

SUSTAINABILITY REPORT 2024

Prepared in accordance with the EU VSME Standard

The reporting period is ITA Nordic's fiscal year from 1 July 2024 to 30 June 2025

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CEO REVIEW

Driving growth, development and responsibility in 2024

As a contract manufacturer in the technology industry, we have strengthened our role in our customers' value chains while taking significant steps toward more sustainable business practices. Responsibility is a strategic choice for us and an integral part of our values.

One of the most important initiatives this year has been our participation in the Digital Product Passport project, which is part of the EU Green Deal. Through this project, we are developing systems that support transparent, environmentally friendly, and regulatory-compliant operations – while improving supply chain traceability, energy efficiency, and employee well-being.

Our revenue of approximately €20 million reflects operational stability – but responsibility defines the direction for

the future. We are committed to continuous improvement and open dialogue with our customers and stakeholders.

For us, responsibility is not a separate part of business – it is the way we operate every day. Together with our employees, customers, and partners, we continue to work toward a more efficient, safer, and sustainable manufacturing industry.

We sincerely thank our employees, customers, and partners for the past financial year. Together, we are building a more sustainable future – one step at a time.

Tommi Laakso

Chief Executive Officer (CEO)



CCO STATEMENT

Building a culture of integrity and sustainable growth

The fiscal year 2024 marks an important milestone for ITA Nordic as we publish our first sustainability report in alignment with the EU Voluntary VSME standard. This step reflects our commitment to transparency, ethical business practices, and continuous improvement in all areas of our operations.

Sustainable business growth and responsibility are at the core of our strategy. This fiscal year, we introduced our Code of Conduct and Supplier Code of Conduct, setting clear expectations for ethical behavior within our organization and across our supply chain. These guidelines cover essential topics such as human rights, anti-corruption, and environmental responsibility, ensuring that our business partners share our values.

Sustainability is about shaping a better future. We are growing our business responsibly while actively reducing our carbon footprint. In 2026, we plan to expand our reporting to include Scope 3 emissions, further strengthening our climate accountability and transparency.

Our approach is proactive: we monitor risks, engage with stakeholders, and foster a culture where integrity and sustainability guide every decision. This report is a starting point, and we are committed to improving our processes, reporting and impact year after year.

Titta Matikainen

Chief Compliance Officer (CCO)



OUR SUSTAINABILITY REPORT IN SHORT

This is ITA Nordic's first sustainability report, prepared in line with the **EU Voluntary Sustainability Reporting Standard for SMEs (VSME)**. It covers the financial year **July 2024 – June 2025** and includes our operations in Ruokolahti, Ylöjärvi and Närpes.

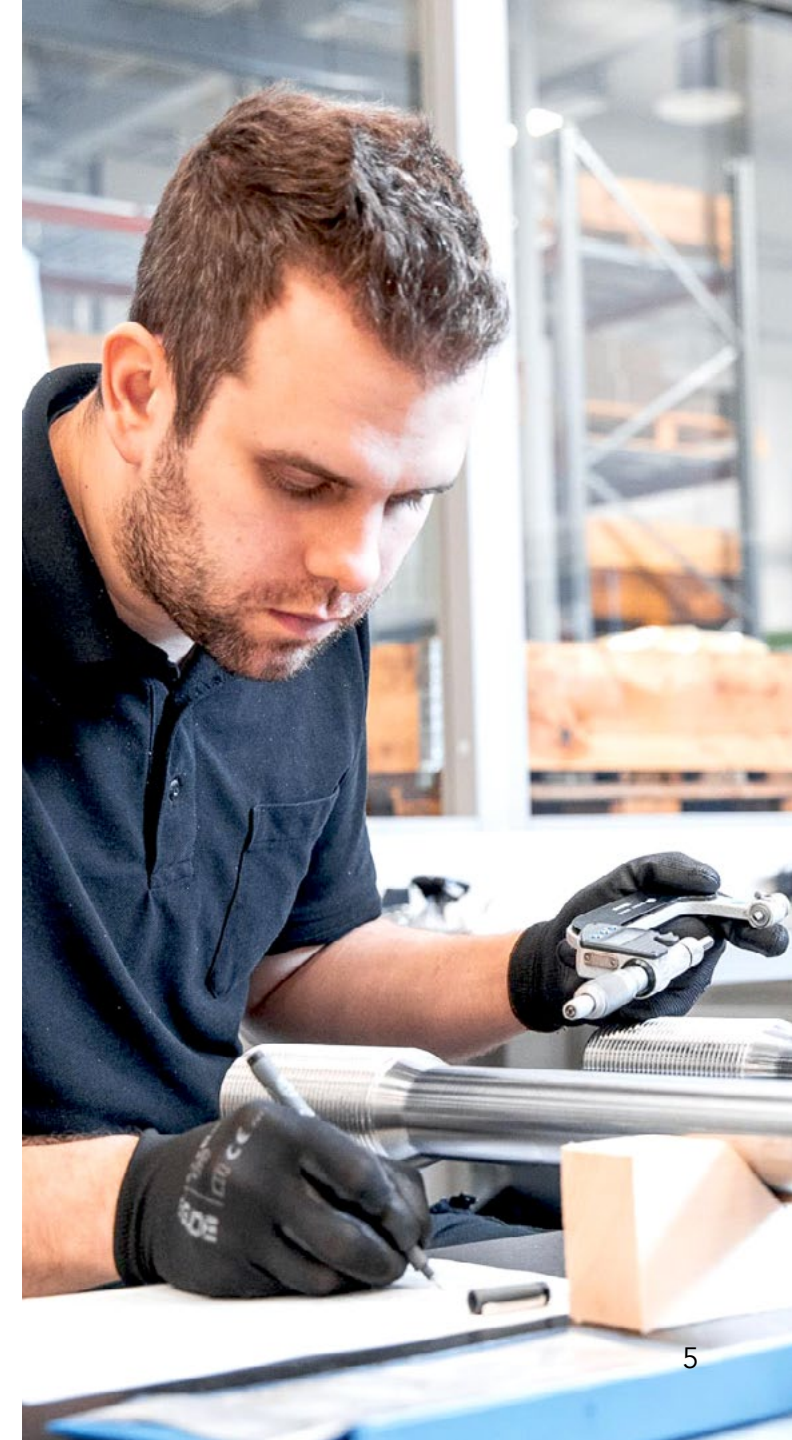
Key Highlights:

Climate Action: All sites use carbon-free electricity. Our greenhouse gas emissions for the year totaled 28.31 tCO₂e, and we are committed to reducing Scope 1 & 2 emissions by 25% by 2030.

Resource Efficiency: Over 4,000 tonnes of steel processed, with a significant share from recycled sources. Waste is managed through strict sorting and recycling practices.

People and Safety: We employed an average of 84 people, maintained a strong safety culture with only one workplace accident, and provided regular training.

Ethics and Governance: We uphold high ethical standards through our Code of Conduct and Supplier Code of Conduct.



GENERAL INFORMATION

B1, B2
C1, C2

GENERAL INFORMATION ABOUT ITA NORDIC

This sustainability report presents ITA Nordic’s approach to responsibility and sustainable development, highlighting our progress and the methods used to measure it. ITA Nordic operates under internationally recognized management system standards to ensure quality, efficiency and continuous improvement across all processes.

The report is prepared in accordance with the EU’s voluntary VSME sustainability reporting standard, designed for non-listed SMEs. The reporting period covers 1 July 2024 to 30 June 2025 and includes all operations of ITA Nordic Oy. In compiling this report, we have applied both the Basic Module and the Comprehensive Module of the VSME standard to ensure a thorough and transparent review. No information has been excluded due to sensitivity; only requirements that are not relevant to our business have been omitted. Our aim is to provide stakeholders with a clear, comprehensive view of ITA Nordic’s sustainability performance and future commitments.

Ita Nordic	
Legal form	Limited liability undertaking (Ltd)
NACE sector classification	25620 Machining
Country of registration	Finland
Sites	<ol style="list-style-type: none"> Närpes (Industrial plant) Ruokolahti (registered office & industrial plant) Ylöjärvi (industrial plant)

Financial key figures		Management system certificate	Issued (first) / by
Size of balance sheet	18,2 M€	ISO 9001:2015 (quality management systems)	1.2.2025 (6.2.2007) / DNV
Turnover	17,6 M€		
Number of employees	81	ISO 14001:2015 (environmental management systems)	1.2.2025 (6.2.2007) / DNV

BASIS FOR REPORTING (B1)

ITA Nordic Oy is a Finnish machine shop company with over 40 years of experience in the industry. We specialize in the contract manufacturing and assembly of technically demanding, precision-machined components. This is our first sustainability report, prepared in accordance with the EU's voluntary VSME sustainability reporting standard for non-listed SMEs. The report includes both mandatory and complementary sections of the standard. Headings have been aligned with the VSME framework and include corresponding reference codes. The content is organized into four categories: General Information, Environmental Data, Social Responsibility, and Good Governance.

The report covers ITA Nordic's fiscal year from July 2024 to June 2025. During this period, we operated at three locations: Ruokolahti, Ylöjärvi and Närpes. In January 2025, we acquired the shares of Salon Konepaja. However, the merger was completed on July 1, 2025, and therefore the Salo unit is not included in this report.

Through sustainability reporting, we aim to meet the needs and expectations of our customers and address future challenges. Our clients include leading companies in their fields, such as ABB, Sandvik, and Wärtsilä. We will continue to develop our reporting practices and data collection methods in the coming years to ensure transparency and continuous improvement.

At ITA Nordic, sustainability is not just a compliance requirement – it is a strategic priority. We are committed to reducing environmental impact, fostering a safe and inclusive workplace, and driving innovation to create long-term value for our customers, employees, and society.



ITA NORDIC BUSINESS MODEL (C1)

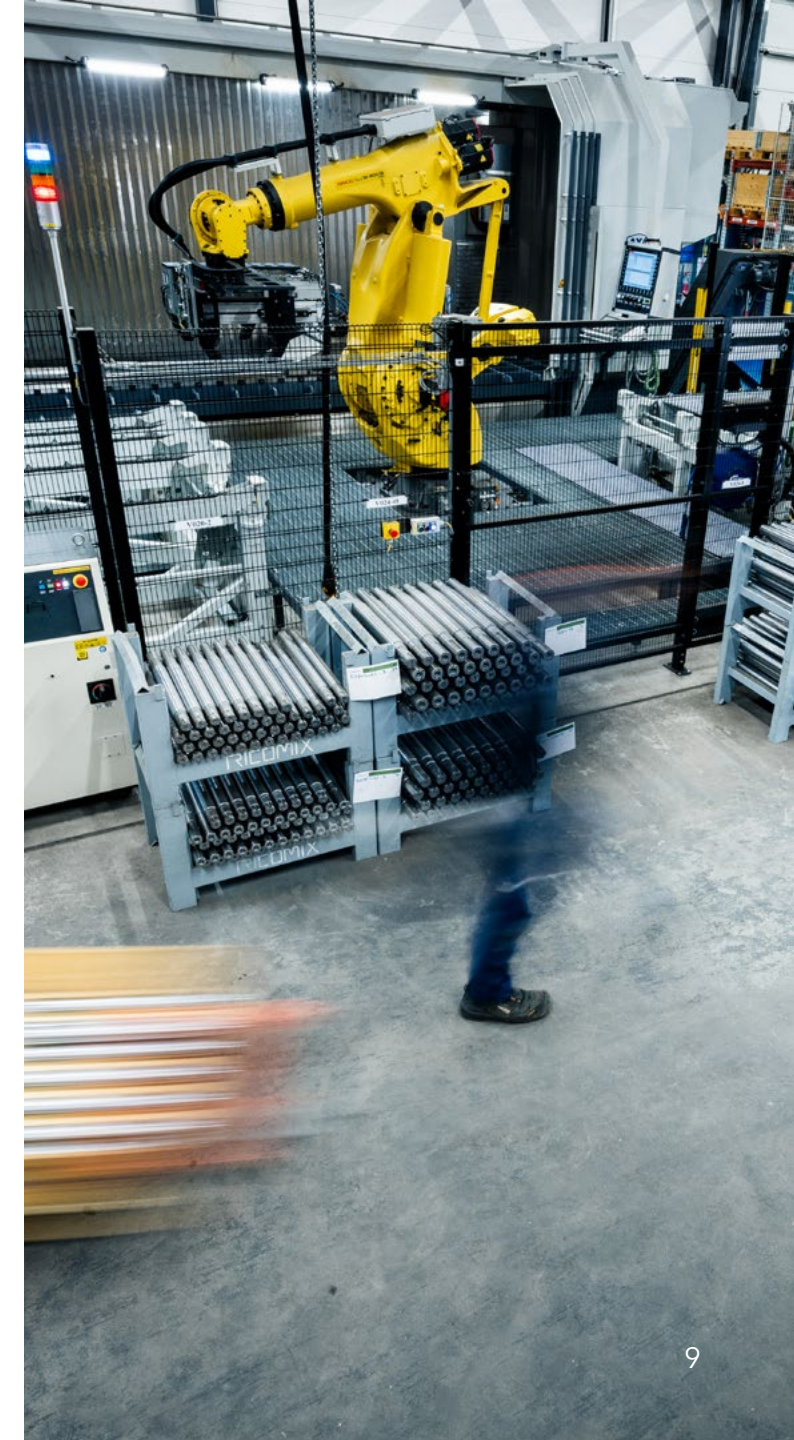
Our business model is built on long-term partnerships with industry-leading customers. We specialize in contract manufacturing of technically complex, machined components and assemblies, supported by advanced robotics and modern factory automation. Our competitive edge lies in high-quality production, reliable delivery performance and strong customer service.

Sustainability is an integral part of our strategy and daily operations. We are committed to responsible business practices that respect people, the environment, and applicable regulations. Key sustainability initiatives include:

- Carbon-neutral energy: All ITA Nordic sites use carbon-free electricity. We have implemented heat recovery systems to reduce energy consumption.
- Renewable heating solutions: Our facilities utilize air-to-water heat pumps and district heating networks powered by renewable wood chips.

- Circular economy practices: A significant share of the steel we use comes from recycled sources. We actively minimize waste and monitor monthly waste reports to track progress.
- Digital Product Passport: We are developing a digital identity for our products to enhance transparency, traceability, and compliance with EU circular economy goals.
- Ethical governance: Our Code of Conduct applies to all employees and guides interactions with stakeholders, fostering a culture of safety and integrity.

Through these initiatives, ITA Nordic aims to reduce its carbon footprint, improve resource efficiency, and prepare for future regulatory requirements. Sustainability is a strategic priority that supports innovation, competitiveness, and long-term value creation.



ITA NORDIC PRACTICES, POLICIES AND FUTURE INITIATIVES (B2&C2)

We strive continuously to operate more sustainably. The table below outlines our current and planned actions related to responsible business practices.

Sustainability topic	Description	Publicly documented [yes/no]	Target set [yes/no]
Climate change and emissions	ITA Nordic’s Sustainability and Greenhouse Gas Emissions Roadmap defines our goals and actions for 2024–2030. In 2024, we set a clear target to significantly reduce our Scope 1 & 2 greenhouse gas emissions (28.31 tCO ₂ e/1,6×10 ⁶) by 25 % by 2030. These scopes cover direct emissions from our operations and indirect emissions from purchased energy. Although Scope 3 emissions are not currently measured, we acknowledge their significance and plan to begin evaluating steps for measurement starting in 2026. Our roadmap reflects our commitment to continuous improvement and alignment with global climate objectives.	Yes	Yes



Sustainability topic	Description	Publicly documented [yes/no]	Target set [yes/no]
Pollution of air, water and soil	ITA Nordic's operations are primarily machining and assembly, which have a low risk of direct emissions to air, water, or soil. We do not use processes that generate significant pollutants, and all waste is handled according to strict environmental regulations. Oils and coolants used in production are collected and disposed of through certified partners to prevent soil or water contamination. Our facilities are equipped with proper ventilation and filtration systems to minimize air emissions.	No	No
Biodiversity	ITA Nordic's activities take place in industrial areas with minimal impact on biodiversity. We do not operate near protected habitats or water bodies. Our approach to biodiversity focuses on preventing pollution and managing waste responsibly to avoid indirect harm to ecosystems. We also prioritize energy efficiency and circular economy practices, which contribute to reducing overall environmental pressure.	No	No
Circular economy	ITA Nordic recycles nearly all waste generated in our operations. All metal waste from production is carefully sorted and delivered to our partner for processing into secondary metal. In 2024, we set a clear goal to further increase our recycling rate and minimize mixed waste and single-use plastics. These actions reflect our commitment to resource efficiency and circular economy principles. To ensure progress, we monitor waste streams through monthly reports and track key performance indicators to continuously improve our recycling practices.	No	No

Sustainability topic	Description	Publicly documented [yes/no]	Target set [yes/no]
Our workforce	<p>At ITA Nordic, our employees are the foundation of our success. We actively promote well-being and work-life balance through flexible working arrangements, including adaptable working hours and remote work opportunities where possible.</p> <p>Health and safety are core priorities. We maintain comprehensive occupational health care services and implement proactive measures to ensure a safe and supportive work environment. Our internal guidelines focus on:</p> <ul style="list-style-type: none"> • Promoting occupational health, safety, and work ability • Improving working conditions and supporting functional capacity • Maintaining a workplace free from harassment and inappropriate behavior, built on respect and equality <p>Our strategic goals for our workforce include strengthening well-being and job satisfaction, fostering diversity and inclusion, and enhancing ITA Nordic's attractiveness as an employer for both current and future talent. We also aim to increase environmental awareness among employees, integrating sustainability into everyday practices and decision-making. In addition, we are committed to achieving ISO 45001 certification by 2026 to further reinforce occupational health and safety standards across our operations.</p>	No	Yes
Business practises	<p>ITA Nordic's business practices are built on integrity, quality, and long-term partnerships. We operate under internationally recognized standards, including ISO 9001:2015 for quality management, ensuring consistent performance and continuous improvement. Our approach emphasizes transparency, compliance with applicable laws and regulations, and ethical conduct in all operations.</p> <p>ITA Nordic's governance principles are documented in our Code of Conduct, which sets clear expectations for ethical behavior, compliance, and responsible business practices. The Code also addresses topics such as donation policy and transparent stakeholder engagement.</p> <p>In 2024, we set a strategic goal to strengthen sustainability throughout our supply chain by introducing ITA Nordic's Supplier Code of Conduct. This document reflects the same core principles as our own Code of Conduct, covering areas such as human rights, occupational safety, environmental responsibility, and anti-corruption. By engaging suppliers in these standards, we aim to ensure that our entire value chain operates with integrity and accountability.</p>	No	Yes

ENVIRONMENTAL METRICS

B3, B4, B5, B6, B7
C3, C4

ENERGY AND GREENHOUSE GAS EMISSIONS (B3)

We strive to minimize emissions and energy consumption in all our operations. All our sites included in the reporting period use 100% carbon-free electricity. Reported energy consumption figures are based on data provided by our energy suppliers.

Energy source	MWh
Electricity (carbon-free)	2212,51
Fuels	94,51
Total	2307,02

We have calculated our emissions in accordance with the GHG Protocol. Scope 1 includes all direct greenhouse gas emissions resulting from our own operations. Scope 2 covers indirect emissions from the production of purchased and consumed energy. Since we use electricity generated from renewable sources, Scope 2 emissions only include those arising from heat production.

Scope	tCO ₂ e
Scope 1	24,38
Scope 2	3,93
Total	28,31

Our emission intensity has been determined by dividing total emissions by the revenue for the reporting period.

Emission intensity	tCO ₂ e/€
Scope 1 & 2	1,6×10 ⁻⁶

POLLUTION OF AIR, WATER AND SOIL (B4)

In line with the EU VSME voluntary sustainability reporting guidelines, our production processes do not generate any emissions to air, water, or soil that fall under regulatory reporting thresholds.

BIODIVERSITY (B5)

ITA Nordic's sites are not located in areas sensitive to biodiversity. This assessment was conducted based on European nature conservation regulations, using the WDPA (World Database on Protected Areas) as the primary data source. Our operations have no significant impact on the biodiversity of the areas surrounding our sites. Our factories occupy a small land area, and emissions to air, water, and soil from our activities are minimal. We acknowledge that international deliveries have an environmental impact; therefore, we strive to consolidate shipments into larger batches less frequently.

Land use	ha
Built-up area	0,87
Natural area within plots	0,42
Natural area outside plots	0
Total	1,29

WATER (B6)

All our sites are located in Finland, where water availability is good. We use water sparingly and responsibly in our facilities and production processes. Water is primarily consumed during the washing stage of our products, which is essential to ensure durability and high quality. We have verified our total water withdrawal with local water suppliers.

Total water withdrawal	m ³
Total	1096

RESOURCE USE, CIRCULAR ECONOMY AND WASTE MANAGEMENT (B7)

We follow circular economy principles in our operations. Environmental considerations are taken into account in material procurement, and a significant portion of the steel we use is recycled. In addition, we focus on waste management. Waste is sorted at our factories in compliance with legislation, and monthly waste reports enable us to monitor waste volumes by category. In 2024, ITA Nordic recycled or reused 109.08 tonnes of waste, while only 1.723 tonnes required final disposal. Most hazardous waste (emulsion fluids and alkaline washing waste) was fully recycled, demonstrating strong compliance with circular economy principles.

The most significant material flow in our production is steel, a large proportion of which is recycled. We deliver steel and metal waste from our production for recycling and reuse. We also maintain close cooperation with the Ovako steel plant located in Imatra.

Waste type	Recycled or reused waste (t)	Disposed waste (t)
Non-hazardous		
Energy waste	10,61	0
Mixed waste	4,33	0
Biowaste	0,728	0
Wood waste	2,32	1,7
Recovered waste	0,264	0
Confidential paper	0,198	0
Hazardous		
Emulsion fluids	77,02	0
Alkaline washing waste	13,13	0
Lubricants	0,45	0
Aerosol waste	0	0,023
Batteries	0,02	0
Total	109,08	1,723

Material flow	t
Steel	4062,30

GHG REDUCTION TARGETS AND CLIMATE TRANSITION (C3)

We are committed to reducing our greenhouse gas emissions (Scope 1 & 2) by 25% by 2030. At our main site in Ruokolahti, we have already implemented several sustainability measures. We use 100% carbon-free electricity, our production facilities are equipped with heat recovery systems, and all new company vehicles purchased are mainly electric. As we aim to continue growing as a company, defining an absolute emissions reduction target as a quantity is challenging. However, we are continuously working to minimize our environmental impact and remain committed to this goal in the future

CLIMATE RISKS (C4)

We continuously work to identify potential climate-related risks that could affect our assets, operations, or value chain. In the future, we aim to integrate climate-related risks into our regular risk management processes. Our goal is to enhance our understanding of these risks and develop appropriate adaptation measures as part of our ongoing sustainability efforts.



SOCIAL METRICS

B8, B9, B10
C5, C6, C7

WORKFORCE – GENERAL CHARACTERISTICS (B8)

The number of employees in all tables in this report is based on the average for the reporting period. In our recruitment practices, we aim for permanent, long-term employment relationships. Fixed-term contracts are only made when there is a clear reason, such as seasonal work, substitution, or another task- or business-related need. Additionally, if an employee requests a fixed-term contract, we strive to accommodate that. We also offer part-time contracts alongside studies. In our recruitment processes, we select the most suitable candidates for each position based on their skills. During the reporting period, the average number of employees was 84, of which 75 held permanent contracts and 9 fixed-term contracts. Our recruitment policy prioritizes long-term employment relationships.

Type of employment	Number
Permanent	75
Fixed-term	9
Total	84



The employee turnover rate has been calculated by dividing the number of employees who left the company during the reporting year by the average number of employees for the reporting year. The employee turnover rate for the reporting year was 22.7%, calculated as the number of employees who left during the year divided by the average number of employees.

Employee turnover	%
Employee turnover rate	22,7

We operate in a male-dominated industry, and the proportion of men in our workforce is higher than that of women. Employees are selected for positions based on their skills and competencies, regardless of gender. We actively monitor the development of gender distribution and promote equality within our work community. Our workforce consists of 80 men and 4 women, reflecting the male-dominated nature of our industry. We actively monitor gender balance and promote equality in our recruitment and workplace practices.

Gender distribution of personnel	Number
Men	80
Women	4
Total	84



WORKFORCE – HEALTH & SAFETY (B9)

We ensure workplace safety through comprehensive guidelines, appropriate training, and high-quality tools, and we require employees to use proper protective equipment according to their tasks. All hazardous situations are reported and investigated appropriately. Workplace accidents and near misses are regularly reviewed with personnel. We measure occupational safety using the TRIF indicator, which shows the number of reported workplace accidents per one million working hours. In the reporting year, one workplace accident occurred, resulting in an accident frequency rate of 5.95 per one million working hours. There were no work-related fatalities.

Workplace accidents

Number of accidents	1
Accident frequency rate	5,95
Work-related fatalities	0

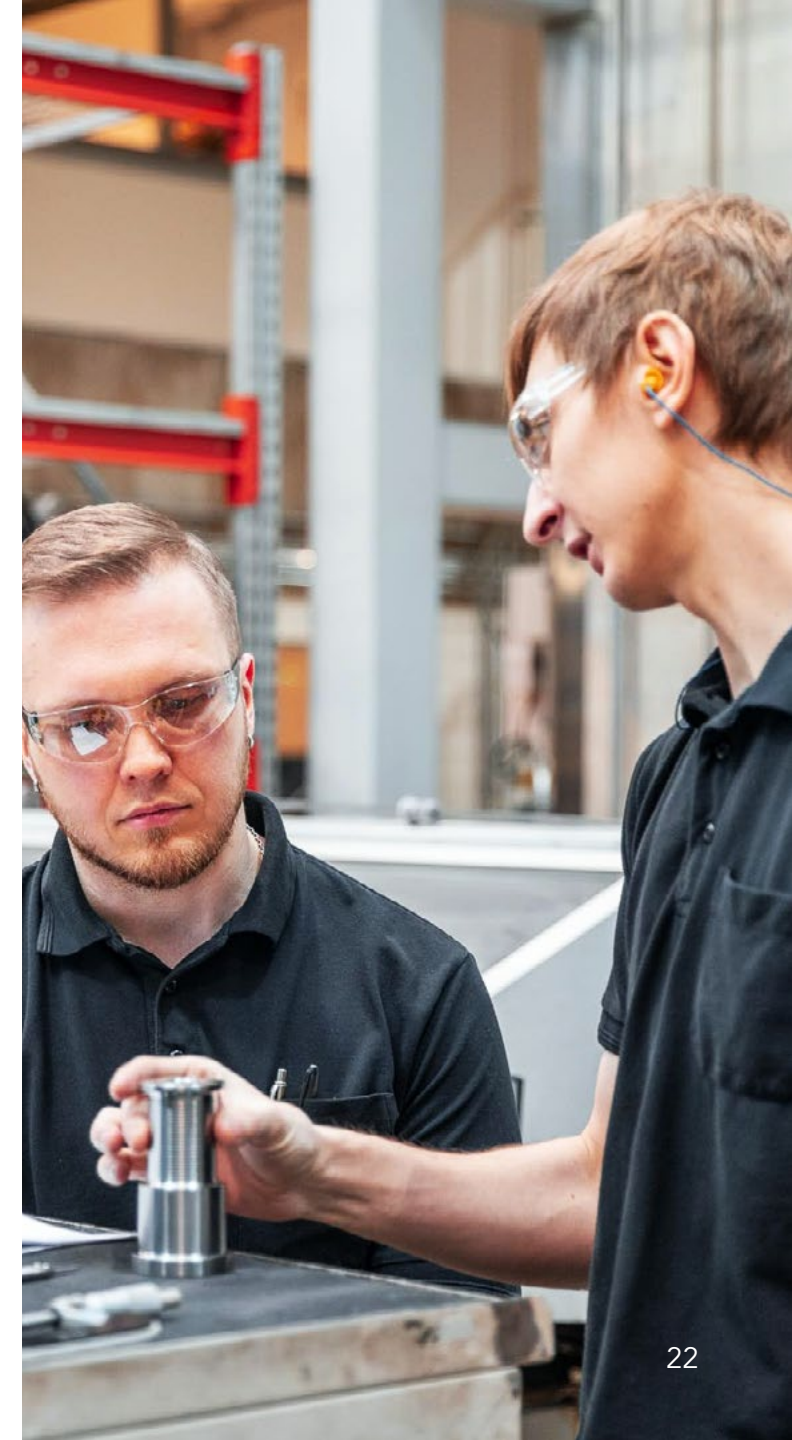


WORKFORCE – REMUNERATION, COLLECTIVE BARGAINING AND TRAINING (B10)

All our employees are covered by collective agreements. The applicable agreements include those for employees, clerical staff, and senior clerical staff in the technology industry. We pay wages above the applicable collective agreement levels. Salaries are determined based on the position and individual skills.

We provide regular training for our personnel. At the start of employment, we follow an onboarding plan, and in addition, we organize regular machine-specific training sessions. During the reporting year, men received an average of 10 hours of training and women 6 hours, reflecting our commitment to continuous employee development.

Annual training hours	h
Men	10
Women	6



WORKFORCE – ADDITIONAL WORKFORCE CHARACTERISTICS (C5)

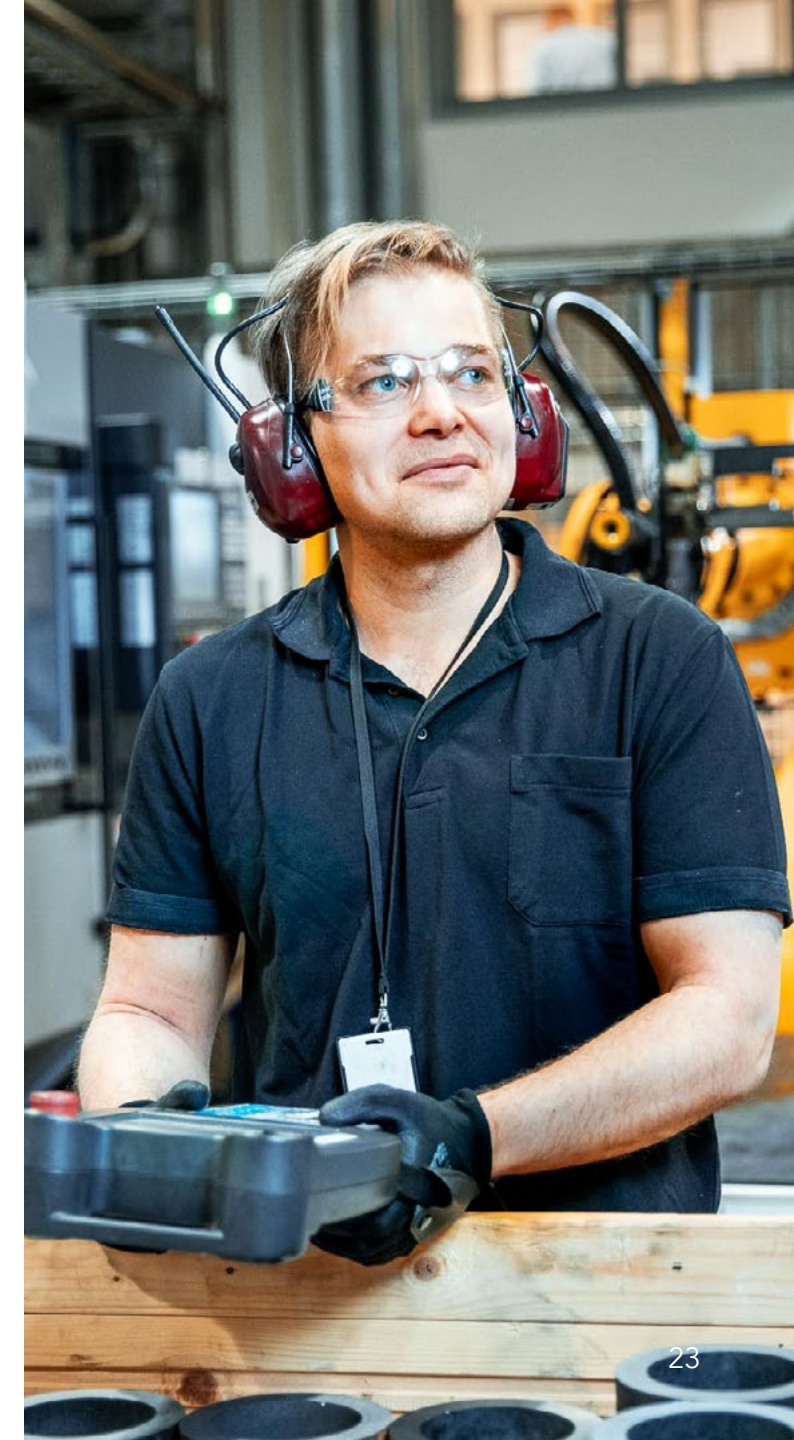
We use temporary agency labor to balance workload fluctuations. During the reporting period, we employed 1 independent contractor and 5 temporary agency workers to manage workload fluctuations. All agency workers were covered by applicable collective agreements.

Type of worker	Number
Independent contractors	1
Temporary agency worker	5
Total	6

The management team is responsible for implementing the strategy and ensuring its execution in our daily operations. During the reporting period, the management team consisted of 10 members. The gender distribution indicates the proportion of female leaders compared to male leaders.

Gender distribution in Management Positions

Gender ratio	0,1
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HUMAN RIGHTS POLICIES AND PROCESSES (C6)

We are committed to conducting our operations with integrity and in full compliance with applicable laws and regulations. To support this commitment, we have established a Code of Conduct that sets out our ethical principles and policies. The Code provides guidance on responsible practices related to the environment, people, and business operations. The document is publicly available on our website.

Our Code of Conduct explicitly addresses discrimination and other unethical practices. While child labor, forced labor, and human trafficking are not specifically mentioned in the Code, these practices are strictly prohibited under Finnish law, which governs all our operations. In addition, our Code of Conduct includes clear commitments

to prevent discrimination and other unacceptable behaviors. These principles reflect our dedication to ethical business conduct and compliance with all applicable legal requirements.

Our Code of Conduct outlines clear procedures for reporting concerns or misconduct. Employees are encouraged to raise issues with their immediate supervisor. If the supervisor is not the appropriate person to address the matter, the concern should be escalated to the CEO. Reports of violations can also be submitted anonymously by mail. All reports are handled with strict confidentiality, and we maintain a zero-tolerance policy for retaliation against individuals who report in good faith.

Type	Mentioned in Code of Conduct
Child labor	No
Forced labor	No
Human trafficking	No
Discrimination	Yes
Other	Yes

SEVERE NEGATIVE HUMAN RIGHTS INCIDENTS (C7)

We continuously monitor our operations and suppliers to ensure compliance with human rights standards and applicable legislation. During the reporting period, we have not identified any cases of human rights violations within our value chain. Our commitment is reinforced by operating under Finnish law, which strictly prohibits practices such as child labor, forced labor, and human trafficking. We maintain clear policies and procedures to uphold these principles across all business activities.

We have established an ethical guideline, the Code of Conduct, as well as a Supplier Code of Conduct that defines responsible business practices both within ITA Nordic and throughout our supply chain. These documents cover key human rights topics and requirements, ensuring that our operations and partnerships adhere to high ethical standards.

Type	Confirmed cases
Child labor	No
Forced labor	No
Human trafficking	No
Discrimination	No
Other	No



GOVERNANCE

B11
C8, C9

CONVICTIONS AND FINES FOR CORRUPTION AND BRIBERY (B11)

ITA Nordic is committed to conducting all business activities with integrity and in full compliance with applicable laws and regulations. We do not tolerate corruption or bribery and do not engage in any activities that could conflict with our ethical principles. During the reporting period, ITA Nordic has not been subject to any fines or convictions related to corruption or bribery.



REVENUES FROM CERTAIN ACTIVITIES AND EXCLUSION FROM EU REFERENCE BENCHMARKS (C8)

ITA Nordic has no revenue from activities related to weapons, tobacco, fossil fuels, or agricultural chemicals and pesticides. Furthermore, we have not been excluded from benchmarks aligned with the Paris Climate Agreement. Our business strategy is fully committed to sustainable practices and compliance with international climate goals. We actively work to minimize environmental impact across our operations and supply chain, ensuring alignment with Finnish legislation and global sustainability standards.



GENDER DIVERSITY RATIO IN THE GOVERNANCE BODY (C9)

During the reporting period, ITA Nordic's management team consisted of 10 members. The members are appointed based on their roles and responsibilities within the company. The management team includes 9 men and 1 woman.



REPORTING PRINCIPLES

REPORTING PRINCIPLES

ITA Nordic's first sustainability report has been prepared in accordance with the **EU Voluntary Sustainability Reporting Standard for Unlisted SMEs (VSME)**. The report includes both mandatory and complementary disclosures, and section headings follow the structure and identifiers of the standard to ensure clarity and comparability.

Scope and Boundaries: This report covers the financial year **July 2024 – June 2025** and includes operations at Ruokolahti, Ylöjärvi and Närpes. The Salon unit acquired in January 2025 is excluded, as the merger became effective after the reporting period.

Materiality and Relevance: The content focuses on topics most relevant to our business and stakeholders, including environmental performance, social responsibility, and governance practices. These areas reflect our commitment to sustainable growth and ethical operations.

Transparency and Accuracy: All data is based on verified sources and recognized methodologies:


- Energy and emissions data from suppliers, calculated according to the **GHG Protocol**
- Water consumption from local distributors
- Waste and material flows from internal monthly reports

Consistency and Comparability: Metrics and units are standardized (e.g., tCO₂e, MWh, m³) to enable year-on-year comparison and alignment with industry practices.

Forward-Looking Commitments: We disclose future targets and actions, such as reducing greenhouse gas emissions by **25% by 2030**, improving energy efficiency, and expanding Scope 3 emissions reporting.

Stakeholder Orientation: The report addresses the expectations of our customers and partners and supports transparency across our supply chain and community impact.

Continuous Improvement: As this is our first sustainability report, we will continue to refine data collection and reporting processes in the coming years. Climate-related risk assessments will be integrated into our regular risk management framework.



ITA NORDIC
Home of Machining

ITANORDIC.FI