



 **ETS NORD**

**Sustainability
report**

2024

Trees are not just wood and leaves—
they are the lungs of the Earth and the keepers of life.



Table of contents

Foreword	3	Our people are at the heart of everything	29
Who we are and what we offer	4	ETS NORD HR strategy	30-34
Our products	5	ETS NORDi employee statistics	31
Our projects	6-7	Number and gender distribution of employees	32
ETS NORD Group in 2024	8-9	Additional benefits for employees	33-34
Sustainability at ETS NORD	10	We support future engineers	35
ETS NORD core values	11	Strengthening partnerships	36
Sustainability principles	12	Health, work environment and safety	37
Sustainability management structure	13	Responsible management builds trust	38
Sustainability timeline	14	Certificates and recognitions	39
Global Sustainable Development Goals	15-17	ETS NORD as a member of professional associations and societies	40
Stakeholder engagement	18	Ethical and responsible business practices	41
Environment as a strategic focus	19	Important events in 2024	42
Environmental management at ETS NORD	20		
ETS NORD CO ₂ footprint	21		
Renewable energy production and energy storage in ETS NORD	23		
Waste separation	23-24		
Our product footprint - EPD	25		
Product Life Cycle Assessment LCA	26		
The positive impact of our products on the environment	27		
ETS NORD sustainability directions	28		

Foreword

Every day, ETS NORD helps its partners with its products and solutions to improve the indoor climate of buildings, maintain human health and save energy. This goal has led the ETS NORD team to new levels for twenty-seven years. The savings created with our help are many times greater contributions to improving the environment around us than the greenhouse gas emissions released by the company.

The year 2024 presented ETS NORD with a major challenge – to maintain competitiveness and remain viable in conditions where the economy in both Estonia and Scandinavia was in decline for the second year in the row.

In line with ETS NORD's sustainable development strategy, we have calculated our company's CO₂ footprint for 2022. Based on this, we have developed a long-term footprint reduction plan. We have also prioritized transparency of the environmental impact of our products and are moving towards having 90% of our products covered by EPD certificates.

We created a communication plan to strengthen the awareness and engagement of all employees in achieving our sustainability goals. We are guided by sustainable principles in all areas of our operations: production, management, partnerships, and employee engagement. The biggest milestone of the year was the completion of our new factory building. This is not just a new building, but an investment in

the future – an energy efficient, environmentally friendly and modern working environment for our employees. The new factory will allow us to expand our product range and introduce new cutting-edge technologies, which will allow us to be the leading provider of ventilation solutions in the Nordic countries.

We also took a step forward in international cooperation – we gained a new strategic partner – Soler & Palau, who acquired a minority stake in ETS NORD. In addition to attracting capital and knowledge, this gives us the opportunity to integrate S&P products into our portfolio and enter new export markets.

We also focused on improving the quality of management: we reorganized management structures, improved processes, and updated the strategy, which create better conditions for long-term sustainable development.

Looking to the future, we see a cautious but hopeful recovery in both the Scandinavian and Estonian economies.

We also took a step forward in international cooperation – we gained a new strategic partner – Soler & Palau, who acquired a minority stake in ETS NORD.



Urmas Hiie

Chairman of the Board of ETS NORD AS

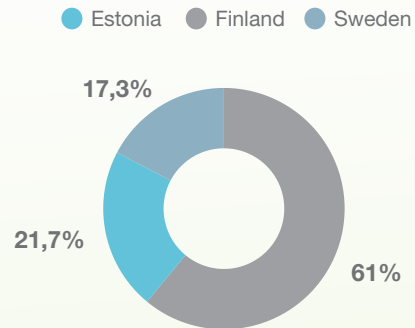
Who we are and what we offer

ETS NORD AS is one of the largest ventilation equipment manufacturers in the Nordic countries, developing and producing energy-efficient ventilation solutions. We are a rapidly growing manufacturing and technology company with our headquarters, development department and largest production facility located in Estonia. We have a sales department in Dubai. In addition, we have sales, production and logistics units in Finland and Sweden.

Turnover 2024:

€ 66.2 million

Sales revenue by market:



Finland: € 40.4 million (61%)

Estonia (incl. exports): € 14.4 mln (21.7%)

Sweden: € 11.4 mln (17.3%)

Sweden:
Kumla,
Malmö,
Södertälje



Finland:
Tuusula,
Vantaa,
Tampere

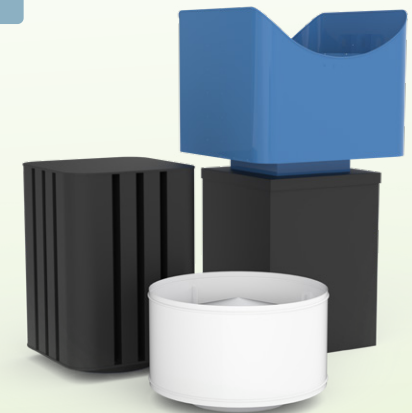
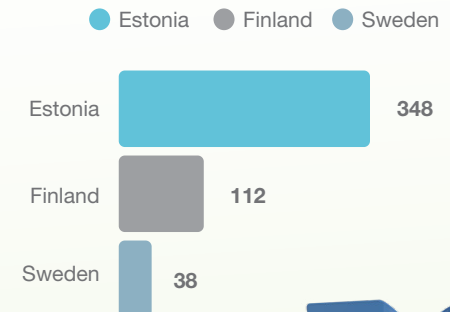
Estonia:
Tallinn (head office)



UAE:
Dubai (sales unit)

Total employees 2024:

483 PEOPLE



Our products

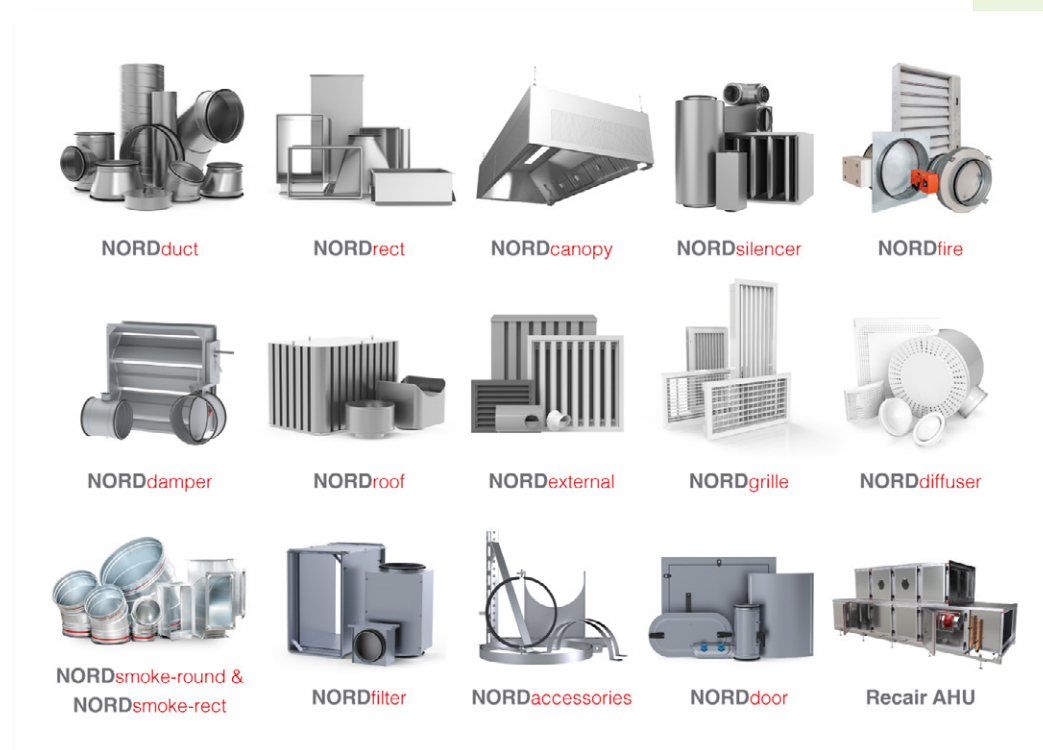
ETS NORD's goal is to improve the living environment by creating the best indoor climate solutions. Our product range includes over 25,000 products, 90% of which are our own production.

We produce both standard ventilation system components and special solutions made to customer orders.

In addition to conventional materials, we also use special materials in production that allow our products to be installed in specific environments, such as spas and swimming pools with high humidity, as well as restaurant kitchens with very high temperatures and fire hazards.

Our heat recovery ventilation units ensure a high-quality indoor climate, help save energy and thereby reduce heating bills.

We are an experienced and reliable partner from the entire project planning phase to product installation and technical maintenance.



In 2024, we produced
1500 km of round ducts.

If you line them up in a row,
they would extend from **Tallinn** to **Berlin**.



Our projects

Our products have reached many countries – in addition to Estonia, Finland and Sweden, also Norway, Denmark, Slovakia and even Mexico.



Energy-efficient E-series roof exhaust unit

If a building is going through renovation and there is no space indoors for the air handling unit, an ETS NORD E-series exhaust unit with heat recovery can be

installed on the roof. The E-series device installed in a 16- apartment residential building in Rapla allows to save **4 815 euros per year**.

E-series air volume	750 l/s
Heat recovery capacity	16 kW
Heat pump heat output per year	170,44 MWh
Annual hot water consumption	58 MWh
Hot water heating with district heating, per year	7 843 €
Hot water heating with heat recovery ventilation and heat pump, per year	3 028 €
Annual savings	4 815 €

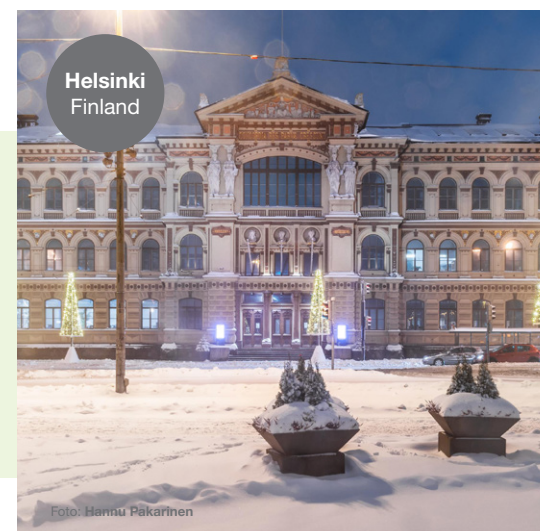
Recair ventilation units ensure high-quality indoor climate

Ateneum Art Museum renovation.

The main focus of the repairs was a complete renovation of the ventilation system with the aim of improving the building's energy efficiency and crea-

ting a stable indoor climate that would be suitable for valuable works of art. The central part of the new system was the custom-made Recair ventilation units manufactured by ETS NORD.

Cooperation with ETS NORD was highly appreciated by the clients thanks to its flexibility and quick response even in difficult situations.



Our projects

Örebro
Sweden



Modernization of Måltidens Hus: Training kitchen renovation with innovative ventilation

One of the largest kitchen ventilation projects in 2024 was the ventilation solution for the Måltidens Hus training kitchen at Örebro University in Sweden. Since students who will be working as chefs in the future train their skills there to work as chefs in

top restaurants, the dimensions of the training kitchen were much larger than usual, which is why ETS NORD's modular integrated ventilation ceiling solution was chosen for the Måltidens Hus training kitchen.

The work was completed on time, and the client positively highlighted our high level of technical support throughout the project.

ETS NORD hoods are designed for the high temperatures and humidity of professional kitchens. Grease filters capture grease particles, which are then cleaned using UV lamps or ozonator.

Brass Monkey Restaurant In Dubai City Walk — in a vibrant and exclusive area of Dubai City Walk

ETS NORD's kitchen hoods, manufactured for professional kitchens, have been installed in several trendy restaurants in Dubai. A high-quality and efficient kitchen hood is especially important in restaurants with open

kitchens, because no cooking odors or fumes should disturb visitors. Our kitchen hood in the Brass Monkey entertainment complex in Dubai City Walk ensures optimal ventilation for both chefs and visitors.

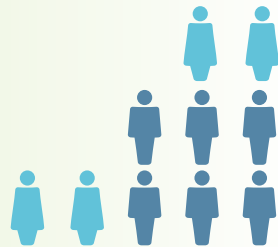
Dubai
UAE



ETS NORD Group in 2024

Number of employees:

483



We produced

351 MWh

solar energy

Average usage of electricity per household in the EU:
~3 – 4 MWh per year



Export

11 countries

Sales volume:

€ 66,2 million

Sales volume increased
2% per year



Objective:
carbon neutrality

by 2050



5 complaints
Per 1 million euros in turnover

New products created by the R&D:

12



Total investments:

€ 2,25 million

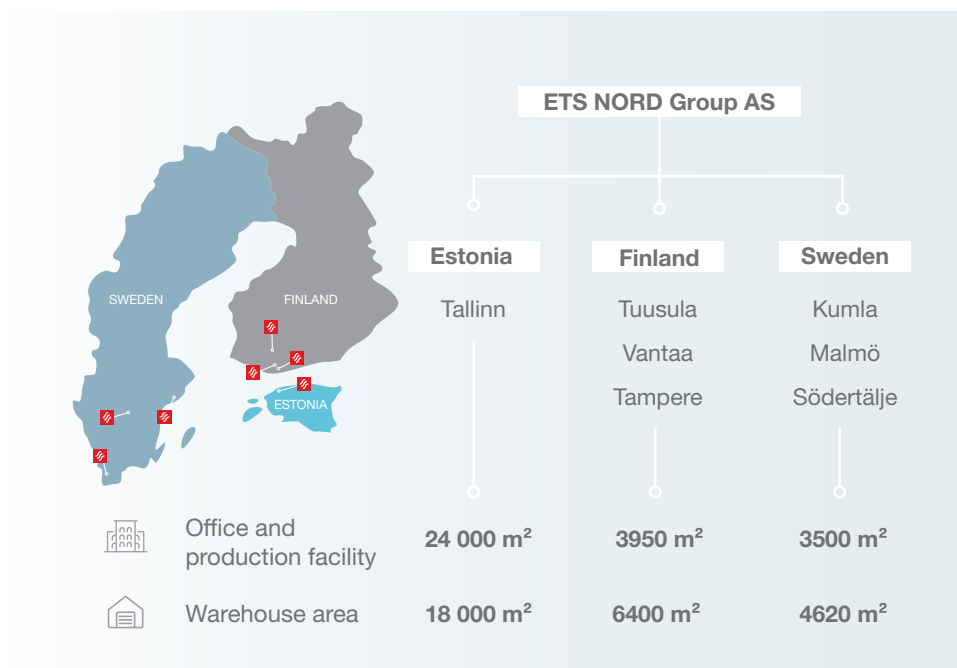
- Purchase of manufacturing equipment
- Development of digital solutions

CO₂ footprint

per 1 kg of product

4,1 kg CO₂ eq

ETS NORD Group in 2024



IN ESTONIA

Our head office, main production unit, R&D department and central warehouse are located **in Tallinn**. A new factory building was completed in 2024, which will significantly increase our production capacity.

IN FINLAND

The sales department, warehouse and spiral duct production located **in Tuusula** offer fast delivery to customers in Helsinki and the surrounding area. We manufacture and develop air handling units **in Vantaa**. The **Tampere** sales department offers technical support to customers throughout Finland.

IN SWEDEN

The Swedish central warehouse and sales department are located in **Kumla**, while the **Malmö** and **Södertälje** units specialize in the production of rectangular ducts. ETS NORD units are strategically located in an area with a larger population and sales and distribution potential: central and southern Sweden.



Sustainability at ETS NORD

ETS NORD values an environmentally friendly mindset by optimizing production, reducing waste and promoting a circular economy. We use resources responsibly and are constantly looking for ways to operate more environmentally friendly. Environmental protection is an important part of our longterm development and sustainability strategy.

7 AFFORDABLE AND
CLEAN ENERGY



9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



11 SUSTAINABLE CITIES
AND COMMUNITIES



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



13 CLIMATE
ACTION



ETS NORDi mission and values

ETS NORD's mission is to improve the living environment by creating the best indoor climate solutions.

Our work is guided by four core values, which are:

Partnership and recognition

- Our strength lies in our dedicated team working together towards a common goal.
- We respect and trust each other.
- We recognize our colleagues' achievements and work well done. Diversity is important to us and we care about our partners - colleagues, suppliers, customers and community.

Perfection

- We offer our partners the best quality innovative products and services
- We are committed to continuous learning and self-development.

Responsibility

- We take responsibility for our work and actions.
- We keep our promises.
- We work to reduce the environmental impact of our operations.
- We create sustainable solutions for our partners.

Openness

- We are open to new ideas and opportunities.
- We are always ready to acquire new knowledge.
- We support innovation and creative thinking.

Sustainability principles

The three main objectives of ETS NORD's sustainable development strategy are:

1

To ensure ETS NORD's sustainable profitability and responsible operational capability in order to strengthen the company's competitiveness and meet long-term development goals.

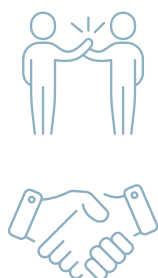
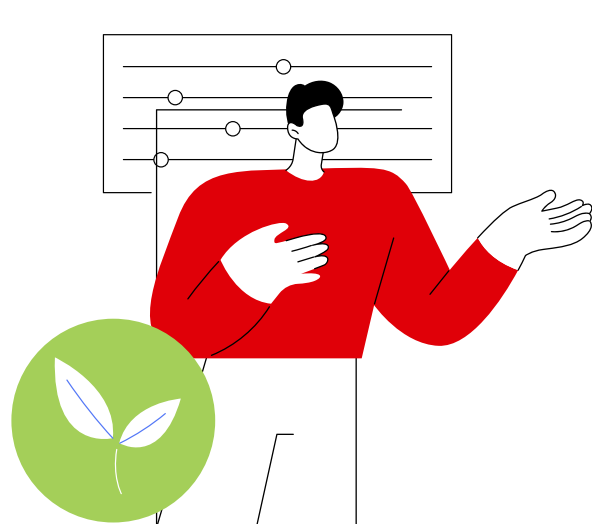
2

To develop and produce ventilation solutions that support the energy efficiency of buildings and help achieve the European Union's climate goals.

3

To create a more sustainable future and reduce our environmental footprint through innovation and efficient use of resources.

Sustainability principles



Customer focus

Employee safety

Responsible management

Employee well-being

Cybersecurity and data protection



Environmental management

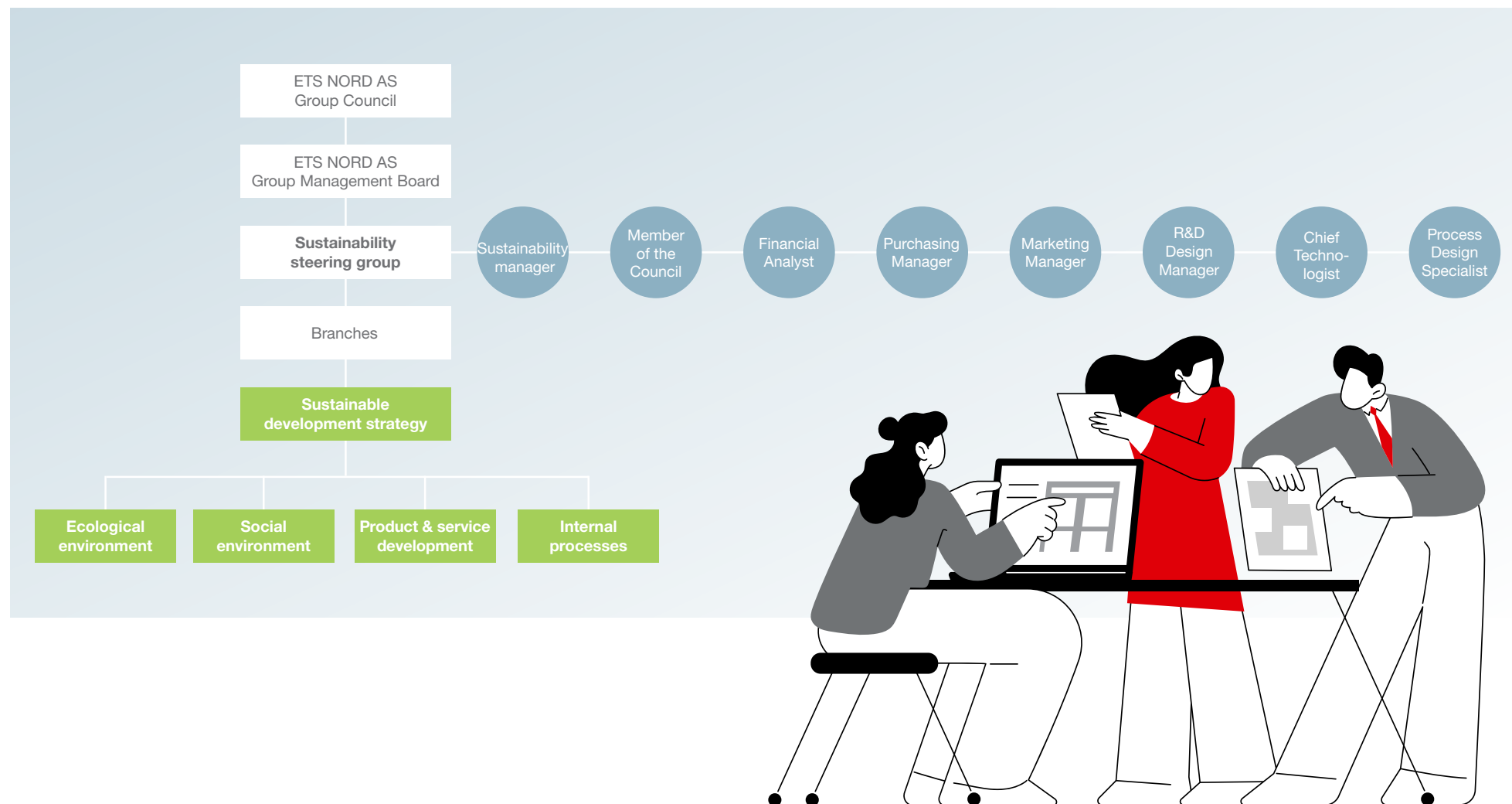
Sustainable supply chain

Greenhouse gas footprint

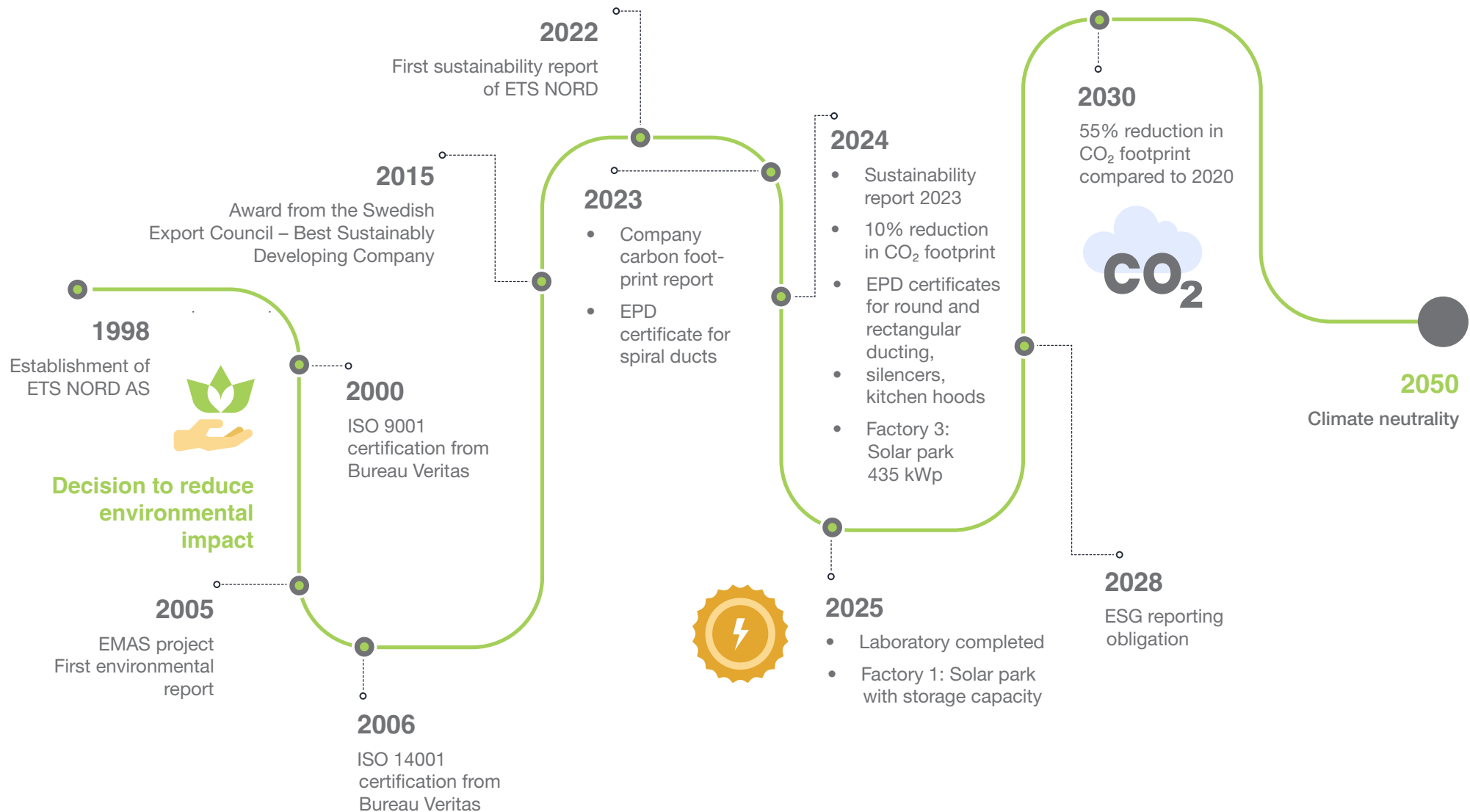
Social participation

Sustainability management structure

At ETS NORD, a steering group is responsible for implementing the sustainability strategy, coordinating its implementation throughout the organization.








Sustainability Timeline



Global Sustainable Development Goals

ETS NORD contributes to the achievement of the following sustainable development goals through its activities.






Environment:

SDG	Sustainable Development Goal	Sub-goals	ETS NORD contribution
7 AFFORDABLE AND CLEAN ENERGY 	Affordable and clean energy	7.2 Increase the share of renewable energy in the global energy mix consumption (e.g. 7.2.1 share of renewable energy in total final energy consumption)	We are increasing the use of renewable energy in our products and production processes with the aim of reducing our CO ₂ footprint. We are optimizing our own energy use and encouraging partners and customers to implement energy-efficient and sustainable solutions.
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	Industry, innovation and infrastructure	9.4 Upgrade infrastructure and make industries sustainable, increasing the efficiency of resource use	We develop new energy-efficient products and production processes, using digitalization opportunities to increase production efficiency and support innovation.
11 SUSTAINABLE CITIES AND COMMUNITIES 	Sustainable cities and communities	11.6 Reduce the negative environmental impact of cities per capita, including improving air quality and waste management	We support the creation of a healthy indoor climate in buildings and cities, reducing the carbon footprint and promoting the development of green cities through awareness-raising and projects.
12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	Responsible consumption and production	12.2 Achieve sustainable management and use of natural resources; 12.5 Reduce waste generation through prevention, reduction, recycling and reuse; 12.8 Ensure people have appropriate information and awareness of the principles of sustainable development	We use resources efficiently, implementing circular economy principles, reducing waste, and ensuring the safe handling of chemicals and hazardous substances. We also inform employees and partners about the principles of sustainable development.
13 CLIMATE ACTION 	Climate action	13.3 Improve education, awareness-raising and human and institutional technical capacity in climate change mitigation, adaptation, impact reduction and early warning.	We set specific climate targets and monitor their implementation, striving to reduce carbon emissions from our operations and supply chain. We organize training to raise environmental awareness and invest in cleaner technologies and product development.

Global Sustainable Development Goals

ETS NORD contributes to the achievement of the following sustainable development goals through its activities.

Social sphere:

SDG	Sustainable Development Goal	Sub-goals	ETS NORD contribution
3 GOOD HEALTH AND WELL-BEING 	Good health and well-being	3.d Strengthen national capacities for early warning, risk reduction and management of health risks	We ensure a safe working environment for employees, promote healthy lifestyles (e.g. health insurance, sports subsidies and regular health check-ups), and support developing countries in building their capacity to prevent health risks.
4 QUALITY EDUCATION 	Quality education	4.4 Increase the number of young people and adults with the skills needed for employment, decent jobs and entrepreneurship. 4.7 Ensure that all learners acquire the knowledge and skills necessary to promote sustainable development	We support lifelong learning and employee development through internal training and support vocational and higher education studies to ensure the preparation of the workforce and acquisition of knowledge for sustainable development.
5 GENDER EQUALITY 	Gender equality	5.5 Ensure women's full and effective participation and equal opportunities in leadership and decision-making levels	We promote the participation of women in management and ensure equal career opportunities for all employees, based on the company's code of ethics, which prohibits discrimination.
8 DECENT WORK AND ECONOMIC GROWTH 	Decent work and economic growth	8.2 Increase economic productivity through diversification, technological modernization and innovation. 8.4 Improve resource efficiency in consumption and production, by decoupling economic growth from environmental degradation	We invest in product development, technological innovation and employee skills development, providing decent working conditions. We optimize material use and develop a circular economy to improve resource efficiency.
10 REDUCED INEQUALITIES 	Reducing inequality	10.2 Promote social, economic and political inclusion of all	We ensure that all employees and supply chain partners are treated equally, based on the company's code of ethics and inclusive practices.

Global Sustainable Development Goals

ETS NORD contributes to the achievement of the following sustainable development goals through its activities.

Management:

SDG	Sustainable Development Goal	Sub-goals	ETS NORD contribution
16 PEACE, JUSTICE AND STRONG INSTITUTIONS 	Peace, rule of law and strong institutions	16.5 Significantly reduce corruption and bribery in all their forms	We comply with laws and internal company rules to avoid conflicts of interest, corruption and bribery. We train employees to recognize unethical behavior and create a safe feedback channel.
17 PARTNERSHIPS FOR THE GOALS 	Global cooperation	17.16 Strengthen the global partnership for sustainable development to support the goals	We strengthen cooperation with both local and international partners by participating in professional associations and joint projects to share best practices and support the achievement of sustainable development goals.



Stakeholder engagement

We have identified the most important ESG topics for ETS NORD and analyzed their potential impact on our company. The goal was to focus on the topics that have the greatest impact and importance. We also took into account the sustainability expectations of key customers and suppliers, sustainable development goals and future regulations. These topics form the basis for our strategic and operational management and decisions.

	Stakeholder Group	Importance to ETS NORD	Needs and Expectations
External Stakeholders	Clients - contractors and HVAC Installers	Very important stakeholders in business context	Competitive pricing and high-quality solutions
			Customer experience and company culture
			On-time delivery
			Good reputation
			Ethical behavior and anti-corruption
			Competence
			Co-operation
	Designers	Indirect client, our technical information/ message distributor	Competitive pricing and high-quality solutions
			Responsiveness and beneficial partnership relationships
			Competence
			Co-operation
	Suppliers	Supply chain management	Competitive pricing and quality products
			Responsiveness and beneficial partnership relationships
			Sustainability
			Improved customer experience
			On-time delivery
			Good reputation
			Ethical behavior and anti-corruption
	Regulatory and supervisory bodies	Compliance evaluators	Compliance with regulations
			Accurate and correct reporting
			Safety and environmental protection
	Communities and local authorities	Social responsibility and reputation building	Investing in local well-being
			Trustworthy employer
			Socially responsible company
	Schools & universities	Workforce pipeline	Interesting and challenging work
			Development opportunities
	Development opportunities	Active cooperation, involvement in the development of regulations	Information sharing and best practices Development of employees
Internal Stakeholders	Employees	Competent and committed employees are a critical resource for sustainability activities	Safe working environment
			Reputation, development, trainings
			Fair and timely recognition and compensation
			Recognized and trusted employer
			Inclusive work culture and unified team
			Open and transparent leadership, communication
			Information on company goals and results
	Shareholders	Decision-makers through the highest governing body.	Profit
			Sustainability
			Development and growth
			Strategic deployment
			Risk management

Environment as a strategic focus

Our goal is to make the work of ETS NORD units more environmentally friendly and efficient.

We have set goals and key indicators to systematically reduce negative environmental impacts and contribute to climate change mitigation.



Environmental metrics	2020	2021	2022	2023	2024
Number of waste types	20	20	20	20	21
Amount of mixed non-recyclable waste (per employee per month)*	6,3	6,3	6,3	6,27	4,69
Water consumption m ³ per employee per month*	0,9	0,8	0,8	1,17	0,88
Paperless management of HR documents, %*	100	100	100	100	100
ETS NORD company CO ₂ footprint, t CO ₂ eq	99	113	67	73,03	72,9
CO ₂ emission per product sold, kg	6,52	7,42	5,28	5,67	4,14

Environmental management at ETS NORD

Our environmental activities are aimed at reducing the environmental impact of the company and our products throughout the product life cycle.

Our environmental approach is based on
three principles:

1

Developing energy-efficient and sustainable ventilation solutions to **reduce the carbon footprint of buildings.**

2

Regular analysis and assessment of environmental aspects and resource use, including continuous monitoring of the impact of products and energy consumption.

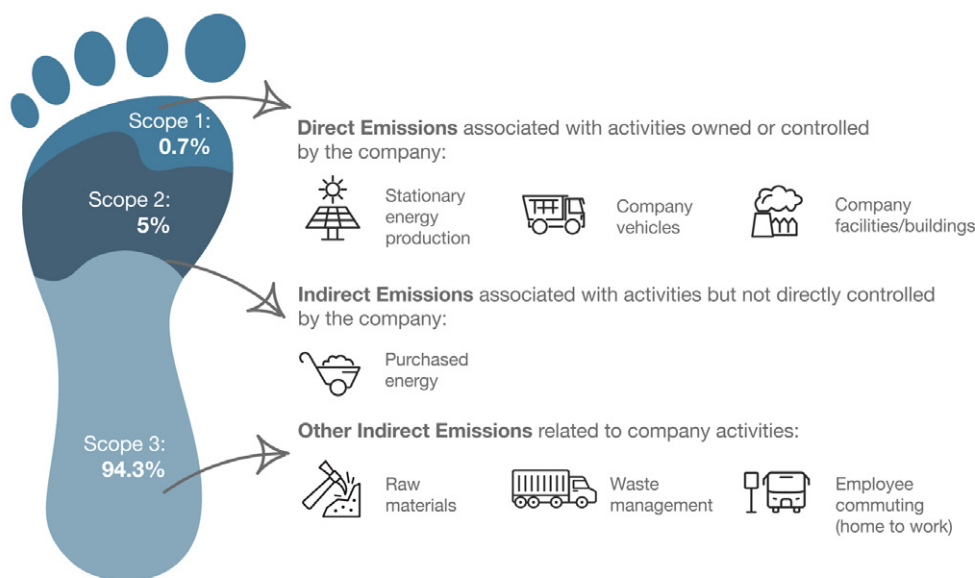
3

Implementing new technologies and innovative solutions to maximize heat recovery, support the use of renewable energy, and minimize resource consumption.



ETS NORD CO₂ footprint

Our carbon footprint in 2024 was **72.9 tonnes of CO₂ equivalent (tCO₂e)**. The calculation is based on the internationally recognized Greenhouse Gas Protocol (GHG Protocol) and is divided into three scopes as follows:



Scope 1 (direct emissions, e.g. from company vehicles and fuel use) amounted to 252.36 tCO₂e, which is 19.8% less than previous year (2023: 314.69 tCO₂e). The decrease was mainly due to a significant decrease in the company's gas consumption, which has been the result of targeted optimization of energy use. However, compared to the base year (2020), direct emissions have increased by 5.1%.

Scope 2 (purchased energy, including electricity and heat) emissions were 1,783.8 tCO₂e, which is 9.8% less than in the previous year (2023: 1,977.08 tCO₂e). A significant contribution to this reduction was made by the establishment and commissioning of the company's own solar park, as a result of which we were able to decrease our electricity consumption footprint by 19%. However, compared to the base year (2020), Scope 2's indicators have increased by 11.2%, reflecting the growth in the company's operations.

Scope 3 (indirect emissions in the value chain) increased by 7.9% and was 33,731.49 tCO₂e (2023: 31,740.71 tCO₂e), which was due to an increase in the volume of purchased materials. However, it is positive that the amount of emissions resulting from the transportation of materials decreased by 33%. Compared to the base year (2020), Scope 3 has decreased by 1.23%.

In conclusion

Although Scope 1 and Scope 2 emissions have increased compared to the base year (2020), the significant increase in the company's turnover cannot be ignored. While ETS NORD AS's turnover in 2020 was 49 million euros, by 2024 it had grown by 26%. Consequently, it is reasonable to assess the change in carbon footprint also in relation to the growth of the company's operations, and in this context we see a

clear trend. towards more efficient use of resources and increased environmental awareness.

The company's goal is to continue to reduce its carbon footprint, focusing on reducing both direct and indirect emissions through innovative solutions, energy efficiency, and collaboration with value chain partners.

CO₂ footprint
per 1 kg of production
4,1 kg CO₂ eq



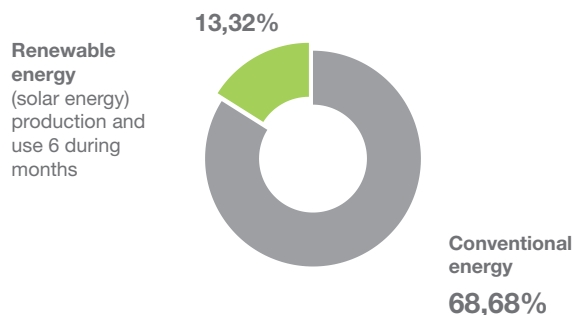
Renewable energy production and energy storage at ETS NORD

In May 2024, our new factory building (Factory 3) was completed, on the roof of which we installed a solar park consisting of 947 panels with a total capacity of 435 kWp. Thanks to the energy obtained from the sun, we can reduce our ecological footprint and at the same time optimize energy costs.

During the first six months of operation, the solar panels on the roof of our Factory 3 produced a total of 351 MWh of electricity. When reaching maximum productivity, i.e. on sunny days, we were able to produce up to 80 MWh of energy per day. Next, we plan to build a 1,400 m² solar park on the roof of the Factory 1 building with 517 kWh of storage capacity. In 2025, we will also add storage

Energy consumption in 2024:

Solar energy accounts for 13.32% of total energy

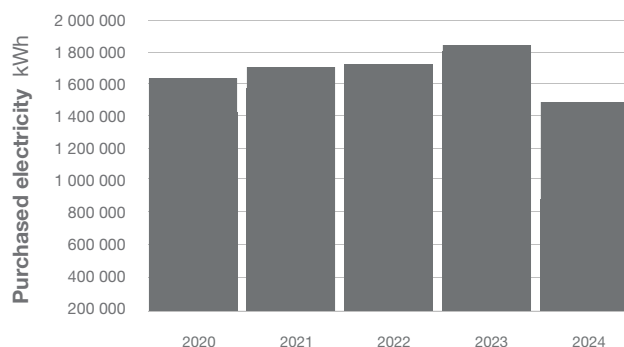


capacity to the Factory 3 solar park, which increases the storage capacity of energy from renewable sources to 1034 kWh and allows us to efficiently store and use solar energy according to actual energy needs.



Overview of energy consumption in the Tallinn unit

The table below presents the annual electricity and heat consumption data of the Tallinn production unit. In 2024, a decrease in the volume of purchased electricity is noticeable, which is directly related to the commissioning of solar parks. The increase in the use of renewable energy supports the company's strategy to reduce dependence on external electricity and move to more environmentally friendly production.



However, there has been a modest increase in the amount of purchased heat energy in 2024. Considering that a new 9,000 m² factory building was put into operation in the same year, this increase can be considered marginal. This clearly indicates that the new building has been designed and built with energy efficiency principles in mind.

In summary, the data presented shows that investments made in renewable energy and energy efficiency have a positive impact on the company's overall energy consumption.

Tallinn	2020	2021	2022	2023	2024
Purchased electricity kWh	1 660 766,74	1 716 913,74	1 727 531,00	1 823 883,00	1 459 188,30
Electricity kWh per m ²	82,78	85,58	86,11	90,91	49,61
Purchased heat kWh	2,220,980	2,898,400	2,758,000	2,483,000	2,818,560
Heat kWh per m ²	76	99	94	84	96

Waste separation

We have adopted a systematic approach to the collection of waste generated in the production process by type. We mapped the locations and types of waste generated by work areas, involving all team members in this process. Based on this, we have compiled clear instructions for waste sorting that take into account the specifics of each work process and ensure uniform rules throughout the

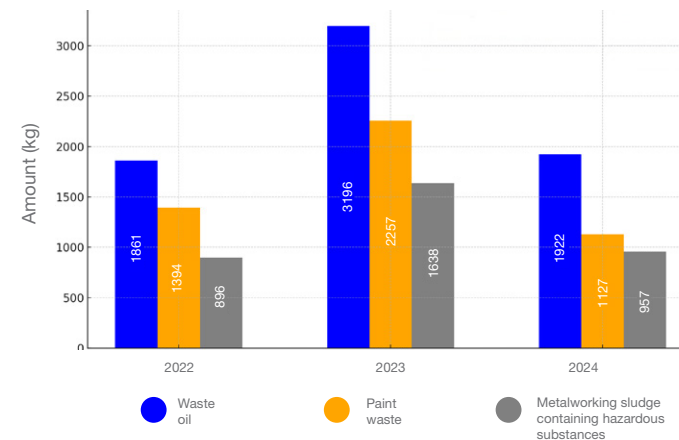
organization. Each work area has been equipped with appropriately marked collection boxes that allow waste to be collected separately at the point of origin. Waste sorting has become a natural part of our daily work and supports efficient and environmentally friendly waste management.

Waste sorting in production/warehouse

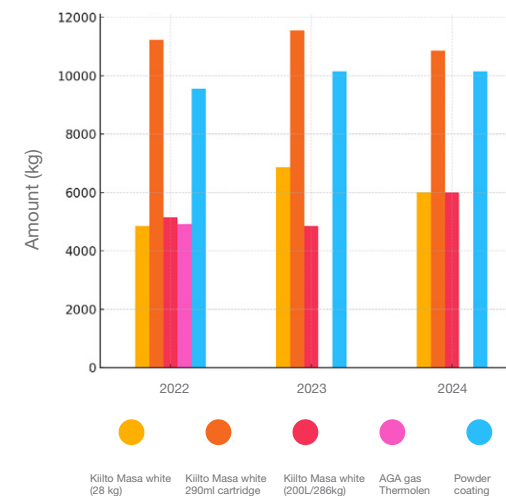
Our goal is to reduce the amount of mixed household waste.



Hazardous waste removal 2022-2024



5 most used chemicals in 2022-2024



Waste separation

OHUTUSNÕUDED TOOTMISES

Kallis Külaline!

ETS NORD AS on uhke oma töökeskkonna üle ja meil on alati rõõm näha külalisi enda juures. Küllastades meie tootmist, palume Teie enda turvalisuse huvides järgida järgmisi ohutuse nõudeid:

SAFETY AT PRODUCTION

Dear Visitor!

ETS NORD is proud of its workplace and enjoys hosting You for the purpose of visiting and touring the facility. To comply with our safety rules and regulations, all visitors will be requested to follow certain safety requirements:

- Tootmise ja lao alale sisenemine ETS NORD AS töötaja loata on keelatud.
- Suitsetamine on lubatud ainult selleks ettenähtud kohtades.

- Kõik tootmise ja lao alale lubatud külalised on kohustatud kandma helkurvesti.
- Soovitame kasutada kõrvatroppe.
- Liikudes meie tootmises, järgi põrandamärgistusi – ära ületa kollaseid jooni ETS NORD AS töötaja loata.

- Anna teed transpordi vahendile – arvesta tõstukite ja sildkraana liikumisega.
- Ole tähelepanelik ja ettevaatlik metallosade teravate servade ning masinate liikuvate osade suhtes.

- Entrance to the production and storage facilities is not permitted without ETS NORD AS permission.
- Smoking is allowed only in designated areas inside and outside the building.

- All Visitors to our production areas will be required to wear reflective jackets.
- We suggest using hearing protections at our production.
- All Visitors to our production areas will be required to remain within the yellow safety lines except under certain circumstances where approved by ETS NORD personnel.

- Be aware of fork truck and overhead crane movements.
- Be careful near metal parts with sharp edges and machines/tools with moving parts.

Let's move the air together!

ETS NORD



Our product footprint - EPD

An EPD (Environmental Product Declaration) provides a detailed overview of a product's environmental impacts, from the sourcing of raw materials to the use and re-cycling phases.

EPDs are already widely used in Scandinavia and are becoming increasingly important in winning procurements in Estonia. Therefore, we have calculated EPDs for most of our products.

Currently, around 75% of ETS NORD's products sold are covered by an environmental product declaration (EPD) or carbon footprint calculation.

Our goal is to increase this figure to at least 90% by 2025. This means that an even larger proportion of our products will be accompanied by transparent and reliable data on their environmental impact.

Having EPDs enables customers to make more environmentally conscious choices, supporting greener and more sustainable projects. It is also an important part of carbon footprint calculations and helps meet the requirements of various green building certifications (e.g. LEED and EPDs are already widely used in Scandinavia and are becoming BREEAM).

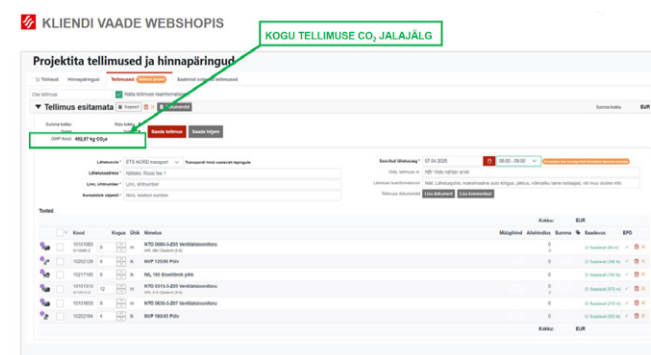
Product CO₂ footprint in our offers and orders

To avoid our customers having to request separate EPD information or calculate the carbon footprint of products purchased from us for each project, we added EPD calculations to both quotations and orders.

The „✓“ mark at the end of each line of these documents indicates that this product has an EPD (Environmental Product Declaration) or a carbon footprint calculation has been performed.

The GWP-fossil (Global Warming Potential) value of the entire project is listed at the end of the document. This gives the customer a clear and quick overview of the potential impact of the ordered products on global warming.

Thanks to this, customers can assess the environmental impact of projects at an early stage and make informed choices, preferring products with a smaller carbon footprint.



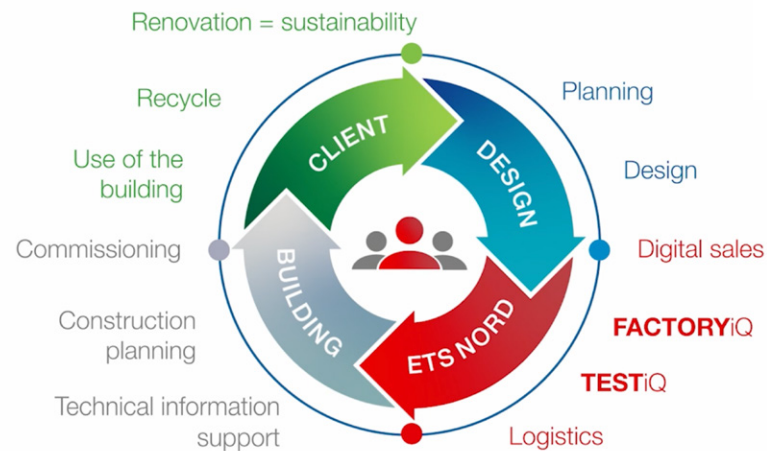
ETS NORD					
Klient: ETS NORD Design Service					
Meesika 7					
10153, Tallinn					
Eisindaja: Karu Ott					
Telefon: 51 46833					
Kommentaar: Roosi ala 7 - V1					
Pakkumine 24890002-1					
30.06.2024					
27.12.2024 10:42:00					
60 päeva netto					
29.11.2024					
DAP Meisla					
Tarnetingimus:					
Tarnetingimus:					
Kood	Nimetus	Kogus	Ühik	Üh.hind	Summa EPD
1	10202124 NVP 125/45 Põlv	10	pcs	11.04	110.40 ✓
2	10202129 NVP 125/90 Põlv	11	pcs	11.70	128.70 ✓
3	10202169 NVP 160/90 Põlv	12	pcs	16.29	195.48 ✓
4	10202209 NVP 200/90 Põlv	13	pcs	23.56	306.28 ✓
5	10202259 NV 250/90 Sektorpõlv	14	pcs	32.64	456.96 ✓
6	10202319 NV 315/90 Sektorpõlv	15	pcs	49.29	739.35 ✓



GWP väärtused			
GWP / kg			
GWP fossil	425.83	kg CO2e	
Märgiga '✓' on tähistatud tooted, mille keskkonnamõju (EPD) on arvutatud.			
GWP (Global Warming Potential) väärtus on arvutatud EPD-de põhjal.			
my.etsnord.com keskkonnas saab tellimuse esitada 24/7. Link pakumisele			
Pakkumise koostas:		Ringo Ott	
Maksustatav käibemaksumääraga 22%:		1 937.17	
Käibemaks 22%:		426.18	
Kinnitan pakumise ja tellin kauba pakumise alusel.			
Nimi/Allkirj/Kuupäev			
TASUDA: 2 363.35 EUR			
ETS NORD AS			
Peterburi tee 53		Telefon: +372 680 7360	AS LHV Pank:
Tallinn, 11415		info@etsnord.ee	a/a EE117700771003892382
Reg nr 10462380		www.etsnord.com	Swedbank:
		KMKR nr EE100363634	a/a EE232200221010997788

Product Life Cycle Assessment LCA

ETS NORD's goal is to offer its customers energy-saving, efficient and long-lasting ventilation solutions that are at the same time sustainable from both a social and environmental perspective.



The lifespan of ventilation equipment is usually considered to be decades, which is why future needs and the recycling of materials at the end of their life cycle must be taken into account when creating solutions. A longer lifespan for ventilation systems and a higher proportion of recyclable materials

help reduce their environmental burden. For example, our kitchen canopies help reduce environmental impact, as they can be dismantled and reused on a new site thanks to their modularity. The compact packaging of our aSAP solution also reduces the cost of transporting the canopies.

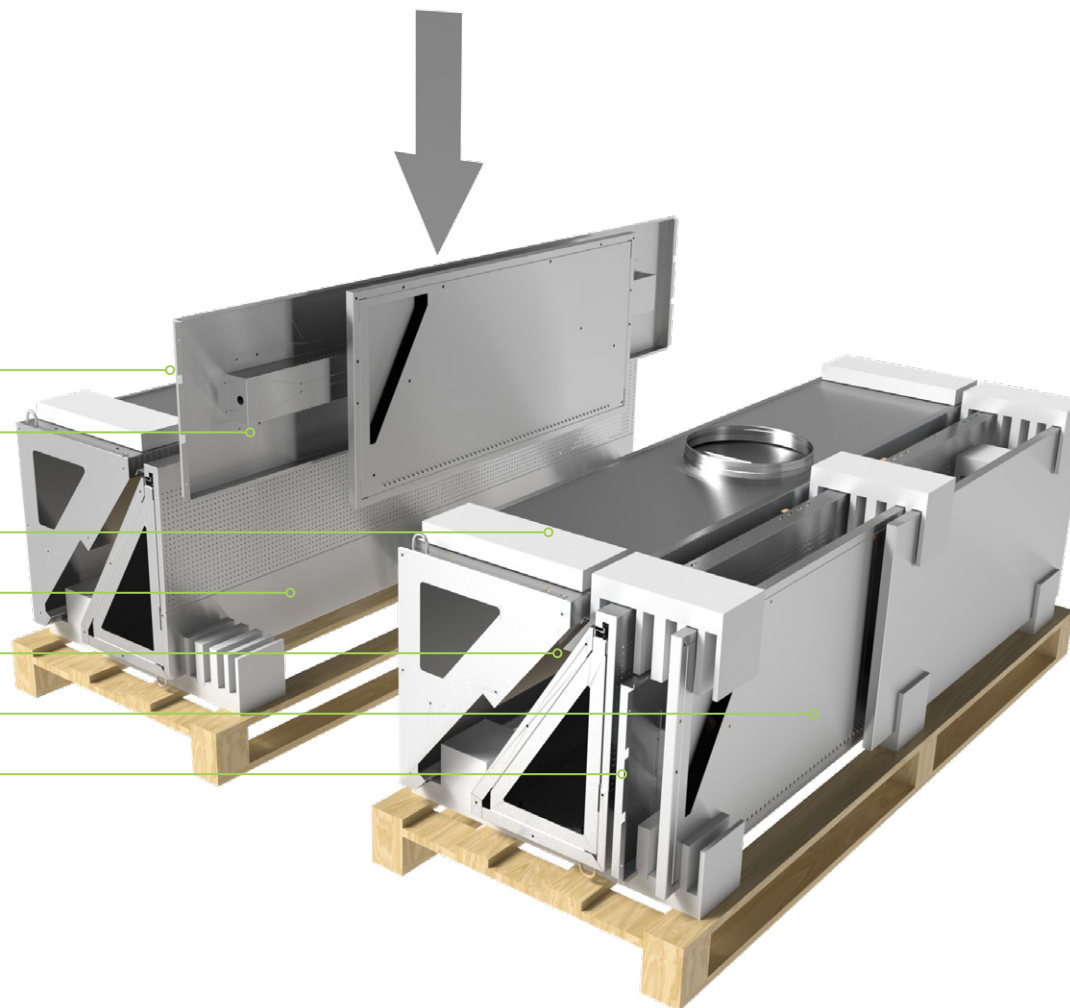




The **positive environmental impact** of our products

NORDcanopy aSAP solution

- Reusability extends lifespan**
- Modularity makes transport and installation easy and allows kitchen hoods to be reconfigured**
- Ideal solution for tight spaces**
- Delivery on compact pallets**
- Fits in high-rise building elevators**
- Quick assembly on site**
- Smaller carbon footprint**



ETS NORD sustainability roadmap

In addition to continuous analysis and identification of focus areas, ETS NORD also focuses on innovation and the development of energy-efficient solutions within the framework of its sustainability strategy. **Our goals are:**

Innovative data-driven solutions: We use digital tools and real-time data analytics to monitor and reduce our environmental impact and respond quickly when processes need to be optimized.

Continuous analysis and definition of focus areas: We regularly monitor our production processes and their environmental impact and develop environmentally friendly products with the aim of reducing our ecological footprint.

Sustainable procurement and supply chain transparency: We are committed to making sure that all our suppliers and partners adhere to environmentally friendly and socially responsible principles.

Innovative materials and production methods: We invest in research and development to find new, less resource-intensive and recycling-oriented solutions (for example, useage of recycled materials).

CO₂ neutrality and carbon footprint reduction: We set ambitious goals to reduce the company's CO₂ emissions and support the development of renewable energy.

Community and employee engagement: We organize training and workshops to raise awareness of sustainable practices both within the company and in the wider community, and we collaborate with local governments, environmental organizations, and waste managers.



Our people are our priority

ETS NORD values the professional and personal development of its employees. We invest in the development of our employees' knowledge and skills and offer various training opportunities.

A team oriented towards cooperation and working towards a common goal creates the prerequisites for creating innovative solutions and ensures the sustainable and long-term development of ETS NORD.

3 GOOD HEALTH
AND WELL-BEING



4 QUALITY
EDUCATION



5 GENDER
EQUALITY



8 DECENT WORK AND
ECONOMIC GROWTH



10 REDUCED
INEQUALITIES



ETS NORD's HR strategy

ETS NORD's human resources strategy is based on the company's business strategy and is aimed at achieving business goals. Within this framework, we focus on key processes such as recruitment, compensation, training, recognition, and improving management quality.

Employee development is important to the company, as employees are the main drivers of innovation and productivity, whose professionalism, flexibility, and independence ensure customer satisfaction and the success of the organization. The ETS NORD Code of Ethics clearly defines principles regarding the human

rights of employees, diversity, inclusion and non-discrimination.

We follow these principles in our daily work and human resources policy, when we make recruitment and promotion decisions based on measurable characteristics (education, skills, and experience).

ETS NORD's Finnish and Swedish branches have agreements with local trade unions that protect employee rights. The obligations and benefits set out in the collective agreement extend to all employees of the

company, regardless of their union membership. In Estonia, we have voluntarily taken on similar obligations that trade unions stand for - for example, the management board of ETS NORD analyzes the company's financial situation once a year and, if possible, increases the salaries of all employees in line with the increase in the cost of living index. With future growth in mind, we offer young people internship opportunities in various branches. The company's remuneration system consists of a base salary, bonus pay, benefits and employee benefits, and the determination of remuneration is objective and transparent.



ETS NORD employee statistics

As of the end of 2024

Average length of service

A diverse workforce with different skills and experiences is the basis for ETS NORD's sustainable development. As of 2024, the company had the largest number of employees with less than five years of experience. The longest length of service is over 25 years.

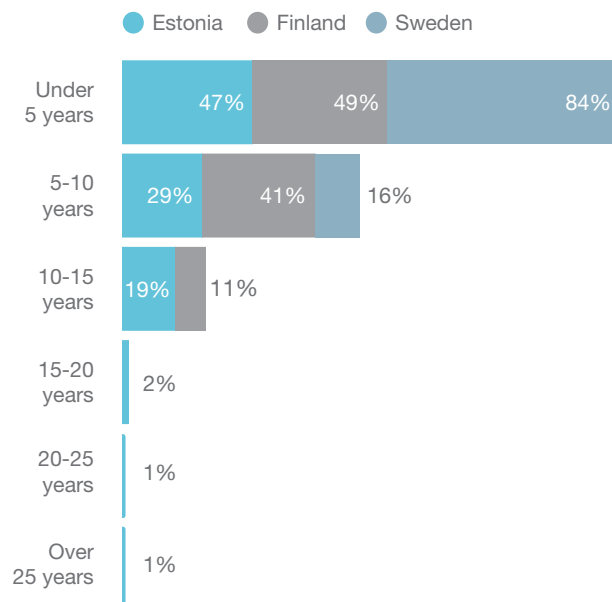
Compared to Estonia, employees in Finland and Sweden have a shorter length of service than average, because we opened our branches there later than in Estonia - in 2009 and 2015, respectively.

Average length of service

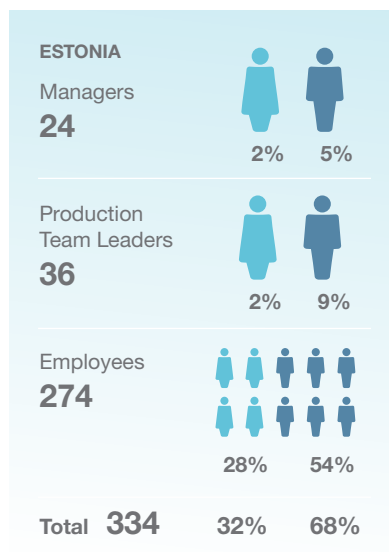
ESTONIA	6,2 years
FINLAND	5,3 years
SWEDEN	3,2 years



Work experience:



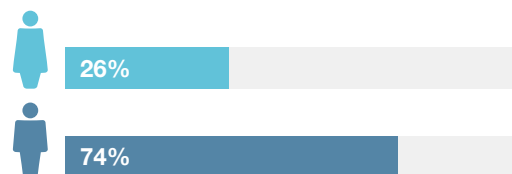
Occupational breakdown:



Number and gender distribution of ETS NORD employees

Gender distribution:

The gender distribution of the Group's workforce has been relatively stable over the past year. The proportion of women was 26% in the reporting year (in 2023: 25%).



Labor turnover:

To reduce labor turnover, we offer those who wish to leave their jobs the opportunity to work in another position within our company, if the employee has the qualifications and desire to do so. If necessary, we also offer professional training that allows them to work in another position.

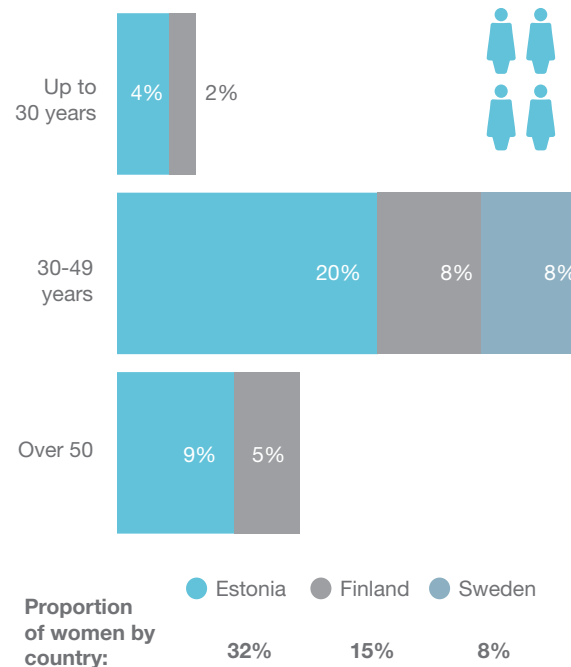
Estonia	4%
Finland	6%
Sweden	2%

Age distribution:

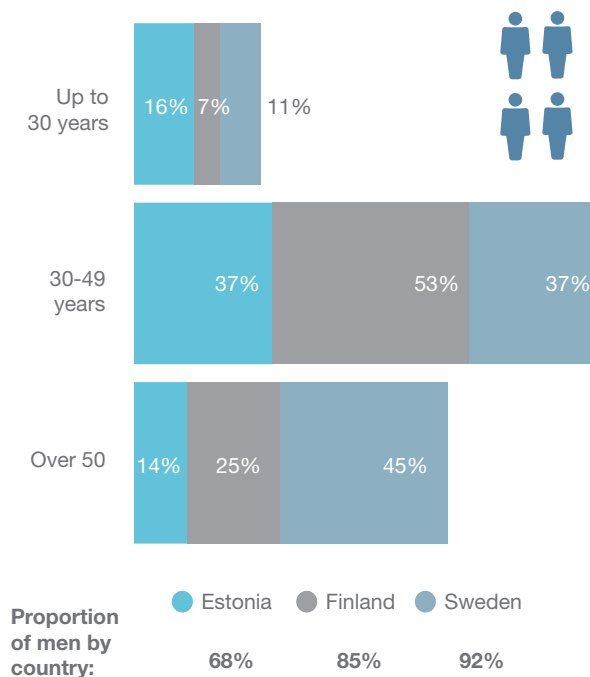
The average age of an ETS NORD employee is 40 years. Our goal is to maintain a diverse workforce, supporting the growth of young talent while sharing the experiences of the older generation.



Women:



Men:



Additional benefits for employees

Employee recognition:

Celebrating work anniversaries is a tradition at our company, where we recognize employees for their loyalty and service.



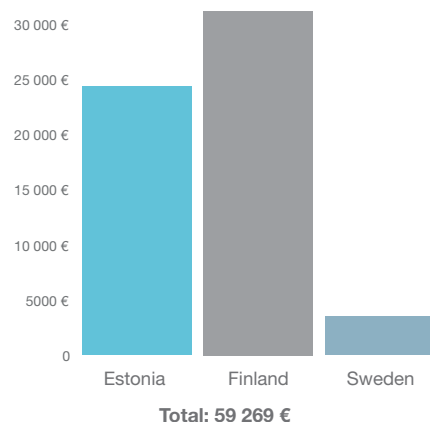
Health and wellness benefits

ETS NORD offers employees various sports opportunities. The “ETS NORD Step count challenge” has become a tradition, taking place every spring, in which 10-member teams from Estonia, Finland and Sweden can participate. The goal of the competition is to encourage everyone to spend more time outdoors and move more on foot.

ETS NORD also supports the participation of its employees in several major sporting events and covers the participation fees of everyone who wishes to participate in the Maijooks, Tallinn Marathon and the "Tipust Topini" run.

In Estonia, Finland and Sweden, we use digital platforms to support our employees' sports and health-promoting activities with a fixed amount. The support rate for sports activities in Estonia and Finland is 400

euros, in Sweden 3,000 SEK per year. In 2024, we contributed a total of 59,269 euros to the well-being of our employees, thus supporting their active and healthy lifestyle.



When an employee in Estonia has a child, we provide a modest financial benefit to acknowledge the occasion.

Every year, children of company employees up to the age of 14 also receive Christmas gifts from ETS NORD. In addition, the company organizes both summer days and a Christmas party for all employees every year.

Employee training and investment in future talent

ETS NORD considers the versatile development of its employees important, supporting both continuing education and continuous professional development. We encourage employees to improve their professional knowledge and develop their skills in accordance with their professional

goals. To this end, we map regularly assess training needs and conduct development interviews. In 2024, our Leading Group managers participated in the "Leadership Team training program" the aim of which was to improve management quality and principles at ETS NORD.

Tallinn	Total (in euros)	Per employee
Estonian training costs	34 926 €	270,74 € (129 employees)
Finnish training costs	24 061 €	687,46 € (35 employees)
Swedish training costs	2175 €	155,36 € (14 employees)

The amount spent on training in 2024 was a total of 61,162 euros across Estonia, Finland and Sweden.

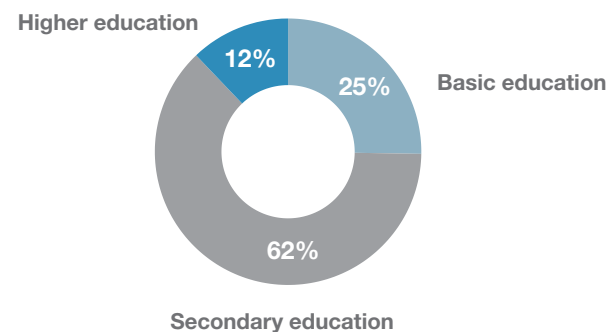
	Estonia	Finland	Sweden
Number of participants in the training	129	35	14
Men	89	32	12
Women	40	3	2
Skilled workers	66	11	6
Administrative worker	44	16	4
Managers	19	8	4
Average percentage of employees who participated in training	38%	32%	40%
Average number of training days per employee	2	2	3

Language training for employees

The company supports the development of employees' language skills by offering opportunities to learn Estonian as well as Finnish, Swedish and English. Language learning contributes to professional self-improvement, better integration into

the work environment and enhances communication in international co-operation. In addition to language skills, we also support the understanding and appreciation of different cultures in cross-group work.

Educational level of ETS NORD's Estonian employees



We support future engineers

Estonia

Since there are not enough engineers in Estonia, we have decided to support TalTech, where future KVV designers and engineers study. We contributed to the TalTech student event BuildIT, where in addition to financial support, we gave a presentation and organized the ETS NORD canopy competition. This task gave the students the opportunity to apply their knowledge and get acquainted with the practical side of our field.

We consider it necessary to provide comprehensive support to schools where future engineers study.



Finland

We also actively cooperate with educational institutions in Finland. At the end of the year, we invited students from the Building and Energy Technology program at Metropolia University of Applied Sciences to our Recair production facility in Vantaa, where the young people had a closer look at the production of ventilation equipment and also learned about other ETS NORD products. Since we consider it necessary to provide comprehensive support to schools where future engineers study, we donated a Recair Compact R300 ventilation unit to the school, which is now in use in the school laboratory, to teach the operation, design, measurement and control of ventilation systems. This air handling unit is not only a teaching tool, but also an inspiration for future ventilation experts.



Strengthening partnerships

ETS NORD considers it important to develop reliable and long-term cooperative relationships with various parties in the field - future specialists, designers, installers, builders, architects, developers, supervisors and other related stakeholders. In 2024, we organized several events for our partners and participated in public appearances, the purpose of which was to introduce professional knowledge, practical experience and ETS NORD products and solutions.

Estonia

Among the public presentations, the presentation at the Smart Building conference is worth highlighting, where we reminded everyone of the basics of a good indoor climate and talked about energy-efficient ventilation products. At the student event BuildIT, we discussed challenges in renovation projects. At the Architecture and Development conference,

the topic was ventilation adaptation of elements in complex environments. We also organized the ETS NORD Autumn Seminar, which focused on automation and efficient operation of systems. All of these activities support ETS NORD's goal of being a responsible, knowledge-sharing and collaboration valuing partner.

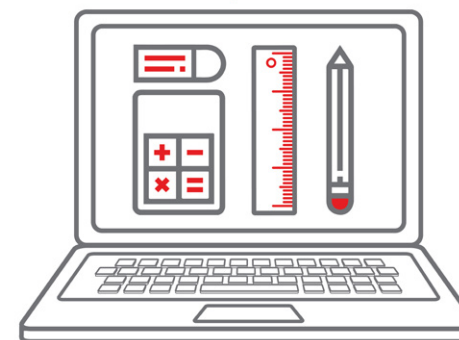


Finland

The designer seminars organized by ETS NORD have become an important event for ventilation industry professionals, sharing the latest knowledge and promoting sustainable construction. The main topics of the seminars in 2024 were energy efficiency in renovation projects and smoke extraction. We base the selection of seminar topics on the

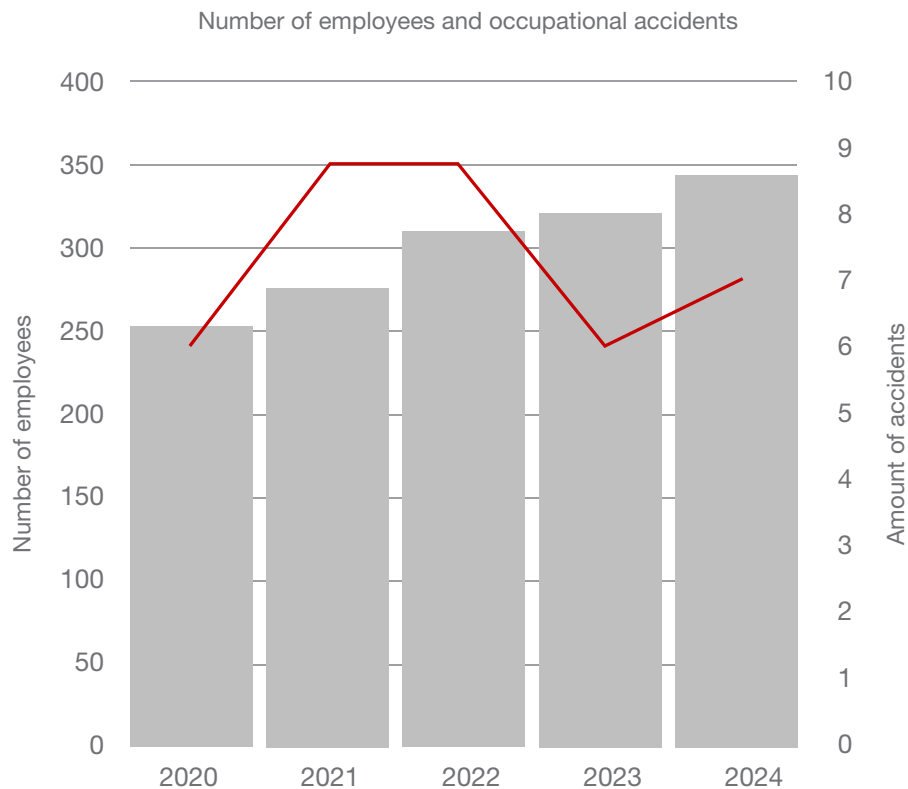
feedback and wishes of the participants and offer solutions that make design easier and faster. At the end of the year, seminars focused on current topics in fire and smoke control, as well as fan and air curtain solutions. Such seminars are a good example of ETS NORD cooperation with specialists in the ventilation field that contribute to the development and responsible practices.

ETS NORDin suunnittelijaseminaarit



Health, work environment and safety

ETS NORD's goal is to develop and maintain a high safety environment throughout the organization. The company contributes to occupational safety through multi-level activities aimed at increasing employee awareness and strengthening the understanding of the importance of occupational safety in everyday work.



A total of 7 occupational accidents were registered in 2024. The company registered 3 dangerous situations, for which additional steps have been taken to prevent them. None of the occupational accidents led to serious health injuries or occupational diseases.



ETS NORD uses the Lost Time Injury Frequency Rate (LTIFR) metric. LTIFR is the ratio of the number of work-related accidents resulting in a worker being declared permanently disabled per million working hours.

In 2024, the LTIFR was 7.8. Lost workdays due to work-related accidents account for 0.15% of all days worked by employees in 2024.

Shear Genius

SG 1530

Responsible management builds trust

ETS NORD complies with applicable legislation as well as internationally recognized ethical and management standards in its operations. Our management system is based on transparency, professionalism, and clearly defined responsibilities. That is why we at ETS NORD have focused on responsible management and integrated these topics into our sustainability strategy.

16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS



17 PARTNERSHIPS
FOR THE GOALS



Certificates and recognitions

At ETS NORD, we ensure the highest quality of our ventilation products to offer our customers reliable and long-lasting solutions.

Management system certificates

Prove that our management and processes meet quality and environmental requirements and support continuous development.



Declaration of purity

The M1 certificate confirms that the product has passed laboratory tests and meets the air cleanliness requirements set by the Finnish Building Information Institute, ensuring that the product does not emit substances harmful to health or deteriorate indoor air quality.



UL certification

UL is a safety certification given to products that have been tested for fire, electrical, and/or other hazards. UL-marked products comply with US and Canadian safety standards.



HACCP food safety certificate

HACCP certification ensures that food safety risks are under control throughout the entire production process from the procurement of raw materials until the finished product.



CE marking

The CE mark confirms that the product meets all safety, health and environmental requirements established by the European Union.



Fire safety certificate

The test report from the PAVUS fire testing laboratory certifies that the product has passed fire safety tests and complies with the standards established by the European Union.



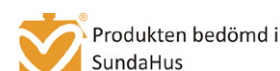
Type approvals

The purpose and activity is to test and evaluate products to ensure compliance with requirements. Certified products are approved for use in buildings, providing installers with assurance of product quality and safety.



Environmental declarations

EPDs and other environmental declarations provide a transparent overview of the environmental impact of products throughout their entire life cycle.



ETS NORD is a member of the following professional associations and societies:



Estonian Heating and
ventilation engineers
association



NGO Digital
Construction



Foundation
Rohetiiger

**SUOMALAISEN
TYÖN LIITTO**

Finnish Work
Association



The Estonian
Chamber of
Commerce



Estonian Human Resources
Management
Association PARE



Technology Industry
Association



Aalto-
Higher Education
Foundation Sr.



Estonian Employers
Central Union



Estonian Construction-
Materials Manufacturers'
Association



Finnish HVAC Association-
SuLVI



The Swedish Chamber of
Commerce A B



Estonian
Taxpayers' Union



Estonian Internal Training
Development Union



Talotekninen teollisuus ja
kauppa ry



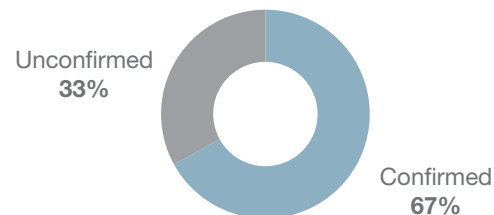
Svenski Ventilation AB

Ethical and responsible business practices

The ETS NORD employee code of ethics describes expectations for honesty and transparency. Our company has zero tolerance against corruption, unfair competition and other inappropriate business practices. These requirements apply equally to our employees and cooperation partners, whom we have

asked to sign our Code of Ethics for Cooperation Partners, which introduces our principles of responsible business practice. 2/3 of our clients have confirmed to us that they also base their business activities on ETS NORD's business ethics and values.

Acceptance of the Code of Ethics for Cooperation Partners



Sustainable supply chain

The goal of ETS NORD's supply chain is clear and unambiguous: to deliver the right goods to the right place at the right time. Digitalization ensures the speed of assembly and delivery that customers

expect from us. This creates a strong foundation for reliable deliveries and allows us to respond to rapidly changing customer needs.

Our results speak for themselves:

97–98% of orders are completed on time

The availability of stock products is stably **98–99%**

95% of our Estonian clients are quite satisfied or very satisfied with our delivery reliability.

ETS NORD recommendation index (NPS) in Estonia is an impressive **81%**



Customer-centric and sustainable business operations

Customer satisfaction

Our goal is to create solutions that are based primarily on customer expectations. We work closely with various partners – from designers and builders to suppliers – to ensure the best possible result. For us, customer focus means active communication, flexibility and responsibility for fulfilling our promises. In order to stay informed

about our customers' needs and wishes, we conduct customer surveys and interviews among both installers and designers. In 2024, we commissioned a satisfaction survey for our Estonian customers from Turuuuringute AS, to which 151 customers responded, including installers, wholesalers and designers. Overall assessment of

ETS NORD was 4.6 on a 5-point scale. Our customers rated our reliability and good technical support the highest, with 98% and 96% of respondents being satisfied or rather satisfied, respectively. The survey also revealed that 81% of our customers would recommend ETS NORD to their colleagues and friends.

Economic and social indicators	2020	2021	2022	2023	2024
Sales revenue (thousand euros)	49 027	59 152	70 482	64 862	66 206
Sales revenue per employee (thousand euros)	138	151	163	139	137
Sales revenue growth, %	4	21	19	-8	1.02
Operating profit (thousand euros)	2995	4267	5524	1994	1483
Operating profit margin, %	6	7	8	3	2
Dividends paid (thousand euros)	750	865	2265	-	-
Sick days index* (% of working days)	7	10	7,63	7,99	6,61
Employee satisfaction (on a scale of 1 -5)*	4	4	4	4	4
Social tax (thousand euros)*	1442	1601	2016	2226	2549
Healthcare costs (thousand euros)*	26	38	37	29	37
Costs of improving the working environment (thousand euros)*	11	17	18	28	36
Customer satisfaction index (on a scale of 1-5)*	4,29	-	4,62	-	4,6
Recommendation index*	-	-	64	-	81

Important events in 2024



New strategic partner – Soler & Palau

In July, we signed an agreement whereby Soler & Palau Ventilation Group (S&P) acquired a 20% minority stake in ETS NORD. One of the conditions of the agreement was that Soler & Palau would invest in ETS NORD's product development and new technologies.

ETS NORD will continue to work with the current management board and the transaction will not result in any changes to the business strategy. The involvement of a new investor creates new opportunities to expand its product range and increase exports.

Significant investments

In 2024, the ETS NORD Group made significant capital investments in the development of production capacity and digitalization, investing a total of 2.25 million euros in fixed assets. The largest part of this amount - 1.7 million euros

consisted of equipment investments aimed at improving the production process. In addition, we invested 520,000 euros in digital solutions and software development to support the company's further growth and increase efficiency.



We launched a professional kitchen hood maintenance service in Sweden

As automation is increasingly used in ventilation products, there is a need for trained specialists who can start up and maintain ETS NORD equipment. Therefore, we have signed contracts with six partners in Sweden. We regularly inspect our

kitchen hoods, thereby ensuring a longer lifespan for our equipment. In Estonia, similar work is carried out by the ETS NORD Service & Support team, which can also help in neighboring countries if necessary.

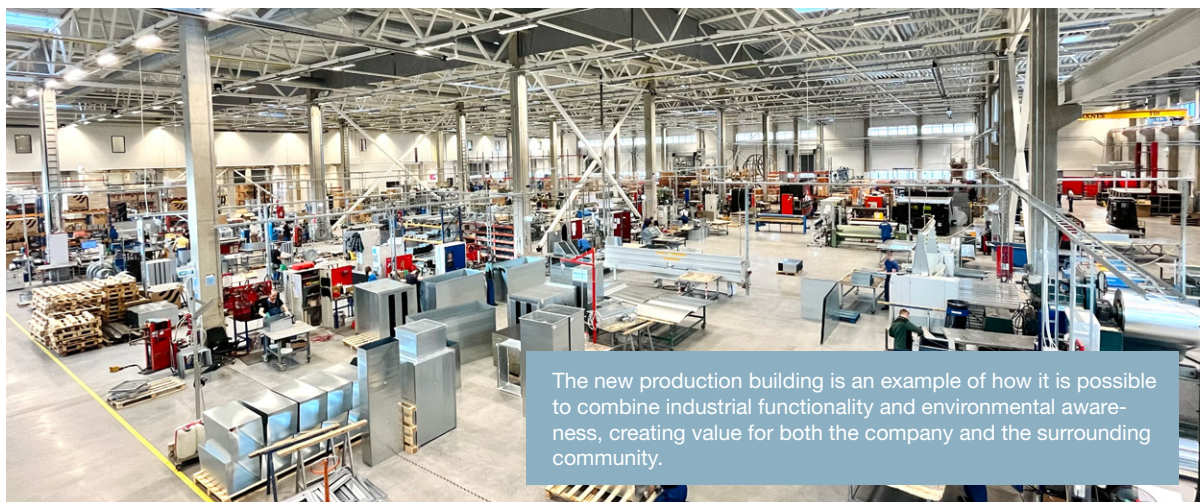
Important events in 2024

New factory building completed

In June 2024, ETS NORD's new factory building was completed, marking the completion of the comprehensive development of the property in Tallinn. The total cost of the project was 15 million euros, of which 9.5 million were invested in development and construction work and 5.5 million euros in the acquisition of technology necessary to equip the factory and laboratory.

The goal of the new factory design and construction was environmental friendliness and the economical use of resources.

1. **Material reuse:** two existing gabled halls with a total area of 1,544 m² were dismantled and installed in a new location.
2. **Landscaping:** a new 5,536 m² green area was created and 33 trees were planted.
3. **Reuse of demolished materials:** The load-bearing structures of old buildings were crushed and used as fill material. This saved approximately 8,000 m³ of quarry material.
4. **Sustainable stormwater management:** To prevent overloading, a 449 m³ stilling tank was installed in the city's stormwater systems.
5. **Introduction of renewable energy:** a solar power plant with a capacity of 435 kWp was installed on the roof of the building.
6. **Energy-efficient ventilation:** the building uses a Recair heat recovery ventilation system.
7. **Smart lighting control solutions:** all lighting is LED technology and controlled via the DALI system.
8. **Maximum energy efficiency:** the building's energy efficiency index corresponds to class A (108 kWh/m²a).



Important events in 2024

Nordbygg fair in Sweden

In April, we participated in Nordbygg, Scandinavia's largest construction fair held every two years in Stockholm, which this time brought together 35,000 visitors from the Nordic countries, the Baltic states and other parts of Europe.

At the fair, our exhibition focused on ventilation solutions for large-scale kitchens. Especially our HACCP-certified hoods received a lot of attention, which not only ensure efficient air exchange but also meet the highest hygiene standards. We also introduced the unique aSAP solution, which makes it possible to reuse its

modular elements. In addition, we showed kitchen air purification technologies that improve air quality.

We also presented our Recair E-series ventilation unit with a heat recovery system that takes energy efficiency to a new level and allows consumers to save energy. Such solutions comply with modern environmental standards and are especially effective in northern climates, where most of the time the outside temperature is significantly colder than indoors.



Finnbuild fair in Finland

Since the Finnish market is our largest export market, we participated in the largest construction fair, Finnbuild, in October. This year's fair focused on energy efficiency and sustainable construction, where products with a smaller environmental footprint also play an important role.

The ETS NORD stand covered an impressive 140 m², making us one of the largest exhibitors at the entire fair. The most interest was shown in our Recair E-series roof exhaust unit with heat recovery, which has been successfully installed on the roofs of apartment buildings undergoing renovation in both Estonia and Finland. This unit helps save energy and its payback period is three to four years, depending on the project. At the fair, we also introduced the AHUiQ

selection program, which allows designers to calculate and configure ventilation units and their individual components, and calculate the product's life cycle environmental impact (LCA).

We were one of the few companies at the fair that offered kitchen ventilation for professional kitchens, and therefore there were many curious people at our stand - we were able to introduce our new EcoAzur's Demand Control Ventilation solution as well as more common hoods with UV and ozonator purification systems.

As a new product, we presented a smoke hatch that, which helps save energy costs because it is well insulated and prevents unnecessary heat loss and condensation problems.





Everyone can contribute
to a sustainable future.

