term employee benefits	525	486
Post-employment benefits	94	87
Share-based benefits	239	120
TOTAL	859	694
Remuneration of the Parent company's Board of Directors		
Members of the Board of Directors		
Raitio Laura, Chair of the Board of Directors	55	49
Mustakallio Mika, Vice-Chair until 4 April 2024	-	8
Bask Joni, Board member (Vice-Chair as of April 4, 2024)	29	26
von Essen Patrick, Board member until 4 April 2024	-	8
Harmaala Ari, Board member	28	25
Perttula Petri, Board member until 4 April 2024	-	8
Piik Ari, Board member	28	25
Kettunen Mikko, board member from 4 april 2024	32	20
Manni Julius, board member from 4 april 2024	29	18
Virnes Jenni, board member from 4 april 2024	29	18
TOTAL	230	205
Group Executive Board's employee benefits on an accrual basis		
Salaries and other short-term employee benefits	1,368	1,241
Post-employment benefits	246	223
Share-based benefits	346	14
TOTAL	1,960	1,478

The CEO has the option of a performance bonus, which depends on the achievement of the goals set annually and is a maximum of 60% of the basic annual salary. The CEO's notice period is six months, and an amount equivalent to twelve months' salary is paid as severance pay.

Information about the long-term share-based incentive plan for top management is presented in Note Employee benefits, page 116-118.

Pension obligations of the President and CEO and the Board Members are determined according to the Employees Pensions Act. Other special conditions concerning retirement or the amount of retirement allowance have not been agreed on. The statutory pension cost in the financial year 2025 was EUR 375 thousand (EUR 302 thousand). Remunerations paid to the Board of Directors in the financial year 2025 do not include the statutory retirement obligation.

Raute's **Remuneration report** contains information on the remuneration of the Board of Directors and the President and CEO. Up-to-date information is available on the company's website at www.raute.com.

On December 31, 2025, the **Board of Directors and the Group's President and CEO and the Group's Executive Board held** altogether 141,547 shares, which represented 2.3 percent of the company shares and the votes. The figures include the holdings of their own, close family members and control entities.

During the financial year no loans have been granted to the company's management. No pledges have been given or other commitments made on behalf of the company's management and shareholders.

Equity financing instruments

Convertible perpetual loans are handled in IFRS accounting as equity as interest payments and repayments can be decided by the company and repayments cannot be requested by the holders. The related transaction costs are deducted from the equity. The loans are shown as a separate item in the equity. The junior loans do not confer to the holders the rights of a shareholder.

Raute agreed with LähiTapiola and Veritas on convertible Junior Loans amounting to EUR 3 million year 2023. The drawdown date for the Junior Loans was 16 June 2023. The loans are perpetual. The annual floating rate during the first 3-year period is 7.50 per cent added with six (6) months EURIBOR. The company has an option, but no obligation, to pay the loans back after the first 3-year period in 2026. After the first 3-year period there is a step-up in the interest rate of the loans to 12.50 per cent added with six (6) months EURIBOR.

The borrowers have the right to convert the remaining principal of the Junior Loan in full, but not in part, into new shares in Raute in one instalment in accordance with the terms and conditions of the share options related to the junior loan. At the end of the review period, the share subscription price is EUR 12.14. The loan amount gives the borrowers the right to subscribe for a maximum of 247,117 new shares in the company.

NOTE 6 – OTHER OPERATING INCOME

EUR 1,000	2025	2024
OTHER OPERATING INCOME		
Capital gain on sale of fixed assets	17	43
Other	141	81
TOTAL	159	123

Basis of preparation

Income not included in net sales, such as rental income, insurance compensations and capital gains, is recognized in **other operating income**. Rental income is recognized in equal installments for the rental period.

NOTE 7 - OTHER OPERATING EXPENSES

EUR 1,000	2025	2024
OTHER OPERATING EXPENSES		
Indirect production expenses	-3,390	-5,138
Renting expenses	-1,107	-888
Sales and marketing expenses	-1,733	-1,572
Credit losses actualized and expected	-1,171	-1,574
Administration expenses	-6,567	-6,495
Loss on disposal of fixed assets	-	-48
Voluntary social expenses	-1,041	-1,084
Premises and real estate expenses	-1,375	-1,592
Travel expenses	-1,404	-1,383
Outsourced services	-4,914	-3,258
Vehicle expenses	-38	-70
Other expenses	-40	-357
TOTAL	-22,779	-23,460
Auditors' remunerations		
Authorized Public Accountants Pricewaterhouse Coopers Oy		
Audit expenses, statutory	-158	-172*
Audit expenses, other assignments according to the Audit Act	-	-3*
Audit expenses, other services	-90	-87*
Audit expenses, tax services	-	-
Total	-248	-262*

* The 2024 figures have been changed (-191)

Basis of preparation

In other business expenses, the profit-affecting items belonging to the business are recognized by expense category. Other individual items included in the income statement, such as direct purchases, inventory changes and personnel costs, are presented in connection with the information about the corresponding item in the income statement.

Lease agreements, which include the right to use the leased asset, are recorded in the right-of-use asset in the balance sheet. Information about lease agreements is presented in note 13 Lease agreements. In addition, short-term and low-value lease agreements rental payments have been recorded in other business expenses.

The Parent company's auditor during the financial year was the Authorized Public Accountants PricewaterhouseCoopers Oy. The statutory audit fee includes the audit fees related to the audit of the current financial year. Other expert services and tax advice include fees for other services performed by the audit firm, recognized on an accrual basis for the accounting period. The fees do not include travel costs and fees payable to the authorities arising from auditing or other assignments.

NOTE 8 - INCOME TAXES

EUR 1,000	2025	2024
INCOME TAXES		
Consolidated income statement		
Current tax based on the taxable result of the financial year	-1,756	-1,051
Current tax of previous financial years	126	374
Change in deferred taxes	-3,027	-2,347
TOTAL	-4,657	-3,024
Reconciliation of the relationship between realized tax expense and theoretical accounting result using the Finnish tax rate of 20.0 percent		
Result before taxes	17,603	15,134
Tax effect of the following items:		
Taxes calculated using the Finnish tax rate, 20.0 %	-3,521	-3,027
Effect of differences in tax rates of foreign subsidiaries	-145	-211
Non-taxable income	463	360
Non-deductible costs in taxation	-23	-12
Taxes from the previous financial years	126	374
Utilization of previously unrecognized tax losses	-	-
Unrecognized tax assets from the losses of foreign subsidiaries	-796	-
Other items	-762	-508
Income taxes in the consolidated income statement	-4,657	-3,024
Effective tax rate, %	26.5	20.0

Basis of preparation

The taxes in the consolidated income statement include the current tax based on the Group companies' taxable income, as well as tax adjustments for previous years and the change in deferred taxes. Current tax based on taxable income is calculated from taxable income using the tax rate in force in each country. Taxes have been recognized in the income statement, except when they are related to other comprehensive income items or recognized directly in equity. In such a case, the tax has also correspondingly been recognized in other comprehensive income items or directly in equity.

The Group companies may receive tax deductions related to certain new investments or expenses under certain conditions. These tax credits are treated as deductible from taxes at the moment when it is highly probable that the tax deduction will be received. The tax credit reduces the tax liability and the tax expense based on the taxable income of the period.

Deferred taxes are recognized on temporary differences between the accounting and taxation value. Deferred tax has been determined using tax rates that have been enacted or substantively enacted by the balance sheet date and have been expected to apply when the related deferred tax asset shall be realized or the deferred tax liability shall be settled. The most significant temporary differences have arisen from the amortization of tangible fixed assets, fair value adjustments of available-for-sale financial assets, fair value adjustments of derivatives and unused tax losses.

The undistributed profits of foreign subsidiaries are not recognized as **deferred tax liabilities**. The assets are invested permanently in the countries in question. The translation differences generated by the consolidation of foreign subsidiaries are not recognized as deferred tax liabilities.

Deferred tax assets have been recognized to the extent that it is probable that taxable profits will be available in the future, against which temporary differences can be utilized. The conditions for recording a deferred tax asset have been assessed at the end date of each reporting period. Deferred tax assets and liabilities have been offset to the extent that there is an enforceable right to offset current tax liabilities based on taxable income for the financial year and tax assets based on taxable income for the financial year, and where the deferred tax assets and liabilities relate to the same taxation authority.

Key uncertainties related to management judgement and estimation
Management judgement

The Group is liable to income tax in Finland and several other countries. On the balance sheet date, management's judgement has been used to determine the amount of tax based on taxable profit for the financial year, uncertain tax views and deferred tax assets and liabilities.

Management estimations

The management estimates how likely it is that the Group companies will be able to generate taxable income in the future, against which unused tax losses can be utilised. The estimates used in the estimates on the balance sheet date may differ from the actual estimates, in which case changes in tax assets will result in expense entries in the income statement.

NOTE 9 - DEFERRED TAX ASSETS AND LIABILITIES

DEFERRED TAX ASSETS

EUR 1,000	1.1.2025	Entered through profit or loss	Entered in comprehensive income statement	Recognized in shareholders' equity	31.12.2025
Intercompany inventory profit	20	-16	-	-	4
Provisions	247	-247	-	-	0
Employee benefits	0	-	-	-	0
Tax losses and credits unused	1,766	-1,766	-	-	0
Other temporary differences	1,379	-663	0	-	716
Deferred tax assets, total	3,413	-2,692	0	-	721
Offset from deferred tax liabilities	-196	196	-	-	0
Deferred tax assets, net	3,217				721

COMPARISON YEAR

EUR 1,000	1.1.2024	Entered through profit or loss	Entered in comprehensive income statement	Recognized in shareholders' equity	31.12.2024
Intercompany inventory profit	36	-16	-	-	20
Provisions	253	-6	-	-	247
Employee benefits	0	-	-	-	0
Tax losses and credits unused	4,088	-2,322	-	-	1,766
Other temporary differences	1,384	-5	0	0	1,379
Deferred tax assets, total	5,761	-2,348	0	-	3,413
Offset from deferred tax liabilities	-196	-	-	-	-196
Deferred tax assets, net	5,566				3,217

The amount of deferred tax asset recognized in Raute Group's balance sheet on December 31, 2025, was EUR 0.7 million (EUR 3.2 million). Deferred tax assets is recognized up to the extent that future return expectations are estimated to generate taxable income against which the temporary difference can be utilized.

A deferred tax asset has not been recognized for the losses of the foreign subsidiaries from the fiscal year 2025 (no reconized deferred tax asset from the year 2024).

DEFERRED TAX LIABILITIES

EUR 1,000	1.1.2025	Entered through profit or loss	Entered in comprehensive income statement	Recognized in shareholders' equity	31.12.2025
Financial assets at fair value	-112	112	-	-	0
Effect of Group consolidation	327	210	-	-	537
Other temporary differences	27	13	-	-	39
Deferred tax liabilities, total	242	335	0	0	577
Offset to deferred tax assets	-196	196	-	-	0
Deferred tax liabilities, net	46				577

COMPARISON YEAR

EUR 1,000	1.1.2024	Entered through profit or loss	Entered in comprehensive income statement	Recognized in shareholders' equity	31.12.2024
Financial assets at fair value	-112	-	-	-	-112
Effect of Group consolidation	302	26	-	-	327
Other temporary differences	40	-13	-	-	27
Deferred tax liabilities, total	229	13	0	0	242
Offset to deferred tax assets	-196	-	-	-	-196
Deferred tax liabilities, net	33				46

The amount of deferred tax liabilities recognized in Raute Group's balance sheet on December 31, 2025, was EUR 0.6 million (EUR 0.0 million).

NOTE 10 - GROUP GOODWILL

EUR 1,000	2025	2025
GOODWILL		
Goodwill at the beginning of the year	1,714	1,714
Increases	-	-
TOTAL	1,714	1,714

Basis of preparation

Goodwill is the amount by which the acquisition cost has exceeded the fair value of the group's share of the acquired company's identifiable assets and liabilities at the time of acquisition. Identifiable assets acquired in connection with the business acquisition are presented in the balance sheet item Other tangible assets. These items are depreciated during their economic life. The Group's goodwill is valued at the original acquisition cost less impairment losses. Regular depreciation is not recorded on the Group's goodwill. The Group's goodwill is tested annually and always if any indication of impairment exists.

Impairment testing

For the impairment testing, the goodwill is allocated in accordance with the group's new operating segment structure to the cash-generating units (CGUs), where the business is located. Goodwill is allocated to CGUs according to which business unit the goodwill is monitored. Group's operating segments are the same as group's cash-generating units (CGUs). Group's goodwill is entirely belonging to the Analyzers CGU (operating segment).

The recoverable amount of the CGU is determined by using value-in-use calculations, which require the use of assumptions. The cash flows estimate in the calculations are based on the management's judgement and the budgets approved by the management. The discount rate for the calculations is based on the weighted average cost of capital (WACC) in the business area.

A possible goodwill impairment loss is immediately recognized in the income statement. The previously recorded goodwill impairment loss is not reversed.

The management has evaluated the key assumptions of impairment testing at the time of closing the financial statements. When estimating the amount of future cash flow and the discount rate, management has assessed the uncertainty in the operating environment. The recoverable amount of the cash-generating unit is based on the unit's budget and forecasts for four years approved by the management. The cash flows after the forecast period before terminal year have been defined based on the projected estimations, and after the forecast period the cash flows have been defined based on the terminal value method. The discount rate before taxes used in the calculations is 10,4 % (12.9%) consisting of risk-free rate, market risk premium, company-specific risk premium, cost of debt and debt to equity ratio. The discount rate reflects the current market conditions. Terminal growth assumption is 2.0% (2.0%), whereas average net sales growth during the forecast period is 15.2% (3.7%*). The assumptions used in the cash flow estimates regarding the development of future operations are based on the management's estimates at the time of the financial statements. *Sales growth for reference period is altered to match the growth for 2025 impairment testing.

NOTE 11 - OTHER INTANGIBLE ASSETS

OTHER INTANGIBLE ASSETS

EUR 1,000	Development costs	Development costs in progress	Other intangible assets	Advance payments and assets in progress	Total
Acquisition cost at Jan. 1, 2025	868	405	22,904	138	24,314
Exchange rate differences			-15		-15
Additions	29	525	948	94	1,596
Deductions					0
Reclassification between items	263	-263	138	-138	0
Acquisition cost at Dec. 31, 2025	1,160	667	23,975	93	25,895
Accumulated depreciation and amortization at Jan. 1, 2025	-868	0	-13,527	0	-14,395
Exchange rate differences			12		12
Accumulated depreciation of deductions and transfers					0
Depreciation and amortization for the financial year	-5		-2,354		-2,359
Impairments					0
Reclassification between items					0
Accumulated depreciation and amortization at Dec. 31, 2025	-873	0	-15,868	0	-16,742
Book value at Dec. 31, 2025	287	667	8,107	93	9,154

COMPARISON YEAR 2024

EUR 1,000	Development costs	Development costs in progress	Other intangible assets	Advance payments and assets in progress	Total
Acquisition cost at Jan. 1, 2024	868	149	20,755	1,406	23,179
Exchange rate differences			5		5
Additions		255	745	138	1,139
Deductions			-8		-8
Reclassification between items			1,406	-1,406	0
Acquisition cost at Dec. 31, 2024	868	405	22,904	138	24,314
Accumulated depreciation and amortization at Jan. 1, 2024	-579	0	-11,564	0	-12,143
Exchange rate differences			-5		-5
Accumulated depreciation of deductions and transfers					0
Depreciation and amortization for the financial year	-289		-1,957		-2,247
Impairments					0
Reclassification between items					0
Accumulated depreciation and amortization at Dec. 31, 2024	-868	0	-13,527	0	-14,395
Book value at Dec. 31, 2024	0	405	9,377	138	9,919

Basis of preparation

Other intangible assets include software licenses, patents, capitalized development costs, and other intangible rights. Other intangible assets have been capitalized in the balance sheet when it has been probable that the expected financial benefit resulting from the asset will benefit the company over several years (depreciation period) and the acquisition cost of the asset can be determined reliably. Intangible asset acquisition costs include purchase price, received cash and other discounts, import duties and other permanent taxes and other costs that directly relate to preparing an intangible asset for its intended purpose. Intangible assets acquired through a business combination have been recognized at fair value at the date of acquisition.

At other times, the cost of other intangible assets is recognized as an expense at the time of its occurrence. Other intangible assets have been capitalized and recognized as an expense on a straight-line basis in accordance with the plan in the income statement over their economic life as follows:

Patents	10 years
Computer software	3–5 years
Other intangible assets	3–10 years
Capitalized development costs	3–10 years

Development costs incurred in the design of new or more advanced products and experimental equipment manufactured for the purpose of testing them have been capitalized and presented in the balance sheet as intangible assets from the moment the product is technically feasible, the group intends to finalize the assets and has the ability and resources to do so, it can be commercially exploited, group can reliably define the costs during the development phase and it is expected to provide future economic benefits. Capitalized development costs include those material, labor and testing costs that are directly attributable to bringing the product to its intended use. Capitalized development costs have been valued in the balance sheet after initial recognition cost less accumulated depreciation and amortization. Development costs recognized as an expense for previous financial years are not capitalized later.

Other intangible assets have been capitalized in the balance sheet at the original acquisition cost when it has been probable that the expected financial benefit resulting from the asset will accrue to the company over several years (depreciation period) and the acquisition cost of the asset can be determined reliably.

Impairment of intangible assets

Depreciable assets have been examined for impairment whenever events or changes in circumstances have suggested that the carrying amount of the assets may not be recovered. At the end of each reporting period, the group assesses are their indications of an intangible asset's impairment. Intangible assets work in progress are tested for impairment annually. Recoverable amount is the fair value of the asset less the cost of disposal or its higher value in use. Value in use is the present value of the cash flows from an asset that the asset is assumed to generate. For estimating impairment, assets are grouped at the lowest levels at which cash flows can be separately identified.

The amount by which the carrying amount of an asset exceeded its recoverable amount is recognized in the income statement as an impairment loss. The impairment loss recognized in prior periods for assets other than goodwill in intangible assets has been reassessed at each balance sheet date. An impairment loss has been reversed if there has been a change in the circumstances or in the estimates used to determine the recoverable amount of an asset. However, the impairment loss has not been reversed beyond the carrying amount of the asset without the impairment loss being recognized.

Management's accounting judgments and estimation

The expected economic useful lives of the items presented in intangible assets in the balance sheet have been reviewed on each balance sheet date. If they deviate significantly from previous estimates, the depreciation plan has been updated to reflect the new impact times.

For each asset, it has been assessed whether there are indications of impairment. If the carrying amount of the asset has exceeded the estimated recoverable fair value of the estimated assets, the impairment is recognized in the income statement. A previous write-down may be reversed if it can be demonstrated that the circumstances have significantly improved.

The valuations are sensitive to assumptions about future expected returns and discount rates. Raute has estimated future expected profits based on forecasts prepared by management and approved by Board of Directors and the related outlook. The discount rate reflects the estimated market-expected rate, considering the time value of money and the specific risks associated with the asset in question, for which adjustments have not been made to the estimated cash flow. The **discount rate** is determined based on the average weighted cost of capital, which describes the total cost of equity and debt, considering the specific risks associated with the assets. The discount rate before tax used in the calculations is 10.4 % (12.9%).

NOTE 12 - RESEARCH AND DEVELOPMENT COSTS

EUR 1,000	2025	2024
RESEARCH AND DEVELOPMENT COSTS		
Research and development costs for the financial year*	-5,044	-4,930
Depreciation of previously capitalized research and development costs**	-348	-666
Development costs recognized as an asset in the balance sheet	555	255
Research and development costs recognized as an expense for the financial year	-4,837	-5,341
Impairments of capitalized development costs		
Research and development costs recognized as an expense for the financial year	-4,837	-5,341

* Research and development expenses consist of the expenses of numerous R&D projects that do not meet the criteria for activation

** Depreciation in Other intangible assets is divided into two groups, Development costs and Other intangible assets

Basis of preparation

Research cost and those development costs that do not meet the capitalization criteria have been recognized as operating expenses before operating result.

Depreciation starts when the asset is ready for use, i.e. when it is in such a location and condition that it can function as intended by the management. Depending on the estimated lifetime of the product, the useful life of development costs is 3–10 years, during which time capitalized development costs are recognized as an expense on a straight-line basis.

Activated development costs are financial items that can typically bear a significant risk related to the material change in the carrying amounts of the assets during the next financial year due to the nature of those items and the future outlook assessed by the management.

NOTE 13 - PROPERTY, PLANT AND EQUIPMENT

PROPERTY, PLANT AND EQUIPMENT

EUR 1,000	Land and water	Buildings and structures	Buildings and structures, right-of-use	Machinery and equipment	Other tangible assets	Assets in progress	Total
Acquisition cost at Jan. 1, 2025	386	12,903	14,785	40,312	1,049	286	69,720
Exchange rate differences		-2	-318	-331	-14	0	-666
Additions		94	380	2,050		348	2,872
Disposals/impairments			-2,100	-24		-3	-2,126
Reclassification between items				284		-284	0
Acquisition cost at Dec. 31, 2025	386	12,994	12,747	42,292	1,035	348	69,801
Accumulated depreciation and amortization at Jan. 1, 2025	0	-10,242	-8,985	-34,566	-804	0	-54,597
Exchange rate differences		1	5	238	14		258
Accumulated depreciation and amortization of disposals and reclassifications							0
Impairment			-196	-761			-957
Depreciation and amortization		-250	-1,347	-1,293	-50		-2,939
Accumulated depreciation and amortization at Dec. 31, 2025	-	-10,491	-10,522	-36,381	-840	-	-58,235
Book value at Dec. 31, 2025	386	2,502	2,224	5,911	195	348	11,568

COMPARISON YEAR 2024

EUR 1,000	Land and water	Buildings and structures	Buildings and structures, right-of-use	Machinery and equipment	Other tangible assets	Assets in progress	Total
Acquisition cost at Jan. 1, 2024	386	12,708	14,479	38,582	1,068	899	68,121
Exchange rate differences		1	105	74	-4	0	175
Additions		212	283	879		287	1,661
Disposals/impairments		-18	-81	-77	-15	-45	-236
Reclassification between items				855		-855	0
Acquisition cost at Dec. 31, 2024	386	12,903	14,785	40,312	1,049	285	69,720
Accumulated depreciation and amortization at Jan. 1, 2024	0	-10,010	-7,609	-33,274	-758	0	-51,652
Exchange rate differences		0	-3	-44	4		-43
Accumulated depreciation and amortization of disposals and reclassifications		8					8
Impairment							0
Depreciation and amortization		-239	-1,373	-1,248	-50		-2,910
Accumulated depreciation and amortization at Dec. 31, 2024	0	-10,242	-8,985	-34,566	-804	0	-54,597
Book value at Dec. 31, 2024	386	2,660	5,800	5,747	245	286	15,125

Basis of preparation

Tangible fixed assets are valued at acquisition cost less accumulated depreciation and impairment. The acquisition cost includes the purchase price, cash and taxes paid on them. When the tangible fixed asset has been manufactured in-house, it also includes, in addition to the items mentioned above, a share of the Group's fixed costs. Ordinary repair and maintenance costs of fixed assets are recognized through profit or loss as incurred. Any costs incurred in restoring to the original state are taken into account in IFRS accounting as part of the acquisition cost and respectively as provision.

Tangible assets have been depreciated on straight-line basis during the estimated economic life as follows:

Buildings	25–40 years
Machinery and equipment	4–12 years
Other fixed assets	3–10 years
Land	no depreciations are made.

The right-of-use assets are depreciated during the term of lease agreement.

The residual values and economic lives of the assets are reviewed at the end of each reporting period and are changed if necessary. If the carrying amount of an asset exceeds the estimated recoverable amount, it is immediately reduced to correspond to the recoverable amount. Capital gains and losses from the disposal of tangible assets are recognized through profit or loss.

NOTE 14 - RIGHT-OF-USE ASSETS

EUR 1,000	2025	2024
LEASE CONTRACTS		
Right-of-use assets, changes		
Booking value at the beginning of the financial year	5,800	6,869
Exchange rate differences	-314	102
Additions	380	283
Disposals	-2,100	-81
Depreciations	-1,347	-1,373
Impairments	-196	
Reclassification between items	0	0
Booking value at the end of the financial year	2,224	5,800
Liabilities		
Lease liability, long-term	1,436	4,267
Lease liability, short-term	863	1,349
Lease liability, total	2,299	5,617
Items recognized in the income statement		
Depreciation of the fixed assets, buildings	-1,543	-1,327
Interest expenses included in the financial items	-52	-80
Expenses related to the short-term lease contracts and low-value assets	-1,107	-888

Basis of preparation

Raute Group has leased warehouse and production facilities for the use of its business. The lease agreements for the premises and production facilities leased by the Raute Group are recorded in the balance sheet.

Leases that include the right to use a leased asset are recorded in the balance sheet under **Right-of-use assets**. An asset is recognized based on the right to use the asset and a lease liability based on the obligation to make lease payments. Fixed assets related to the lease contracts are depreciated during the lease period of the lease contract. If the lease contract is valid until further notice, a contract term of 5 years has been used in the calculations. Deferred tax liability from right of use assets is 489 thousand euros. Deferred tax liability from right of use assets is netted in the financial statements.

The lease liability has been recognized as a liability based on the obligation to pay lease rent. The leases based on extension options that are relatively certain to be exercised in Raute Group have been included in the lease liability. Interest arising from the lease liability has been recognized in the income statement under financial expenses. Deferred tax asset from lease liability is 506 thousand euros. Deferred tax asset from lease liability is netted in the financial statements.

If the existing lease agreement changes or the estimates used in the calculation of lease liability and the right to fixed assets change, the fixed asset item and lease liability are revalued at the discount rate applicable at the time of calculation. If the lease under the agreement is index-linked, the lease liability and the fixed assets are revalued at the time of the change in rent.

Short-term leases with an expected lease term not exceeding 12 months have been treated as off-balance-sheet lease liabilities and the rent payments associated with these leases have been recognized as an expense in the income statement at the lease period.

Leases relating to low-value leases have been treated as off-balance-sheet lease liabilities, regardless of whether the lease is long-term or short-term. The operating rents based on these leases have been recognized as an expense in the income statement in accordance with the lease period.

Leases for short-term leases and low-value assets are presented as an off-balance-sheet item in lease liabilities in Note 27 Collateral and Contingent Liabilities. The rents of short-term and low-value assets in 2025 amounted to EUR 1 107 thousand (EUR 888 thousand), which consisted entirely of low-value assets.

NOTE 15 - DEPRECIATION AND AMORTIZATION

EUR 1,000	2025	2024
DEPRECIATION, AMORTIZATION AND IMPAIRMENT		
Depreciation and amortization by class of assets		
Intangible assets		
- Capitalized development costs	-5	-289
- Other intangible assets	-2,354	-1957
Property, plant and equipment		
- Buildings and structures	-250	-239
- Buildings, right-of-use assets	-1,347	-1621
- Machinery and equipment	-1,343	-1248
- Other tangible assets	-50	-50
Impairment		
Tangible Impairment		
- Buildings, right-of-use assets	-196	-
- Machinery and equipment	-761	-
TOTAL	-6,306	-5404

NOTE 16 - INVENTORIES

EUR 1,000	2025	2024
INVENTORIES		
Materials and supplies	13,565	18,247
Work in progress	1,608	2,092
Finished Goods	-	282
Advance payments paid	266	2,883
TOTAL	15,439	23,505

During the accounting period, the book value of the inventory has been reduced to match the transfer price by recording EUR 977 thousand (EUR 880 thousand) as impairment.

Basis of preparation

Inventories are valued at or lower net realizable value. The valuation of the stock of materials and raw materials is made using the method of weighted average price. The cost of finished and work in progress products comprises direct material and production costs and the portion of indirect production costs such as salary costs and depreciation allocated to products at a normal operational capacity excluding financial expenses. Costs can include, in addition to acquisition costs, import duties, transportation costs and other directly acquisition-related costs deducted by discounts. The net realizable value is the estimated selling price to be obtained in the ordinary course of business less the estimated cost of completion of the product and the cost of sale. The value of inventories considers impairment due to obsolescence.

Risk management

Advance payments made to suppliers and subcontractors at the balance sheet date carry the risk that the counterparty will not be able to fulfill its contractual obligations and return the advance payment. The risk is managed by examining the size of the subcontractors' risk position and the physical progress of the delivery, as well as by requiring certain suppliers to provide prepayment collateral. At the balance sheet date, unsecured advance payments amounted to EUR 266 thousand (EUR 2.9 million).

NOTE 17 - CURRENT PAYABLES

EUR 1,000	2025	2024
TRADE PAYABLES AND OTHER LIABILITIES		
Current non-interest-bearing liabilities on the balance sheet		
Advance payments received	19,033	46,007
Trade payables	6,501	13,138
Accrued expenses and prepaid income	12,596	13,650
Derivatives	-24	29
Income tax liability	2,375	1,687
Other liabilities	2,822	3,514
TOTAL	43,304	78,025
Substantial items included in accrued expenses and prepaid income		
Accrued project expenses related to customer contracts	2,484	1,088
Accrued employee related expenses	9,313	11,792
Financial expenses	74	87
Other accrued expenses and prepaid income	726	683
TOTAL	12,596	13,650

Basis of preparation

The Group's **trade payables, derivatives, income tax liabilities and other liabilities** include liabilities arising from goods and services delivered prior to the financial year-end. Liabilities are unsecured and mature for payment within 12 months of the end of the reporting period. The carrying amount of items corresponds to their fair value at the closing date.

From the advances received for the comparison year 2024, revenue of EUR 45,7 million (EUR 57,7 million) was recognized in the 2025 financial year.

NOTE 18 - EXCHANGE RATE GAINS AND LOSSES (NET)

EUR 1,000	2025	2024
EXCHANGE RATE GAINS AND LOSSES (NET)		
Included in net sales	-91	57
Included in financial income and expenses	-668	27
Included in other comprehensive income items	-565	72
TOTAL	-1,323	156

Basis of preparation

Foreign currency transactions in separate financial statements have been converted into functional currency at the exchange rates prevailing on the dates of the transactions. In practice, an exchange rate has been used that corresponds approximately to the exchange rate at the time of the event. Monetary items denominated in foreign currencies have been converted to the functional currency at the exchange rates prevailing at the end of the financial year. Non-monetary items denominated in foreign currencies, measured at fair values, have been converted to the functional currency at the exchange rates prevailing on the date on which the fair value is determined. Otherwise, non-monetary items are valued at the course on the day of the event.

Gains and losses arising from operations denominated in foreign currencies and changes in monetary items are recognized in the income statement. Foreign exchange gains and losses on transactions are presented on net in the corresponding items above operating result. Exchange gains and losses related to cash and cash equivalents, loans and other financial assets and liabilities are presented in the financial income and expenses of the income statement.

Comprehensive income statement items include changes in the fair value of currency derivatives that meet the conditions for cash flow hedging. In addition, this item includes the translation difference arising from a net investment in a foreign subsidiary.

NOTE 19 - DERIVATIVES

EUR 1,000	2025	2024
DERIVATIVES		
Nominal values of forward contracts in foreign currency		
Hedge accounting		
- Related to the hedging of net sales	4,719	8,130
Derivatives which do not meet the criteria of hedge accounting		
- Related to financing	-	-
Fair values of forward contracts in foreign currency		
Hedge accounting		
- Related to the hedging of net sales	76	-279
Derivatives which do not meet the criteria of hedge accounting		
- Related to financing	-	-

EUR 1,000	2025 Nominal value	2024 Nominal value
Contractual maturities of hedge accounting derivatives		
Related to the hedging of net sales		
Under one year	4,719	8,130
TOTAL	4,719	8,130

EUR 1,000	2025	2024
Changes in hedge reserves		
Hedge reserves Jan., 1	-212	154
Additions to hedge accounting (through comprehensive income)	303	-366*
Transferred to profit or loss (from comprehensive income items)		
From hedge accounting to economic hedging		
Deferred tax at Group's tax rate 20%		
Hedge reserve at Dec., 31	91	-212

* The comparison figure for 2024 has been corrected because the table in question had previously shown an incorrect figure (-279).

Basis of preparation

In accordance with its financial policy, the Group has used currency derivative contracts to hedge exchange rate risks related to future transactions of commercial transactions and financial items. At the time of the adoption of each derivative contract it is determined in which assets or liability recognized in the balance sheet, or highly probable forecasted transaction (cash flow hedge) it protects.

Hedge accounting has been applied when the derivative meets the conditions set for hedge accounting. The decision on the application of hedge accounting is made for each contract separately at the time of the contract. Each hedging derivative protects certain assets and liabilities, binding contracts, or future binding transactions. The hedging relationship between the hedging instrument and the hedged item, as well as the risk management objectives and strategy for hedging transactions, are documented when the hedging relationship arises.

The effective share of changes in the fair values of derivatives that meet the criteria for hedge accounting is recognized in equity through other comprehensive incomes. The gain or loss associated with the ineffective portion is recognized immediately in the income statement when the hedge is ineffective. When a derivative no longer meets the criteria for hedge accounting, gains or losses accumulated in equity have been recognized in profit or loss.

Management of financing risks

The objective of the Group's financing risk management is to minimize the negative effects of the changes in the financial markets on the Group's financial performance to ensure sufficient liquidity in all market conditions. The Group has a financing policy approved by the parent company's Board of Directors, which defines the thresholds that guide its operations, the financial and hedging instruments to be used and the acceptable counterparties. The Group's financial risks are managed by the parent company's finance function, which is responsible for identifying, assessing and hedging financial risks in cooperation with the operational units. The Group's CFO is responsible for the finance function. The Board of Directors regularly monitors the extent of financial risks through, for example, the net foreign exchange position, the age distribution and hedging rate of receivables, and cash flow forecasts.

The Group, in its operations, is exposed to financing risks which have been classified into market, counterparty and liquidity risks. Market risks include currency, interest and price risks. Currency risk is further divided into transaction and translation risks. The Group's most significant counterparty risks are customer credit risks related to contractual counterparties in the project business and counterparty risks related to the Group's investment activities. The key risk areas of the Group's international business operations have been identified as credit loss risk of counterparty risks and currency risks from market risks. The Group is also exposed to liquidity and refinancing risks.

Supplementary information related to the financial risks is presented in the supplementary information items as follows:

- Customer credit risks, Accounts receivables and customer contract assets, page 112
- Counterparty risks, Accounts receivables and customer contract assets, page 112
- Price risks, Materials and services, page 113
- Currency risks, Risk Management – Currency risks, page 136
- Interest risks, Financial liabilities, page 141
- Liquidity risks, Liquidity risk – Covenants, page 151

At the end of 2025 Raute had a committed standby credit limit of 5.0 million euros and a total uncommitted bank guarantee limit of 53.5 million euros. During the second quarter of 2025, Raute extended its bank guarantee and credit limit facility agreement. After extension, the facility is valid until 2027.

The overdraft limit was not in use at the period ending December 31, 2025.

The uncommitted guarantee limit consists of two guarantee limits of 20 million euros, one of which is available for domestic and the other for foreign projects, and of a project specific guarantee limit of 13.6 million euros.

The arrangement is secured by Raute Oyj's business mortgages in the amount of 104.1 million euros and real estate mortgages in the amount of 74.1 million euros. As collateral for the financing arrangement, Raute Corporation has pledged the shares of its Canadian subsidiary Raute Canada Ltd.

Covenants in the existing financing agreement

The special terms related to the financial key figures of the existing financing agreement, i.e., covenants, are minimum EBITDA and equity ratio. Covenants are reported to the lender quarterly. If the covenant conditions are not met, the creditor can demand an accelerated repayment of the existing limits and terminate the financing agreement. The Group has successfully passed the covenants during the reporting period.

Risk management

The Group operates in international markets and is thus exposed to currency risks resulting from changes in currency exchange rates. The Group's currency risks consist of foreign currency denominated sales and purchases as well as assets and liabilities recognized in the balance sheet (transaction risks) and investments in foreign subsidiaries (translation risks).

The Group's main currency is the euro. The most significant currency risks results from the following currencies:

- Canadian dollar (CAD)
- US dollar (USD)

The distribution of the Group's sales varies annually according to market area. In 2025, 27.2 percent (45.1%) of the Group's net sales were generated outside the euro zone. The Group uses Group company's functional currency as the primary trading currency, of which the most significant is the euro. The proportion of the net sales sold in a currency other than the Group's home currency was 10.4 percent (11.1%) of the group's turnover in 2025.

As a general rule, the Group's operative units hedge their foreign currency denominated payments based on binding sales contracts of more than 100 thousand euros from the moment the contracts take effect. Currency forward contracts are used to hedge operative sales payments.

As a rule, the Group hedges the internal trading of more than 100 thousand euros with forward contracts. The most significant individual currency risk related to purchasing arises from the Parent company's internal purchases from a subsidiary operating in Canada and USA. The trading currencies in these purchase agreements are the Canadian dollar (CAD) and USA dollar (USD). Primarily, cash flows accumulating from unhedged sales payments in the same currency are used in the hedging of currency risks related to binding procurement contracts.

Future cash flows, which are not based on mutually binding contracts are generally not hedged. Currency clauses are used to hedge against currency risks during the quotation period. Currency risks related to preliminary sales contracts are hedged on case-by-case basis with currency option contracts. The nominal value of forward contracts protecting transactions at the time of closing the accounts was EUR 4.7 million (MEUR 8.1) and the fair value was EUR 76 thousand positive (EUR 279 thousand negative).

The internal loans and deposits taken out by the Group companies are mainly in the functional currency of the subsidiary in question. The currency exchange risks of the Group's internal loans are hedged with forward contracts, with the exception of equity loans or loans in fact classified as such.

At the end of the financial year 2025 the Group had no forward contracts related to the hedging of Group's financing items. At end of previous year 2024, there was not forward contracts which related to the hedging of the Group's financing items.

At the balance sheet date, the Group had no forward contracts which did not meet the hedge accounting criteria.

The Group applies hedge accounting to the currency derivative contracts when the change in the fair value of a contract may have a significant temporary effect on the Group's operating profit due to the change in exchange rates. The Group's Parent company enters into a derivative contract with an external counterparty which is defined as a hedging instrument in hedge accounting. Subsidiaries use internal derivatives to hedge the transactions defined as the hedged items. The total amounts of the valuation gains and losses for derivatives are presented in Note no. 19 Derivatives

The Group regularly monitors **transaction risks** by the main currency pairs. Net currency positions take into account the known future currency flows related to binding contracts from the balance sheet date onwards, as well as the derivative contracts intended to hedge them, regardless on which financial year the risk exposure will affect. The aim of managing currency risks is to keep the open net currency positions of each Group currency pair at less than EUR 500 thousand euros for each currency pair. The Group's net currency position and the portion of it included in the balance sheet at the reporting date (Net balance sheet risk) are presented in by currency pairs in the following table:

EUR 1,000	Net currency position		Net balance sheet risk	
	2025	2024	2025	2024
CNY/EUR	-	781	-	330
CAD/EUR	953	150	3,118	1,058
USD/EUR	1,691	1,773	2,155	3,544

Cash flows related to binding contracts included in the net currency position EUR 1,875 thousand (EUR 821 thousand) is hedged from the CAD/EUR currency pair and EUR 1,404 thousand (EUR 2,796 thousand) from the USD/EUR currency pair. The figures for the comparison year 2024 have been corrected for the 2025 financial statements.

The Group has foreign subsidiaries whose equity is in a currency other than the Parent company's functional currency. These investments in foreign subsidiaries expose the Group to translation risk. The currency risks related to the conversion of the foreign subsidiaries' net investments into the Group's home currency, the euro, is not hedged. The Group's subsidiaries' non-euro denominated equity was altogether EUR 15,779 thousand on December 31, 2025 (EUR 15,993 thousand euros). Non-euro-denominated equity is broken down by currency in the following table:

Subsidiaries' equity, non-euro-denominated

EUR 1,000	2025	2024
CNY	-130	723
RUB	1,098	642
CAD	6,820	6,090
USD	6,924	7,466
Other	1,066	1,072
Total	15,779	15,993

The **sensitivity analysis** of exchange rate transaction risk, i.e. the effect of a reasonable and possible exchange rate change on the Group's profit or loss after tax on December 31, 2025, is presented in the following table:

Effect on profit after tax		2025	2024
EUR 1,000			
CNY +/- 30%	+/-	-	145
CAD +/- 30%	+/-	217	34
USD +/- 30%	+/-	315	330

All foreign currency receivables and liabilities as well as the currency derivative contracts, recognized in the balance sheet on the reporting date, have been taken into account in the **sensitivity analysis**. In the analysis, the change in exchange rate has been assumed to be +/-30 percent from the reporting date based on the prevailing uncertainty in the financial market development. Other factors have been assumed to remain unchanged.

NOTE 20 - EQUITY

EUR 1,000	2025	2024
SHARE CAPITAL		
Share capital at Jan. 1	8,256	8,256
Share capital at Dec. 31	8,256	8,256
FAIR VALUE RESERVE AND OTHER RESERVES		
Invested non-restricted equity reserve at Jan. 1	18,205	18,205
Net proceeds from directed share issue and rights issue		
Repurchase of own shares		
Invested non-restricted equity reserve at Dec. 31	18,205	18,205
Own shares at Jan. 1		
Repurchase of own shares	-950	-950
Annulment of own shares	-1,374	-53
Transfer of own shares	1,374	
	249	53
Own shares at Dec. 31	-701	-950
Other reserves at Jan. 1		
Fair value reserve	1,216	1,321
Hedging reserve, hedge accounting	303	-376
Equity-settled share-based transactions	-157	611
Deferred taxes related to these items		
Transfer of gain on disposals of equity investments at fair value through other comprehensive income to retained earnings	767	-219
Exchange differences relating to a foreign unit	19	-121
Other reserves at Dec. 31	2,148	1,216
EXCHANGE RATE DIFFERENCES		
Exchange rate differences at Jan. 1	613	541
Exchange rate differences on translating foreign operations	-1,804	72
Exchange rate differences at Dec. 31	-1,190	613
RETAINED EARNINGS		
Retained earnings at Jan. 1	19,351	8,028
Transfer of gain on disposals of equity investments at fair value through other comprehensive income to retained earnings		
Convertible junior loan	-298	-350
Dividends	-3,320	-603
Profit for the financial year	12,946	12,111
Own shares	-1,623	
Exchange differences on translating foreign operations	1,219	166
Retained earnings at Dec. 31	28,275	19,351
EQUITY LOAN		
Equity loan on Jan 1.	3,000	3,000
Convertible junior loan	0	0
Equity loan on Dec. 31	3,000	3,000
TOTAL EQUITY	57,993	49,692

Basis of preparation

Shares held by third parties have been presented in share capital. Expenditure directly related to issuance or acquisitions of own, equity-based instruments are presented as a deduction from equity.

The **invested non-restricted equity reserve** includes other equity investments and the share subscription price to the extent that it is not subscribed to the share capital according to the specific decision, and the purchase of company's own shares.

Other reserves include a revaluation fund created from fair value appreciation, granted share-based remuneration settled in shares and a fund for hedging instruments.

Exchange rate differences include exchange differences arising from translation of foreign subsidiaries' financial statements.

Convertible junior loans include convertible junior loans and other kind of loans that are classified as equity according to IFRS.

The **dividend** proposed by the Board of Directors to the Annual General Meeting has been recognized as a liability and a deduction from distributable equity for the period during which the shareholders have approved the dividend to be distributed.

The Annual General Meeting held on April 15, 2025, decided according to the proposal of the Board of Directors that a dividend of EUR 0.55 per share shall be paid for the financial year 2024 by a resolution of the Annual General Meeting and the of the distributable assets be transferred to equity.

NOTE 21 – OTHER COMPREHENSIVE INCOME ITEMS

EUR 1,000	2025	2024
OTHER COMPREHENSIVE INCOME ITEMS		
Items that will not be reclassified to profit or loss		
Changes in the fair value of financial assets at fair value through other comprehensive income	767	-219
Items that may be subsequently reclassified to profit or loss		
Hedging reserve, hedge accounting	303	-376
Exchange differences on translating foreign operations	-565	72
Deferred taxes related to these items		44
Total	505	-479
TOTAL OTHER COMPREHENSIVE INCOME ITEMS	505	-479

Basis of preparation

Other comprehensive income items include income and expense items that are included in other comprehensive income in accordance with IFRS standards and are not recognized in profit or loss. At the balance sheet date, the other comprehensive income items of the Raute Group included exchange rate gains and losses arising from translating the financial statements of the foreign units, the share of gains and losses resulting from hedging instruments in cash flow hedges, the gains and losses recognized from the valuation of financial assets that are valued or classified as at fair value through other comprehensive income items, and the current tax effects based on the taxable income for the period and deferred taxes related to these items.

NOTE 22 - SHARES AND SHARE CAPITAL

Shares, 1,000 pcs	2025	2024
Combined series shares 1 vote/share	6,038	6,123
Total at Dec. 31	6,038	6,123
Own shares at Jan. 1, 1,000 pcs	96	97
Repurchase of own shares	84	5
Cancellation of own shares	-84	
Transfer of own shares	-25	-5
Own shares at Dec. 31	71	96
Reconciliation of the number of shares, 1,000 pcs		
Number of shares at Jan. 1	6,123	6,123
Directed share issue	-	-
Rights issue	-	-
Cancellation of own shares	-84	
Total number of shares at Dec. 31	6,038	6,123

Changes in share capital	Share capital, euros	Combined series shares, pcs
Share capital at Jan. 1, 2025	8,256,316	6,122,679
Share capital at Dec. 31, 2025	8,256,316	6,038,229

Raute Oyj's share amount on 31 December 2025 was 6,038,229 shares. 70,504 of the shares are in control of Raute Oyj through holding of EAI Raute Holding Oy.

Share-related key figures are presented on page 9 of the financial statements.

Capital structure management

The objective of the Group's capital structure management is an efficient capital structure that secures the Group's operational preconditions in the capital market. The Group's capital structure is monitored by the equity ratio index, for which a strategic target level has been set. New financial targets were set during the financial year 2023, which included maintaining the equity ratio above 40 percent. At the end of the financial year, the equity ratio was 65.7 percent (55.2%).

NOTE 23 - UNDILUTED EARNINGS PER SHARE

	2025	2024
Undiluted earnings per share		
Share of result that belongs to the owners of the Parent company, EUR 1,000	12,946	12,111
Weighted average number of shares, 1,000 pcs	5,988	6,123
Earnings per share, EUR	2.12	1.96
Diluted earnings per share		
Share of result that belongs to the owners of the Parent company, EUR 1,000	12,946	12,111
Weighted average number of shares, 1,000 pcs	6,279	6,350
Earnings per share, EUR	2.06	1.91
The weighted average number of shares used as a divisor when calculating diluted earnings per share		
When calculating undiluted earnings per share the weighted average of the number of shares used, 1,000 pcs	5,988	6,123
Options, own shares and share-based benefits, 1,000 pcs	291	227
Earnings per share adjusted for dilution weighted by the number of shares used in the calculation average, 1,000 pcs	6,279	6,350

The 247,117 share options related to the Junior Loan have been considered in the calculation of diluted earnings per share in the financial year 2025. In the comparison period, there were 236,407 stock options related to the Junior Loan and they have been taken into account in the calculation of diluted earnings per share.

Basis of preparation

Undiluted earnings per share are calculated by dividing the profit for the financial year attributable to the shareholders of the Parent company by the weighted average of outstanding shares during the financial year.

Diluted earnings per share have been calculated by dividing the period's profit attributable to equity holders of the Parent company by the weighted average of shares in the period, which have been adjusted by dilutive effect of the Share-based benefits. Share-based benefits have dilutive effect if the exercise price of the share benefit is lower than the fair value of the share.

Instruments that might have dilutive effect on earnings per share (e.g. junior loan) are considered on those financial years when they have dilutive effect on earnings per share.

For the calculation of diluted earnings per share, Share-based benefits calculation is done to determine the number of shares that could have been acquired at fair value (the company's share's average market price for the financial year) based on the monetary value of the subscription rights attached to outstanding share benefits. This number of shares is compared with the number of shares that would have been issued assuming the exercise of the share benefits.

NOTE 24 - FINANCIAL LIABILITIES

EUR 1,000	2025	2024
CURRENT INTEREST-BEARING LIABILITIES		
Financial liabilities recognized at amortized cost		
Partial payments of financial loans	-	-
Account limit used	-	-
TOTAL	0	0

Basis of preparation

Derivative contracts have been classified as financial liabilities at fair value through profit or loss. The fair value of these derivative contracts is based on the price available from the market data, but instruments are not traded in an active market. At the end of the financial year, there were no derivatives included in financial liabilities. There were also no derivatives included in financial liabilities in the comparative period 2024.

EUR 1,000	Carrying amount 31.12.2025	Carrying amount 31.12.2024
Carrying amounts of financial liabilities		
Financial liabilities at fair value through profit or loss		
- Derivative contracts	-24	-
Financial liabilities recognized at amortized cost		
- Financial loans	-	-
- Account limit	-	-
- Trade payables and other liabilities	6,501	13,138
- Accrued expenses and prepaid income	-	-
Total	6,477	13,138

Financial instruments at fair value are categorized according to standard. Instruments included in level 1 are traded in active markets. The fair values of these instruments are based on the quoted market prices at the balance sheet date. The fair value of the instruments included in level 2 is based on the price available from the market data, but instruments are not traded in an active market. The fair value of the instruments included in level 3 is not based on the observable market data but is based on the estimates from the management.

EUR 1,000	Level 1 (2025)	Level 1 (2024)	Level 2 (2025)	Level 2 (2024)	Level 3 (2025)	Level 3 (2024)	Total (2025)	Total (2024)
Hierarchy levels								
Financial assets at fair value through profit or loss								
- Derivative contracts	-	-	-24	-	-	-	-24	-
Total	-	-	-24	-	-	-	-24	-

Financial liabilities have been classified as financial liabilities valued at amortized cost and financial liabilities valued at fair value through profit or loss according to the IFRS 9 standard. Financial liabilities are initially recognized in the books at fair value. Later, financial liabilities, with the exception of derivative liabilities, have been valued at amortized cost using the effective interest method. Short-term financial liabilities are debts where the Group has no unconditional right to defer the payment of the debt to for at least 12 months after the reporting date.

The installments due during the next fiscal year of the financial loan are presented in the current liabilities.

Collateral and liabilities for the Group's loans are presented in Note no. 27 Pledged assets and contingent liabilities.

In the consolidated balance sheet, a lease contract liability has been entered based on the obligation to make lease payments. The lease liability is valued at the current value of the rents which are to be paid in the future according to the contract, but which have not been paid at the time of valuation. The interest expense on the lease liability is recognized in the Financial expenses item in the income statement. The lease liability is separately presented in the consolidated balance sheet and is an interest-bearing item. At the balance sheet date December 31, 2025, the amount of the Group's lease liabilities was EUR 2,299 thousand (EUR 5,617 thousand), of which EUR 863 thousand was current lease liability (EUR 1,349 thousand) and EUR 1,436 thousand (EUR 4,267 thousand) was non-current lease liability.

Risk management

The Group's **interest rate risk** results from financial liabilities. The Group may hedge against interest rate risk of debt capital with interest rate derivative instruments, fixed-rate loans and sufficient amount of liquid assets. At the balance sheet date, the Group does not have any financial liabilities. The credit limit utilized by the Group is variable-rate, which exposes the Group to cash flow interest rate risk.

MATURITIES OF FINANCIAL LIABILITIES

EUR 1,000	2026	2027	2028	2029	2030	2031	2032-	Total cash flows based on contracts	Book value
Not included in derivative liabilities									
Bank loans									
Lease liabilities	1,021	739	636	345	28	0	0	2,768	2,299
Accounts payable and other liabilities	6,501							6,501	6,501
Total	7,522	739	636	345	28	0	0	9,269	8,800

MATURITIES OF FINANCIAL LIABILITIES, COMPARISON YEAR

EUR 1,000	2025	2026	2027	2028	2029	2030	2031-	Total cash flows based on contracts	Book value
Not included in derivative liabilities									
Bank loans									
Lease liabilities	1,555	1,486	1,177	1,066	773	432	101	6,590	5,617
Accounts payable and other liabilities	13,138							13,138	13,138
Total	14,692	1,486	1,177	1,066	773	432	101	19,727	18,754

FINANCIAL LOANS AND LEASE DEBT

EUR 1,000	Loans	Use of account limit	Lease agreements
Jan. 1, 2024	-	-	6,623
Financing cash flows	-	-	0
Lease debt repayments	-	-	-1,279
Use of account limit	-	-	0
Repayment of loans	-	-	0
Non-cash flow related changes	-	-	273
Dec. 31, 2024	-	-	5,617
			0
Jan. 1, 2025	-	-	5,617
Financing cash flows	-	-	-
Lease debt repayments	-	-	-3,308
Use of account limit	-	-	-
Repayment of loans	-	-	-
Non-cash flow related changes	-	-	-10
Dec. 31, 2025	-	-	2,299

EUR 1,000	2025	2024
NET LIABILITIES		
Financial loans maturing within one year		
Lease liability at the end of the financial year	2,299	5,617
Deducted: Financial assets at the end of the period	-40,272	-57,503
Net liabilities	-37,973	-51,887

NOTE 25 - FINANCIAL ASSETS

EUR 1,000	2025	2024
FINANCIAL ASSETS		
Financial assets at the beginning of the period	57,503	48,105
Change in financial assets	-17,052	9,373
Exchange rate differences from financial assets	-179	26
Financial assets at the end of the period	40,272	57,503
Other financial assets		
Unquoted share investments	997	113
Total	997	113

Basis of preparation

At the end of the reporting period December 31, 2025, the fair value of the financial assets categorized at fair value hierarchy level 3 was EUR 997 thousand (EUR 113 thousand). The item includes the investments in unquoted shares which have been classified as financial assets at fair value through other comprehensive income. Derivative contracts have been classified as financial assets at fair value through profit or loss. The fair value of these derivative contracts is based on the price available from the market data, but instruments are not traded in an active market. At the end of the period, financial assets did not include derivative contracts.

The classification, accounting and measurement of the financial assets is an area where management judgment is related to, and those typically bear a significant risk of material changes in the carrying amounts of those items during the next financial year.

EUR 1,000	Carrying amount 31.12.2025	Carrying amount 31.12.2024
Carrying amounts of financial assets		
Financial assets at fair value through profit or loss		
- Derivative contracts	-	-
Financial assets at fair value through other comprehensive income	-	-*
- Unquoted share investments	997	113
Financial assets at amortized cost		
- Account receivables and other receivables	7,166	8,337
- Cash and cash equivalents	40,272	57,503
Total	48,435	65,953*

* Incorrect comparison figures for 2024 have been corrected.

Financial instruments at fair value are categorized according to standard. Instruments included at level 1 are traded in active markets. The fair values of these instruments are based on the quoted market prices at the balance sheet date. The fair value of the instruments included in level 2 is based on the price available from the market data but instruments are not traded in an active market. The fair value of the instruments included in level 3 is not based on the observable market data but is based on the estimates from the management.

Financial assets are classified in accordance with the IFRS 9 Financial Instruments standard into financial assets recognized at fair value through profit and loss, financial assets valued at fair value through other comprehensive income items, and financial assets valued at amortized costs. The classification has been made based on the purpose of the acquisition and nature of the cash flow in conjunction with the original acquisition. Financial assets have been written off the balance sheet when the contractual right to cash flows or when the risks and returns of the financial asset have been transferred to a significant outside the Group. Financial assets maturing within 12 months are included in current assets.

The fair values of **derivative contracts which do not fulfill the conditions of hedge accounting** have been determined using market values for corresponding contracts and maturity on the balance sheet date. Gains and losses resulting from changes in fair value are recognized in the income statement in the financial period during which they incurred. The nominal values of currency forward contracts are presented in Note No. 18 Derivatives.

Financial assets valued at amortized cost include accounts receivables, assets based on customer contracts and other receivables. Due to the short-term nature of the receivables, their original book value corresponds to their fair value of the receivable. The discounting effect is not significant considering the maturity of the receivables. At the time of closing the accounts do not include significant risk clusters.

EUR 1,000	Level 1 (2025)	Level 1 (2024)	Level 2 (2025)	Level 2 (2024)	Level 3 (2025)	Level 3 (2024)	Total (2025)	Total (2024)
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Hierarchy levels

Financial assets at fair value through other comprehensive income

- Unquoted share investments	-	-	-	-	997	113	997	113
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Financial assets at fair value through profit or loss

- Derivative contracts	-	-	-	-	-	-	-	-
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Total	-	-	-	-	997	113	997	113
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Expected credit loss, EUR 1,000

31 December 2025	Not Due	1–30 days	31–60 days	61–90 days	91–180 days	181–360 days	>360 days	Total
Book value of accounts receivables before bad debt allowances	4,939	801	417	164	198	200	87	6,807
Expected credit loss rates ECL, %	0%	0%	4%	20%	30%	50%	100%	
Expected credit loss ECL allowance	0	0	17	33	59	100	47	257
Expected credit loss on accounts receivables based on management judgement							40	40
Expected credit loss on accounts receivable	0	0	17	33	59	100	87	297
Contractual assets	18,031							16,624
Expected credit loss on contractual assets based on management judgement	2,338							2,352
Expected credit loss on contractual assets	2,338	0	0	0	0	0	0	2,352
Expected credit loss, EUR 1,000	2,339	0	17	33	59	100	87	2,648

Expected credit loss, EUR 1,000

31 December 2024	Not Due	1–30 days	31–60 days	61–90 days	91–180 days	181–360 days	>360 days	Total
Book value of accounts receivables before bad debt allowances	6,201	1,384	556	96	269	187	374	9,068
Expected credit loss rates ECL, %	0%	0%	4%	20%	30%	50%	100%	
Expected credit loss ECL allowance	0	0	22	19	81	94	98	314
Expected credit loss on accounts receivables based on management judgement	215						276	491
Expected credit loss on accounts receivable	215	0	22	19	81	94	374	805
Contractual assets	11,897							11,897
Expected credit loss on contractual assets based on management judgement	931							931
Expected credit loss on contractual assets	931	0	0	0	0	0	0	931
Expected credit loss, EUR 1,000	1,399	0	22	19	81	94	374	1,736

EUR 1,000	Contractual assets		Accounts receivables	
	2025	2024	2025	2024
Opening loss allowance at 1 January	931	0	805	206
Increase in loss allowance recognised in profit or loss during the year	1,407	931	-57	605
Credit loss entries on receivables during the financial year			272	44
Unused amount reversed			-723	-50
Expected credit loss at the end of the year	2,338	931	297	805
Change in bad debt allowance	899	1,530		
Change in bad debt allowance and actualised credit losses during the year	1,171	1,574		

Impairment of financial assets

The credit loss risk related to the accounts receivables has been estimated according to the standard IFRS 9 based on evaluation of the validity period expected for accounts receivables at the balance sheet date. Raute Group has applied a simplified approach allowed for recognition of credit losses of accounts receivables, because accounts receivables do not contain significant financing component. According to the simplified approach, the expected credit loss for the entire validity period of the trade receivables is recognized. The risk of credit loss at the beginning of the contracts is reduced by advance payments.

The accounts receivables are grouped for determination based on aging distribution. The expected credit loss is based on historical credit loss amounts taking into account possible customer-specific individual estimates and forward-looking factors based on the used model. Information on the expected credit loss risk is presented in the table Expected credit loss risk. Anticipated impairment losses have been recognized through profit or loss. If the amount of the impairment loss decreases in any subsequent financial year and the deduction may be related to an event after the recognition of impairment, the recognized loss is reversed through profit or loss.

During the accounting period, the value of trade receivables on the balance sheet has been reduced based on expected credit losses amounting to 297 thousand euros (805 thousand euros). If the amount of the impairment loss decreases in any subsequent financial year and the reduction can be related to an event after the impairment was recognized, the recognized loss is reversed through profit or loss.

The impairment model has no effect on other financial assets or on financial assets recognized at fair value through profit or loss in accordance with IFRS 9 standard, because at the time of fair value measurement the expected credit losses have already been taken into account.

NOTE 26 - CASH AND CASH EQUIVALENTS

EUR 1,000	2025	2024
CASH AND CASH EQUIVALENTS		
Cash and bank accounts	40,272	57,503
TOTAL	40,272	57,503
Cash and cash equivalents in the cash flow statement		
Cash and cash equivalents	40,272	57,503
TOTAL	40,272	57,503

Basis of preparation

Cash and cash equivalents comprise cash in hand, current bank deposits and other liquid short-term investments with maturity of three months or less. Bank overdrafts are included in current interest-bearing liabilities. Credit accounts related to Group accounts are included in current interest-bearing liabilities and are presented net if the Group has a contractual legal set-off right to pay or otherwise eliminate the amount due to the creditor in whole or in part.

Risk management

Counterparty risk of investment activities

The financing instrument contracts that the Group has concluded with banks and financial institutions involve the risk that the counterparty will not be able to fulfill its obligations according to the contract. In investment activities and when concluding derivative contracts, only those parties with a good credit rating and who meet the other terms and conditions defined in the financing policy are accepted as counterparties. When making investments, derivative contracts and loan agreements, the Group applies counterparty-specific maximum amounts to avoid risk clusters. On the balance sheet date, the funds related to the Group's cash management were in bank accounts. Liquid assets in financial institutions outside the euro zone were EUR 11.8 million (MEUR 9.3) at the balance sheet date.

Risk management

Due to the nature of the Group's project business, required financing and the amount of liquid assets vary even in the short term. Predicting working capital requirements is made especially challenging by new orders which have individual payment terms and involve uncertainties related to delivery schedules.

The minimum amounts of cash and cash equivalents, current investments, and available credit liabilities have been defined in the Group's financing policy to secure the Group's liquidity. Good liquidity is maintained primarily through efficient working capital and cash management. In the long term, the risk related to availability and price financing is managed by utilizing various of sources of financing. Investments are made mainly in current deposits or marketable euro-denominated investments with good credit rating. Investments are required to exhibit sufficient liquidity. The Group had interest-bearing net liabilities in the consolidated financial statements of December 31, 2025, amounting to EUR 0.0 million (MEUR 0.0).

The Group's cash and cash equivalents totaled EUR 40.3 million (MEUR 57.5) at the end of the financial year. The Group has made preparations for fluctuating working capital requirements and possible disturbances in the availability of money with committed standby credit limit worth EUR 5.0 million and a total uncommitted guarantee limit worth EUR 53.5 million with two Nordic banks. At the end of the financial year, committed standby credit limit was not in used. EUR 32.8 million (EUR 36.6 million) of the uncommitted guarantee limits were unused.

Covenants in the existing financing agreement

The special terms related to the financial key figures of the existing financing agreement, i.e., covenants, are minimum EBITDA, minimum liquidity and equity ratio.

Covenants under the existing financing agreement are reported to the lender monthly for minimum liquidity and quarterly for minimum EBITDA and equity ratio. If the covenant conditions are not met, the creditor can demand an accelerated repayment of the existing limits and terminate the financing agreement. The Group successfully passed the covenants during the reporting period.

The Group's financial liabilities include trade payables, derivative liabilities and interest-bearing liabilities. Trade payables are due within less than a month on average. Repayment of interest-bearing loans based on the Group's loan contracts and cash flows from financial expenses related to them and cash flows from other financial liabilities are presented in Note no. 23 Financial liabilities.

NOTE 27 - FINANCIAL INCOME AND EXPENSES

EUR 1,000	2025	2024
FINANCIAL EXPENSES, NET		
Financial income		
Interest income	1,068	1,602
Dividend income	417	360
Capital gains	-	-
Exchange rate gains from financial liabilities	43	133
Other financial income	-	7
Total financial income	1,529	2,102
Financial expenses		
Interest expenses on financial loans recognized at amortized cost	-231	-37
Exchange rate losses on other financial items	-711	-106
Other financial expenses	-239	-545
Total financial expenses	-1,181	-688
Financial expenses, net	348	1,415

Basis of preparation

Interest income is recognized as income for the financial year in which it was generated, according to the effective interest method. **Dividend income** is recognized as income for the financial year when the right to receive the dividend payment has established.

Foreign exchange gains arise from the valuation of the Group's foreign currency cash and cash equivalents and financial liabilities.

Interest expenses from financial liabilities are recognized as an expense for the financial year in which they belong to, based on the interest liability determined in the financial loan contract.

Other interest expenses are recognized as expense in the financial year in which they were incurred.

Foreign exchange rate losses arise from the valuation of the Group's foreign currency-denominated cash and cash equivalents and financial liabilities.

NOTE 28 - PLEDGED ASSETS AND CONTINGENT LIABILITIES

EUR 1,000	2025	2024
Mortgage agreements		
Business and real estate mortgages as collateral for credit and guarantee limits*	178,200	178,200
Total credit guarantee arrangements	178,200	178,200
Mortgage agreements on behalf of Group companies		
Financial loans	-	-
Other obligations	-	-
Other credit guarantee arrangements	-	-
Commercial bank guarantees on behalf of the Parent company and subsidiaries	20,798	32,112
Other own obligations		
Rental liabilities maturing within one year	270	323
Rental liabilities maturing in one to five years	217	308
Total	486	631

*Related to the financing arrangement described in Note no. 19.

Customers can be given **commercial bank guarantees** against the customer's advance payments.

PARENT COMPANY'S FINANCIAL STATEMENTS, FAS

RAUTE CORPORATION

Financial statements January 1 – December 31, 2025

The accounting principles of the Parent company's financial statements have been presented only for those parts that differ from the IFRS accounting principles of the consolidated financial statements.

Basis of preparation

The Parent company's financial statements have been prepared in accordance with the Finnish Accountancy Act (FAS).

Other than euro-denominated transactions have been recognized at the exchange rate effective on the transaction date. Receivables and liabilities denominated in other than euro-based currencies have been translated into euro at the average rate of the balance sheet date, except for business operations where the associated currency risk has been hedged by a currency derivative contract. These items have been measured at the value hedged through the derivative contract. Advances paid and received have been recognized in the balance sheet at the exchange rate effective on the payment date. Exchange gains and losses related to changes in the exchange rates have been recognized through profit or loss.

PARENT COMPANY'S INCOME STATEMENT

EUR 1,000	1.1.-31.12.2025	1.1.-31.12.2024
NET SALES	154,479	170,611
Change in inventories of finished goods and work in progress	-133	-1,384
Other operating income	292	405
Materials and supplies	-75,751	-93,539
Personnel expenses	-38,823	-43,075
Depreciation and amortization	-4,492	-3,996
Other operating expenses	-19,645	-16,945
Total operating expenses	-138,711	-157,556
OPERATING RESULT	15,926	12,076
Financial income and expenses	-5,532	962
RESULT BEFORE APPROPRIATIONS AND TAXES	10,395	13,038
Appropriations	-186	-171
Income taxes	-2,839	-2,387
RESULT FOR THE FINANCIAL YEAR	7,370	10,480

PARENT COMPANY'S BALANCE SHEET, FAS

EUR 1,000	31.12.2025	31.12.2024
ASSETS		
Non-current assets		
Intangible assets	12,611	14,170
Tangible assets	7,972	7,607
Investments	9,830	14,043
Total non-current assets	30,413	35,821
Current assets		
Inventories	10,651	20,886
Deferred tax assets	0	1,733
Current receivables	25,898	22,932
Financial investments	11,118	15,752
Cash and cash equivalents	27,915	39,464
Total current assets	75,583	100,766
TOTAL ASSETS	105,996	136,586

PARENT COMPANY'S BALANCE SHEET, FAS

EUR 1,000	31.12.2025	31.12.2024
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Share capital	8,256	8,256
Fair value reserve and other reserves	19,655	19,655
Retained earnings	16,921	11,081
Profit for the financial year	7,370	10,480
Total shareholders' equity	52,202	49,473
Appropriations	1,929	1,743
Obligatory provisions	2,887	1,892
Liabilities		
Non-current liabilities	3,000	3,000
Current liabilities	45,978	80,479
Total liabilities	48,978	83,479
TOTAL LIABILITIES	105,996	136,586

PARENT COMPANY'S CASH FLOW STATEMENT

EUR 1,000	1.1.–31.12.2025	1.1.–31.12.2024
CASH FLOW FROM OPERATING ACTIVITIES		
Proceeds from sales	132,976	166,683
Proceeds from other operating income	292	405
Payments of operating expenses	-141,183	-154,575
Cash flow before financial items and taxes	-7,914	12,512
Interest paid from operating activities	-240	-295
Dividends received from operating activities	417	860
Interest received from operating activities	973	1,295
Other financing items from operating activities	-2,034	-922
Income tax paid	1,118	-52
Net cash flow from operating activities (A)	-7,679	13,399
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets	-3,480	-2,347
Business transaction	-	-
Proceeds from sale of property, plant and equipment and intangible assets	98	313
Purchase of subsidiary shares	-59	-
Proceeds from sale of investments	-118	-
Disposal proceeds from other investments	-	-
Loans granted to Group companies	-	-364
Repayments of loan receivables from Group companies	-	-
Net cash flow from investing activities (B)	-3,559	-2,398
CASH FLOW FROM FINANCING ACTIVITIES		
Directed share issue and rights issue	-	-
Convertible junior loan	-	-
Expenses for share issue and junior loan	-273	-350
Purchase of own shares*	-1,350	-
Proceeds from current borrowings	-	-
Repayments of current borrowings	-	-
Dividends paid	-3,320	-603
Net cash flow from financing activities (C)	-4,943	-953
Net change in cash and cash equivalents (A+B+C)	-16,182	10,048
Increase (+) / decrease (-)		
Cash and cash equivalents at the beginning of the year	55,215	45,167
Net change in cash and cash equivalents	-16,182	9,775
Cash generated by the merger	-	273
Effect of exchange rate changes on cash	0	-
Cash and cash equivalents at the end of the year	39,033	55,215

*Own shares purchased through EAI Raute Holding Oy are presented in here

NOTE 1 - NET SALES

EUR 1,000	2025	%	2024	%
NET SALES				
Net sales by market area				
EMEA (Europe and Africa)	130,721	85	113,695	67
LAM (South America)	11,258	7	36,688	22
NA (North America)	8,236	5	16,171	9
APAC (Asia-Pacific)	4,264	3	3,831	2
CIS (Russia)	-	-	228	0
TOTAL	154,479	100	170,611	100

Finland accounted for 46 percent (16%) of net sales.

Basis of preparation

The revenue recognition related to net sales corresponds to the accounting principles of the Group consolidated financial statements.

EUR 1,000	2025	2024
Specification of net sales		
Net sales by percentage of completion	124,339	140,473
Other net sales	30,139	30,138
TOTAL	154,479	170,611
Amount recognised as revenue for long-term projects recognised as income according to completion rate but not delivered	226,197	167,838
Amount of performance obligations to be satisfied over time not yet entered as income (order book)	81,413	166,615
Current customer contract assets	14,850	9,337
Current customer contract liabilities	14,328	44,072
Advance payments included in current liabilities in the balance sheet		
Current customer contract liabilities	14,328	44,072
Other advance payments received	1,413	1,188
TOTAL	15,741	45,260

NOTE 2 - CURRENT RECEIVABLES

EUR 1,000	2025	2024
Current receivables from Group companies		
Loan receivables	977	1,307
Accounts receivables	868	1,300
Other receivables	6	8
Accrued income and prepaid expenses	1,342	2,332
Total from Group companies	3,193	4,946
Current receivables from others		
Accounts receivables	4,481	5,559
Accrued income and prepaid expenses	17,940	11,522
Other receivables	285	905
Total from others	22,706	17,986
TOTAL	25,898	22,932
Substantial items included in accrued income		
Current customer contract assets according to the percentage of completion method	14,850	9,337
Income tax receivable	-	41
Other accrued income	3,090	2,144
TOTAL	17,940	11,522

Basis of preparation

Receivables in the balance sheet include accounts receivables and other receivables. Receivables have been valued at original carrying amount or at the lower disposal price. Accounts receivables in the balance sheet do not include significant credit risk clusters at the balance sheet date.

NOTE 3 - MATERIALS AND SERVICES

EUR 1,000	2025	2024
Purchases during the financial year	-57,813	-83,061
Change in inventories, materials and supplies, other inventories	-4,536	-726
External services	-13,402	-9,752
TOTAL	-75,751	-93,539

NOTE 4 - INVENTORIES

EUR 1,000	2025	2024
Materials and supplies	9,122	13,533
Work in progress	1,505	1,764
Finished products	0	0
Advance payments received for long-term projects	24	5,589
TOTAL	10,651	20,886

During the financial year, EUR 977 thousand (EUR 526 thousand) were recognized in expenses, reducing the carrying amount of inventories to correspond to the disposal price.

NOTE 5 - OBLIGATORY PROVISIONS

EUR 1,000	2025	2024
Warranty provisions		
Book value at Jan 1	1,882	1,217
Additions	2,474	1,827
Decrease	-1,470	-1,162
Warranty period expired	-1,068	-341
Realized warranty costs	-402	-821
Book value at Dec 31	2,887	1,882
Other obligatory provisions		
Book value at Jan 1	10	9
Additions	0	7
Decrease	-10	-6
Book value at Dec 31	0	10
TOTAL	2,887	1,892

NOTE 6 - PERSONNEL EXPENSES

EUR 1,000	2025	2024
Wages and salaries	-31,424	-36,947
Pension costs	-5,730	-5,175
Other personnel expenses	-1,669	-953
TOTAL	-38,823	-43,075
PERSONNEL		
Employed at Dec 31, persons		
Workers	172	168
Office staff	386	408
TOTAL	558	576
Personnel working abroad at Dec 31	20	24
Effective, on average, persons		
Workers	159	164
Office staff	385	403
TOTAL	544	567
Personnel working abroad, effective, on average	22	22
On average, persons		
Workers	168	165
Office staff	399	405
TOTAL	567	570
Personnel working abroad, on average	22	22

Basis of preparation

Statutory pension coverage of Raute Corporation has been arranged through an external pension insurance company. Pension expenses have been recognized as expenses according to accrual over time.

NOTE 7 - OTHER OPERATING INCOME

1 000 euroa	2025	2024
Liiketoiminnan muut tuotot konserniyhtiöiltä	194	323
Myyntivoitot pysyvistä vastaavista	17	43
Liiketoiminnan muut tuotot	81	39
YHTEENSÄ	292	405

Basis of preparation

Revenue not included in net sales has been recognized in the **other operating income**. Lease income included in the other operating income has been recognized as income on a straight-line basis for the lease term.

NOTE 8 - OTHER OPERATING EXPENSES

OTHER OPERATING EXPENSES EUR 1,000	2025	2024
Indirect production costs	-2,159	-3,066
Sales and marketing costs	-2,754	-2,363
Administration costs	-7,735	-7,057
Other costs	-6,996	-4,459
TOTAL	-19,645	-16,945

Basis of preparation

Research and development costs have been recorded as operating costs in Income Statement in the financial year incurred. During the financial year, research and development costs have been recorded 4,440 thousand euros (4,984 thousand euros).

OTHER OPERATING EXPENSES EUR 1,000	2025	2024
Auditor's remunerations		
Authorized Public Accountants PricewaterhouseCoopers Oy		
Audit expenses, statutory	-158	-172*
Audit expenses, other assignments according to the Audit Act	-	-3*
Audit expenses, other services	-90	-87*
Audit expenses, tax services	-	-
TOTAL	-248	-262*

* The 2024 figures have been changed

The Parent company's auditor **during** the financial year was Authorized Public Accountants PricewaterhouseCoopers Oy. Statutory audit fee includes audit fees for current financial year auditing. Other services and tax services include audit fees for other services recognized on accrual basis during the financial year. The fees do not include travel or costs and fees payable to the authorities arising from auditing or other assignments.

OTHER LEASES

OTHER LEASES EUR 1,000	2025	2024
Raute Corporation as a lessee		
Minimum rents paid on the basis of other non-cancellable leases:		
- Within one year	634	700
- After a period of more than one year and less than five years	871	966
TOTAL	1,505	1,666

NOTE 9 - INCOME TAXES

EUR 1,000	2025	2024
Income taxes from operations	-1,232	-22
Current tax of previous financial years	126	-9
Change in deferred taxes	-1,733	-2,356
TOTAL	-2,839	-2,387

Basis of preparation

The tax expense of the income statement includes the taxes to be paid from the taxable profit of the financial year according to the regulations, as well as the corrections of taxes from previous financial years. The company's balance sheet includes a recorded tax liability totaling 1,004 thousand euros (tax receivable 1,733 thousand euros).

NOTE 10 - INTANGIBLE ASSETS

EUR 1,000	Development expenses	Unfinished development expenses	Intangible rights	Goodwill	Other intangible assets	Advance payments	Total
Acquisition cost at Jan. 1, 2025	0	405	4,390	662	23,819	138	29,414
Additions	29	525	509		382	94	1,540
Disposals							0
Reclassification between items	263	-263			138	-138	0
Acquisition cost at Dec. 31, 2025	292	667	4,899	662	24,339	93	30,953
Accumulated amortization and depreciation at Jan. 1, 2025	0	0	-3,607	-509	-11,126	0	-15,242
Write-down							0
Depreciation for the financial year	-5		-508	-66	-2,520		-3,099
Depreciation of disposals and transfers							0
Reclassification between items							0
Accumulated amortization and depreciation at Dec. 31, 2025	-5	0	-4,115	-575	-13,646	0	-18,341
Book value at Dec. 31, 2025	287	667	784	85	10,695	93	12,611
Book value at Dec. 31, 2024	0	405	783	151	12,694	138	14,171

Basis of preparation
Research and development expenses

Research expenses are recorded as expenses on an accrual basis, i.e. at the time the expenses are incurred.

The company's development expenses have been capitalized in accordance with KPL § 5:8. The company capitalizes development costs to intangible assets on the balance sheet if they are expected to generate income in several financial years. The company has capitalized the development costs that have been incurred immediately by making the commodity ready for its intended use. The company capitalizes an intangible asset as a development expense when the completion of the asset is technically feasible in such a way that the asset is available or can be sold, the company has the ability, intention and resources to complete the asset and use it or sell it, according to the company's assessment, the asset has a probable economic benefit that can be demonstrated, and the company is able to reliably determine the expenses resulting from the intangible asset during its development phase.

There are uncertainties associated with the values related to the capitalized development expenses in the balance sheet, and it is possible that the expected return from the development projects will change as circumstances change. The value of capitalized development costs on the balance sheet may decrease if the expected financial benefit changes. If the expected yield of the commodity recorded in the balance sheet falls below the balance sheet value, i.e. the sum of the capitalized unremoved development costs, the balance sheet value of the development expenditure is adjusted with a write-down to match the expected yield.

NOTE 11 - TANGIBLE ASSETS

EUR 1,000	Land and water	Buildings and structures	Machinery and equipment	Other tangible assets	Advance payments and assets in progress	Total
Acquisition cost at Jan. 1, 2025	218	11,738	36,068	846	284	49,154
Additions		94	1,340		348	1,782
Disposals			-24			-24
Reclassification between items			284		-284	0
Acquisition cost at Dec. 31, 2025	218	11,832	37,668	846	348	50,912
Accumulated depreciation and amortization at Jan. 1, 2025	-	-9,485	-31,459	-601	-	-41,545
Depreciation and amortization for the financial year		-244	-1,100	-49		-1,393
Depreciation of disposals and transfers						0
Reclassification between items						0
Accumulated depreciation and amortization at Dec. 31, 2025	0	-9,729	-32,559	-650	0	-42,938
Book value at Dec. 31, 2025	218	2,103	5,108	196	348	7,972
Book value at Dec. 31, 2024	218	2,253	4,608	245	284	7,607

NOTE 12 - DEPRECIATION AND AMORTIZATION

EUR 1,000	2025	2024
Depreciation and amortization of intangible assets	-3,099	-2,685
Depreciation and amortization of tangible assets	-1,393	-1,311
TOTAL	-4,492	-3,996

Depreciations of tangible assets and amortizations of intangible assets according to a plan have been recorded with the straight-line method over the expected economic lives of the assets as follows:

Intangible rights	10 years
Goodwill	10 years
Other intangible assets	3-10 years
Buildings and structures	25-40 years
Machinery and equipment	4-12 years
Other tangible assets	3-10 years
Development expenses	3-10 years.

Depreciations and amortizations have been recorded from the beginning of the month in which the asset has been taken into use. Residual expenditures on decommissioning and disposal of tangible assets have been presented under the item Depreciation and amortization in the income statement.

Gains and losses on disposal of tangible assets have been presented in other operating income or expenses.

NOTE 13 – NON-CURRENT INVESTMENTS

EUR 1,000	Shares, group companies	Shares, others	Total
Acquisition cost at Jan. 1, 2025	19,227	1,237	20,464
Additions	59	118	177
Disposals	-4,390		-4,390
Acquisition cost at Dec. 31, 2025	14,896	1,355	16,251
Accumulated impairments at Jan. 1, 2025	-5,297	-1,125	-6,422
Impairments			
Accumulated impairments at Dec. 31, 2025	-5,297	-1,125	-6,422
Book value at Dec. 31, 2025	9,599	230	9,830
Book value at Dec. 31, 2024	13,930	112	14,043

SHARES OWNED BY THE COMPANY

	Holding and voting rights, %	Book value, EUR 1,000
Subsidiaries		
Raute Canada Ltd., Delta, B.C., Canada	100	5,751
Raute Inc., Delaware, USA	100	2,899
RWS-Engineering Oy, Lahti, Finland	100	203
Raute WPM Oy, Lahti, Finland	100	9
Raute Group Asia Pte Ltd., Singapore	100	0
Raute (Changzhou) Machinery Co. Ltd, Changzhou, China	100	0
Raute Chile Ltda., Concepcion, Chile	50	15
Raute Service Indonesia	100	664
Raute Japan Co., Ltd	100	59
TOTAL		9,599
Other shares		
	Number of shares, pcs	Book value, EUR 1,000
Esys Oy	580	160
DIMECC OY	50	50
Other		20
TOTAL		230

NOTE 14 – SHAREHOLDERS' EQUITY

EUR 1,000	2025	2024
Share capital at Jan. 1	8,256	8,256
Share capital at Dec. 31	8,256	8,256
Invested non-restricted equity reserve at Jan. 1	19,655	19,655
Directed share issue and rights issue	-	-
Invested non-restricted equity reserve at Dec. 31	19,655	19,655
Retained earnings at Jan. 1	11,081	13,636
Changes during the financial year		
- Profit from the previous year	10,480	-1,485
- Dividends	-3,320	-603
- Derivatives recorded in equity during the financial year	54	-467
- Acquisition of own shares	-1,374	
Retained earnings at Dec. 31	16,920	11,081
Result for the financial year	7,370	10,480
SHAREHOLDERS' EQUITY AT DEC. 31	52,202	49,472
Distributable funds		
Retained earnings at Dec. 31	16,920	11,081
Result for the financial year	7,370	10,480
Invested non-restricted equity reserve	19,655	19,655
Items deductible from distributable funds		
Development costs	-954	-405
Distributable funds at Dec. 31	42,991	40,811
Shares of the company		
Combined series shares (1 vote/share), 1,000 pcs	6,038	6,123
Total shares, 1,000 pcs	6,038	6,123
Book counter value of the share	1.37	1.35
Total book counter value, 1 000 pcs	8,256	8,256

NOTE 15 – LIABILITIES

EUR 1,000	2025	2024
Non-current liabilities		
Convertible junior loan*	3,000	3,000
Current liabilities		
Current liabilities to Group companies		
- Advance payments received	9,508	22,618
- Accounts payable	977	1,144
- Accrued expenses and prepaid income	578	1,325
- Other current liabilities	10,005	6,909
Total to Group companies	21,068	31,996
Current liabilities to others		
- Advance payments received	6,233	22,642
- Accounts payables	5,714	11,413
- Accrued expenses and prepaid income	10,867	11,371
- Other liabilities	2,096	3,057
Total to others	24,910	48,483
TOTAL	45,978	80,479
Interest-bearing liabilities		
- Current other liabilities	-	-
TOTAL	-	-
Substantial items included in accrued expenses and prepaid income		
- Accrued personnel expenses	8,392	9,675
- Income tax liability	1,004	-
- Financial accruals	50	115
- Other accrued expenses	1,421	1,581
TOTAL	10,867	11,371

* The convertible junior loan is classified as long-term debt in the parent company (FAS), and as equity in the group (IFRS). Finnish accounting regulations do not contain similar criteria for classification as equity as IFRS.

NOTE 16 – FINANCIAL INCOME AND EXPENSES

EUR 1,000	2025	2024
Dividend income		
From others	417	860
Total	417	860
Other interest and financial income		
From Group companies	58	8
From others	1,083	1,336
Total	1,141	1,344
Total financial income	1,558	2,204
Interest and other financial expenses		
To Group companies	-1,504*	-6
To others	-5,585**	-1,236
Total	-7,089	-1,242
Total financial expenses	-7,089	-1,242
Financial income and expenses, net	-5,532	962
Exchange rate losses (-) included in total financial income and expenses	-302	-147

* The amount consists of the write-down of the internal loan of subsidiary Raute Changzhou Machinery Co., Ltd.

** The amount includes 4,390 thousand euro write-down of shares in the subsidiary Raute Changzhou Machinery Co., Ltd.

NOTE 17 – DERIVATIVES

EUR 1,000	2025	2024
Nominal values of forward contracts in foreign currency		
Hedge accounting		
- Related to the hedging of net sales	4,719	8,130
Derivatives which do not meet the criteria of hedge accounting		
- Related to financing	-	-
- Related to the hedging of net sales	-	-
Fair values of forward contracts in foreign currency		
Hedge accounting		
- Related to the hedging of net sales	76	-279
Derivatives which do not meet the criteria of hedge accounting		
- Related to financing	-	-
- Related to the hedging of net sales	-	-

Basis of preparation

The company's **derivatives** include foreign currency derivative contracts. Currency derivatives are used to hedge against currency risks related to currency cash flow.

NOTE 18 – PLEDGED ASSETS AND CONTINGENT LIABILITIES

EUR 1,000	2025	2024
Guarantees given on your own behalf		
Business mortgages given as security	178,200	178,200
Mortgage agreements on behalf of subsidiaries		
Financial loans	-	-
Other obligations	-	-
Other credit guarantee arrangements	-	-
Commercial bank guarantees on behalf of the Parent company and subsidiaries	20,798	32,112

FINANCIAL STATEMENTS DECEMBER 31, 2025

Common accounting document types used

Financial statements

General journal and general ledger

Accounts payable and accounts receivable

Description of voucher group

Bank vouchers

Purchase invoices

Sales invoices

Fixed asset register

Salary vouchers

Memo vouchers

Voucher group

10, 12 and 16

19 and 81

30, 31, 34, 35 and 36

FaCur and FaDepr

55, 56, 64, 65, 66, 67 and 68

11, 15,, 20, 21, 22, 23, 24, 25,
48, 49, 50, 51, 52, 53 and 54

Documents' means of storing

Separately bound, in paper

In electronic format

In electronic format

Vouchers' means of storing

In electronic format

BOARD OF DIRECTORS' PROPOSAL FOR THE PROFIT DISTRIBUTION AND SIGNATURES

The distributable funds of the parent company Raute Corporation on December 31, 2025 are EUR 43.0 million. (2024: 40.8).

The Board of Directors proposes to the Annual General Meeting to be held on 14 April 2026 that a dividend of EUR 0.65 be paid from distributable funds for each outstanding share, the number of which is 6,038,229 on the date of publication of the Financial Statements:

According to the proposal, a dividend of EUR 3.9 million would be paid. (2024: 3.3). After this, the parent company would be left with EUR 39.1 million in distributable funds. (2024: 37.5).

There have been no material changes in the company's financial position since the end of the financial year. The company's liquidity is good, and the proposed distribution of profit will not jeopardise the company's solvency.

The financial statements, prepared in accordance with the applicable accounting regulations, give a true and fair view of the assets, liabilities, financial position and profit or loss of both Raute Corporation and the companies included in its consolidated financial statements. The Report of the Board of Directors contains a true and true description of the business development and result of Raute Corporation and the companies included in its consolidated financial statements, as well as a description of the most significant risks and uncertainties and other state of the company. The sustainability report included in the Report of the Board of Directors has been prepared in accordance with the reporting standards referred to in Chapter 7 of the Accounting Act and Article 8 of the Taxonomy Regulation.

Signatures of the financial statements and the report of the Board of Directors

Lahti, March 11th, 2026

Laura Raitio
Chair of the Board

Joni Bask

Ari Harmaala

Mikko Kettunen

Julius Manni

Ari Piik

Jenni Virnes

Mika Saariaho
President and CEO

Auditor's note

A report on the audit performed has been issued today.

Helsinki, March 11th, 2026
PricewaterhouseCoopers Oy
Authorized Public Accountant

Mikko Nieminen
Authorized Public Accountant

To the Annual General Meeting of Raute Oyj

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (TRANSLATION OF THE FINNISH ORIGINAL)

Opinion

In our opinion

- the consolidated financial statements give a true and fair view of the group's financial position, 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 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 Raute Oyj (business identity code 0149072-6) for the year ended 31 January 2025. The financial statements comprise:

- the consolidated balance sheet, income statement, statement of comprehensive income, statement of changes in equity, 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 have provided to the parent company and 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 Other operating expenses to the Financial Statements.

Our Audit Approach

Overview



- Overall group materiality: 1.76 million euros, which represents approximately 1% of net sales
- Our audit procedures covered all countries and entities that are material to the Group. The audit focused on the most significant entities, located in Finland and Canada
- Revenue recognition of project deliveries and modernization projects

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	1.76 million euros, (previous year 2.0 MEUR)
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 Raute Group, the accounting processes and controls, and the industry in which the group operates.

Using this criteria we selected companies into our audit scope and at the same time ensured that we get sufficient coverage to our audit, in order to issue an audit opinion for the Group.

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
<p>Revenue recognition of project deliveries and modernization projects</p> <p><i>Refer to accounting principles of the consolidated financial statements and notes net sales in the consolidated financial statements</i></p> <p>The main part of net sales is comprised of projects deliveries and modernizations projects, which are treated as performance obligations to be satisfied over time. The group applies the percentage of completion method as a revenue recognition principle in performance obligations over time.</p> <p>Percentage of completion has been measured on a cost basis as the relation of actual project costs to the estimated total project costs.</p> <p>The revenue recognition of projects deliveries and modernization projects includes significant management judgments, which have a direct impact on the revenue and profit of the financial year. The most important judgment relates to the estimated total revenues as well as estimated material, subcontracting and labour costs.</p> <p>Our audit procedures focused on the revenue recognition of projects deliveries and modernization projects, as they include management judgment. The revenue recognition of projects deliveries and modernization projects includes management judgment in a form of estimates affecting both on the amount of revenue being recognized and profitability of the projects.</p> <p>This matter is a significant risk of material misstatement referred to in Article 10(2c) of Regulation (EU) No 537/2014.</p>	<p>Our revenue testing included both testing of the company's controls, as well as substantive audit procedures targeted at selected project deliveries and modernization projects. Our substantive procedures included the following but was not limited to:</p> <ul style="list-style-type: none"> • We have verified, by sampling new contracts signed during the accounting period, that the revenue recognition method applied was appropriate based on the terms of the arrangement • We have tested by sample, that estimated revenues are based on signed contracts and that new projects have been processed in accordance with Raute's decision making policy. • We have assessed reliability of the expected expenses for projects by comparing expenses of unfinished projects in the previous year-end to the final outcome. We have had discussions with relevant personnel about uncertainty relating to the estimated total expenses of the projects. We have read minutes from monthly project meetings into which the changes in expected expenses are documented by project. • We have tested the arithmetic of the spreadsheets with which the percentage of completion and revenue to be recognized for projects is calculated. • We also considered the appropriateness of the related disclosures provided in the notes to the consolidated financial statements

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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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 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 31 March 2010. Our appointment represents a total period of uninterrupted engagement of 16 years.

Other Information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises 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 identified above 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, 11 March 2026

PricewaterhouseCoopers Oy

Authorised Public Accountants

Mikko Nieminen

Authorised Public Accountant (KHT)

ASSURANCE REPORT ON THE SUSTAINABILITY STATEMENT (TRANSLATION OF THE FINNISH ORIGINAL)

To the Annual General Meeting of Raute Oyj

We have performed a limited assurance engagement on the group sustainability report of Raute Oyj (business identity code 0149072-6) 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 Raute 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 Raute 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 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 different levels of the organization 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 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, 11 March 2026

PricewaterhouseCoopers Oy

Authorised Sustainability Auditors

Mikko Nieminen

Authorised Sustainability Auditor

INDEPENDENT AUDITOR'S REPORT ON THE ESEF FINANCIAL STATEMENTS OF RAUTE OYJ (TRANSLATION OF THE FINNISH ORIGINAL)

To the Board of Directors of Raute Oyj

We have performed a reasonable assurance engagement on the financial statements 743700G00629V99PE435-2025-12-31-1-fi.zip of Raute Oyj (business identity code 0149072-6) that have been prepared in accordance with the Commission's regulatory technical standard for the financial year 1 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.

Auditor's responsibilities

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
- 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 Raute Oyj 743700G00629V99PE435-2025-12-31-1-fi.zip for the financial year 1 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 Raute Oyj for the financial year 1 January 2025-31 December 2025 has been expressed in our auditor's report dated 11 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

Mikko Nieminen

Authorised Public Accountant (KHT)



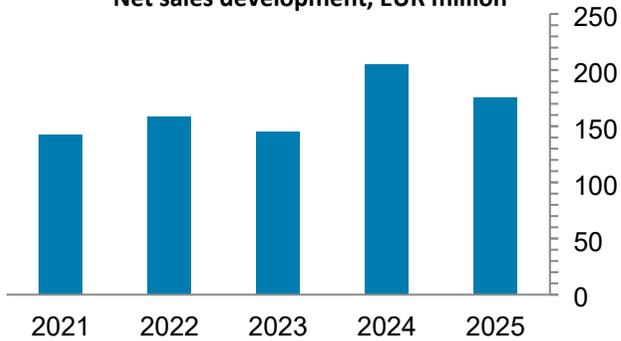
DEVELOPMENT OF GROUP RESULTS

DEVELOPMENT OF QUARTERLY RESULTS

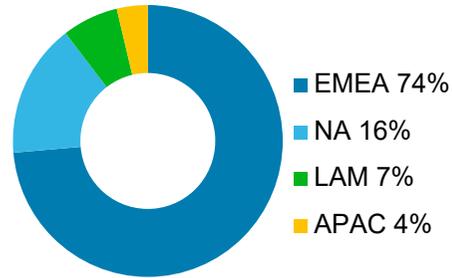
EUR 1,000	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
NET SALES	36,200	43,665	43,780	51,894	56,476	46,373	57,051	44,684
Change in inventories of finished goods and work in progress	2,978	293	-3,476	-263	-2,053	-1,173	1,270	478
Other operating income	21	10	53	75	67	36	10	11
Materials and services	-14,948	-20,614	-17,631	-24,940	-25,689	-19,592	-32,887	-22,963
Employee benefits expense	-11,928	-12,349	-12,032	-14,448	-16,617	-13,768	-15,008	-14,122
Depreciation, amortization and impairment	-1,173	-1,194	-2,534	-1,406	-1,332	-1,370	-1,302	-1,401
Other operating expenses	-6,787	-4,715	-6,235	-5,042	-7,360	-5,694	-5,184	-5,221
Total operating expenses	-34,836	-38,872	-38,432	-45,836	-50,997	-40,424	-54,381	-43,707
OPERATING RESULT	4,363	5,097	1,926	5,870	3,492	4,812	3,949	1,466
% of net sales	12.1	11.7	4.4	11.3	6.2	10.4	6.9	3.3
Financial income	170	322	653	385	436	461	768	437
Financial expenses	-100	-332	-285	-464	-168	-90	-143	-287
Financial expenses, net	69	-10	368	-79	268	371	625	151
RESULT BEFORE TAX	4,432	5,087	2,294	5,790	3,761	5,183	4,574	1,617
% of net sales	12.2	11.6	5.2	11.2	6.7	11.2	8.0	3.6
Income taxes	-845	-1,163	-1,100	-1,549	-809	-718	-1,147	-351
TOTAL RESULT FOR THE PERIOD	3,587	3,924	1,194	4,241	2,952	4,465	3,427	1,266
% of net sales	9.9	9.0	2.7	8.2	5.2	9.6	6.0	2.8
Attributable to								
Equity holders of the Parent company	3,587	3,924	1,194	4,241	2,952	4,465	3,427	1,266
Undiluted earnings per share, euros	0.59	0.65	0.19	0.69	0.48	0.73	0.56	0.20
Diluted earnings per share, euros	0.57	0.62	0.19	0.66	0.46	0.71	0.54	0.20
Adjusted average number of shares, 1 000 pcs	5,968	5,968	5,995	6,023	6,123	6,123	6,123	6,123
Adjusted average number of shares, diluted, 1 000 pcs	6,216	6,244	6,023	6,345	6,350	6,331	6,325	6,204
FINANCIAL DEVELOPMENT QUARTERLY	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Order intake during the period, EUR million	25	38	12	15	50	15	20	36
Order book at the end of the period, EUR million	98	108	115	146	184	188*	223	259

*Q3/2024 order book restated by EUR 2m from earlier reported

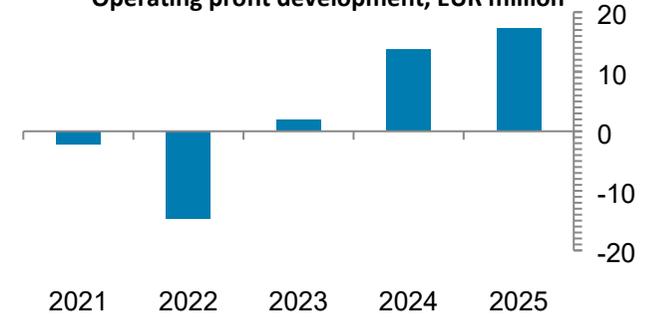
Net sales development, EUR million



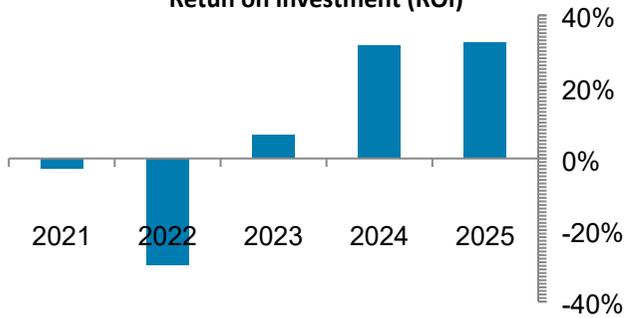
Net sales by market area



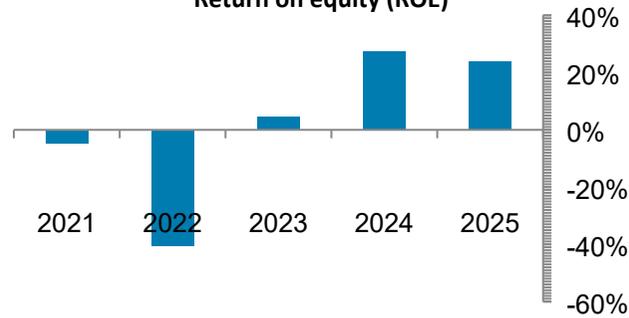
Operating profit development, EUR million



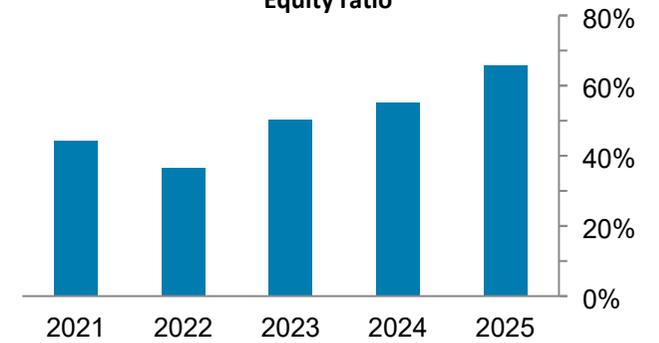
Return on investment (ROI)



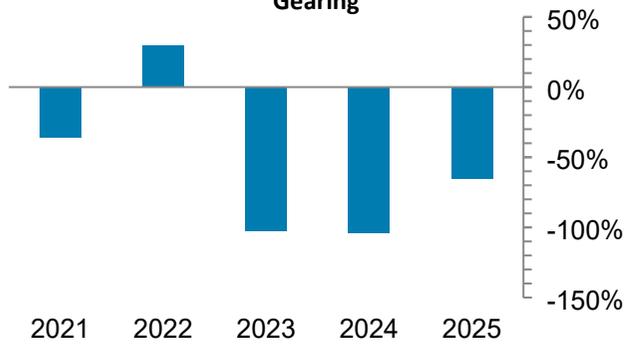
Return on equity (ROE)



Equity ratio



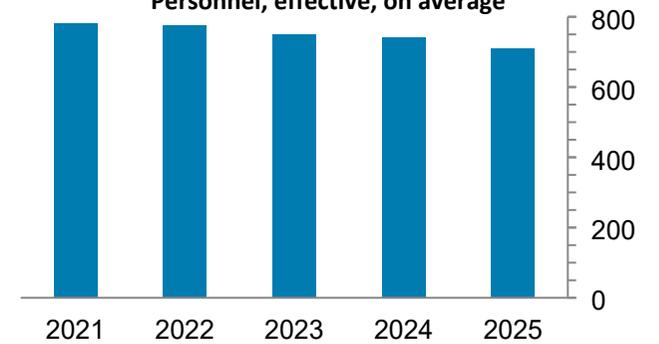
Gearing



Cash flow from operating activities, MEUR



Personnel, effective, on average





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