



Adara Pakkaus Oy
Sustainability Report 2025

Based on the VSME Standard including sustainability program

ADARA

Adara Pakkaus sustainability report 2025

Adara Pakkaus Ltd's sustainability report 2025 is based on the VSME reporting standard, which provides a clear and comparable structure for evaluating and developing our sustainability work.
This report highlights our key sustainability themes, defined targets, and presents our progress transparently and measurably.

OUR MAIN SUSTAINABILITY THEMES ARE:

- Long-term partnerships
- Well-being and motivated personnel
- Profitable business aligned with our values
- Environmentally friendly packaging

Sustainability is a key part of our operations - from material choices to production and customer co-operation.

This report is prepared by Adara's sustainability team together with communications specialist.



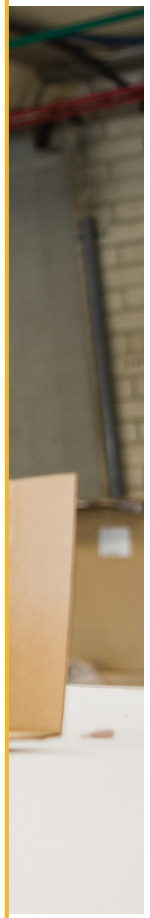


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MESSAGE FROM THE SUSTAINABILITY DIRECTOR

Adara's Sustainability Report is an important tool for communicating the progress of our sustainability work to our stakeholders. The report brings together the most important sustainability topics, targets and key performance indicators for 2025. In addition, the report provides a comprehensive overview of our sustainability efforts and the values that guide our operations towards a responsible and sustainable future.

In 2025, our production volume increased by just under 10%, resulting in a slight increase in emissions, which was expected. However, relative emissions intensity improved, indicating that we are moving in the right direction. A significant decrease in energy emissions intensity is also an important improvement. The increased use of primary data in procurement enhances the accuracy and credibility of our reporting. In the 2025 calculations, Scope 3 logistics emissions have been separated into inbound and outbound logistics. This separation enables us to monitor the impacts of concrete measures in the future, such as the introduction of non-fossil transport fleets.

The rapid development of EU sustainability regulation is increasingly shaping the operations of the packaging industry as well. In 2025, we continued our preparations for requirements related to, among others, the EUDR and PPWR, as well as increasingly stringent expectations concerning sustainability claims. We see transparent reporting, supply chain data management and verifiable data as a key part of future competitiveness and responsible business operations.

We have also updated our strategy to extend until 2030. The strategy takes into account our significant investments to strengthen competitiveness. Our strategic objective is to improve profitability and increase sales volume in a way that supports sustainable success.

However, success cannot be achieved without people. We want to take care of the well-being of our employees, support the development of their skills and ensure fair treatment across all our operations. We will continue to invest in our sustainability work by providing our employees with the company's first sustainability training. The aim of the training is to strengthen shared understanding and commitment to promoting sustainability throughout the organisation.

I would like to warmly thank all Adara employees as well as our customers. For us, sustainability means heartfelt encounters every day. We also want to inspire our partners to commit to advancing sustainable development genuinely and enthusiastically.



Tanja Väisänen, Director of ESG and HR,
Adara Pakkaus Ltd

SUSTAINABILITY HIGHLIGHTS 2025

Revenue 48,6 M€
Operating profit 1,6 M€

Employee NPS increased to 78
The best result in our company's history

Customers recommend us
Customer NPS: 51

100% responsibly verified fibre raw material
Traceable supply chain and FSC certification

Scope 1 emissions decreased by 9.7%
At the same time, production volume increased by nearly 10 %

Preparation for EUDR and PPWR requirements
We enhanced traceability, documentation and supply chain data management.

OUR SUSTAINABILITY OBJECTIVES

Towards measurable and impactful sustainability



TOWARDS A SMALLER CARBON FOOTPRINT

SBTi targets: a 42 % reduction in Scope 1 and 2 emissions by 2030 compared to 2023 levels, as well as measuring and reducing Scope 3 emissions.

A 15 % reduction in the total carbon footprint compared to 2023.

WELL-BEING AND MOTIVATED EMPLOYEES

We create a working environment where work is meaningful and supports professional development.

Employee net promoter score (NPS) of at least 50

QUALITY & EFFICIENCY

We monitor waste levels daily, eliminate defects and are committed to 100 % quality responsibility.

CUSTOMERS GENUINELY RECOMMED US

We identify areas for improvement and manage the customer experience systematically, with the goal of exceeding expectations and building a culture in which customers genuinely recommend us.

NPS of at least 60 by 2030.

EUDR

When purchasing raw materials (rolls containing virgin fibre), we verify our suppliers' Due Diligence (DD) statement reference numbers.

PPWR

We support the EU's objective of promoting the circular economy for packaging and reducing the environmental impacts of packaging.

ABOUT THE COMPANY



Legal form:
Limited Company

Industry Classification
C17.11
Manufacture of pulp, paper and paperboard

Balance sheet total
24,3
M€

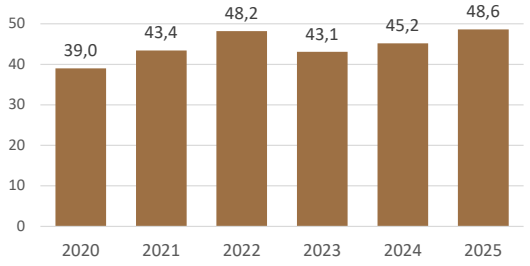
Turnover
48,6
M€

Average number of employees
113

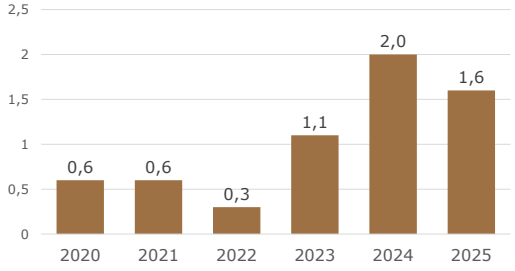
Main country of operation
Finland

Adara Pakkaus Ltd is a Finnish manufacturer of corrugated board and corrugated packaging.

Turnover
(million €)



Operating profit
(million €)



SITE	ADDRESS	POSTAL CODE	CITY	COUNTRY	COORDINATES
Registered office	Radanvarsitie 9	37600	VALKEAKOSKI	FINLAND	61°16’00”N, 024°01’50”E
Warehouse	Tavara-aukio 1	11130	RIIHIMÄKI	FINLAND	60.736737225°N, 24.775321449°E
	Vanhantalontie 3	39700	PARKANO		62.010623403°N, 23.021041049°E
Subsidiary ER Pahvityö Oy	Lemminkäisenkatu 5-7	15210	LAHTI	FINLAND	60° 58’ 49” N, 25° 39’ 18” E

LONG-TERM PARTNERSHIPS

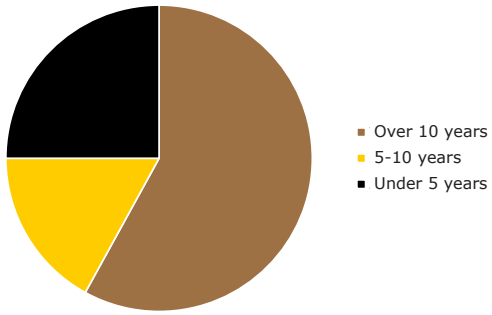
Adara values long-term and trusted partnerships with both customers and suppliers. High customer satisfaction is a priority in our business, driven by a genuine desire to listen, understand and develop together with our partners.

In 2025, the trust of our customers remained strong. In our customer survey, we achieved an excellent NPS score of 51, reflecting our customers' strong willingness to recommend Adara. The most important qualities customers valued in a business partner were reliability of delivery, product quality and competitiveness. We received particular praise for smooth cooperation, understanding customer needs and our solution-oriented approach.

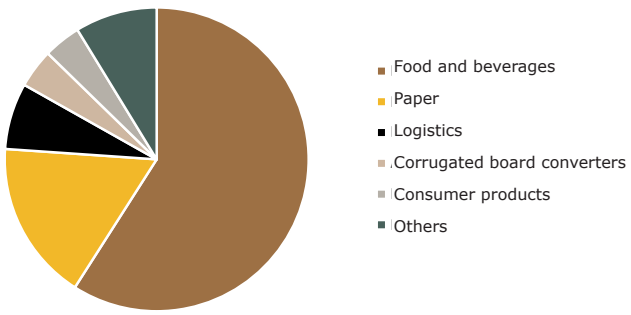
Customer feedback also helps us identify areas for improvement. In 2025, we focused especially on strengthening delivery communication, improving delivery accuracy and continuously developing our operations. We actively utilise the results of customer surveys to ensure that we can continue to meet the evolving needs of our customers in the future.

Long-term collaboration, open dialogue and mutual trust form the foundation of our responsible business practices and sustainable growth.

Customer relationship duration relative to revenue



Industries



NPS
51



Adara Pakkaus Ltd, Daniil Salomaa, Account Director

Industries according to the VSME standard:
Food and beverages, Paper industry, Logistics and distribution operations, Consumer products, Corrugated board converters, Others

GOVERNANCE AND STRATEGY

Owners Henrik & Sveinn Biering



OUR VALUES

Quality

Flow

Sustainability

People

MISSION

Producing **high-quality** products for our customers **smoothly** and **sustainably.**

VISION

In the eyes of our customers, the most cost-competitive and the most desired partner in Finland.

STRATEGY

When operating our core business we focus on management, services, production and motivated **personnel** - without forgetting the business principles.

Adara is a family-owned company whose operations are based on strong governance that supports transparency, accountability, and long-term development. We comply with laws, regulations, and good governance practices in all decision-making and business operations.

SUSTAINABILITY MANAGEMENT

Sustainability at Adara is led through a clear governance structure that ensures systematic, effective work and supports sustainable growth and stakeholder trust.







BOARD OF DIRECTORS

The Board approves key sustainability principles and ensures alignment with company values and longterm goals.

CEO

The CEO has overall responsibility for the implementation of sustainability. Sustainability is integrated into the business strategy and sufficient resources and competence are available for achieving sustainability goals.

EXECUTIVE MANAGEMENT TEAM

The management team regularly reviews sustainability matters and approves documents related to it, ensuring sustainability is embedded in daily decisions and processes.

DIRECTOR OF SUSTAINABILITY

The Sustainability Director is a member of the management team. The Sustainability Director leads operational sustainability management. Sustainability Director is responsible also for its development.

SUSTAINABILITY SPECIALIST

Sustainability Specialist monitors sustainability metrics, goals, and achievements. Communicates with stakeholders, reports progress, and prepares analyses on sustainability areas as needed

PERSONNEL

STAKEHOLDERS

Adara's operations are built on strong, long-term partnerships. Our key stakeholders — customers, suppliers, owners & the Board, and employees — play a vital role in developing responsible business.

Customers

Customers are at the core of everything we do. We continuously develop the customer experience by providing high-quality packaging solutions tailored to our customers' needs. We regularly collect customer feedback and implement concrete improvement measures based on the insights gained. Our goal is to deepen cooperation especially with key customers and build long-term partnerships based on trust, openness and continuous development.

Suppliers

Long-term cooperation with our suppliers enables supply chain transparency and the effective sharing of sustainability-related information. Together, we ensure that our value chain complies with both current and future sustainability and reporting requirements arising from legislation and customer expectations.

Owners and the Board

Our corporate structure is intentionally kept simple and flat to ensure smooth decision-making and a rapid response to business needs.

The Board of Directors and the management team work closely together to ensure that our operations support the owners' objectives, meet customer needs and contribute to financial growth.

Employees

Every employee is important to us, and each person plays a significant role in our shared success. We invest in employee well-being, occupational safety and the continuous development of skills and competencies.

CODE OF CONDUCT FOR SUPPLIERS INCLUDES:





IDENTIFIED IMPACTS, RISKS AND OPPORTUNITIES OF SUSTAINABILITY WORK

Aspects considered according to the VSME standard:

Our company has existing sustainability practices as well as future initiatives that address the following sustainability issues:

- Climate change
- Pollution prevention
- Water and marine resources
- Biodiversity and ecosystems
- Circular economy
- Workforce and supply chain employees
- Local community impacts
- Consumers and end-users
- Business ethics and governance

Our operations have impacts on both the environment and society while facing sustainability-related risks and opportunities.

1. IMPACT

A ENVIRONMENTAL IMPACTS

Adara's production process is based on renewable raw materials. Sustainability is a key consideration in raw material sourcing, and all fibre materials we use originate from responsible sources, ensuring sustainable forest management. Environmental impacts arise, among other things, from energy consumption, which we continuously strive to reduce.

B RECYCLING, WASTE MANAGEMENT AND MATERIAL EFFICIENCY

We strive to minimise production waste and improve the utilisation of recycled materials. The use of chemicals in our processes is kept to a minimum, supporting our environmental objectives and reducing waste generation.

C SOCIAL IMPACT

Our operations also have an impact on society. We provide local employment and invest in employee well-being and safe working conditions.

2. RISKS

A RAW MATERIAL MARKETS

Key risks include the availability of raw materials, price fluctuations and the geopolitical situation. In particular, the global demand for renewable materials affects the stability of the supply chain.

B CLIMATE CHANGE-RELATED RISKS

Extreme weather conditions may affect the availability of raw materials and the reliability of deliveries. Severe weather conditions may also cause disruptions to production.

C LEGISLATION AND REGULATION

Regulation affecting the packaging industry is evolving rapidly. In particular, environmental, circular economy and product safety requirements, as well as reporting obligations, are creating new requirements throughout the value chain.

Changes in regulation require continuous monitoring, process development and close cooperation with customers, suppliers and industry associations. Proactive preparation helps ensure product compliance and the ability to meet customers' growing information needs in the future.

3. OPPORTUNITIES

A FIBRE-BASED AND RENEWABLE MATERIALS

Advancing renewable materials provide opportunities to reduce environmental impacts and meet the growing sustainability expectations of customers.

B CIRCULAR ECONOMY AND PRODUCT DEVELOPMENT

The circular economy and technological development create new opportunities to innovate products and make processes increasingly resource-efficient.

C STRENGTHENING THE BRAND AND PARTNERSHIPS

Responsible business practices, open communication and supply chain transparency strengthen the trust of customers, suppliers and other stakeholders. Continuous development of partnerships supports our competitiveness and differentiates us in the market.

D SUPPORTING CUSTOMERS' SUSTAINABILITY EFFORTS

A s requirements affecting the packaging industry continue to evolve, customers' need for reliable material data and documentation is increasing. Our long experience and close cooperation throughout the supply chain enable us to provide our customers with even better support in achieving compliance and fulfilling reporting requirements.

BUSINESS DEVELOPMENT OF SUSTAINABILITY

Practices, policies and initiatives for transitioning towards a more sustainable economy.

Sustainability Topic	What?	How?
Climate change	We offer lightweight, recyclable packaging made from renewable raw materials that reduce the carbon footprint of the entire supply chain. Reporting is conducted in accordance with ISO 14001.	We use 100% CO2-free electricity, optimise logistics and continuously improve the accuracy of our carbon footprint calculations.
Pollution prevention	Our packaging and the raw materials we use do not contain harmful substances and do not pollute the environment. No climate-related risks have been identified.	We use filtration systems for dust and chemicals, and maintain precise waste management and recycling practices.
Water and marine resources	Water consumption is limited to sanitary use and production cooling water.	No significant risks or impacts on aquatic ecosystems have been identified. Water consumption is monitored.
Biodiversity and ecosystems	For suppliers: FSC-certified wood-based raw materials.	Supplier commitment, appropriate certifications and proof of origin are required (EUDR).
Circular economy	We manufacture 100% recyclable packaging made partly from recycled fibre. Information on recycled fibre content is available for each board grade.	We utilise production surplus and side streams, such as return printing inks that can be re-tinted and reused.
Our workforce	We provide a safe, equal and healthy working environment.	Regular training, performance reviews, safety walks and active monitoring of employee well-being are in place.
Workers in the value chain	Our suppliers are required to follow the same sustainability principles that we apply in our own operations.	Ethical guidelines are required for key suppliers, supported by regular audits.
Communities	We actively cooperate with local educational institutions and other stakeholders.	We offer visits to our production facilities, communicate responsibly and participate in community activities.
Consumers and end users	We provide clear recycling instructions and information on the climate impacts of our operations and products.	Product safety standards and processes are in place. We develop products together with our customers and respond to all customer feedback.
Business practices	In all decision-making, we take environmental responsibility, social responsibility and economic sustainability into account.	We monitor and consider key regulatory frameworks, such as PPWR, as part of business development.



SUSTAINABLE DEVELOPMENT GOALS (SDGS) IN OUR WORK

UN member states adopted the Agenda 2030 action plan and its 17 Sustainable Development Goals (SDGs) in 2015.

Adara Pakkaus Ltd supports all 17 goals, but has identified five key SDGs most relevant to our business and integrated them into our sustainability work:



Decent work and economic growth

We support local employment in Pirkanmaa and provide fair, safe, and meaningful work for all employees.



Responsible consumption and production

We take responsibility for how our products are made and promote choices that support a more sustainable future.



Partnerships for the goals

Sustainable development requires cooperation. We build a sustainable future together with our customers, partners, and society.



Industry, innovation, and infrastructure

We continuously develop, innovate, and produce more responsibly — building the packaging solutions of tomorrow.



Climate action

We take concrete steps to reduce emissions and contribute to a lowcarbon future.

The FSC® system supports biodiversity in our supply chain.





CERTIFIED SUSTAINABILITY

Key Flag Symbol (Avainlippu)

Awarded by the Association for Finnish Work for our corrugated board boxes, indicating Finnish origin and production.

Ecovadis

EcoVadis has awarded Adara a Bronze rating for its sustainability performance.

EcoVadis assesses companies' sustainability performance across four areas: environment, labour and human rights, ethics, and sustainable procurement.

Awarded in 2025

FSC

Through FSC® Chain of Custody certification, we ensure that the wood used as a raw material originates from responsibly and sustainably managed forests.

Valid until 2029 11.12.2029
(Kiwa Sertifiointi Oy/Maija Vanttaja)

ISO-Certifications

Our responsible operations are guided by the certifications awarded to us:

ISO 22000:2018 and ISO/TS 22002-4 Food Safety Management System, including the requirements of FSSC 22000:2019

ISO 9001:2015
Quality Management System

ISO 14001:2015
Environmental Management System

Valid until 8.11.2026
(GSC Certifications/Ari Numminen)

RINKI

Promotes recycling and reuse of packaging materials.

Implements producer responsibility for companies placing packaging on the market.

UNGC

We are committed to the United Nations Global Compact, the world's largest corporate sustainability initiative. This means that our operations are based on ten principles covering human rights, labour rights, environmental responsibility and anti-corruption.

Awarded in 2024

SBTi

Adara Pakkaus Ltd. is committed to the Science Based Targets initiative (SBTi). This means that our climate targets are aligned with the goals of the Paris Agreement.

Awarded in 2024

RESPONSIBLE SUPPLY CHAIN

ENVIRONMENTALLY FRIENDLY PACKAGING

Responsible Supply Chain

We select responsibly sourced raw materials and ensure that the materials we use meet high sustainability and traceability requirements. Adara maintains an uninterrupted and standardised supply chain for its key fibre-based raw material.

"100% of the paperboard fibre we used originated from responsibly verified sources (FSC®) in 2025."

Material Efficiency and Continuous Improvement

Our goal is to reduce material waste and improve the resource efficiency of our production. We continuously develop our production processes and systematically monitor quality as part of continuous improvement.

All quality-related feedback is recorded and used as a basis for improvement measures.

"We succeeded in reducing production waste for the sixth consecutive year in 2025."

Recycling and Reuse

We utilise recycled materials in the production of new products and ensure that used products can be returned to the material cycle as raw materials at the end of their life cycle.

We believe that an efficient circular economy and responsibly managed material flows support the sustainable use of natural resources and contribute to ecological balance.

"Corrugated board is fully recyclable as a raw material."

100% Recyclable Packaging

Environmental impacts of water consumption are very low



Adara Pakkaus Ltd, Nina Matilainen, Sustainability Specialist

CARBON FOOTPRINT

Adara Pakkaus Ltd has calculated the carbon footprint of its operations since 2020 in accordance with the GHG Protocol, covering Scope 1, 2 and 3 emissions. In 2025, total emissions amounted to 16,505.2 tCO_2e, representing an increase of 1.95% compared to 2024. The slight increase in emissions was expected, as production volume grew by approximately 9%. Overall, emissions development remained under control and relative emissions intensity improved.

Emissions from our own operations (Scope 1) decreased by 9.7%, while emissions from purchased energy (Scope 2) decreased significantly by 40%, primarily due to lower emission factors for energy. All electricity used was produced from fossil-free sources, and nearly 80% of the energy sources used for district heating and steam supplied by UPM-Kymmene were renewable.

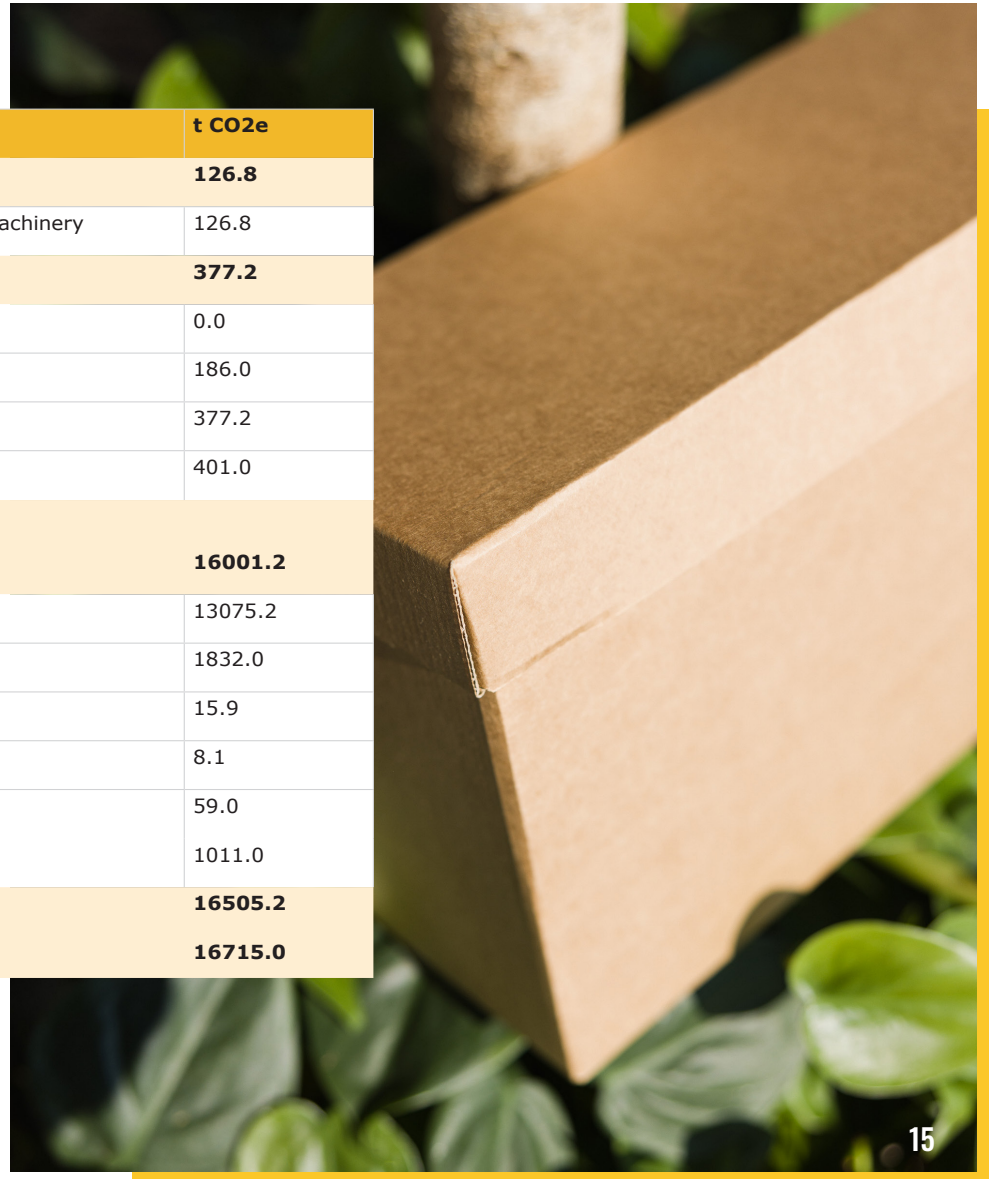
The largest share of emissions continued to originate from procurement and logistics. Procurement accounted for 79.3% of total emissions. In 2025, logistics emissions were, for the first time, separated into upstream and downstream logistics, improving supply chain transparency and enabling more accurate monitoring of the impact of low-emission transport solutions.

Going forward, we will focus particularly on improving the accuracy of procurement data, systematically monitoring emissions intensity, and verifying the impacts of low-emission logistics solutions.

90% of emissions occur before our own production

Carbon footprint **16505.2** t CO2e

Emission Source	t CO2e
Scope 1	**126.8**
1.2 Fuels used in vehicles and mobile machinery	126.8
Scope 2, Market-Based	**377.2**
2.1 Electricity, Market-Based	0.0
2.1 Electricity, Location-Based	186.0
2.2 Heat and Steam, Market-Based	377.2
2.2 Heat and Steam, Location-Based	401.0
Scope 3	
Upstream	**16001.2**
3.1 Procurement	13075.2
3.4 Upstream logistics	1832.0
3.5 Waste and water	15.9
3.6 Business travel	8.1
3.7 Employee commuting	59.0
3.9 Downstream Logistics	1011.0
Total, Market-Based	**16505.2**
Total, Location-Based	**16715.0**

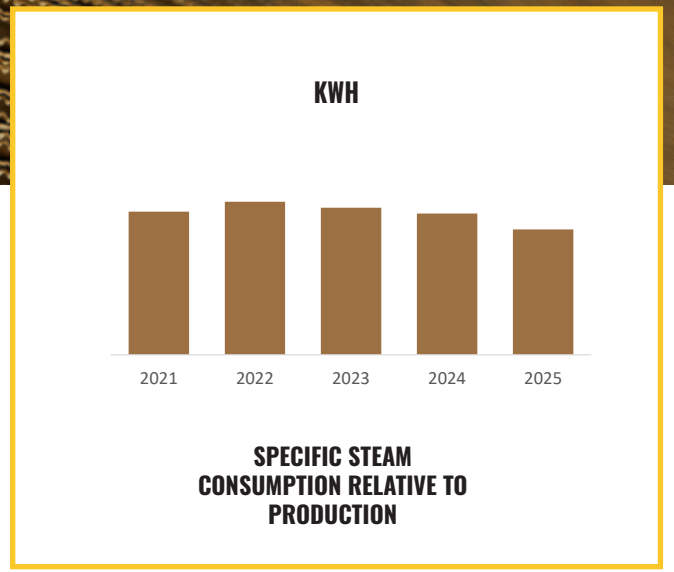




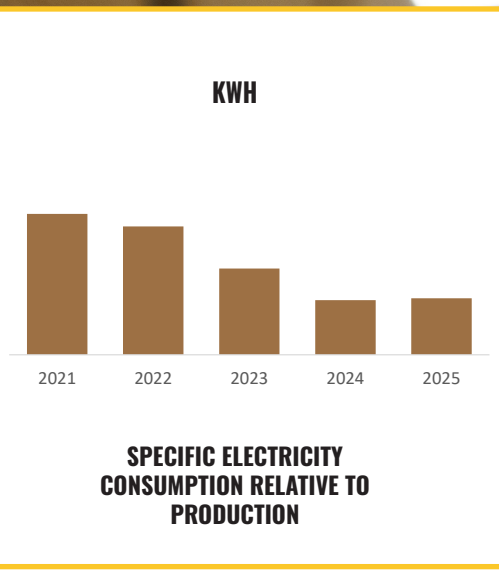
Energy and emissions reduction targets

The less energy is used and the more renewable its source the lower the production emissions.

Adara Pakkaus is committed to climate targets in accordance with the Science Based Targets initiative (SBTi).



SPECIFIC STEAM CONSUMPTION RELATIVE TO PRODUCTION



SPECIFIC ELECTRICITY CONSUMPTION RELATIVE TO PRODUCTION

Aspects considered according to the VSME standard:

Greenhouse gas emissions reduction targets (3) absolute values and units:

a. Target year and target value -> **2030 42% reduction in scope 1 and scope 2 emissions. Target value scope 1 - 77.95 tCO2e tCO2e and scope 2 – 875.68 tCO2e**

b. Base year and base year value-> **2023 (scope 1 - 134.4 tCO2e ja 2- 1509.8 tCO2e)**

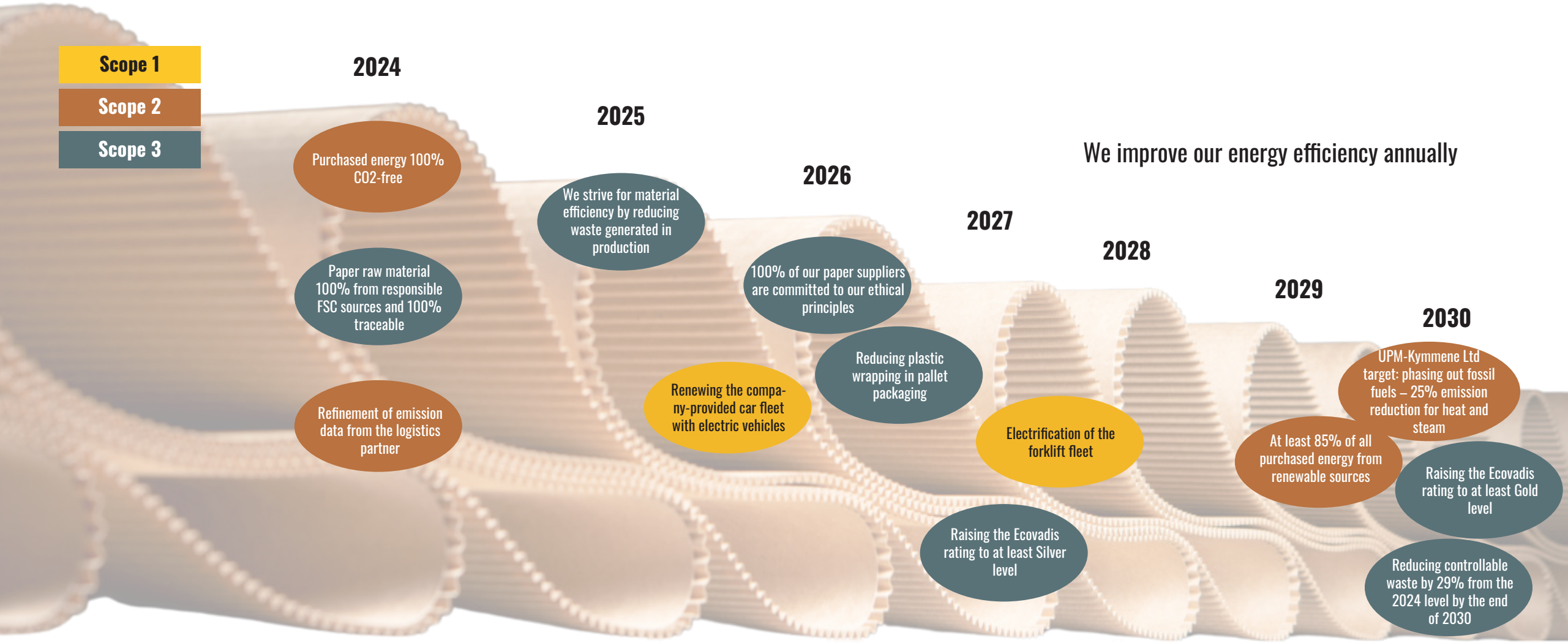
c. Units used in the targets -> **percentage % and t CO2e**

d. The targets covers Scope 1, Scope 2 and Scope 3 emissions.

e. List of key actions we aim to implement to reduce greenhouse gas emissions:
- Transition towards renewable fuels, such as biodiesel.
- Replacement of internal combustion engine vehicles with electric vehicles.
- 100% certified emission-free electricity.

ENVIRONMENTAL ROADMAP

The roadmap guides us toward a smaller carbon footprint through clear, annually updated steps.



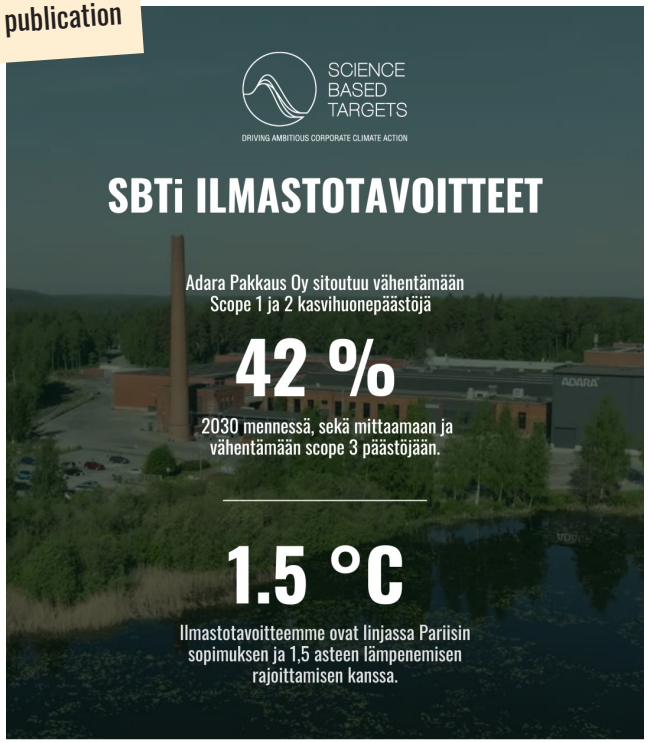


COMPANY CLIMATE COMMITMENT

SBTi

Adara Pakkaus Ltd has committed to the Science Based Targets initiative (SBTi), setting emission reduction targets aligned with the Paris Agreement.
We aim to reduce our Scope 1 and 2 greenhouse gas emissions by 42% by 2030 and to measure and reduce Scope 3 emissions.

LinkedIn publication



WELL-BEING AND MOTIVATED PERSONNEL

In 2025, our long-term efforts to improve occupational safety, together with investments in safety competence and training, began to deliver significant results. Safety became increasingly embedded in everyday operations, which was reflected in employees' active engagement: a record 248 safety observations were reported during the year.

Thanks to a proactive approach and improved identification of potential hazards, we succeeded in halving our Lost Time Injury Frequency Rate (LTIFR) compared to the previous year, reaching a historically low level of 4.7. The year 2025 demonstrated that at Adara, safety is not merely about completed certifications, but a genuinely shared way of working in everyday operations.

Aspects considered according to the VSME standard:

- Employees are paid in accordance with applicable collective agreements.
- 100% of factory employees are covered by a collective agreement.
  Applicable Collective Agreement: Adara – Paper Workers' Union (1 January 2024 – 28 February 2026)
- Average annual training hours per employee: 5.6 hours/employee
- Lost Time Injury Frequency Rate (LTIFR): 4.7 (number of lost time injuries per million hours worked)
- Number of fatalities resulting from occupational accidents and work-related illnesses: 0

Additional information on own workforce

Human rights policies and processes

The company has the following policies in place for its own workforce:

- Child labour
- Forced labour
- Human trafficking
- Discrimination
- Accident prevention

The company has an anonymous whistleblowing channel in place.

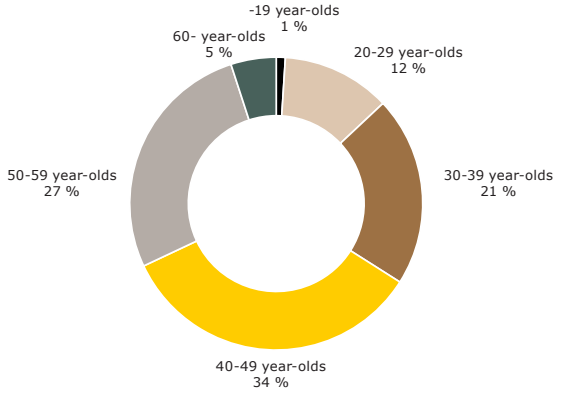
Severe human rights incidents

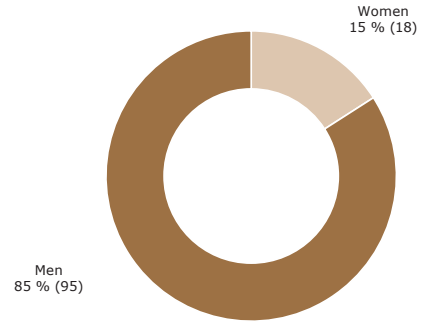
The company has no confirmed cases within its own workforce related to:

- Child labour
- Forced labour
- Human trafficking
- Discrimination
- Serious occupational accidents

The company is not aware of any confirmed cases involving workers in the value chain, affected communities, consumers or end users.

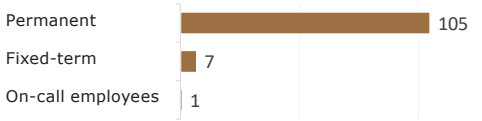
NUMBER OF PERSONNEL AND AGE DISTRIBUTION





Total employees 113

EMPLOYMENT TYPE





“It is a pleasure to work for a company that understands the value of a good employee!”

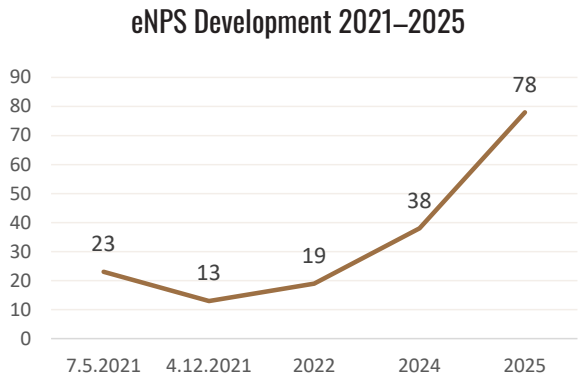
In 2025, employee satisfaction and willingness to recommend Adara reached a record level. Our long-term efforts to improve occupational safety, leadership and sense of community were reflected in a strong positive improvement across all areas.

Employee Net Promoter Scor (eNPS)

- The company-wide eNPS increased to 78 (2024: 38). In 2022, the score was only 19.

Successes

- High sense of safety: The perception of occupational safety improved significantly.
- Well-being and workplace atmosphere:Investments in employee well-being were clearly recognised in everyday work.
- Supportive and people-focused leadership:Supervisors were praised for their support and understanding in challenging situations, and employees felt that the amount of feedback they received had improved.



GOVERNANCE INDICATORS

PROFITABLE BUSINESS ALIGNED WITH OUR VALUES

Adara Pakkaus Ltd conducts business in line with its core values, according to ethical principles, national laws, and international standards.
Our operations follow the UN Global Compact principles and the UN Convention against Corruption.

We maintain zero tolerance toward corruption or unethical conduct.
All employees and managers are responsible for recognizing, preventing, and reporting corruption risks.

Gifts, hospitality, and benefits are acceptable only when reasonable, transparent, and business-related.
We emphasize reliability in financial reporting and avoidance of conflicts of interest.

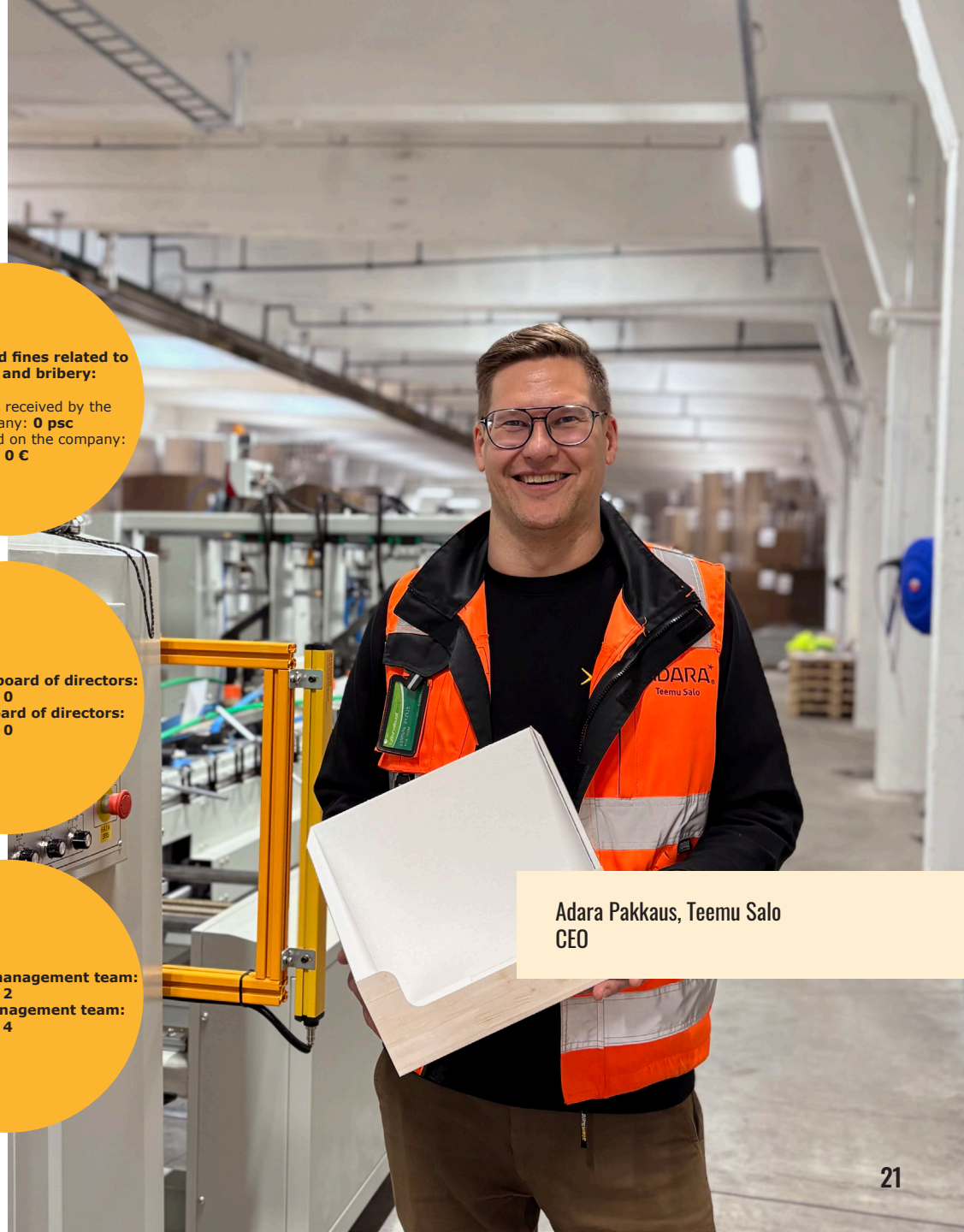
Internal control and audit procedures are in place, as well as a confidential whistleblowing channel.
No judgments or fines related to corruption have been issued.

Convictions and fines related to corruption and bribery:

- Convictions received by the company: **0 psc**
- Fines imposed on the company: **0 €**

Women on the board of directors: 0
Men on the board of directors: 0

Women in the management team: 2
Men in the management team: 4



Adara Pakkaus, Teemu Salo
CEO



PREPARING FOR EU REGULATIONS

EUDR – COMPLIANCE WITH THE EU DEFORESTATION REGULATION

The EU Deforestation Regulation (EUDR) aims to ensure that products placed on the EU market do not cause deforestation or forest degradation.

We ensure that the fibre-based raw materials we use are sourced responsibly and are traceable throughout the supply chain. We work closely with our suppliers to ensure the availability of the required information and the transparency of the supply chain.

The EU Deforestation Regulation (EUDR) will apply to large and medium-sized companies from 30 December 2026. During 2025, we continued our preparations for the requirements of the regulation by ensuring the traceability of raw materials and further developing the management of sustainability-related supply chain information.

IN 2025:

100% of the fibre raw materials we used originated from responsible sources.

We utilised FSC® Chain of Custody certification to ensure the traceability of raw materials.

We strengthened supplier collaboration to manage the information required under the EUDR.

We ensured our suppliers' commitment to responsible business practices.



PPWR – TOWARDS PACKAGING THAT SUPPORTS THE CIRCULAR ECONOMY

The EU Packaging and Packaging Waste Regulation (PPWR) is guiding the packaging industry towards increasingly material-efficient, recyclable and resource-efficient solutions. Adara Pakkaus supports the objectives of the regulation by developing its operations ahead of the full entry into force of the requirements.

Corrugated board is a packaging material made from renewable raw materials and is 100% recyclable, supporting the objectives of the circular economy. We continuously develop our packaging solutions to meet our customers' needs while ensuring that materials are used as efficiently as possible and environmental impacts are kept to a minimum.

IN 2025:

We reduced controllable process waste and improved material efficiency.

We provided our customers with packaging optimisation solutions to reduce material consumption and carbon dioxide emissions.

We manufactured 100% recyclable corrugated packaging.

We developed our processes to support upcoming PPWR requirements.

Going forward, we will continue to develop our documentation and provide our customers with the necessary technical information to support the preparation of their own PPWR compliance documentation. Each operator is responsible for fulfilling the obligations applicable to its role and for preparing the required compliance documentation.
As EU sustainability regulation continues to evolve, we consider sustainability, transparency and supply chain management to be integral parts of our business. This enables us to support both our own sustainability objectives and those of our customers in the future.



SUSTAINABILITY PROMISES 2030	TARGETS FOR 2026–2030	STEPS TOWARD THE 2030 TARGET
Long-Term Partnerships ”The most desired corrugated packaging supplier in Finland”	**Improving customer satisfaction** • NPS of at least 60 by the year 2030. • Delivery reliability 95 %. **We are reducing the number of customer complaints** • Maximum number of defective products: 1000 ppm. • At least 99% of orders delivered without defects.	**Improving customer satisfaction** • We identify areas for improvement and manage the customer experience systematically, with the goal of exceeding expectations and building a culture where customers genuinely recommend us. • Delivery reliability is continuously measured and reported. Deviations are analyzed and corrected in collaboration with production, sales, and logistics. **We are reducing the number of customer complaints** • We analyze returns to identify root causes and engage personnel in quality responsibility. • We ensure that every order contains accurate information.
Well-being and motivated personnel ”Working at Adara is fun”	**We monitor and improve employee satisfaction** • Employee eNPS will be maintained above 70 by 2030. • Maintain the average pulse survey score consistently above 4.2 (on a scale of 0–5).	**We monitor and improve employee satisfaction** • We regularly track employee satisfaction through surveys. • We aim to create a work environment that is meaningful and motivating. **Occupational safety development** • Systematic monitoring of near miss incidents and implementation of corrective actions. • Regular safety walks, analysis of lost-time injury (LTI) cases, and rewarding safe behavior. • Safety is integrated into daily operations and continuous training. **Maintaining a positive work atmosphere** • Regular feedback surveys, visible responses, and continuous improvements. • Strengthening leadership and promoting a culture of appreciation. • Shared moments and open interaction in everyday work.



SUSTAINABILITY PROMISES 2030	TARGETS FOR 2026–2030	STEPS TOWARD THE 2030 TARGET
Profitable business in line with our values ”Finland’s most profitable corrugated board factory”	**We are improving the profitability of our operations** • Adjusted EBITDA at a level above 15 % by 2030. **We ensure ethical business practices** • 100% of our suppliers commit to our Code of Ethical Conduct. • Number of whistleblowing reports: 0	**We are improving the profitability of our operations** • We focus on more profitable products and decline unprofitable deals. • We enhance material efficiency and reduce waste. • We aim to increase machine utilization rates and optimize inventory levels. • We apply smart pricing and respond quickly to cost changes. **We ensure ethical business practices** • All new suppliers commit to responsibility through our Code of Ethical Conduct. • We foster an open and fair workplace culture where concerns are addressed immediately.
Packaging with respect for the environment ”Our operations are climate-friendly.”	**We promote sustainable material use and reduce material waste** • Reducing controllable waste by 29% from the 2024 level by the end of 2030. • Reducing the use of plastic stretch wrap and strapping in pallet packaging. **We reduce emissions from our operations** • Carbon intensity target ($CO_2e/€$): 0.35 kg. • SBTi targets: 42% reduction in Scope 1 and 2 emissions by 2030 compared to 2023 levels. • 100% CO_2-free purchased energy. • 100% electric vehicles and forklifts by 2030 . • Total carbon footprint reduction of 15% compared to 2023. • Phase out fossil fuels for heat and steam and achieve a 25% emissions reduction by 2030.	**We promote sustainable material use and reduce material waste** • We use only traceable paper with FSC claims (in compliance with EUDR requirements). • We monitor scrap levels daily, eliminate defects, and commit to 100% quality responsibility. • We aim to reduce material waste by continuously improving our processes. **We reduce emissions from our operations** • We increase the use of renewable energy (e.g. solar power), recycled fiber, and smart logistics. • We replace fossil fuels with electric forklifts and vehicles. • We invest in energy efficiency and conduct regular energy audits.

KEY FIGURES 2025

Emission Source	t CO2e
Scope 1	**126.8**
1.2 Company vehicles & machinery	126.8
Scope 2, (market-based)	**377.2**
2.1 Electricity (market-based)	0.0
2.1 Electricity (location-based)	186.0
2.2 Heat & steam (market-based)	377.2
2.2 Heat & steam (location-based)	401.0
Scope 3	
Upstream	**16001.2**
3.1 Purchased good	13075.2
3.4 Upstream logistic	1832.0
3.5 Waste & water	15.9
3.6 Usiness trave	8.1
3.7 Employee commuting	59.0
3.9 Downstream logistics	1011.0
Total (market-based)	**16505.2**
Total (location-based)	**16715.0**

Resource	2020 [t CO2e]	2021 [t CO2e]	2022 [t CO2e]	2023 [t CO2e]	2024 [t CO2e]	2025 [t CO2e]	Change %
Scope 1	102,0	111,0	115,0	134,4	140,4	126.8	- 9.7 %
Scope 2	2374,0	2212,0	1785,0	1509,8	625,9	377.2	- 40 %
Scope 3	1170,0	1047,0	901,0	754,5	1052,0	1094.0	+ 4 %
Scope 3 procurement and future logistics	-	-	-	-	14 371,7	14907.2	+ 3.7 %
Total	**3646,0**	**3370,0**	**2801,0**	**2398,7**	**16189,9**	**16505.2**	**+ 1.95 %**



VSME INDEX

The report has been prepared in accordance with the requirements of the VSME Standard, applying both the Basic Module and the Comprehensive Module.

BASIC MODULE

Module	VSME area	Adara report reference
B1	Reporting basis	s. 2
B2	Practices, policies, and future actions for a sustainable economy	s. 10-18, 22-25
B3	Energy consumption and greenhouse gas emissions	s. 15-18, 26
B5	Biodiversity	s. 11, 14, 22
B6	Water use	s. 10, 14
B7	Resource use, circular economy, waste management	s.10, 11, 14, 23
B8	Personnel - general characteristics	s. 19-20
B9	Personnel - health and safety	s. 19-20
B10	Personnel - compensation, agreements, training	s. 19
B11	Corruption and bribery	s. 21

EXTENDED MODULE

Module	VSME area	Adara report reference
C1	Strategy, climate transition, human rights, and governance details	s. 7, 10-12, 17-18, 24-25
C2	Practices, policies and future actions	s. 10-18, 22-25
C3	Emission reduction targets and climate transition	s. 15-18, 25-26
C4	Climate risks	s. 10
C5	Additional personnel information	s. 19
C6	Human rights policies and processes	s. 19
C7	Severe negative human rights violations	s. 19
C9	Gender distribution in governance bodies	s. 21

