

COMPLIANT WITH THE EU VSME STANDARD

Sustainability Report.

VSME — The voluntary sustainability reporting standard for non-listed SMEs.

POWERED BY

SELKO
INSIGHTS

COMPANY

T-Drill Oy

FISCAL YEAR

1.1.2025 — 31.12.2025

STANDARD

EU VSME · Basic + Comprehensive



Productivity
as a product.

T-DRILL

MANAGEMENT GREETING

SUSTAINABILITY IN OUR EVERYDAY WORK

Greetings from management.

In 2024 we had the honor of presenting our first ESG report. It was an important milestone that made visible the determined sustainability work carried out across our whole organization over many years, and it laid a strong foundation for future development. For us, sustainability has from the very beginning been a shared matter — a whole that emerges from people's expertise, cooperation, and a genuine desire to act responsibly in their own role.

The year 2025 took our sustainability work to the next level. We moved determinedly from words to action and brought sustainability ever more tightly into the management of our business, our decision-making, and our everyday work. The reporting and monitoring practices we have developed support daily operations and help us steer our actions, identify areas for improvement, and track progress. Reliable and transparent information strengthens our decision-making and our cooperation with our stakeholders as well.

Sustainability is part of our everyday work as an element of our quality, environmental, and occupational safety systems. Practical measures — such as improving energy efficiency, the controlled use of resources, proper recycling, and promoting the well-being and diversity of our work communities — show up as concrete results and measurable steps of progress. Behind these are people and their daily choices, through which responsible and sustainable business is built.

We capture our way of thinking in our slogan, **Productivity as a product.** For us, sustainability means better productivity, more efficient use of resources, and lasting results — not only as targets, but as value created through the everyday actions and decisions of our people. We develop and produce solutions that help our customers make their own operations more efficient and reduce their environmental and climate impacts. In this way, sustainability shows up as impactful action both in our own operations and as part of our customers' sustainability journey.

Our sights are already set further ahead. The ESG targets for 2030 give our sustainability work a clear and ambitious direction. They guide us to strengthen environmental responsibility, care for people, and develop good governance over the long term. The targets are not just promises about the future; they are already visible today in development projects, in everyday decisions, and in the way each of us does our work as part of the whole.

We recognize that sustainability work is not a destination but a continuous journey. It is a way of operating, working together, and building trust. At its core is the individual's genuine desire to take responsibility and develop their own work as part of a shared direction. We believe that this desire creates the strength that carries us toward 2030 — one step at a time, together with our stakeholders.

T-DRILL OY

Management & sustainability team

T-DRILL PRODUCTIVITY AS A PRODUCT.

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OUR SUSTAINABILITY REPORT

Our Company.

VSME standard B1: Basic Information

Company Type	Limited liability company (Oy)
Industry Classification (NACE)	2841 · Manufacture of metal forming machinery
Country of Registration	Finland
Group Reporting	No
Reporting Period	1.1.2025 — 31.12.2025

KEY FIGURES 2025

Revenue (EUR 1,000)	22 468
Total Assets (EUR 1,000)	16 180
Personnel (at end of fiscal year)	97

KEY OPERATING LOCATIONS

TYPE	COUNTRY	ADDRESS
Registered address	Finland	Ampujantie 32, 66400 Laihia

This report has been prepared in accordance with the EU voluntary sustainability reporting standard for unlisted SMEs (VSME). The report follows the basic and comprehensive module content of the VSME standard.

This report is the section concerning T-Drill Oy within Leinolat Group's sustainability report.



T-DRILL OY · SPARE PARTS SERVICE

SUSTAINABILITY ASSESSMENTS AND CERTIFICATIONS

Certificates.

T-Drill's quality management and environmental management are assessed by independent certification bodies. The certificates support continuous improvement and increase transparency toward stakeholders.

CERTIFICATES

CERTIFICATE	EXPIRES
ISO 9001 · Quality Management	28.02.2027
ISO 14001 · Environmental Management	28.02.2027

ISO 9001:2015

QUALITY MANAGEMENT

An international quality management standard that guides systematic operational development, customer satisfaction, and continuous improvement.

ISO 14001:2015

ENVIRONMENTAL MANAGEMENT

An international environmental management standard. It demonstrates that the organization identifies the environmental impacts of its operations and systematically develops its operations to reduce environmental load.



Laihia production plant

Certified quality and environmental management systems guide daily operations in our production.

SIGNIFICANT PRODUCT AND SERVICE GROUPS

Our Services.

T-Drill Oy designs, manufactures, and markets machines and equipment used for tube branching, cutting, and tube forming.

Spare parts and consumables sales are a significant part of the business.

01 TUBE BRANCHING

Branching machines for tubes and piping for demanding industrial applications.

02 TUBE CUTTING

Chipless cutting and machining of tube ends.

03 TUBE FORMING

Tube end forming and end-forming solutions.

04 SPARE PARTS AND CONSUMABLES

A significant and continuous part of the business — support throughout the entire lifecycle of the machines.

MARKET SEGMENTS

Our Markets.

The most significant customer segments for T-Drill machines:

HVAC/R	Process industry
Data centers	Water & wastewater
Shipbuilding	Food & beverage

>98 %

Export share of revenue

~56

Countries where products are sold annually

DESCRIPTION OF THE COMPANY'S KEY BUSINESS RELATIONSHIPS

Our Business Relationships.

T-Drill offers its customers solutions with which they can improve the productivity, quality, and sustainability of their own operations.

HANDPRINT > FOOTPRINT

Two theses commissioned by T-Drill Oy in 2025 show that the environmental impacts of T-Drill's operations are only a fraction of the environmental benefit created at customers through the use of T-Drill machines — for example as energy and raw-material savings.

LEINOLAT GROUP'S OWN CLIMATE TARGETS

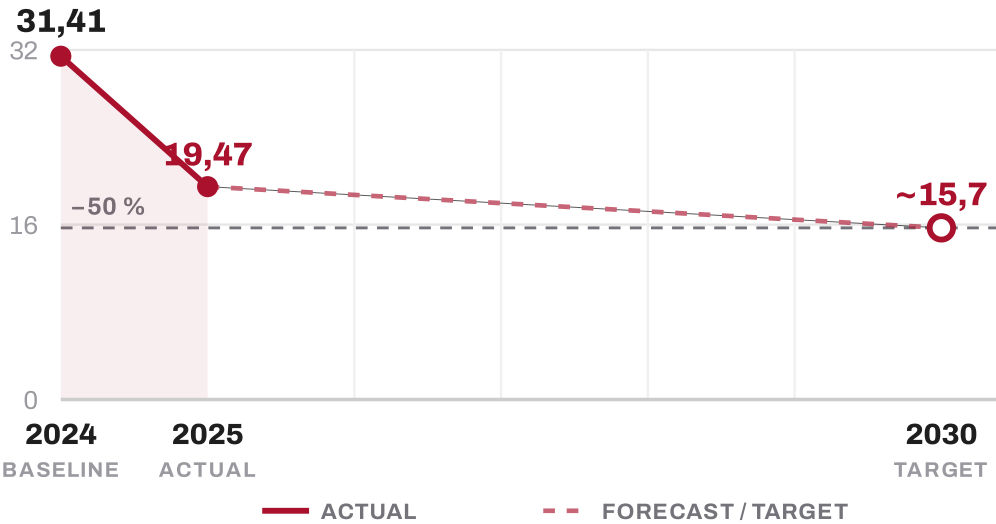
Climate Commitment.

T-Drill follows Leinolat Group's climate commitment for 2024-2030. The commitment covers:

- Carbon neutrality in own operations by 2030 (Scope 1 + market-based Scope 2 = 0)
- Halving Scope 1 + location-based Scope 2 emissions by 2030 from the 2024 level
- Improving the quality of Scope 3 emissions data through supplier cooperation and product-specific CO₂ reporting

EMISSION REDUCTION PATHWAY

SCOPE 1 + 2 · TCO₂E



T-Drill's share of the baseline (Scope 1 + 2, 2024) is 31,41 tCO₂e, making the -50% target for 2030 approximately 15,7 tCO₂e.

THE COMPANY'S FUTURE PLANS

Transition Plan.

Leinolat Group has an official climate transition plan. T-Drill is part of the group's transition plan. The plan is based on four fundamental pillars:

01 MEASURED EMISSIONS BASELINE

Comprehensive measurement of Scope 1-3 emissions serves as the baseline for all targets.

02 OFFICIAL CLIMATE COMMITMENT

A public commitment to carbon neutrality in own operations by 2030.

03 PHASED ROADMAP

Energy, properties, procurement, and supply chain — scheduled measures for each theme.

04 CRREM-BASED NET-ZERO PATHWAYS

The energy efficiency and emissions of properties are assessed in accordance with the CRREM model.

The transition plan is based on a measured emissions baseline (Scope 1-3), an official climate commitment, a phased roadmap, and CRREM-based net-zero pathways for properties.

IDENTIFIED CLIMATE RISKS

Climate Risks.

The identified climate risks at T-Drill are:

- 01

Physical climate risks to properties and energy efficiency
- 02

Transition risks related to energy, costs, and tightening regulation
- 03

Risks related to gaps in climate data and reporting capability
- 04

Uncertainty related to the supply chain and Scope 3 emissions
- 05

Risks arising from changes in market and customer expectations and regulation

EXPOSURE AND SENSITIVITY

T-Drill is exposed to both physical and transition risks due to energy-intensive production and fixed operating sites.

OPPORTUNITY

Customers' adaptation toward resource optimization has mainly created new opportunities for T-Drill products.

TIME HORIZONS & ADAPTATION

Time Horizons.

T-Drill assesses that climate risks may materialize over different time horizons.

SHORT TERM

0 — 3 yrs

Risks are mainly operational and relate to extreme weather events and energy price fluctuations.

MEDIUM TERM

3 — 10 yrs

Transition and regulatory risks become prominent, which may have a significant impact on the cost structure and market access.

LONG TERM

over 10 yrs

Physical and strategic transition risks may affect business resilience if the climate transition is not managed systematically.

ADAPTATION MEASURES

Adaptation measures focus on four priorities:

- Climate resilience of production facilities and properties
- Securing business continuity
- Energy transition
- Improving supply chain transparency

Adaptation measures are developed in phases as part of climate risk assessment and sustainability reporting. The aim is to strengthen business resilience over the short, medium, and long term.

GREENHOUSE GAS EMISSIONS 2025

Emissions.

EMISSIONS (TONNES CO₂E) · 2025

Scope 1	1,30
Scope 2 (location-based)	18,17
Scope 1-2 total	19,47
Scope 3	1 565,79
Scope 1-3 total	1 585,27

EMISSION INTENSITY

METRIC (TCO ₂ E / €M REVENUE)	2025
Scope 1 & 2	0,87
Scope 1-3	70,56

Location-based method used for Scope 2 emissions in emission intensity calculations.

MATERIALS AND COMPONENTS

The calculated Scope 3 emissions of the materials and components used in manufacturing decreased, because more detailed emissions data was available than before. Previously, general average emission factors for industrial products were used in calculations for a larger share of parts.

TRANSPORTATION

Transportation emissions are raised by the fact that, especially in the USA, customers are currently in such a hurry to receive their machines that most of even the large machines are shipped by air freight.

EMISSIONS BY CATEGORY · 2025

Categories.

Where Scope 1-3 emissions come from · tonnes CO₂e

SCOPE 1 · DIRECT EMISSIONS	1,30
Mobile fuels	1,30
SCOPE 2 · PURCHASED ENERGY	18,17
Electricity (location-based)	18,17
SCOPE 3 · VALUE CHAIN	1 565,79 · 98,8 %
Purchased goods and services	663,31
Transportation and distribution (downstream)	640,32
Business travel	153,22
Employee commuting	98,97
Waste generated in operations	6,18
Transportation and distribution (upstream)	3,80

ENERGY CONSUMPTION 2025

Energy.

ENERGY CONSUMPTION 2025 (MWH)

SOURCE	RENEWABLE	NON-RENEWABLE	TOTAL
Fossil fuel consumption	0,00	5,00	5,00
Purchased electricity	699,00	0,00	699,00
Purchased heating	401,00	0,00	401,00
Total	1 100,00	5,00	1 105,00

RENEWABLE SHARE

99,5 %

WATER USE 2025

Water.

WATER WITHDRAWAL · 2025

864 m³



WASTE GENERATED AND RECYCLING RATE 2025

Waste.

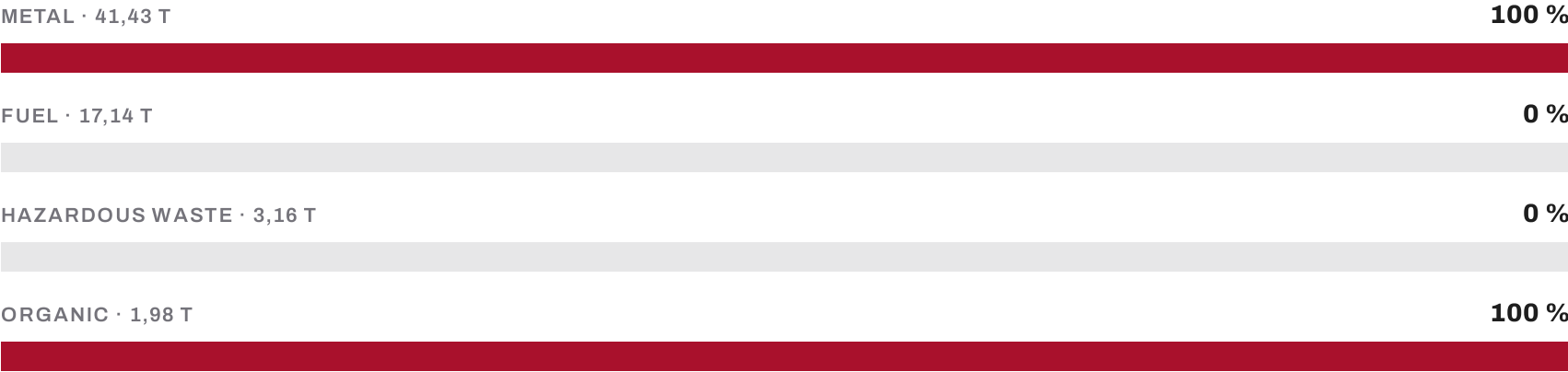
The company's waste generated in the 2025 financial year, broken down by waste type and recycling rate.

CLASSIFICATION	WASTE TYPE	WEIGHT (T)	RECYCLED (T)
Non-hazardous	Paper and cardboard	0,32	0,32
Non-hazardous	Metal	41,43	41,43
Non-hazardous	Organic	1,98	1,98
Non-hazardous	Fuel	17,14	0,00
Non-hazardous	Residual waste	0,11	0,00
Hazardous	Electrical and electronic	0,95	0,95
Hazardous	Hazardous waste	3,16	0,00
Total		65,09	44,68

*Recycling rate refers to waste that is directed to recycling or reuse.



LARGEST WASTE FRACTIONS AND THEIR RECYCLING RATE



WASTE TYPE DETAILS

Paper and cardboard	Cardboard and paperboard; Paper; Confidential-data material
Fuel	Waste pellets; Other mixed fuels; Energy waste
Residual waste	Residual waste / municipal waste
Electrical and electronic	Batteries / accumulators; Electrical and electronic equipment (WEEE)

CIRCULAR ECONOMY PRINCIPLES

Circular Economy.

We apply circular economy principles across the entire value chain through product and service lifecycle thinking, material efficiency, energy solutions, and the long-term value created for customers.

01 LIFECYCLE THINKING AND LONG SERVICE LIFE

We design our products and solutions to last throughout their entire lifecycle in demanding use. This supports a key circular economy principle — extending service life and reducing unnecessary replacement. The lifecycle perspective is particularly emphasized in the design of the products' wear parts and in improving the productivity and energy efficiency of customers' processes.

02 MATERIAL EFFICIENCY AND WASTE MINIMIZATION

- In practice, the circular economy is realized through material-efficient production:
- In manufacturing our products, we aim to minimize material waste and get it right the first time
 - Through better material grades and modular solutions, we reduce the environmental load over the lifecycle
 - We systematically develop production processes through Lean and quality work

03 RECYCLING AND RESPONSIBLE MATERIAL HANDLING

At our sites, we make use of responsible sorting and recycling of scrap material, as well as partner networks for the reuse and recycling of materials.

04 ENERGY EFFICIENCY AND RENEWABLE SOLUTIONS

- Circular economy principles also support our energy use:
- We take energy efficiency into account in our investments throughout their entire lifecycle
 - We have implemented solutions in our production facilities that reduce fossil energy consumption

05 SUPPORTING CUSTOMERS' SUSTAINABILITY

- We help our customers reduce material and energy consumption in their own production process
- We improve the efficiency and reliability of customers' processes
- We create value throughout the entire lifecycle of the product or system

This links the circular economy directly to customer value and business profitability.

06 OPERATIONAL DEVELOPMENT AND CONTINUOUS IMPROVEMENT

- The circular economy is part of:
- Carbon footprint calculation and LCA assessments
 - Double materiality analysis (ESRS E1–E5)
 - The sustainability strategy and ESG reporting

For T-Drill, the circular economy is not a separate project but a way of operating that combines material efficiency, energy solutions, and support for customers' sustainability.

WORKFORCE, WORKING CONDITIONS AND COMPENSATION

Personnel.

PERSONNEL 2025 97 At end of fiscal year	Permanent employment	98,97 %
	Temporary employment	1,03 %
	Personnel turnover	5,46 %

EMPLOYEE GENDER DISTRIBUTION



COLLECTIVE AGREEMENTS

Collective agreement coverage 100,00 %

COMPENSATION

Employee compensation: All employees are paid at least the minimum wage.

TRAINING

3,84

training hours / employee
on average · 2025

OCCUPATIONAL SAFETY DURING THE FISCAL YEAR

ACCIDENTS 0 During the fiscal year	ACCIDENT RATE 0,00 per 200 000 working hours
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*The accident rate describes the number of accidents that occurred relative to hours worked. It is calculated in accordance with the VSME standard per 200 000 working hours.

95 %

GREAT PLACE TO WORK

T-Drill again received the Great Place to Work certification. The results improved further, and 95% of employees feel that T-Drill is, overall, a really good place to work.

HUMAN RIGHTS AND COMPLAINTS HANDLING

Governance.

HUMAN RIGHTS POLICY / CODE OF CONDUCT

Our company has a human rights policy / code of conduct concerning our personnel. Our company's human rights policy covers the following areas:

CHILD LABOR	✓
FORCED LABOR	✓
HUMAN TRAFFICKING	✓
DISCRIMINATION	✓
ACCIDENT PREVENTION	✓

HUMAN RIGHTS VIOLATIONS

Our company has not detected any human rights violations among its own personnel related to child labor, forced labor, human trafficking, discrimination, or accident prevention. Our company has also not detected any human rights violations concerning workers in the value chain, affected communities, consumers, or end users.

COMPLAINTS HANDLING MECHANISM

Our company has a complaints handling mechanism in place for company personnel.

BOARD GENDER DISTRIBUTION · 2025

1 Women	5 Men	0,20 Diversity (women/men)
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REPORTING IMPLEMENTATION

Reporting Basis.

This sustainability report has been prepared using the Selko Insights Oy reporting and analytics service. The service has been developed specifically for the needs of SMEs and supports companies in emission calculations, mapping business greenness, and identifying other material sustainability factors in accordance with the EU's voluntary VSME sustainability reporting standard.

SUSTAINABILITY REPORT

The sustainability report describes the company's commitment to responsible and sustainable business. The report has been produced automatically, ensuring the objectivity and transparency of the data. In addition to extensive environmental responsibility, the report covers key social responsibility and good governance themes in accordance with the VSME standard.

NOTES ON APPLICATION OF THE VSME STANDARD

- The report follows the VSME standard largely as is.
- Exact coordinates of business locations have not been reported; address details have been provided instead.
- If a specific reporting requirement does not apply to the company (e.g. no climate risks identified – C4), that requirement has been excluded from the report.
- Voluntary VSME reporting requirements have been excluded (e.g. sections where the wording is "The company may report...").

Read more about VSME reporting in [Selko's knowledge base](#).

ABOUT THE SERVICE

Selko Insights.

Selko Insights is a service developed by experts in green financing, sustainable business development, climate risks, and sustainability reporting.

Selko Insights Oy is the only Finnish company participating in EFRAG's VSME community, developing SME sustainability reporting standards at the European level.

The expert community, established in 2022, plays an important role in the development of the EU's VSME standard.



VSME INDEX

VSME Index.

The VSME index has been prepared for readers familiar with VSME standards to support the identification and location of relevant VSME reporting data in the sustainability report. The report presents only VSME reporting data applicable to the company in accordance with the standards; non-applicable data has been excluded.

BASIC MODULE

CODE	TOPIC	PAGE
B1	Basis for Report Preparation	1-4
B2	Practices, Policies and Future Measures for Promoting a More Sustainable Economy	8-10
B3	Energy Consumption	15-16
B3	Greenhouse Gas Emissions	13-14
B4	Air, Water and Soil Pollution	Not Applicable
B5	Biodiversity	Not Applicable
B6	Water Use	15-16
B7	Resource Use, Circular Economy and Waste Management	17-20
B8	Workforce – General Characteristics	21-22
B9	Workforce – Health and Safety	21-22
B10	Workforce – Compensation, Collective Agreements and Training	21-22
B11	Convictions and Fines for Corruption and Bribery	Not Applicable

COMPREHENSIVE MODULE

CODE	TOPIC	PAGE
C1	Strategy: Business Model and Sustainability Initiatives	5-10
C2	Practices, Policies and Future Measures	8-10
C3	Emission Reduction Targets and Climate Transition	8-10
C4	Climate Risks	11-12
C5	Additional Workforce Information	—
C6	Human Rights Policies and Processes	23-24
C7	Serious Negative Human Rights Violations	23-24
C8	Revenue Sources and Exclusion from EU Benchmarks	Not Applicable
C9	Gender Diversity in Governance Bodies	23-24

NOT APPLICABLE

"Not applicable" means that the disclosure has been omitted from the report because it is not material to the reporting company's operations as defined by the VSME standard.

For example, B5 (Biodiversity) can be marked as not applicable if the company does not operate in or near areas that are sensitive in terms of biodiversity. A disclosure is also marked as not applicable if the company has not identified or reported the matters required by the disclosure.