

glaston
seeing it through®

ANNUAL REVIEW 2024



Table of Contents

President and CEO's review	3	Parent company financial statements.....	183
Corporate governance statement 2024	7	Income statement of the parent	
Remuneration report for governing bodies 2024	19	Company (FAS)	183
The board of directors' review 2024	28	Balance sheet of the parent company (FAS).....	184
Sustainability statement 2024	47	Parent company cash flow statement (FAS).....	185
Consolidated financial statements	101	Notes to parent company financial	
Consolidated statement of profit or loss.....	102	statements (FAS).....	186
Consolidated statement of		Auditor's report	196
Comprehensive income	103	Assurance Report on the Sustainability Report	
Consolidated statement of financial position	104	(translation)	200
Consolidated statement of changes in equity	105		
Consolidated statement of cash flows.....	107		
Supplemental information for statement			
of cash flows	108		
General accounting policies.....	109		



Consistent profitability development through strategy implementation

The year 2024 demonstrated that with focus and dedication, Glaston can progress steadily in its strategy execution even if the markets aren't favorable. Our customers and partners around the world value the technology and process know-how that Glaston offers. Complemented by our service capabilities, it builds a solid foundation for Glaston's growth opportunities that arise from new product innovations, services and upgrade products.

Throughout 2024, the market environment was challenging. The Architectural market remained soft, and EMEA was particularly affected by the weaker market environment. The Americas was more stable. The Mobility market developed well, mainly in China, supported by the transition to electric vehicles. In addition to operational efficiencies, we can see that concentrating all Mobility pre-processing production to China has ben-

efitted us as the region contributed to order intake with a 22% share.

Overall, Glaston's full-year 2024 order intake was down 8% reflecting the lower construction activity in several regions, which also affected net sales development. For the full-year, net sales at EUR 217.9 million was recorded. Insulating Glass and Mobility Technologies showed positive growth figures.

Despite the cautious markets, the stable progress in comparable EBITA continued as we started to benefit from the implemented and ongoing structural cost-saving actions taken in 2024. Full-year comparable EBITA improved and was EUR 15.3 million (7.0% margin).

Taking the next steps in strategy execution

In February, the timeframe for achieving the strategic targets was adjusted from 2025 to the medium-term (3-5

years) except for the emissions reduction targets with a timeframe up to 2032. Net sales and comparable return on capital employed (ROCE) targets were slightly adjusted. The other targets remained the same.

Our group-wide safety target is zero accidents. In 2024, our performance improved slightly and our accident frequency rate LTIFR was 5.7 (6.3) as the number of accidents decreased by one to nine. The direction is right, but the numbers show that we need to continue our systematic safety work.

Customer satisfaction measured by Net Promoter Score (NPS) continued at a high level and was 64 (62). We will continue innovating together with our customers, and focus on further developing the industry-leading customer experience. Our employee engagement improved to 76 from 70 and the target, 75 out of 100, was achieved. To enhance our progress



in being a good employer, a new DEI roadmap (Diversity, Equity, Inclusion) was drawn up. The DEI roadmap aims to create a diverse, equal and inclusive work environment for all employees regardless of their background or minority. One of the goals of the roadmap is to increase the proportion of women among the personnel and the company's senior management.

With the organizational changes done in the final quarter of the year, we aim to strengthen the customer experience, especially in services, enhance collaboration between factories, and boost technology development with an extended focus on continued positive profitability development and reaching additional operational efficiencies in the coming years.

Dedication to sustainability and technology leadership

Glaston is committed to keeping its technology leadership position and plans to continue investments in product development and service capabilities. In 2024, we introduced to the market many innovations that enhance our customers' capabilities to improve their production efficiency, increase energy efficiency and the level of automation.

Our ambition is to remain at the forefront of moving the industry towards a more sustainable future, and we focus on developing and delivering sustainable, upgradeable, and energy-efficient products. We continue to believe that global megatrends e.g. fight against climate change support our business in the long term.

We want to systematically progress on our sustainability journey. As one of the first glass processing technology companies, Glaston's greenhouse gas emissions reduction targets were validated by the international Science Based Targets initiative (SBTi). We have also been assessed by EcoVadis. In 2024, our results improved in all

areas and Glaston is ranked among the top 17% of companies assessed globally.

2024 was another busy year for the company and I want to thank the Glaston team for their contribution throughout the year. The high level of competence of our people in their fields of expertise is important for

keeping Glaston competitive.

I also want to thank our customers, shareholders and other stakeholders for your continuous trust and support.

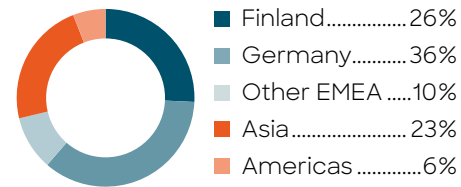
Toni Laaksonen,
President and CEO

Glaston's strategic targets and execution

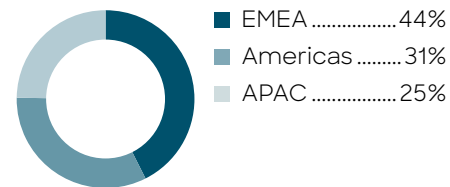
Medium-term targets (3-5 years), emission targets by 2032	2021	2022	2023	2024
Annual average net sales exceeding the addressable equipment markets growth	+7%	+17%	+3%	-1%
Comparable EBITA 10%	6.1%	6.4%	6.8%	7.0%
Comparable ROCE above 16%	6.1%	10.5%	12.7%	12.6%
Net Promoter Score above 40	-	53	62	64
Lost Time Accidents zero, measured by LTIFR	3.3	3.9	6.3	5.7
Employee engagement rate above 75 (out of 100)	-	70	70	76
GHG emissions reduction targets:				
· Reduce absolute scope 1 and 2 GHG emissions by 50.4% by 2032, compared to the 2022 base year	2,608 tCO ₂ e	1,491 tCO ₂ e	1,238 tCO ₂ e	1,539 tCO ₂ e
· Reduce the scope 3 GHG emission by 58.1% per square meter of sold machine processing capacity by FY2032, compared to the FY2022 base year (emission intensity)		0.00043 tCO ₂ /m ²	0.00036 tCO ₂ e/m ²	0.00017 tCO ₂ e/m ²



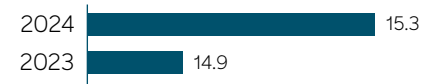
**Employees per region
31.12.2024, %, (fte)**



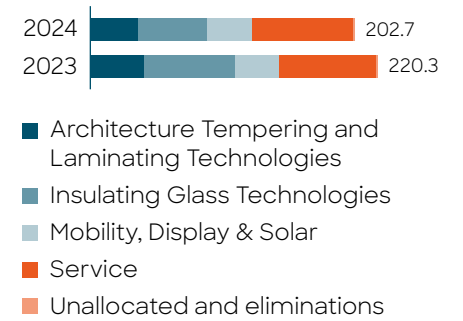
Net sales per region, %



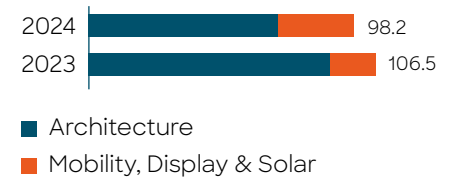
Comparable EBITA, € million



**Received orders by product area,
€ million**



Order book, € million



GOVERNANCE

Corporate Governance Statement 2024 7
Remuneration Report for Governing Bodies 2024..... 19

Corporate Governance Statement 2024

Glaston Corporation’s administration and management are based on the Company’s Articles of Association, the Finnish Companies Act and Securities Markets Act, and the rules and guidelines of Nasdaq Helsinki Ltd. In addition, Glaston complies with the Finnish Corporate Governance Code 2025 (also the “Corporate Governance Code”), which is publicly available at: www.cgfinland.fi.

This statement has been approved by the Company’s Board of Directors (also the “Board”). The Corporate Governance Statement is issued as a separate report and is published together with the financial statements, the Report of the Board of Directors and the Remuneration Report on the Company’s website at <https://glaston.net/governance/>. The information is also included in the Annual Review 2024.

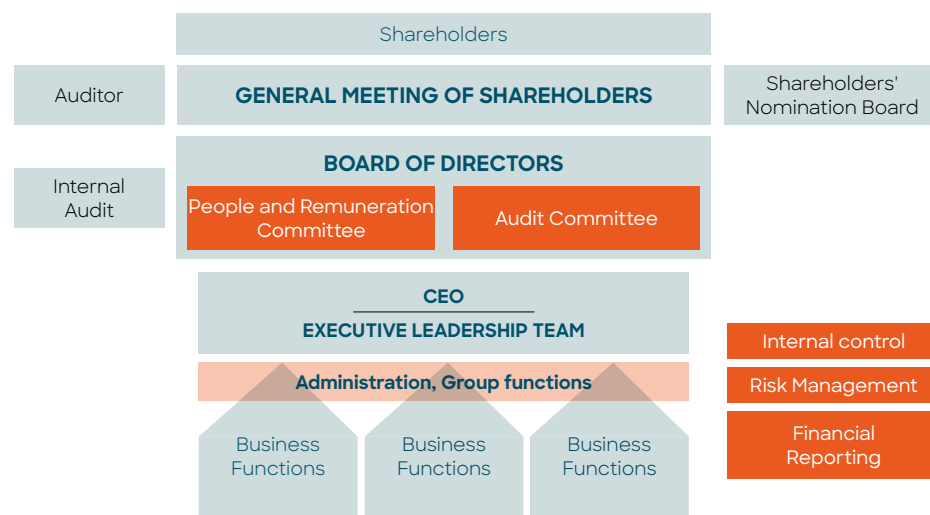
Duties and Responsibilities of Governing Bodies

The General Meeting of Shareholders, the Board of Directors and the President & CEO, whose duties are determined mainly in accordance with the Finnish Companies Act, are responsible for the management of Glaston Group. The General Meeting of Shareholders elects the Board of Directors and the Auditors. The Board of Directors appoints the President & CEO, who is responsible for the Company’s daily operational management. The President & CEO is supported by the Executive Leadership Team.

the Corporate Governance Code, a majority of Members of the Board of Directors shall be independent of the Company, and at least two Members who are independent of the Company shall also be independent of the Company’s significant shareholders. The shareholders’ Nomination Board prepares proposals on the nomination and remuneration of Members of the Board of Directors to be dealt with by a General Meeting of Shareholders. In the selection of members, attention shall be paid to the diversity of the Board of Directors, which means, among other things, that the members’ experience and competence in the Company’s field of business and development stage are mutually complementary. In addition, education, age and gender shall be taken into account. Both genders must be represented on Glaston’s Board of Directors.

The notice to attend an Annual General Meeting shall include a proposal on the composition of the Board of Directors. The personal information of the candidates shall be published on Glaston’s website in connection

Governance model December 31, 2024



Board of Directors

The Board of Directors is responsible for the appropriate arrangement of the Company's administration and operations. The Board of Directors consists of a minimum of five and a maximum of nine members elected by a General Meeting of Shareholders. The term of office of Members of the Board of Directors expires at the end of the next Annual General Meeting that follows their election.

Under Recommendation 10 of

with the notice to attend an Annual General Meeting.

The Board of Directors shall elect from among its members a Chair and a Deputy Chair to serve for one year at a time. The Board of Directors has a quorum if more than half of its members are present at the meeting.

The Board of Directors' tasks and responsibilities are determined by the Company's Articles of Association, the Finnish Companies Act and other legislation and regulations. It is the responsibility of the Board of Directors to further the interests of the Company and all of its shareholders.

The main duties and operating principles of the Board of Directors are defined in the board charter approved by the Board. It is the Board's duty to prepare the matters to be dealt with by a General Meeting and to ensure that the decisions made by a General Meeting are appropriately implemented. It is also the Board's task to ensure the appropriate arrangement of the control of the Company's accounts and finances. In addition, the Board directs and supervises the Company's executive leadership, appoints and dismisses the President & CEO and decides on the President & CEO's employment and other benefits. In addition, the Chair of the Board

approves the salary and other benefits of the Executive Leadership Team. The Board approves the Executive Leadership Team's charter.

The Board of Directors also decides on far-reaching and fundamentally important issues affecting the Group. Such issues are the Group's strategy, approving the Group's action plans and monitoring their implementation, monitoring the Group's financial development, acquisitions and the Group's operating structure, significant capital expenditures, internal control systems and risk management, key organizational issues and incentive schemes.

The Board of Directors is also responsible for monitoring the reporting process of the financial statements, the financial and sustainability reporting processes and the efficiency of the Company's internal control, internal auditing, and risk management systems pertaining to the financial and sustainability reporting processes, monitoring the statutory audit of the financial statements and consolidated financial statements, monitoring the assurance of the sustainability report, evaluating the independence of the statutory auditor or audit firm, particularly with respect to the provision of services

unrelated to the audit, and preparing a proposal for resolution on the election of the auditor and assurance provider of the sustainability report. The Board of Directors also regularly evaluates its own actions and working practices.

Meetings of the Board of Directors are held as a rule in Helsinki. The Board of Directors also endeavors each year to visit the Group's other operating locations and hold meetings there. The Board of Directors may also, if necessary, hold video and telephone conferences. The Board of Directors meets according to a timetable agreed in advance, generally approximately 10 times per year and additionally, if necessary. The Company's President & CEO and Chief Financial Officer generally attend the meetings of the Board. The Company's General Counsel acts as Secretary to the Board. If necessary, such as in connection with the handling of strategy or the annual plan, other Members of the Executive Leadership Team may also attend meetings of the Board. The Auditor attends all Audit Committee meetings and at least one Board meeting per year.

Board of Directors in 2024

At the Annual General Meeting, held on April 9, 2024, the Members of the

Board of Directors Veli-Matti Reinikkala, Sebastian Bondestam, Antti Kaukonen, Sarlotta Narjus, Arja Talma, Tero Telaranta and Michael Willome were re-elected as members of the Board of Directors. The Board of Directors was elected for a term of office ending at the closing of the next Annual General Meeting. Of the members, 29% are women and 71% are men.

In 2024, Veli-Matti Reinikkala served as Chair of the Board, and Sebastian Bondestam as Deputy Chair.

In 2024, the Board evaluated its performance and procedures through a self-evaluation questionnaire. In the evaluation, the members considered, among other things, the diversity of the Board, the quality of the Board and committee work, and information sharing between the Board and the management. The board discussed and analyzed the evaluation results, and improvement proposals were agreed upon based on these discussions.

In 2024, key themes on the Board's agenda were the approval of the extension of the company's strategy period from 2025 to the medium-term (3-5 years) and the reorganization plan, including the pre-processing equipment production transfer from Switzerland to China, as well as plan-

ning and follow-up of the strategic initiatives. In addition, the finalization of the recruitment process for the new CEO was handled.

Independence of Members of the Board

According to an independence assessment performed by the Company's Board of Directors, all of the Members of the Board were independent of the Company except for Antti Kaunonen, who due to his role as interim CEO was dependent on the company as of November 15, 2023 until August 12, 2024. After Kaunonen stepped down from his role as the interim CEO, all of the Members were independent of the Company. Board Members Tero Telaranta and Sebastian Bondestam are dependent on a significant shareholder of the Company, Ahlstrom Capital B.V., whose ownership was 26.39% on December 31, 2024. The Members of the Board have no conflicts of interest between the duties they have in the Company and their private interests.

General Counsel Kaisa Latva served as the secretary to the Board of Directors.

The CV details of the members of the Board are available on the company website. The remuneration of the Board is described in the Remuneration Report 2024.

Members of the Board of Directors December 31, 2024

Member of the Board	Gender Female (F)/ Male (M)	Member since	Independence	Year of birth	Share ownership on December 31, 2024	Education	Main occupation
Veli-Matti Reinikkala	M	2020, Chair of the Board	Independent of the company and of significant shareholders	1957	974,892 shares	eMBA, Non-executive Director	Board Professional
Sebastian Bondestam	M	2018, Deputy Chair of the Board	Independent of the company, dependent on a significant shareholders	1962	90,528 shares	M.Sc.(Eng.)	Georg Fischer, Head of BU Infrastructure
Antti Kaunonen	M	2018	Independent of the company and of significant shareholders	1959	179,075 shares	D.SC.(Tech), MBA	Board member and Advisor. Interim CEO at Glaston November 15, 2023-August 12, 2024
Sarlotta Narjus	F	2016	Independent of the company and of significant shareholders	1966	no shares	M.Sc. Architecture SAFA	Sarc + Sigge Architects Ltd, CEO
Arja Talma	F	2021	Independent of the company and of significant shareholders	1962	53,070 shares	M.Sc. (Econ.), eMBA	Board Professional
Tero Telaaranta	M	2017	Independent of the company, dependent on a significant shareholder	1971	53,446 shares	M.Sc.(Eng.), M.Sc. (Econ.)	A.Ahlström Oy, Director, Industrial Investments
Michael Willome	M	2020	Independent of the company and of significant shareholders	1966	no shares	lic. oec HSG, M.A.	Synthomer Plc, Group Chief Executive Officer

Meeting attendance of Members of the Board 2024

In 2024, Glaston's Board of Directors convened 11 times. The meeting attendance is reported in the table below.

	Board meetings	Audit Committee	People and Remuneration Committee
Veli-Matti Reinikkala	11/11		4/4
Sebastian Bondestam	11/11		4/4
Antti Kaunonen	11/11		1/1
Sarlotta Narjus	11/11	6/6	
Arja Talma	11/11	6/6	
Tero Telaranta	11/11	6/6	
Michael Willome	11/11		4/4

Committees of the Board of Directors

Glaston's Board of Directors has two committees: the Audit Committee and the People and Remuneration Committee. The Board of Directors appoints the members and chairs of the committees, taking into account the expertise and experience required for the duties of the committees. The members of the committees are appointed for the term of office of the Board of Directors. The committees are preparatory bodies of the Board of Directors and do not have their own decision-making power.

Audit Committee

The Audit Committee assists the Board of Directors by preparing matters within the competence of the Board of Directors. The Commit-

tee reports to the Board of Directors on matters discussed and measures taken at least four times a year and makes proposals to the Board for decision-making, if necessary.

The Board of Directors specifies the duties of the Audit Committee in a charter confirmed by the Board of Directors. The Audit Committee oversees the financial and sustainability reporting processes and monitors the effectiveness of internal control, internal audit and risk management systems. In addition, the Committee reviews the description of the main features of the internal control and risk management systems associated with the financial reporting process, monitors the statutory audit of the financial statements and the consolidated financial statements, monitors

the assurance of the sustainability reporting, evaluates the independence of the statutory audit firm and prepares a proposal for the election and remuneration of the auditor and sustainability report assurance provider. Other duties include evaluating compliance with laws, regulations and corporate practices, overseeing significant litigation concerning Group companies, and performing any other duties assigned to the Committee by the Board of Directors.

The Audit Committee carries out a self-evaluation of its work annually, and the Chair of the Committee reports the results to the Board of Directors.

Audit Committee in 2024

Until the Annual General Meeting on April 9, 2024, Arja Talma served as Chair, and Sarlotta Narjus and Tero Telaranta as members of the Audit Committee. The members of the Audit Committee were independent of the Company. Tero Telaranta is dependent on a significant shareholder of the Company. As of April 9, 2024, the composition of the Audit Committee remained unchanged, and Arja Talma served as Chair, and Sarlotta Narjus and Tero Telaranta as members of the Audit Committee.

In 2024, the Audit Committee met six times. The meeting attendance is reported in the table to the left.

In 2024, the committee closely followed the preparations of the sustainability statement and the progress as well as findings of the internal audit besides its regular reviews of financial reporting, audit and risk management.

People and Remuneration Committee

The People and Remuneration Committee assists the Board of Directors by preparing matters within the competence of the Board of Directors. The Board of Directors is responsible for the duties it assigns to the Committee.

The Board of Directors specifies the duties of the People and Remuneration Committee in a charter confirmed by the Board of Directors. Key duties of the Committee include preparing the remuneration policy and remuneration report for the Board and the Annual General Meeting, preparing salaries and other benefits of Glaston's CEO and other members of the Executive Leadership Team, preparing the nomination of the CEO and other members of the Executive Leadership Team and their successors, and preparing proposals for Glaston's short- and long-term incentive schemes as

well as monitoring the company's key personnel's successor and development plan. In addition, the Committee's duties include carrying out all other duties assigned to the Committee by the Board of Directors.

The People and Remuneration Committee convenes at the invitation of the Chair, as necessary and at least twice a year. The Members of the Board of Directors and the CEO have the right to attend the meetings of the Committee.

The People and Remuneration Committee regularly carries out self-evaluation of its work, and the Chair of the Committee reports the results to the Board of Directors.

People and Remuneration Committee in 2024

Until the Annual General Meeting on April 9, 2024, Veli-Matti Reinikkala served as Chair, and Sebastian Bondestam and Michael Willome as members of the People and Remuneration Committee. After the Annual General Meeting, Veli-Matti Reinikkala continued as Chair, with Sebastian Bondestam and Michael Willome as members of the committee. As of August 12, 2024, Antti Kaunonen resumed his position as a member of the People and Remuneration Com-

mittee as his role as the interim CEO of the company ended.

The members of the People and Remuneration Committee were independent of the Company. Sebastian Bondestam is dependent on a significant shareholder of the Company.

In 2024, the People and Remuneration Committee met four times. The meeting attendance is reported in the table on page 11. On the committee's agenda were the incentive program for top management and the outcome of the same, top management review and remuneration as well as a talent review follow-up. In accordance with its duties, the committee also prepared the selection and appointment of Glaston's new President & CEO. In addition, the committee prepared the remuneration report for the governing bodies.

Shareholders' Nomination Board

The Nomination Board's task is to prepare and present annually for the Annual General Meeting and, if necessary, for an Extraordinary General Meeting, a proposal concerning the number of Members of the Board of Directors, a proposal on the identities of the Members of the Board, and a proposal on the remuneration of the Members of the Board. An additional

task of the Nomination Board is to seek candidates as potential Members of the Board of Directors.

In its activities, the Nomination Board complies with current legislation, stock exchange rules applicable to the Company, and the Corporate Governance Code.

The Nomination Board consists of four (4) members, all of whom are appointed by the Company's four largest shareholders, who appoint one member each. The Chair of the Company's Board of Directors serves as an advisory member of the Nomination Board.

The Company's largest shareholders entitled to appoint members to the Nomination Board are determined annually on the basis of the registered holdings in the company's shareholder register held by Euroclear Finland Ltd on the first working day in September of the year in question. The Nomination Board elects a Chair from among its members.

The Nomination Board is established to serve until a General Meeting of Shareholders decides otherwise. The members of the Nomination Board are appointed annually and the term of office of the members expires when new members are appointed to the Board.

The members of the Nomination Board shall be independent of the company, and no person belonging to the Company's executive leadership shall be a member of the Nomination Board.

The Nomination Board shall submit its proposals to the Company's Board of Directors annually by the end of January preceding the Annual General Meeting. Proposals for an Extraordinary General Meeting shall be submitted to the Company's Board of Directors so that they can be included in the notice to attend the meeting.

A decision of the Nomination Board shall be the opinion of a majority of the members of Nomination Board. If the votes are tied, then the Chair's vote shall be decisive. If the votes are tied in the election of the Chair, the member candidate for Chair nominated by the shareholder who had the largest number of shares when the Nomination Board was established shall be elected as Chair.

A report on the activities of the Nomination Board shall be presented at the Annual General Meeting and published on the Company's website.

Shareholders' Nomination Board 2024

Until August 31, 2024, the Shareholders' Nomination Board comprised of Lasse Heinonen (Chair), as the representative nominated by Ahlstrom Capital B.V., Jaakko Kurikka, as the representative nominated by Hymy Lahtinen Oy, Pekka Pajamo, as the representative nominated by Varma Mutual Pension Insurance Company, and Esko Torsti, as the representative nominated by Ilmarinen Mutual Pension Insurance Company.

In accordance with its charter, the Nomination Board prepared its proposal concerning the Board composition and remuneration for the AGM 2024 and the proposals were approved at the AGM held on 9 April 2024.

Based on ownership on September 2, 2024, the Shareholders' Nomination Board comprised of Jyrki Vainionpää, as the representative nominated by Ahlstrom Capital B.V., Jaakko Kurikka, as the representative nominated by Hymy Lahtinen Oy, Pekka Pajamo, as the representative nominated by Varma Mutual Pension Insurance Company, and Esko Torsti, as the representative nominated by Ilmarinen Mutual Pension Insurance Company. Veli-Matti Reinikkala, Chair of the Glaston Corporation's Board of Directors,

served as an advisory member of the Nomination Board.

In its organizing meeting on September 9, 2024, the Nomination Board elected Jyrki Vainionpää amongst its members as the Chair. The Board met four times during 2024 and the average attendance of members was 100%. No fees were paid to the members of the Nomination Board.

President & CEO

The President & CEO handles the operational management of the Company in accordance with instructions issued by the Board of Directors. He is responsible to the Board of Directors for fulfilling the targets, plans and goals that the Board sets. The President & CEO is responsible for ensuring that the Company's accounting is in compliance with the law and that financial management has been arranged in a reliable manner. The President & CEO is supported by the Executive Leadership Team.

Glaston's Board of Directors nominated Board member Antti Kaunonen as the interim CEO of the company on November 15, 2023, and he served in this role until August 12, 2024.

On March 22, 2024, Glaston announced the appointment of Toni Laaksonen as the new CEO & Presi-

dent of Glaston Corporation and he assumed his duties on August 12, 2024.

Deputy CEO

Sasu Koivumäki, CSO (Chief Sales Officer), served as Deputy CEO during January 1, 2015–July, 31, 2024. The Deputy to the CEO carries out the duties of the CEO after the termination of his/her service or when he/she is temporarily prevented from performing his/her duties.

The Board of Directors decided on May 2, 2024 to abolish the role of deputy CEO as of August 1, 2024.

Executive Leadership Team

The Chair of the Company's Board of Directors appoints, on the proposal of the President & CEO, the Members of the Executive Leadership Team and confirms their remuneration and other contractual terms. The Company's President & CEO acts as the Chair of the Executive Leadership Team. The Executive Leadership Team handles the Group's and business areas' strategy issues, capital expenditure, financial development, product policy, Group structure and control systems, and supervises the Company's operations.

The Members of the Executive Leadership Team report to the

President & CEO and assist him in implementing the Company's strategy, operational planning and management, and in reporting the development of business operations. The Executive Leadership Team meets under the direction of the President & CEO.

In 2024, the composition of the Executive Leadership Team was the following: Interim CEO Antti Kaunonen (until August 12, 2024), President & CEO Toni Laaksonen (as of August 12, 2024), CSO Sasu Koivumäki, SVP People & Culture Riikka Laitasalo, General Counsel Kaisa Latva, CFO Päivi Lindqvist, SVP Architecture Miika Äppelqvist, SVP Services Artturi Mäki (until April 30, 2024), SVP Automation & SCM Robert Prange (until October 13, 2024), and SVP Mobility, Display & Solar José Yepes (until October 31, 2024).

In order to accelerate the execution of the strategy, Glaston announced in October 2024 the plan to reorganize the company's structure. In the new structure that is planned to come into effect on January 1, 2025, Glaston has three Business Functions: Market Areas, Solutions & Operations, and Service Supply & Development. In connection to the reorganiza-

tion, Miika Äppelqvist was appointed Chief Solutions & Operations Officer, in effect as of January 1, 2025. The financial reporting segments remain unchanged: Architecture and Mobility, Display & Solar.

The Executive Leadership Team convened 12 times in 2024.

Executive Leadership Team on December 31, 2024

	Area of responsibility	Member since	Year of birth	Gender Female (F)/ Male (M)	Education	Share ownership on 31.12.2024 *)
Toni Laaksonen	President & CEO	Chair of the Executive Leadership Team as of August 12, 2024	1982	M	M.Sc. (Tech.) and B.Sc. (Econ.)	52,200 shares
Other members of the Executive Leadership Team						
Sasu Koivumäki	CSO	Employed by the Company since 2002, Member of the Executive Leadership Team since 2012	1974	M	M.Sc. (Econ.)	111,819 shares
Riikka Laitasalo	SVP People & Culture	Employed by the company and Member of the Executive Leadership Team since August 2023	1979	F	M.Sc. (Econ.)	No shares
Kaisa Latva	General Counsel	Employed by the company and Member of the Executive Leadership Team since April 2023	1987	F	LL.M.,	No shares
Päivi Lindqvist	Chief Financial Officer	Employed by the company and Member of the Executive Leadership Team since 2016	1970	F	M.Sc. (Econ), MBA	54,921 shares
Miika Äppelqvist	SVP Architecture	Employed by the company since 2013. Member of the Executive Leadership Team since 2020	1981	M	M.Sc., Industrial engineering and management	18,759 shares

*) Share ownership includes also the ownership of Glaston Corporation shares by the entities controlled by the person in question.

Remuneration of the CEO & President and the Executive Leadership Team is described in the Remuneration Report 2024 and on the company's website.

Main Features of Internal Control and Risk Management Pertaining to the Financial Reporting Process

Internal control is an essential part of the Company's administration and management. Its aim is to ensure that the Group's operations are efficient, productive and reliable and that legislation and other regulations are complied with. The Group has specified Group-wide principles for the main areas of its operations that form the basis for internal control.

The Group's internal control systems serve to provide reasonable assurance that the financial reports published by the Group give reasonably correct information about the Group's financial position. The Board of Directors and the President & CEO are responsible for arranging internal control. A report covering the Group's financial situation is supplied monthly to the Board of Directors. The Group's internal control is decentralized to different Group functions, which supervise compliance with instructions approved by the Board of Directors within their areas of responsibility. The Group's financial management and operational control are supported and coordinated by the Group Finance and controller network.

The Group's financial reporting

process complies with the Group's operating guidelines and standards relating to financial reporting. The interpretation and application of financial reporting standards has been concentrated in the Group Finance organization, which maintains operating guidelines and standards relating to financial reporting and is responsible for internal communication relating to them. The Group Finance organization also supervises compliance with these guidelines and standards.

The Group's Finance organization regularly monitors the reporting of the Group's units and addresses deviations perceived in reporting and, if necessary, performs either its own separate internal control auditing or commissions the internal control auditing from external experts. Control of reporting and forecasting processes is based on the Group's reporting principles, which are determined and centrally maintained by the Group Finance's organization. The principles are applied consistently throughout the Group and a consistent Group reporting system is in place.

The Audit Committee approved an internal audit charter and internal audit plan for 2024. In 2024 internal audit was performed by an outsourced service provider.

Risk Management

Risk management is an essential part of Glaston's management and control system. The purpose of risk management is to ensure the identification, management and monitoring of risks relating to business targets and operations. Risk management principles and operating practices have been specified in a risk management policy approved by the Company's Board of Directors.

The principle guiding Glaston's risk management is the continuous, systematic and appropriate development and implementation of the risk management process, with the objective being the comprehensive recognition and appropriate management of risks. Glaston's risk management focuses on the risks relating to business opportunities and on risks that threaten the achievement of Group objectives in a changing operating environment. From the perspective of risk management, the Company has divided risks into four different groups: strategic risks, operational risks, financial risks and hazard risks. Risks relating to property, business interruption as well as liability arising from the Group's operations have been covered by appropriate insurances. Management of financial risks is the responsibility of the Group Treasury in

the Group's parent company.

Glaston's risk management policy includes guidelines relating to the Group's risk management. Risk management policy also specifies the risk management processes and responsibilities. Glaston's risk management consists of the following stages: risk recognition, risk assessment, risk treatment, risk reporting and communication, and control of risk management activities and processes. As part of the risk management process, the most significant risks and their possible impacts are reported to the Company's management and the Board of Directors regularly, based on which management and the Board are able to determine the level of risk that the Company's business functions are potentially ready to accept in each situation or at a certain time.

It is the duty of Glaston's Board of Directors to supervise the implementation of risk management and to assess the adequacy and appropriateness of the risk management process and of risk management activities. In practice, risk management consists of appropriately specified tasks, operating practices and tools, which have been adapted to Glaston's business functions and Group-level management systems. Risk management is the responsibility

of the SVP of each segment and the head of Group-level function. Risk recognition is in practice the responsibility of every Glaston employee.

The Group Legal function is responsible for guidelines, support, control and monitoring of risk management measures. In addition, the function consolidates segment and Group-level risks. The Group Legal function reports on risk management issues to the President & CEO and the Executive Leadership Team and assesses in collaboration with them any changes in the probabilities or the impacts of identified risks and in the level of their management. The Group Legal function also reports the results of risk management processes to the Board of Directors.

Segment and Group-level risk management is included in the annual Group-wide risk management process. The process can also always be initiated when required if substantial strategic changes requiring the initiation of the risk management process take place in a certain segment.

The management group of each segment and function identifies and assesses its operational risks and specifies risk management measures by which an acceptable level of risk can be achieved.

Utilizing the risk management process, risks are systematically identified and assessed in each segment and at Group level. In addition, at each level actions are specified to achieve an acceptable risk level. Risks are consolidated at Group level. Action plans are prepared at each level of operations to ensure risks remain at an acceptable level.

The Group's risks are covered in more detail in the Report of the Board of Directors on page 37. The management and organization of the Group's financial risks are presented in more detail in Note 5.4 of the consolidated financial statements on page 162.

Information and Communications

An effective internal control system requires sufficient, timely and reliable information to enable management to assess the achievement of the company's goals. There is a need for both financial and other information on the Company's internal and external events and activities. Employees have the opportunity to report, also through a whistleblowing channel, any questionable activity they observe. All external communications are handled in accordance with the Group's Disclosure policy.

Auditing

The Company has one Auditor, which must be an auditing firm authorized by the Finnish Patent and Registration Office. The Annual General Meeting elects the Auditor to audit the accounts for the financial year, and the Auditor's duties cease at the close of the subsequent Annual General Meeting. It is the Auditor's duty to audit the consolidated and parent company financial statements and accounting as well as the parent company's governance, and to give reasonable assurance that the financial statements as a whole are free from material misstatement. The Company's Auditor presents the audit report required by law to the Company's shareholders in connection with the annual financial statements and reports regularly to the Board of Directors. The Auditor, in addition to fulfilling general competency requirements, must also comply with certain legal independence requirements guaranteeing the execution of an independent and reliable audit.

Audit 2024

At the 2024 Annual General Meeting, the accounting firm KPMG Oy Ab was re-elected as the Company's Auditor.

The auditor with principal responsi-

bility was Lotta Nurminen APA. Auditing units representing KPMG have served as the auditors of the Company's subsidiaries in most operating countries. In 2024, the Group's auditing costs totaled approximately EUR 412 thousand, of which KPMG received approximately EUR 327 thousand. In addition, auditing units belonging to KPMG have provided legal statements to a total value of EUR 77 thousand and other advice to Group companies to a total value of EUR 78 thousand.

In accordance with the transitional provision of the act changing the Limited Liability Companies Act (1252/2023), KPMG Oy Ab also carried out the assurance of the Company's sustainability reporting for the financial year 2024.

Principles for Related Party Transactions

Glaston complies with legislation concerning related party transactions and, in accordance with legislation and the Corporate Governance Code, ensures that requirements related to monitoring, assessing, decision-making and disclosure of related party transactions are complied with. Glaston's Board of Directors monitors and assesses the transactions of the Company and its related parties.

Glaston has defined the parties that are related to the Company, and Glaston's Communications Department maintains a list of individuals and legal persons who are considered to be related parties. Glaston maintains up-to-date guidelines on related party regulation and the monitoring thereof. Requirements regarding related party transactions have also been taken into account in Glaston's Code of Conduct.

Glaston may enter into transactions with its related parties as long as the transactions are part of Glaston's ordinary business operations and made on ordinary commercial terms and conditions. In such situations, Glaston's internal guidelines and decision-making processes are complied with. Related party transactions that deviate from Glaston's normal business operations or are not made on ordinary commercial terms are decided on by Glaston's Board of Directors, respecting provisions on disqualification.

Related party transactions are regularly monitored in Glaston's finance function. Management personnel belonging to Glaston's related parties are obliged to notify Glaston's Related Party Administration without undue delay about related party transactions

or planned related party transactions that they become aware of. Potential conflicts of interest are monitored through internal controls. Results of the monitoring of related party transactions are reported regularly to the Audit Committee of the Board of Directors.

Glaston reports on related party transactions regularly in its financial statements. Related party transactions which are material to shareholders, and which deviate from normal business or are not made according to ordinary commercial terms and conditions are published in accordance with the Securities Market Act and the rules of Nasdaq Helsinki Ltd.

Insider Administration

In addition to the statutory insider regulations, Glaston complies with the insider guidelines of Nasdaq Helsinki Ltd as well as the internal guidelines adopted by Glaston at any given time.

In accordance with the EU's Market Abuse Regulation, Glaston prepares and maintains a list of persons discharging managerial responsibilities as well as persons and entities closely associated with them. In Glaston Corporation, the persons discharging managerial responsibilities are the Members of the Board of Directors,

the President & CEO, and the Chief Financial Officer. At least once a year, Glaston checks the information of persons discharging managerial responsibilities that have a duty to declare as well as persons and entities closely associated with them. Glaston reports the securities transactions of persons discharging managerial responsibilities and their related parties in accordance with the Market Abuse Regulation.

Glaston does not maintain an insider list relating to permanent insiders. During the preparation of significant projects and events, the Company maintains project- and event-specific lists of insiders. Insiders are given a written statement of their inclusion in an insider register as well as guidelines on insider obligations.

The Company's persons discharging managerial responsibilities, persons serving in certain key positions and persons participating in the preparation of financial reports must not trade in the Company's financial instruments during the 30-day period before the publication of interim reports and financial statement releases. With respect to project-specific insiders, trading in the Company's financial instruments is prohibited until the cancellation or publication of the project.

The Company's insider administration, its implementation and supervision are the responsibility of Group Legal function and the Communications Department. Glaston's General Counsel is responsible for the Company's insider issues. The Company's Communications Department is responsible for maintaining the list of insiders and for overseeing the restriction on trading and duty to declare.

Remuneration Report for Governing Bodies 2024

Introduction

This Remuneration Report for the financial year 2024 (the “Remuneration Report”) describes the remuneration for Governing Bodies of Glaston Corporation (“Glaston” or the “Company”) as required by the Finnish Securities Market Act (746/2012, as amended), the Finnish Companies Act (624/2006, as amended) and the Finnish Corporate Governance Code 2025 (the “CG Code”) issued by the Securities Markets Association. In addition to aforementioned, Glaston complies with other legal provisions concerning listed companies, Glaston’s Articles of Association and the rules and guidelines issued by Nasdaq Helsinki Ltd.

The Remuneration Report presents information on the remuneration of the Board of Directors, the President and CEO and the Deputy CEO for the financial year 2024 and has been approved by the Board of Directors (also the “Board”) of Glaston.

The principles, decision-making processes, and practices for the remuneration of the Board of Directors, the President and CEO and the Deputy

CEO are set forth in the Remuneration Policy of Glaston (the “Remuneration Policy”). The Remuneration Policy and further information about remuneration is available at Glaston website: www.glaston.net/investors.

The remuneration principles in Glaston are designed to attract and retain the Company’s management persons who possess relevant skills, industry knowledge and experience to oversee the Company’s achievement of its performance and strategy goals with emphasis on long-term shareholder value creation. The structure of the total remuneration is to be aligned with the long-term value of Glaston, the business strategy, financial results as well as the employee’s contribution. Remuneration is based on predetermined and measurable performance and result criteria. The remuneration principles support the strategy of Glaston.

The remuneration of the Board, the President and CEO and the Deputy CEO follows the Remuneration Policy framework and principles. No temporary deviations from the policy have taken place during the financial year

2024. Further, no clawbacks of the remuneration have taken place during the said financial year 2024 other than the return of 110,000 Glaston shares to the Company by the former President and CEO Anders Dahlblom as he resigned before the contractually agreed fixed period for the additional share reward ended (signing bonus).

The Company announced on 22 March 2024 that Toni Laaksonen was appointed as the Company’s new President and CEO. Laaksonen started in the position on 12 August 2024. Until then, the Company’s Board member Antti Kaunonen served as the Interim CEO in 2024. Further, in 2024 the Board decided to no longer have a Deputy CEO role at Glaston as of 1 August 2024. This Remuneration Report still includes the remuneration to the Deputy CEO until this date, when the role was removed from the commercial register.

Development of remuneration in relation to the financial development of the Company

This section presents the trend of remuneration of the President and

CEO, the Deputy CEO and the Board, the average employee remuneration and company performance for the financial years 2020–2024.

In accordance with the Remuneration Policy, part of the remuneration payable to the President and CEO and the Deputy CEO may consist of short-term and long-term incentives. Criteria of such incentive plans are linked to the Company’s performance (pay-for-performance) and thus incentive plans of Glaston ensure that the remuneration drives the best interest of the Company.

With respect to the remuneration development for the financial years 2020–2024, the following shall be noted:

Glaston is a global company and the remuneration levels vary significantly in markets where Glaston operates. Nevertheless, it is considered most transparent to compare the remuneration of the governing bodies with the remuneration of employees globally on group level. Thus, the figures on average employee remuneration on the next page are based on data for all Glaston employees globally.

Glaston's revised strategy was announced in 2021. The execution has proceeded according to plans with no major structural changes since the acquisition of Bystronic glass in 2019. In the 2020–2023 period, only minor adjustment measures have been implemented, as well as COVID-19 related temporary salary cuts of the executive management group in 2020. In 2024, the closure of production in Switzerland was announced.

In the 2020–2024 period, Glaston's financial performance has been

relatively stable despite the markets being more challenging in 2023 and 2024. In 2022 strong development was noted, which was reflected in the CEO remuneration. In addition, as the company's CEO has changed twice in the 2020–2024 period, 2022 was the only year with full-year remuneration for only one person. Due to the nature of the Board's duties and responsibilities, the remuneration of the Board includes fixed remuneration only.

Remuneration development

EUR	2020	2021	2022	2023	2024
Annual remuneration of the Board	331,300	353,700	345,900	365,700	376,100
Annual remuneration of the President and CEO	163,598 ¹	330,622 ²	644,244	472,977 ³	116,129 ⁴
Annual remuneration of the Deputy CEO ⁵	108,645 ⁶	337,574	378,192	367,872	224,846 ⁷
Annual remuneration of the Acting President and CEO	254,558 ⁸	-	-	43,772 ⁹	206,839 ¹⁰
Average salary development ¹¹	60,400	66,500	70,500	72,000	72,000

Key financial metrics

EUR 1000	2020	2021	2022	2023	2024
Net sales	170,067	182,662	213,520	219,708	217,945
Comparable operating result (EBIT)	3,225	6,569	9,917	11,418	11,020
Comparable EBITA	7,742	11,098	13,624	14,869	15,261

¹ Remuneration for Arto Metsänen from the period 1 January to 31 May 2020 (Former President and CEO since 1 June 2020).

² Remuneration for Anders Dahlblom.

³ Remuneration for Anders Dahlblom until 15 November 2023.

⁴ Remuneration for Toni Laaksonen from the period 12 August to 31 December 2024.

⁵ Deputy CEO's remuneration presented here for 2020–2024 is excluding reimbursement of costs and expenses paid directly to third parties based on the expatriate agreement.

⁶ Remuneration from the period 1 January to 31 May 2020 Deputy CEO appointed as an Acting President and CEO for the rest of the year 2020.

⁷ Remuneration from the period 1 January to 31 July 2024 during which Koivumäki served as the Deputy CEO. The reimbursement of costs and expenses paid directly to third parties during this period amounting to in total EUR 54,995. Total remuneration thus amounting to EUR 279,841.

⁸ Remuneration from period 1 June to 31 December 2020. Excluding reimbursement of costs and expenses paid directly to third parties based on the expatriate agreement.

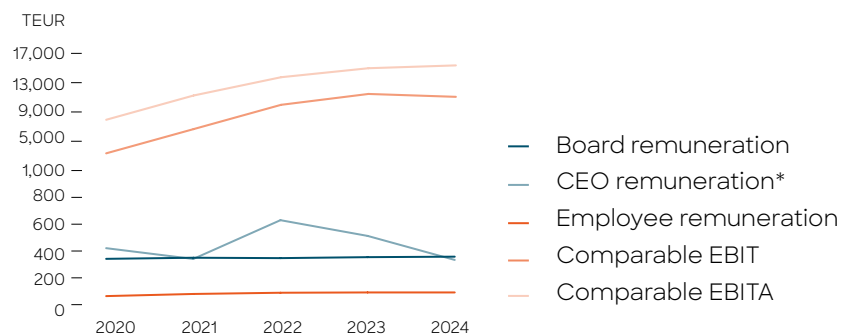
⁹ Remuneration from period 15 November to 31 December 2023 to Interim CEO Antti Kaunonen.

¹⁰ Remuneration from period 1 January 2024 to 11 August 2024 to Interim CEO Antti Kaunonen. Excluding remuneration to Kaunonen as a member of the Board.

¹¹ Average salary development at Glaston is calculated by dividing salaries and rewards by the average number of employees during the financial year. Amounts do not include employer's social security costs.

The relation between remuneration development and the Company's performance has been further illustrated in the chart below:

Remuneration and financial development



*CEO remuneration includes the remuneration for the CEO and Acting CEO for years 2020, 2023 and 2024 during which both roles were filled

Remuneration of the Board of Directors

The 2024 Annual General Meeting resolved that an annual fee of EUR 74,000 shall be paid to the Chair of the Board, EUR 45,000 to the Deputy Chair and EUR 35,000 to other Members of the Board.

Further, the 2024 Annual General Meeting resolved that a member of the Board may choose to receive the

annual fixed remuneration partly in company shares and partly in cash so that approximately 40% of the annual fixed remuneration is paid in Glaston Corporation's shares. The number of shares forming the above remuneration portion, which would be payable in shares, will be determined based on the share value in the stock exchange trading maintained by Nasdaq Helsinki

Ltd, calculated as the trade volume weighted average quotation of the share during the one-month period immediately following the date on which the interim report of January-March 2024 of the Company is published.

A meeting fee of EUR 800 shall be paid to the Chair for meetings held in the Chair's home country and EUR 1,500 for meetings held elsewhere, and EUR 500 shall be paid to the other Members of the Board for meetings held in their home country and EUR 1,000 for meetings held elsewhere. Half of the normal fee shall be paid for a board meeting held per capsulam. In addition, it was decided that Board members shall be paid travel and accommodation expenses and other direct expenses arising from board work pursuant to the Company's normal practice.

Furthermore, the members of the Audit and People and Remuneration Committees shall be paid a meeting fee of EUR 500 for each meeting attended in the home country of the

respective member and EUR 1,000 for each meeting attended elsewhere. In addition to the meeting fee, the Chair of the Audit Committee shall be paid an annual fee of EUR 10,000 and the Chair of the People and Remuneration Committee shall be paid an annual fee of EUR 7,500.

The members of the Board do not participate in any incentive plans.

All the payments to the members of the Board during the financial year 2024 were in compliance with the Remuneration Policy.

In the financial year 2024, the following fees were paid to the members of the Board, an annual fee and meeting fees including both Board and committee related remuneration. As set out below, four members of the Board chose to receive the annual fixed remuneration partly in company shares.

Board	Audit Committee	People and Remuneration Committee	Annual fee (EUR)	Meeting fees (EUR)	Remuneration in total (EUR)
Veli-Matti Reinikkala, Chair of the Board		Chair	80,500	17,100	97,600
Sebastian Bondestam, Deputy Chair of the Board		Member	44,500 Of which EUR 17,880 paid in Glaston shares	8,000	52,500
Antti Kaunonen		Member ¹²	34,500 Of which EUR 13,907 paid in Glaston shares	6,500	41,000
Sarlotta Narjus	Member		34,500	9,000	43,500
Arja Talma	Chair		44,500 Of which EUR 13,907 paid in Glaston shares	8,500	53,000
Tero Telaranta	Member		34,500 Of which EUR 13,907 paid in Glaston shares	9,000	43,500
Michael Willome		Member	34,500	10,500	45,000
Total			307,500	68,600	376,100

¹²As of 12 August 2024

Remuneration of the President and CEO, the Deputy CEO and the Interim CEO

The remuneration of the President and CEO, the Deputy CEO and Interim CEO comprises of a base salary, benefits and performance-based incentive plans.

Antti Kaunonen served as the Interim CEO until 12 August 2024 in addition to his role as a member of the Board of Directors. Toni Laaksonen was appointed as the President and CEO in March 2024 and started in his role on 12 August 2024. Chief Sales Officer Sasu Koivumäki served as the Deputy CEO until 31 July 2024 after which the company has no longer had a Deputy CEO role. Koivumäki has continued as Chief Sales Officer.

In 2024, the Interim CEO Antti Kaunonen was paid the total remuneration of EUR 206,839, which did not include any variable pay.

In 2024, the President and CEO Toni Laaksonen was paid the total remuneration of EUR 116,129, which did not include any variable pay.

In 2024, Sasu Koivumäki was paid the total remuneration of EUR 224,846 for the period during which he served as the Deputy CEO. The relative proportion of the fixed pay was 77% and variable pay 23%. The different

components are described in more detail below. Further, total remuneration paid to Sasu Koivumäki in 2024

excludes reimbursement of costs and expenses in the amount of EUR 54,995 paid directly to third parties based on

the expatriate agreement. Koivumäki worked as an expatriate in Singapore from November 2021 until July 2024.

Performance Actualisation 2024 (STI and LTI)

The President and CEO, Interim CEO and Deputy CEO participated in the short-term incentive plan in 2024 tied to the following metrics:

Role	KPIs (weight)	Achievement	Notes:
Interim CEO Antti Kaunonen	Glaston EBITA (75%) Glaston Order Intake (25%)	Above minimum, below target. Below minimum.	STI calculated using the FY2024 financials, but payment is pro-rated for each full quarter he served in the position.
Deputy CEO Sasu Koivumäki	Glaston EBITA (40%) Glaston Order intake (50%) APAC Order intake (10%)	Above minimum, below target. Below minimum. At maximum.	STI presented here is for the FY 2024 although Koivumäki served as Deputy CEO only until the end of July 2024 and thereafter continued as the CSO
President CEO Toni Laaksonen	Glaston EBITA (70%) Glaston Order Intake (20%) Individual target (10%)	Above minimum, below target. Below minimum. Above target	STI calculated using the FY 2024 financials, but payment is pro-rated for the period in which Laaksonen served in the President and CEO position.

Remuneration paid or due to be paid under the STI is specified in more detail at the end of this section.

Glaston has **long-term incentive** (LTI) plans to retain the key personnel and to offer them with a competitive reward plan based on the earning and accumulating the Company's shares. In the LTI Plans, the participants shall hold 50% of the net number of shares received under the plan until the number of the Company's shares held by the participant corresponds to the value of the participant's gross annual base salary. Such number of shares shall be held during the term of the employment or service of the participant. As a general rule, no reward will be paid in case the employment or service terminates before the reward payment is made.

The President and CEO and the Deputy CEO participate in the Performance Share Plan 2022–2026, which comprises three (3) performance periods: calendar years 2022–2024, 2023–2025 and 2024–2026. However, as the President and CEO Toni Laaksonen joined the Company only in August 2024, he only participates in the third performance period of the said plan prorated for the period in the position in 2024.

For the three performance periods under the Performance Share Plan 2022–2026, objectives were set regarding the Group as follows:

Performance period under the Share Plan 2022–2026	KPI (weight)	Maximum Allocation for the President and CEO	Maximum Allocation for the Deputy CEO	Achievement	Payout year
LTI 2022–2024	Group Cumulative Comparable EBITA after LTI and STI (80%) Service Net Sales (20%)	N/A	56,000 shares	President and CEO: N/A Deputy CEO: 14,504 shares	2025
LTI 2023–2025	Group Cumulative Comparable EBITA after LTI and STI (30%) Cumulative Services Net Sales (40%) Cumulative EPS (30%)	N/A	56,000 shares	N/A	2026
LTI 2024–2026	Group Cumulative Comparable EBITA after LTI and STI (30%) Cumulative Services Net Sales (40%) Cumulative EPS (30%)	81,250 shares (allocated shares prorated according to the time in the position in 2024)	56,000 shares	N/A	2027

Additionally, the Deputy CEO participated in the Performance Share Plan 2019–2023 which comprised of three (3) performance periods: calendar

years 2019–2021, calendar years 2020–2022 and calendar years 2021–2023.

For the three performance periods under the Performance Share Plan

2019–2023 the objectives and the respective achievements were as follows:

Performance period under the Share Plan 2019–2023	KPIs (weight)	Maximum Allocation for the President and CEO ¹³	Maximum Allocation for the Deputy CEO	Achievement
LTI 2019–2021	Group Cumulative Comparable EBITA (80%) Average Net Gearing (20%)	N/A	40,000 shares	9.7%
LTI 2020–2022	Group Cumulative Comparable EBITA (80%) Average Net Gearing (20%)	N/A	40,000 shares	14%
LTI 2021–2023	Group Cumulative Comparable EBITA (80%) Service Net Sales (20%)	N/A	56,000 shares	39,7%

¹³The President and CEO Toni Laaksonen joined the company in August 2024, thus he has not participated in this Share Plan.

Summary of remuneration to the President and CEO and Deputy CEO

Element	Remuneration Description		
	President and CEO Toni Laaksonen as of 12 August 2024	Interim CEO Antti Kaunonen 1 January - 12 August 2024	Deputy CEO Sasu Koivumäki until 31 July 2024 ¹⁴
FIXED	EUR 116,129	EUR 206,839	EUR 172,669
Base salary and benefits	Including taxable fringe benefits: mobile phone, lunch benefit	Including taxable fringe benefits: mobile phone	Excluding utilities and fees paid directly to third parties amounting to in total of EUR 54,995 (EUR 227,664 such fees included)
VARIABLE	Performance year 2023 (paid in 2024): N/A	Performance year 2023 (paid in 2024): N/A	Performance year 2023 (paid in 2024): EUR 34,011.
Short-term incentive (STI)	Performance year 2024 (paid in 2025): EUR 28,372. The maximum amount of the President & CEO's annual bonus: 60% of the annual salary.	Performance year 2024 (paid in 2025): EUR 40,792. The maximum amount of the Interim CEO's annual bonus: 80% of the annual salary.	Performance year 2024 (paid in 2025): EUR 26,398. The maximum amount of the Deputy CEO's annual bonus: 40% of the annual salary.
VARIABLE	N/A	N/A	Finalized plans:
Long-term incentive (LTI) 2019–2023			LTI 2019–2021 (paid in 2022): EUR 4,484 (The maximum reward was 40,000 shares, including also the portion to be paid in cash). LTI 2020–2022 (paid in 2023): EUR 5,399 (The maximum reward was 40,000 shares, including also the portion to be paid in cash). LTI 2021–2023 (paid in 2024) EUR 18,166 (The maximum reward was 56,000 shares, including also the portion to be paid in cash).
For additional information on long-term incentive plans, please see Glaston's website.			
VARIABLE	Finalized plans: N/A.	N/A	Finalized plans:
Long-term incentive (LTI) 2022–2026	Ongoing plans: LTI 2023–2025: N/A		LTI 2022–2024 (to be paid in 2025): 14,504 shares (The maximum reward was 56,000 shares, including also the portion to be paid in cash). Monetary value will be determined at the time of the payout. Ongoing plans: The maximum reward for the ongoing LTI 2023–2025 is 56,000 shares, including also the portion to be paid in cash. The maximum reward for the ongoing LTI 2024–2026 is 56,000 shares, including also the portion to be paid in cash.
For additional information on long-term incentive plans, please see Glaston's website.	The maximum reward for the ongoing LTI 2024–2026 is 81,250 shares, including also the portion to be paid in cash.		
OTHER	The President and CEO may retire in accordance with the stipulations of the applicable law.		The Deputy CEO has earlier participated in a non-statutory defined contribution supplementary pension scheme but that scheme ended as of 1 January 2024. The base salary above includes EUR 14,000 compensation for the termination of the earlier supplementary pension scheme from the time period 1 January to 31 July 2024. The Deputy CEO may retire in accordance with the stipulations of the applicable law.

¹⁴STI here presented for the FY2024 although Koivumäki served as the Deputy CEO only until 31 July 2024

BOARD OF DIRECTOR'S REVIEW AND FINANCIAL STATEMENTS

Board of Directors' Review	28	Parent company financial statement	183
Sustainability statement	47	Parent company income statement, FAS	183
Consolidated financial statements	101	Parent company balance sheet, FAS	184
Consolidated statement of profit or loss	102	Parent company cash flow statement, FAS	185
Consolidated statement of comprehensive income	103	Notes to the parent company financial statements, FAS	186
Consolidated statement of financial position	104	Signatures for the Board of Directors' Review and Financial Statements	195
Consolidated statement of changes in equity	105	Auditor's Report (translation)	196
Consolidated statement of cash flows	107	Assurance report for Sustainability Statement (translation)	200
Supplemental information for statement of cash flows	108		
Notes to the consolidated financial statements	109		

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The Board of Directors' Review 2024

Financial year 2024 in brief

Due to the significant changes in the global economy and Glaston's markets starting to soften in 2023, the company's Board of Directors approved slightly updated strategic targets in February. The timeframe for achieving the strategic targets were adjusted from 2025 to the medium-term (3-5 years), except for the emissions reduction targets with a timeframe up to 2032. Glaston slightly updated the net sales target and expects the annual average growth to exceed the addressable equipment markets' growth. The updated target for comparable return on capital employed (ROCE) is above 16%. The target for the comparable operating margin (EBITA) of 10% remains unchanged.

Aiming at further streamlined global production and improved operational efficiency as well as improved capability to serve the company's customers globally close to their markets, the transfer of all production of pre-processing equipment from Switzerland to Glaston's factory in China started in the later part of the year. Since the announcement in August, the actions progressed as planned.

Toni Laaksonen was appointed

President and CEO of Glaston Corporation in March 2024 and he took up the position in August.

In October, Glaston announced a plan for organizational changes to further accelerate strategy execution. In the new structure, that came into effect on January 1, 2025, Glaston has three Business Functions: Market Areas, Solutions & Operations and Service Supply & Development.

Operating environment

Architectural glass equipment

Due to the slowdown in the residential and commercial glass markets, the architectural glass market was slow throughout the year. As a result of weaker market prospects and continuing economic uncertainty, customers' investment hesitation continued. EMEA suffered the most of market uncertainty. In the Americas, the residential market showed some signs of a slowdown. In China, the markets were soft throughout the year. Elsewhere in the APAC area, market activity improved in many countries compared to the previous year.

The tempering market activity was stable, however at a relatively low

level in all market areas. Demand for tempering equipment, which is mainly capacity-driven, was affected by customers' lower machinery utilization and overcapacity in the market for basic tempered glass. Demand for laminating equipment remained low.

Demand for insulating glass equipment was affected by the unfavorable development of key architectural economic indicators and the general slowdown of the market. Insulating glass investments are driven by the need for increasing automation and improving building energy efficiency but due to lower-than-anticipated architectural economic indicators many investments were postponed.

In the service market, lower customer utilization rates affected demand for spare parts and field services. Demand for upgrade products varied by region, with the most positive development in the US.

Mobility, Display & Solar glass equipment

Supported by the transition to electric vehicles, the Chinese mobility market remained active throughout the year with a majority of the world's mobility glass value chain investments taking

place in China. However, a significant part of the investment demand in China is driven by the high expectations for electric vehicle sales outside of China, and potential tariffs increase market uncertainty and cause volatility. Market activity remained at very low levels in the rest of the world.

Due to customers looking for capacity expansion and replacements for older lines and Glaston's ability to serve the market with locally manufactured products, good demand was noted for Glaston's pre-processing equipment in China. Outside China, demand for pre-processing equipment was low.

Driven primarily by equipment renewals and secondarily by capacity expansions, cautiously growing demand was noted towards the end of the year in the EMEA region and North America for heat treatment technologies with complex bending capabilities.

The Service markets were slow, which, in particular, affected demand for spare parts and field services. Growing demand for pre-processing upgrades was noted and the newer upgrade offering gained interest.

Financial development of the Group

Orders received and order book

In 2024, the orders received totaled EUR 202.7 (220.3) million, down 8% due to the weaker performance in the Architecture segment. Order intake for Architecture equipment was down 11% and totaled EUR 147.3 (165.8) million. For the Mobility, Display & Solar segment, the order intake increased slightly and was EUR 54.3 (53.5) million. The total Services business order intake was up 4% compared to the corresponding period in 2023.

Orders received, EUR million	1-12/2024	1-12/2023	Change%
Architecture	147.3	165.8	-11.1%
Mobility, Display & Solar	54.3	53.5	1.6%
Total segments	201.7	219.2	-8.0%
Unallocated and eliminations	1.0	1.0	3.6%
Total Glaston Group	202.7	220.3	-8.0%

Order book

At the end of the year, the order book stood at EUR 98.2 (106.5) million and was 8% lower than in the corresponding period in 2023. The Architecture segment's order book totaled EUR 70.3 (89.6) million, representing 72% of the Group's order book, and the Mobility, Display & Solar segment's order book totaled EUR 27.9 (16.9) million or 28% of the Group's total.

Net sales

In 2024, net sales were on the same level as in the previous year and totaled EUR 217.9 (219.7) million. The Architecture segment's net sales were EUR 166.8 (175.1) million, down 5%. Driven by the good order intake development, the Mobility, Display & Solar segment's net sales were up 16% and totaled EUR 50.5 (43.6) million. The total Service net sales were up 3%.

Net sales, EUR million	1-12/2024	1-12/2023	Change%
Architecture	166.8	175.1	-4.8%
Mobility, Display & Solar	50.5	43.6	15.9%
Total segments	217.3	218.7	-0.7%
Unallocated and eliminations	0.7	1.0	-33.0%
Total Glaston Group	217.9	219.7	-0.8%

Operating result and profitability

In the financial year 2024 comparable EBITA amounted to EUR 15.3 (14.9) million, i.e. 7.0 (6.8)% of net sales. In the Mobility, Display & Solar segment, last year's negative performance turned positive, while in the Architecture segment, comparable EBITA fell slightly.

The comparable operating result was EUR 11.0 (11.4) million, i.e. 5.1% (5.2)% of net sales. The Group's operating result was EUR 5.8 (8.1) million. Items affecting comparability totaled EUR -5.2 (-3.3) million and were related to restructuring costs and a patent dispute in the US. Financial income and expenses amounted to EUR -1.6 (-0.8) million. The result before taxes was EUR 3.8 (6.9) million. The result for the financial year was EUR 2.5 (5.0) million. Earnings per share were EUR 0.029 (0.060) and comparable earnings per share were EUR 0.092 (0.104).

M€	1-12/2024	1-12/2023	Change%
Operating result	5.8	8.1	-28.9%
Items affecting comparability ⁽¹⁾	5.2	3.3	59.8%
Comparable EBIT	11.0	11.4	-3.5%
Operating result	5.8	8.1	-28.9%
Amortization and purchase price allocation	4.0	3.2	24.6%
EBITA	9.8	11.4	-13.8%
Items affecting comparability ⁽¹⁾	5.2	3.3	59.8%
Comparable EBITA	15.3	14.9	2.6%
% of net sales	7.0%	6.8%	

⁽¹⁾ + cost, - income

Financial development of the reporting segments

Architecture reporting segment in brief

- The Architectural markets were soft throughout the year
- Order intake was down 11%. Tempering and Laminating Technologies were down by 12% and Insulating Glass Technologies down by 23%
- Net sales were down 5%, with Tempering and Laminating Technologies suffering the most
- Profitability slightly down. The negative volume impact was offset by positive margin development

Architecture segment key figures,

EUR million	1-12/2024	1-12/2023	Change%
Orders received	147.3	165.8	-11.1%
of which service operations	57.8	55.0	5.0%
of which service operations, %	39.2%	33.2%	
Order book at end of period	70.3	89.6	-21.5%
Net sales	166.8	175.1	-4.8%
of which service operations	57.3	56.8	0.9%
of which service operations, %	34.4%	32.4%	
Comparable EBITA	14.3	15.1	-5.4%
Comparable EBITA, %	8.6%	8.6%	
Operating result (EBIT)	8.3	10.4	-20.2%
Operating result (EBIT), %	5.0%	5.9%	

Mobility, Display & Solar reporting segment in brief

- Improving market activity in China
- Order intake up 2% with good demand for pre-processing lines manufactured in China
- Net sales were up 16% due to increased Machines and Service volumes
- Profitability improved and was mainly due to the net sales growth

Mobility, display & solar segment key figures, EUR million

	1-12/2024	1-12/2023	Change%
Orders received	54.3	53.5	1.6%
of which service operations	19.7	19.3	1.9%
of which service operations, %	36.3%	36.2%	
Order book at end of period	27.9	16.9	65.1%
Net sales	50.5	43.6	15.9%
of which service operations	21.2	19.2	10.7%
of which service operations, %	42.1%	44.0%	
Comparable EBITA	0.7	-0.5	257.6%
Comparable EBITA, %	1.4%	-1.1%	
Operating result (EBIT)	-2.7	-2.5	-10.8%
Operating result (EBIT), %	-5.4%	-5.7%	

Financial position, cash flow and financing

At the end of December, Glaston Group's balance sheet total was EUR 186.5 (196.5) million. Intangible assets amounted to EUR 75.6 (77.1) million, of which goodwill was EUR 58.5 (58.2) million. At the end of the period, property, plant, and equipment amounted to EUR 23.1 (23.2) million and inventories to EUR 37.0 (35.8) million.

The comparable return on capital employed (ROCE) was 12.6 (12.7)%.

At the end of December, the company's net gearing was 29.6 (15.8)%. The equity ratio was 43.4 (45.2)%. Net interest-bearing debt totaled EUR 19.8 (10.9) million.

In January–December 2024, Glaston's cash flow from operating activities was EUR 1.5 (16.3) million. Net cash flow from investing activities was EUR –4.0 (–7.3) million and cash flow from financing activities was EUR –6.1 (–10.1) million.

Capital expenditure and product development

Glaston Group's January–December 2024 gross capital expenditure totaled EUR 4.1 (7.5) million and was primarily related to product development. Depreciation and amortization of property, plant, and equipment, and

of intangible assets, totaled EUR –8.5 (–7.6) million.

Automation continued to be the leading theme in product development, with a focus on projects and innovations related to the automation of core products and further development of robotic and operator-free machine operations. The development of new features for existing machines to enable the production of new products and to increase productivity continued as well as the development of new retrofit solutions for improved performance for existing machines. Features for online quality monitoring during the production process were also one of the key focus areas in product development.

At the industry's leading event, the glasstec exhibition organized in October 2024, Glaston showcased its latest innovations such as the Glaston ProL SPEED version of the laminating line where each part of the line has been specifically designed to combine fast and efficient movements with easy changeovers between different glass types and sizes, thicknesses and shapes. In flat glass tempering, Glaston FC Series E, targeted at the mid-segment, was launched. The line comes with an advanced and efficient circulated air convection system,

Glaston Bora, which allows the processing of all types of glass with the highest energy efficiency.

In insulating glass technologies, the Glaston TPS® PRO solution featuring a new control system and production process subsequence for as much as 15% higher yield was introduced. Also relying on the TPS® technology, a new processing method suitable for installing thin glass down to 0.5 mm thickness as the middle pane into triple insulating glass units was launched. Also, the new TPS® technology innovation, the Glaston MUNTIN'MASTER for TPS® lines, which automates the correct setting of muntins in TPS® IG units, was introduced.

January–December 2024 research and product development expenditure, excluding depreciation, totaled EUR 10.3 (9.2) million, of which EUR 1.9 (3.8) million was capitalized. Research and product development expenditure amounted to 4.7 (4.2)% of net sales.

Intangible resources

Glaston is the glass processing industry's innovative technology leader and the company's position is particularly strong as a developer of the most technologically demanding products. To remain at the forefront of the development of glass process-

ing equipment and services, Glaston invests significantly in the continuous development of its technology portfolio and its research and development activities. Glaston holds patents for its key solutions and defends its Intellectual Property Rights when needed. The Glaston trademark has a comprehensive protection in countries where Glaston operates.

The company's strength is its skilled, goal-oriented and motivated personnel and the company ensures continuous development of its employees' expertise. In addition, the organization has a wealth of valuable skills built up through experience.

Organization & personnel

Occupational safety was on the agenda throughout the year and the personnel's occupational safety awareness has increased. Safety related topics were communicated on a regular basis and new occupational safety training materials were created for the e-learning platform. In spring, the group-wide safety week was organized with various initiatives to further develop safety at work at all Glaston sites.

In 2024, a new DEI roadmap was drawn up at Glaston. The aim of the DEI roadmap is to create a diverse,

equal and inclusive work environment for all employees regardless of their background or minority. One of the goals of the roadmap is to increase the proportion of women among the personnel and the company's senior management.

Due to the transfer of the production of all pre-processing equipment from Glaston's factory in Switzerland to the factory in Tianjin, a consultation procedure with employee representatives following local processes was conducted in Switzerland. As a result of this procedure, approximately 30 employees have left the company by the end of 2025.

In the final quarter, the group-wide employee survey, measuring the employee engagement rate, was conducted. In total, 78% of the employees across the organization answered the survey. The engagement rate improved to 76 (70) and the target, 75 out of 100, was achieved. The employee survey is part of the development of a culture of continuous discussion and feedback.

On December 31, 2024, Glaston Group had a total of 817 (802) employees. At the end of December, the Architecture segment employed 619 (630) and the Mobility, Display & Solar segment employed 197 (171) people. Of the Group's personnel, 36% worked in Germany, 26 % worked in

Finland, 10% worked elsewhere in the EMEA area, 23% worked in Asia, and 6% worked in the Americas. In the full year 2024, the Group had an average of 809 (2023: 804; 2022: 775) employees. Total personnel costs amounted to EUR 69.1 million (2023: 69.2; 2022: 65.4), of which salaries and wages amounted to EUR 58.1 million (2023: 57.8; 2022: 54.7).

Changes in the Executive Leadership Team

Toni Laaksonen was appointed President and CEO of Glaston Corporation in March 2024 and he took up his position on August 12, 2024. On the same date, Antti Kaunonen, a member of the Board of Directors, stepped down from the role as interim CEO and resumed his position as a member of the Board's People and Remuneration Committee.

In 2024, the following persons from the Executive Leadership Team decided to leave the company to pursue new opportunities outside Glaston: Artturi Mäki, SVP Services (in April 2024), Robert Prange, SVP Automation & SCM (in October 2024), and José Yepes, SVP Mobility, Display & Solar (in October 2024).

Due to the planned reorganization of the company's structure, Glaston announced some changes to the

Executive Leadership Team on October 30, 2024. SVP Architecture Miika Äppelqvist was appointed Chief Solutions & Operations Officer as of January 1, 2025. As of the same date, the SVP Mobility, Display & Solar Business Area role would no longer be part of Glaston's Executive Leadership Team.

On December 4, 2024, Glaston informed that Chief Financial Officer (CFO) Päivi Lindqvist had decided to leave the company to join a new employer. Päivi Lindqvist will continue to work for the company until March 16, 2025. On December 18, 2024, Magnus Sjöblom, currently VP Business Control & Strategy, was appointed Glaston's new CFO. Magnus Sjöblom will take up his new position on March 1, 2025.

On December 31, 2024 the composition of the Executive Leadership Team was: President & CEO Toni Laaksonen, CSO Sasu Koivumäki, SVP People & Culture Riikka Laitasalo, General Counsel Kaisa Latva, CFO Päivi Lindqvist, SVP Architecture Miika Äppelqvist.

Strategy

Due to the significant changes in the global economy and Glaston's markets starting to soften in 2023, the company's Board of Directors approved slightly updated strategic targets in February. The timeframe for achieving

the strategic targets were adjusted from 2025 to the medium-term (3-5 years), except for the emissions reduction targets with a timeframe up to 2032. Glaston slightly updated the net sales target and expects the annual average growth to exceed the addressable equipment markets' growth. The updated target for comparable return on capital employed (ROCE) is above 16%. The target for the comparable operating margin (EBITA) of 10% remains unchanged.

To further accelerate the execution of its strategic growth and profitability initiatives, Glaston disclosed in October its plan to reorganize the company's structure targeting an extended focus on strengthening customer experience, especially in Services, to ensure continued positive profitability development and reaching additional operational efficiencies by optimizing global operations and supply chain management. Effective as of January 1, 2025, Glaston has three Business Functions: Market Areas, Solutions & Operations and Service Supply & Development. Market Areas cover, in close collaboration with the Business Lines, machine and service sales, as well as manage regional service operations. Solutions & Operations is responsible for all Business Line-related machine and service product

portfolios. The former Business Lines within the Architecture and Mobility, Display & Solar (MDS) Business Areas are part of the Solutions & Operations organization and are called Tempering & Laminating, Insulating Glass and Mobility. Service Supply & Development focuses on global spare parts-related operations and development, including global warehouses and supply chains as well as global service development.

In the later part of the year, the transfer of the remaining pre-processing equipment technology and production from Switzerland to China continued. To enable the increasing production at the factory in Tianjin, preparations were made to take the second production hall into own use in 2025.

Development versus strategic medium-term targets

For the strategic medium-term (3-5 years) targets, net sales decreased by 1% compared to the previous year. Glaston estimates that in 2024, the Architectural markets declined in EMEA and China, while the rest of APAC and Americas performed slightly better. The mobility market grew strongly in China and declined elsewhere. The comparable EBITA margin developed positively to 7.0%. The comparable return on capital employed (ROCE) fell slightly to 12.6%.

Strategic medium-term (3-5 years) targets	2024	2023	2022
Net sales – annual average exceeding the addressable equipment market growth	-1%	+3%	+17%
Comparable EBITA 10%	7.0%	6.8%	6.4%
Comparable ROCE >16%	12.6%	12.7%	10.5%
Net Promoter Score (NPS) over 40	64	62	53
Lost time injury frequency rate (LTFIR) zero	5.7	6.3	3.9
Employee engagement over 75 out of 100	76	70	70
GHG emissions reduction targets by 2032:			
Reduce absolute scope 1 and 2 GHG emissions by 50.4% by 2032, compared to the 2022 base year	1,539 tCO ₂ e	1,238 tCO ₂ e	1,491 tCO ₂ e
Reduce the scope 3 GHG emissions by 58.1% per square meter of sold machine processing capacity by FY2032 (emission intensity)	0.00017 tCO ₂ /m ²	0.00036 tCO ₂ /m ²	0.00043 tCO ₂ /m ²

In 2024, the lost time injury frequency rate was 5.7 (6.3) as the number of accidents decreased by one to nine. For employee engagement, the target was met and the engagement rate improved to 76 (70). NPS continued at a high level and was 64 (62). The number of respondents for NPS remained relatively low and the results cannot be considered fully representative. In 2025, the efforts to increase the number of responses from all customer segments and regions will continue.

In 2024, the Scope 1 and 2 the emissions increased by 29% due to improvements in calculation accuracy. The Scope 3 emission intensity was below the target but reflected the exceptional product mix due to the market situation.

Shares and shareholders

Glaston Corporation's shares are listed on the Nasdaq Helsinki Small Cap list. The trading code is GLA1V and the ISIN code is FI4000369657. Each share entitles its holder to one vote and voting right. Glaston Corporation's share capital on 31 December 2024 was EUR 12.7 (12.7) million.

	No. of shares and votes		Share turnover, EUR million	
1.1.-31.12.2024				
GLA1V	84,289,911		10.1	
	Highest	Lowest	Closing	Average price *)
Share price	0.98	0.72	0.78	0.84
			31.12.2024	31.12.2023
Market value			65.7	61.9
Number of shareholders			7,391	7,472
Foreign ownership, %			28.0	26.8

*) trade-weighted average

10 largest shareholders 31 December, 2024

Shareholder	Number of shares	% of shares and votes
1 Ahlstrom Capital Bv	22,245,716	26.4%
2 Hymy Lahtinen Oy	10,300,161	12.2%
3 Varma Mutual Pension Insurance Company	6,318,061	7.5%
4 Ilmarinen Mutual Pension Insurance Company	6,162,502	7.3%
5 Sinituote Oy	4,187,822	4.9%
6 Nordea Nordic Small Cap Fund	3,194,237	3.8%
7 4capes Oy	1,200,000	1.4%
8 Veli-Matti Reinikkala	974,892	1.2%
9 Mininvest Oy	974,394	1.2%
10 Sijoitusrahasto Säästöpankki Pienyhtiöt	824,012	1.0%
10 largest shareholders total	56,381,797	66.9%
Nominee registered shareholders	2,731,546	3.2%
Others	25,176,568	29.9%
Total	84,289,911	100.0%

Ownership distribution 31 December, 2024

	Shares total	% of shares and votes
Households	19,173,378	22.75%
Public sector institutions	12,920,563	15.33%
Financial and insurance institutions	3,815,309	4.53%
Corporations	21,557,004	25.57%
Non-profit institutions	513,895	0.61%
Foreign countries	23,578,216	27.97%
Total	81,558,365	96.76%
Nominee registered	2,731,546	3.24%
Total	84,289,911	100.0%
Total	84,289,911	100.0%

Shareholders by share ownership 31 December, 2024

Number of shares	Number of shareholders	% of shareholders	Shares total	% of shares and votes
1 - 100	1,877	25.40%	86,096	0.10%
101 - 1000	3,025	40.93%	1,312,240	1.56%
1001 - 10 000	2,130	28.82%	6,906,477	8.19%
10001 - 100 000	309	4.18%	8,328,908	9.88%
100001 - 99 999 999	50	0.68%	67,656,190	80.27%
Total	7,391	100.0%	84,289,911	100.0%
Number of shares issues			84,289,911	100.0%

The share ownership of the Board of Directors and the Executive Leadership Team is presented in Note 7.1 of the consolidated financial statements.

Flagging notification

On April 5, 2024, Glaston received a notification pursuant to chapter 9, section 5 of the Securities Market Act from OP-Rahastoyhtiö Oy, according to which the ownership of OP-Suomi Pienyhtiöt fund had decreased below the threshold of 5 percent.

Share-based incentive plan

For key employees, Glaston has a share-based incentive plan for the period 2022-2026. The Performance Share Plan comprises three performance periods: the calendar years 2022-2024, 2023-2025, and 2024-2026. The Board of Directors decides on the plan's performance criteria and the performance levels at the beginning of each performance period.

Performance Period 2022-2024

The potential reward for the performance period 2022-2024 was based on the Glaston Group's cumulative comparable EBITA and cumulative services net sales during the period January 1, 2022-December 31, 2024. The targets were partially met and the reward will be paid in 2025 in a manner resolved by the Board of Directors.

In total, 8 key persons, including the company's key executive leaders, belonged to the target group of

the plan in the performance period 2022-2024.

Performance Period 2023-2025

The potential reward for the performance period 2023-2025 is based on Glaston Group's cumulative comparable EBITA, cumulative Services net sales and cumulative earnings per share during the period January 1, 2023- December 31, 2025.

In total, 11 key persons, including the company's key executive leaders, belong to the target group of the plan in the performance period 2023-2025.

Performance Period 2024-2026

The potential reward for the performance period 2024-2026 is based on the Glaston Group's cumulative comparable EBITA, cumulative services net sales, and cumulative earnings per share during January 1, 2024-December 31, 2026.

In total, 13 key employees, including the company's key executive leaders, belong to the plan's target group in the performance period 2024-2026.

Additional information, including essential terms and conditions of the plan, is available in the stock exchange release dated January 27, 2022.

Glaston has signed a contract with an external service provider for the

administration of the share-based incentive plans for the company's key employees and for the acquisition of the shares. At the end of 2024, the shares on the balance sheet were 233,865 shares.

Governance

Annual General Meeting 2024

The Annual General Meeting of Glaston Corporation was held on April 9, 2024 in Helsinki. The General Meeting adopted the financial statements and consolidated financial statements for the financial period from January 1 to December 31, 2023 and discharged the members of the Board of Directors and the President and CEO from liability for the financial year from January 1 to December 31, 2023.

In accordance with the proposal of the Board of Directors, the General Meeting resolved that a return of capital of EUR 0.05 per share be distributed for the financial year ending December 31, 2023.

Adoption of the Remuneration Report for governing bodies

In accordance with the proposal of the Board of Directors, the General Meeting resolved to adopt the Remuneration Report for the governing

bodies. The resolution on the adoption of the Remuneration Report is advisory.

Adoption of the Remuneration Policy for governing bodies

The General Meeting decided to adopt the Remuneration Policy for the governing bodies. The resolution on the adoption of the Remuneration Policy is advisory.

Composition of the Board of Directors

The number of members of the Board of Directors was resolved to be seven. Veli-Matti Reinikkala, Sebastian Bondestam, Antti Kaunonen, Sarlotta Narjus, Arja Talma, Tero Telaranta and Michael Willome were re-elected as members of the Board of Directors.

Remuneration of the members of the Board of Directors

The General Meeting resolved that the annual fee of the members of the Board of Directors are the following: Chair of the Board of Directors is paid an annual fee of EUR 74,000, the Deputy Chair an annual fee of EUR 45,000 and the other members of the Board of Directors an annual fee of EUR 35,000.

Further, the General Meeting resolved that a member of the Board

of Directors may, at his/her discretion, choose to receive the annual fixed remuneration partly in company shares and partly in cash so that approximately 40% of the annual fixed remuneration is paid in Glaston Corporation's shares.

In addition, the General Meeting resolved, that meeting fees shall be paid for each meeting of the Board of Directors that a Member of the Board has attended so that the Chair of the Board is paid EUR 800 for meetings held in the Chair's home country and EUR 1,500 for meetings held elsewhere and the other Members of the Board are paid EUR 500 for meetings held in their home country and EUR 1,000 for meetings held elsewhere. For per capsulam Board Meetings, half of the normal meeting fee will be paid. Furthermore, it was resolved that each Member of the Board will be compensated for travel and accommodation costs and direct expenses arising from their work for the Board of Directors in line with the Company's normal practice.

In addition, the General Meeting resolved that all members of the Audit and People and Remuneration Committees will be paid a meeting fee for each meeting attended of EUR 500 for meetings held in their home coun-

try and EUR 1,000 for meetings held elsewhere. In addition to the meeting fee, the Chair of the Audit Committee will be paid an annual fee of EUR 10,000 and the Chair of the People and Remuneration Committee will be paid an annual fee of EUR 7,500.

Auditor

The General Meeting elected the authorized public accounting firm KPMG Oy Ab as the Company's auditor. KPMG was also selected to carry out the assurance of the company's sustainability reporting for the financial year 2024.

Authorization to the Board of Directors to decide on the repurchase as well as on the acceptance as pledge of the company's own shares

The General Meeting authorized the Board of Directors to decide on the repurchase of the Company's own shares.

The number of own shares to be repurchased shall not exceed 8,000,000 shares, which corresponds to approximately 10% of all registered shares in the Company. The authorization is effective until June 30, 2025 and it revokes corresponding earlier authorizations.

Authorization to the Board of Directors to decide on the issuance of shares, as well as the issuance of options and other rights entitling to shares

In accordance with the proposal of the Board of Directors, the General Meeting authorized the Board of Directors to resolve one or more issuances of shares which contain the right to issue new shares or dispose of the shares in the possession of the Company and to issue options or other rights entitling to shares pursuant to Chapter 10 of the Finnish Companies Act. The authorization consists of up to 8,000,000 shares in the aggregate representing approximately 10% of the current number of shares in the Company.

The authorization does not exclude the Board of Directors' right to decide on a directed issue of shares.

The Board of Directors was authorized to resolve on all terms and conditions of the issuance of shares, options and other rights entitling to shares as referred to in Chapter 10 of the Companies Act.

The authorization is effective until June 30, 2025 and it revokes corresponding earlier authorizations.

Organization of the Board of Directors

Convening after the Annual General Meeting, the Board of Directors re-elected Veli-Matti Reinikkala as the Chair of the Board and Sebastian Bondestam as Deputy Chair of the Board. In addition, the composition of the Board committees was resolved to be as follows:

Audit Committee: Arja Talma (Chair), Sarlotta Narjus, Tero Telaranta

People and Remuneration Committee: Veli-Matti Reinikkala (Chair), Sebastian Bondestam, Antti Kaunonen, Michael Willome

Shareholders' Nomination Board

On September 9, 2024, Glaston announced the composition of the Shareholders Nomination Board.

The Shareholders' Nomination Board comprises one member appointed by each of the four largest shareholders of Glaston Corporation. The shareholders entitled to appoint a member are determined on the basis of the shareholders' register of the Company maintained by Euroclear Finland Ltd. on the first working day in September.

Based on the ownership on September 2, 2024, the following persons were nominated as members of the Nomination Board: Jyrki Vainionpää

(Ahlstrom Capital BV), Jaakko Kurikka (Hymy Lahtinen Oy), Pekka Pajamo (Varma Mutual Pension Insurance Company) and Esko Torsti (Ilmarinen Mutual Pension Insurance Company). Veli-Matti Reinikkala, Chair of the Company's Board of Directors, has served as an advisory member of the Nomination Board.

In its organizing meeting on September 9, 2024, the Nomination Board elected Jyrki Vainionpää amongst its members as the Chair.

Business risks

Glaston continuously analyses and evaluates risks that may result from changes in the business environment or the company's operational activities and plans for mitigation actions. The risk factors described below may potentially negatively impact the company's business and financial status and therefore the company's value.

Strategic risks

A review of strategic risks is part of the Group's strategic planning process. A risk is defined as strategic where, if realized, it may have long-term effects on the business.

Business and market environment risks

The company operates worldwide and business cycles and megatrends in the global economy directly impact the company's operating conditions. Demand for the company's products is influenced by global, regional and national macroeconomic conditions, which affect the end users of its products. As a result, Glaston is exposed to business cycles in its customers' industries, in particular the construction and mobility industries.

Currently, business operations globally are impacted by higher interest rate levels, continued inflationary pressure, increasing geopolitical risks and uncertainty over trade policies, and uncertain growth expectations in China. These all contribute to a slowdown in global economic growth and investment activity, and therefore pose a risk to the company's operations and profitability. Given the uncertainties of the real estate market in China, special focus is put on the company's strategy in China. Glaston is actively developing its offering in the higher-growth mobility market, thereby strengthening its competitiveness in the Chinese markets.

Declined economic and investment activity has affected building industry development, which is an important

driver for flat tempering, flat laminating and insulating glass products. On the other hand, demand for insulating glass machines is also driven by the widespread global need to improve the energy performance of buildings. This brings some stability to the company alongside the more cyclical architectural safety glass and mobility glass businesses.

The general increase in market uncertainty may reduce customers' willingness to invest, thereby negatively impacting Glaston's order intake, net sales and earnings.

For Glaston, the US is a prominent Architectural glass machine market. Currently, the US' trade policy is surrounded by unpredictability and possible new tariffs on goods imported into the US could have an impact on Glaston's business and financial development.

Changing consumer behavior, tighter regulation and changes in global automotive trade flows have led to a shift in the investments of mobility industry customers. Prolonged disruption and structural changes in the mobility market could impact demand for the Group's mobility glass processing machines. Supported by the transition to electric vehicles, the Chinese mobility production has

developed favorably, which has driven demand for Glaston's pre-processing technology. Trade tensions and the enforcement of tariffs or sanctions could impact Glaston's business in this industry. However, China is Glaston's main market area in pre-processing equipment, which would reduce the effect of possible trade restrictions.

Increasing mobility glass requirements present new challenges for glass processing, bringing new players to the market and creating new opportunities for glass processing technology suppliers. From a technical perspective, environmental requirements will be met through, among other things, the use of lighter vehicle structures, on which thin glass, in particular, will have a positive impact.

In addition to sales of new machines, the company is focusing on increasing its services business, with the aim of partially balancing its cyclically sensitive business and improving its profitability. However, the growth in the Services business could fall short of expectations as continued market uncertainty affecting the machine utilization rate would affect the service business and service demand. Glaston is constantly evaluating opportunities to maximize service revenue e.g. through active installed base management.

Competitive situation and price risks

Competition in the glass processing machines and services market is intense, and Glaston competes with several multinational companies and regional manufacturers and service providers, as well as indirectly also with its customers' operations. The intensification of competition may lead to a deterioration of order intake, project margins or terms of payment, thereby adversely impacting Glaston's business. Existing or new competitors may expand into one or more of the company's key markets or may seek to increase their market share through aggressive pricing strategies or other means. For example, in China, which is the largest market for the glass processing industry, purchasing behavior is more cost-conscious than in other market areas. Consequently, price competition is intense and local players have a certain competitive advantage in the market.

Glaston's strategy identifies opportunities for the company to strengthen its market position and cost competitiveness as well as seek growth by developing its product range to better meet the needs of customers in the glass processing market.

Technology and IPR risks

One of Glaston's most significant strategic risks is technology risk, i.e. the entry into the market by a competing machine or glass processing technology, which would result in a reduction of Glaston's market shares and require the company to make considerable investments in product development to stay in the market. This risk could also be realized if Glaston's technology would need to be changed or seized to avoid infringing third-party rights.

Sustainability

Sustainability is an integral part of Glaston's strategy and as the innovative leader in its industry, the company's ambition is to remain at the forefront of moving the industry towards a more sustainable future.

Glass processing is energy intensive and affects the environment through electricity consumption and its emissions. Glaston has set ambitious Scope 1, Scope 2 and Scope 3 emissions reduction targets to be achieved by 2032. Insufficient progress in emissions reduction targets may constitute a risk and could lead to a negative impact on its reputation. Therefore, a key focus of Glaston's product development work continues to be on the energy efficiency of products. As a

result, customers can process their glass with lower electricity consumption than before. Further, there is also a risk that the company may not be able to harness the sustainability-related growth opportunities.

Glaston's sustainability risks and opportunities have been assessed as part of the Double Materiality Assessment (DMA) as outlined in the Corporate Sustainability Reporting Directive (CSRD). In the DMA process, the most relevant sustainability topics in terms of the company's strategy, business model, risks and opportunities as well as impacts have been identified, and are separately discussed in the Sustainability Statement section of this report.

Compliance and corruption risk

Glaston recognizes the risk of becoming the target of third-party fraud as well as the possibility of corruption and fraud in the company's operating areas. Glaston's operations are guided by its Code of Conduct approved by the company's Board of Directors. The company always adheres to high ethical operating principles and requires strict compliance with its anti-corruption procedures. The Code of Conduct describes the company's requirements and expectations

regarding responsible and ethical conduct. In addition, the Code of Conduct guides Glaston's employees in their daily work with colleagues, customers, suppliers and other stakeholders. The topics covered include workplace conduct and responsible business practices as well as the environment and sustainable development. All personnel are trained in the Code of Conduct.

In order to focus particular attention on risks related to bribery and corruption, the Code of Conduct is complemented by the Anti-bribery and anti-corruption policy approved by the Board of Directors. The purpose of this policy is to increase Glaston employees' awareness of the risk of corrupt payments, to unequivocally prohibit the payment and receipt of bribes, and to ensure that the company conducts business honestly, in accordance with ethical standards and in compliance with anti-corruption laws, rules and regulations. Local guidelines supplement the Group-level guidelines.

Glaston has a whistleblowing channel, which allows also for anonymous reporting for both internal and external stakeholders on any suspected violations of the Code of Conduct and other guidelines.

Operational risks

Operational risk management forms part of the daily work of business areas. Opportunities and risks are identified, assessed and managed on a daily basis.

Glaston's most significant operational risks include management and possible quality problems related to demanding customer projects, management of the contractual partner and subcontractor network, product development and commercialization of new products, succeeding in the protection and efficient production of intellectual property rights as well as the availability and permanence of expert personnel. In some cases, the possible failure of even a single project may have significant financial implications if its size or contractual terms and conditions are exceptional.

Data and cyber security risks

Glaston continually develops its information systems and, despite careful planning, temporary disruptions to operations might be associated with the introduction stages of new systems. Because of the industrial internet and general development in the field of information systems, the significance of cyber security risks has increased, and the management

of such risks is subject to particular attention. Severe cyber security attacks may impact the company's ability to conduct its business operations without interruptions. The company's Information Security Policy lists the targets and principles and defines the responsibilities with respect to information security. The Information Security Policy is reviewed and audited regularly.

Disruptions in supply chains

In 2024, the supply chain situation clearly improved and lead times for critical components were almost back to the levels before the recent global supply chain crisis. However, Glaston continues to actively mitigate the risks related to raw materials and component prices and availability as major supply chain disruptions may impact the company's performance.

Other operational risks

The successful growth of the Group's operations requires successful management, qualified talent that matches the business needs and the controlled growth of resources. In addition, digitalization is bringing new requirements for technological and business management expertise. The Group's ability to attract talent and

maintain a high level of job satisfaction among its employees is further emphasized.

Glaston's balance sheet contains a substantial amount of goodwill. A prolonged period of low demand may lead to a situation in which Glaston's recoverable amounts are insufficient to cover the carrying amounts of asset items, particularly goodwill. If this happens, it will be necessary to recognize an impairment loss, which, when implemented, will weaken the result and equity.

Financial risks

The Group's most significant financial risks are foreign exchange, liquidity, credit, interest rate and refinancing risks. Financial risks and their management are described in the section Management of Financial Risks of the Annual Review.

The Group's risk management processes are described in the Corporation Governance Statement.

Corporate Governance Statement

Glaston has published a separate Corporate governance statement for 2024. The statement is available on the company's website.

Short-term risks and business uncertainties

The ongoing uncertainty in the global business environment with its impact on the Architectural market continues to constitute the main short-term risk for Glaston. Demand for Glaston's products and services for the Architectural market is affected by general economic cycles, particularly the level of activity within the construction industry. The construction market is expected to develop unevenly. Cautious development is predicted to continue in Europe and China. Elsewhere in Asia and in the Americas, and particularly in North America, the prospects are somewhat better.

Supported by the transition to electric vehicles, China is the mobility market's most active region. Outside China, demand is well below typical levels and recovery is not expected soon. In China, the market has been in a growth mode but is expected to be volatile. Glaston closely follows this development.

As inflation has moderated, central banks have started easing their monetary policy. However, the interest rate cuts have not changed customers' cautious investment behavior so far. Due to increasing market uncertainty and higher financing costs, customers

may also wish to postpone or cancel their orders. Furthermore, the uncertain market conditions could adversely affect customers' payment capabilities. Continued and intensifying geopolitical uncertainties and possible rising tensions between the West and China could lead to polarization, unexpected trade restrictions, disturbances and increasing uncertainty over demand for Glaston's products and services. Possible tariffs on trade to the US could affect received orders and thus on net sales, earnings and cash flow.

Glaston continuously monitors the global economy's development outlook and its impact on the progress of its markets. The short-term risks are mainly linked to the development of global investment demand. If the weaker demand environment continues, this would affect Glaston's net sales and earnings in the machines businesses with a delay of four to six months. Any material slowdown in the demand for services would have a faster impact. Tighter availability and the higher cost of financing may also increase customer-related credit risks.

Glaston delivers projects involving risks related to engineering, project execution, and installation. Failure to plan or manage these projects could lead to higher-than-estimated costs,

revenue recognition delays, or disputes with customers.

To accelerate the strategy execution, Glaston continues restructuring its organization. Despite close follow-up and monitoring, there could be a risk of not being able to harness the planned operational, financial and strategy execution benefits. Leadership and change management are key in mitigating the risk.

In recent years, cyber security risks have increased. Potential cyber threats could cause various forms of operational and financial damage to the company.

Major supply chain disruptions may impact the company's performance as component scarcity may cause revenue recognition delays, whereas heavily increasing prices of raw materials may add to short-term profitability pressure.

Labor shortages and employee turnover are concerns in the market. Glaston's ability to maintain a high level of job satisfaction among its employees and also attract new employees is further emphasized.

Per Share Data

	2024	2023	2022		2024	2023	2022
Earnings per share, EUR	0.029	0.060	0.037	Share price and turnover			
Comparable earnings per share	0.092	0.104	0.074	Share price, year high, EUR	0.98	1.09	1.19
Return of capital per share, EUR ⁽¹⁾	0.055	0.05	0.04	Share price, year low, EUR	0.72	0.73	0.71
Return of capital ratio, % ⁽¹⁾	186.6%	83.5%	109.1%	Share price, volume-weighted year average, EUR	0.84	0.89	0.95
Return of capital yield ⁽¹⁾	7.0%	6.8%	4.4%	Share price, end of year, EUR	0.78	0.74	0.90
Return of capital, EUR million ⁽¹⁾	4.6	4.2	3.4				
Adjusted equity attributable to owners of the parent per share, EUR	0.80	0.82	0.81	Number of shares traded (1,000)	12,098	7,180	8,153
Price per earnings per share (P/E) ratio	26.5	12.3	24.6	% of average number of registered shares	14.4%	8.5%	9.7%
Price per equity attributable to owners of the parent per share	0.98	0.89	1.11	Market capitalization of registered shares, end of year, treasury shares excluded, EUR million	65.7	61.9	76.0
Number of shares at the end of the year	84,289,911	84,289,911	84,289,911				
Number of shares at the end of the year, excluding treasury shares	84,056,046	84,039,911	84,289,911				
Number of shares, average, excluding treasury shares	84,063,463	84,217,969	84,289,911				

⁽¹⁾ year 2024: The Board of Directors proposes to the AGM a reverse share split (2:1) and a capital repayment of EUR 0.055 per current share (or EUR 0.11 per share calculated on the number of outstanding shares after the execution of the proposed reverse split). If the Annual General Meeting would not approve the proposed reverse share split, the return of capital to be paid shall be rounded down to EUR 0.05 per share.

Financial Ratios

EUR thousand	2024	2023	2022	EUR thousand	2024	2023	2022
Income statement and profitability				Statement of financial position and solvency			
Net sales	217,945	219,708	213,520	Property, plant and equipment and intangible assets	46,189	47,970	46,337
Operating result	5,787	8,144	7,640	Goodwill	58,524	58,154	58,662
% of net sales	2.7%	3.7%	3.6%	Non-current assets total	108,827	108,209	107,751
Comparable operating result (EBIT)	11,020	11,418	9,917	Equity attributable to owners of the parent	66,844	69,313	68,437
% of net sales	5.1%	5.2%	4.6%	Liabilities	119,682	127,154	126,455
Comparable EBITA	15,261	14,869	13,624	Total assets	186,527	196,466	194,892
% of net sales	7.0%	6.8%	6.4%	Capital employed	98,907	100,394	103,974
Financial income and expenses (net)	-1,984	-1,272	-2,899	Net interest-bearing debt	19,779	10,929	13,312
% of net sales	-0.9%	-0.6%	-1.4%	Equity ratio, %	43.4%	45.2%	44.0%
Result before income taxes and non-controlling interests	3,803	6,872	4,740	Gearing, %	48.0%	44.8%	51.9%
% of net sales	1.7%	3.1%	2.2%	Net gearing, %	29.6%	15.8%	19.5%
Income taxes	-1,325	-1,830	-1,649	Personnel			
Net profit / loss attributable to owners of the parent	2,478	5,042	3,091	Personnel, average	809	804	775
% of net sales	1.1%	2.3%	1.4%	Personnel, at the end of the period	817	802	783
Return on capital employed (ROCE), %	6.0%	8.1%	6.9%				
Comparable return on capital employed (Comparable ROCE), %	12.6%	12.7%	10.5%				
Return on equity, %	3.6%	7.3%	4.5%				
Gross capital expenditure	4,120	7,542	5,850				
% of net sales	1.9%	3.4%	2.7%				
Order book, EUR million	98.2	106.5	138.3				

The reconciliation of alternative performance measures

EUR thousand	2024	2023	2022
Comparable operating result (EBIT) and EBITA			
Operating result	5,787	8,144	7,640
Items affecting comparability ⁽¹⁾	5,233	3,274	2,278
Comparable EBIT	11,019	11,417	9,917
Operating result	5,787	8,144	7,640
Amortization and purchase price allocation	4,241	3,451	3,707
Items affecting comparability ⁽¹⁾	5,233	3,274	2,278
Comparable EBITA	15,261	14,869	13,625
% of net sales	7.0%	6.8%	6.4%

EUR thousand	2024	2023	2022
Comparable ROCE% and EPS			
Profit/loss for the period before taxes	3,803	6,872	4,740
Financial expenses	2,142	1,401	2,742
Purchase price allocation	1,380	1,380	1,638
Items affecting comparability ⁽¹⁾	5,233	3,274	2,278
Total	12,558	12,927	11,399
Equity	66,844	69,313	68,437
Interest bearing liabilities	32,063	31,082	35,536
Avg (1.1.and end of period)	99,651	102,184	108,562
Comparable ROCE% annualized	12.6%	12.7%	10.5%
Profit/loss for the period	2,478	5,042	3,091
Purchase price allocation	1,380	1,380	1,639
Items affecting comparability ⁽¹⁾	5,233	3,274	2,278
Tax	-1,323	-931	-783
Total	7,769	8,766	6,224
Number of shares , average	84,063	84,218	84,290
Comparable earnings per share, euro	0.092	0.104	0.074

⁽¹⁾+ cost, - income

Definition of key ratios

Per share data

Earnings per share (EPS):

$$\frac{\text{Net result attributable to owners of the parent}}{\text{Average number of shares outstanding}}$$

Diluted earnings per share:

$$\frac{\text{Net result attributable to owners of the parent}}{\text{Average diluted number of shares outstanding}}$$

Dividend per share*:

$$\frac{\text{Dividends paid}}{\text{Number of issued shares at end of the period}}$$

Dividend payout ratio*:

$$\frac{(\text{Dividend per share} \times 100)}{\text{Earnings per share}}$$

Dividend yield per share*:

$$\frac{(\text{Dividend per share} \times 100)}{\text{Share price at end of the period}}$$

Equity attributable to owners of the parent per share:

$$\frac{\text{Equity attributable to owners of the parent at end of the period}}{\text{Number of shares at end of the period, excluding treasury shares}}$$

Average trading price:

$$\frac{\text{Shares traded (EUR)}}{\text{Shares traded (volume)}}$$

Price per earnings per share (P/E):

$$\frac{\text{Share price at end of the period}}{\text{Earnings per share (EPS)}}$$

Price per equity attributable to owners of the parent per share:

$$\frac{\text{Share price at end of the period}}{\text{Equity attributable to owners of the parent per share}}$$

Share turnover:

The proportion of number of shares traded during the period to weighted average number of shares, excluding treasury shares

Market capitalization:

Number of shares at end of the period x share price at end of the period

Number of shares at period end:

Number of issued shares - treasury shares

*The definition is also applied with return of capital

Financial ratios

EBITDA:

Profit / loss before depreciation, amortization and impairment

Operating result (EBIT):

Profit / loss after depreciation, amortization and impairment

Cash and cash equivalents:

Cash + other financial assets (includes cash and cash equivalents at amortized cost)

Net interest-bearing debt:

Interest-bearing liabilities (includes interest-bearing liabilities at amortized cost) - cash and cash equivalents

Financial expenses:

Interest expenses of financial liabilities + fees of financing arrangements + foreign currency differences of financial liabilities

Equity ratio, %:

Equity (Equity attributable to owners of the parent + non-controlling interest) x 100

Total assets - advance payments received

Gearing, %:

(Interest-bearing liabilities x 100)

Equity (Equity attributable to owners of the parent + non-controlling interest)

Net gearing, %:

(Net interest-bearing debt x 100)

Equity (Equity attributable to owners of the parent + non-controlling interest)

Return on capital employed, % (ROCE):

(Profit / loss before taxes + financial expenses x 100)

Equity + interest-bearing liabilities, average of 1 January and end of the Financial year

Return on equity, % (ROE):

(Profit / loss for the Financial year x 100)

Equity (Equity attributable to owners of the parent + non-controlling interest), average of 1 January and end of the Financial year

Comparable EBIT:

Operating result after depreciation, amortization and impairment, +/- items affecting comparability

Comparable EBITDA:

Operating result before depreciation, amortization and impairment, +/- items affecting comparability

Comparable EBITA:

Operating result before amortization, impairment of intangible assets and purchase price allocation +/- items affecting comparability+ large, expensed cloud-computing investments

Comparable return on capital employed, % (Comparable ROCE):

(Profit / loss before taxes + amortization of purchase price allocations +/- items affecting comparability + financial expenses x 100) / Equity + interest-bearing liabilities, average of 1 January and end of the Financial year

Comparable earnings per share (Comparable EPS):

Net result attributable to owners of the parent +/- (items affecting comparability+ amortization of purchase price allocations) net of tax / Average number of shares

Items affecting comparability:

Items affecting comparability are adjusted for non-business transactions or changes in valuation items when they arise from restructuring, acquisitions and disposals, related integration and separation costs, sale or impairment of assets. These may include staff reductions, rationalization of the product range, restructuring of the production structure, and reduction of premises.

Impairment losses on goodwill, gains or losses on disposals due to changes in the group structure, exceptionally large gains or losses on tangible and intangible assets, exceptional compensations for damages and legal proceedings are restated as an item affecting comparability.

Events after the reporting period

On January 31, 2025, the Proposals of Glaston Corporation's Shareholders' Nomination Board to the Annual General Meeting 2025 were published. The Nomination Board proposes that seven (7) members shall be elected to the Board of Directors until the closing of the Annual General Meeting 2026 and that the current members of the Board of Directors Veli-Matti Reinikkala, Sebastian Bondestam, Antti Kaunonen, Arja Talma, Tero Telaranta and Michael Willome shall be re-elected as Members of the Board of Directors, and Tina Wu elected as a new member. Further, the Nomination Board proposes that the annual remuneration of the Members of the Board of Directors remains unchanged and thus is the following: Chair of the Board EUR 74,000, Deputy Chair of the Board EUR 45,000 and other Members of the Board EUR 35,000. More information is available in the Stock Exchange release published on January 31, 2025.

On February 14, 2025, the company published plans to reduce the number of all shares in the company through a reverse share split procedure so that each two (2) shares shall be merged into one (1) share. The Board of Directors of Glaston proposes the reverse

share split to the Annual General Meeting to be held on 16 April 2025. More information is available in the Stock Exchange release published on February 14, 2025.

On February 14, 2025, the company informed about the share-based incentive plan 2025-2029 for the Group key employees in accordance with the terms and conditions materially corresponding to the terms and conditions of the share-based incentive plan 2019-2023. More information is available in the Stock Exchange release published on February 14, 2025.

On February 17, 2025, Glaston announced that the company's CEO Toni Laaksonen has resigned from his position in order to transfer to another company. More information in the stock exchange release published on February 17, 2025.

Glaston's outlook for 2025

In 2025, the glass processing equipment markets are expected to remain soft. The architectural market does not show signs of significant recovery for this year. For mobility glass processing equipment, the market activity in China is expected to remain good with high short-term volatility. Amid global economic uncertainty

and continued geopolitical tensions, high uncertainty exists concerning customers' decision-making.

Given the cautious market environment, the company's growth opportunities arise from new product innovations, services, and upgrade products. Implemented and on-going structural cost-saving actions support profitability. Glaston Corporation estimates that its net sales will remain at the same level and comparable EBITA will stay at the same level or increase slightly in 2025 from the levels reported for 2024. In 2024, Group net sales totaled EUR 217.9 million and comparable EBITA was EUR 15.3 million.

The Board of Directors' proposal on the distribution of profits

The distributable funds of Glaston Corporation are EUR 54,619,484 of which EUR -986,978 represents the loss for the financial year. The company has no funds available for dividend distribution.

The Board of Directors proposes to the Annual General Meeting to be held on 16 April 2025 that the result for the financial year 2024 be placed in retained earnings and no dividend be paid.

As communicated in the Stock Exchange Release published on February 14, 2025, the Company contem-

plates a reverse share split (2:1). The Board of Directors proposes a capital repayment for a maximum amount of EUR 4,635,945 which represents currently EUR 0.055 per share (or EUR 0.11 per share calculated on the number of outstanding shares after the execution of the proposed reverse share split). If the Annual General Meeting would not approve the proposed reverse share split, the return of capital to be paid shall be rounded down to EUR 0.05 per share because fractions of cents cannot technically be paid.

Further, the Board of Directors proposed that the return of capital will be paid in two (2) instalments as per the later defined record dates. The return of capital is preliminarily planned to be paid in two instalments in May and November 2025.

The return of capital would be paid from the reserve for invested unrestricted equity to shareholders who are registered in the company's register of shareholders, maintained by Euroclear Finland Ltd, on the record date later communicated.

Sustainability statement 2024

ESRS2 General Disclosures

Basis for preparation of the sustainability statement (BP-1)

Glaston Corporation's sustainability statement applies to the entire Group. The statement includes the reporting segments Architecture and Mobility, Display & Solar in accordance with the financial statements. The information is presented at Group level unless otherwise stated in the context. The comparative information presented for topics E1 Climate change and S1 Own workforce for 2023 has not been verified. The sustainability statement has been drawn up in accordance with the Accounting Act and sustainability reporting standards. Taxonomy reporting is based on the requirements laid down in Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (EU taxonomy). Key performance indicators related to the taxonomy have been calculated using the financial information presented in Glaston's

consolidated financial statements for 2024.

The sustainability statement is published annually as part of the Board of Directors review. The reporting period is January 1, 2024–December 31, 2024. The accounting principles by subject are presented in the section "accounting principles". The sustainability statement covers the material parts of the company's value chain and the upstream and downstream value chain in terms of emissions calculation (scope 3). In relation to the calculation of GHG emissions, the absolute emissions for the scope 3 target year are not reported due to the sensitive nature of the data. In other respects, the report does not omit material information related to, for example, intellectual property as defined in the standard, or other special exemptions. More detailed reporting principles on environmental calculations are presented on page 80.

Disclosures in relation to specific circumstances (BP-2)

The sustainability statement is prepared in accordance with the

Accounting Act and sustainability reporting standards for the first time, and there are therefore no material changes or errors relative to prior periods. The time horizons applied and deviations from the time horizons are presented for each topic where relevant. As a rule, progress in sustainability matters is assessed over the reporting year, excluding Glaston's medium-term goals (3–5 years) and long-term goals (more than 5 years) that promote sustainable business, which are presented in the section "metrics and targets". The time horizons applied are described in connection with the metrics. Possible calculations based on estimates and the related principles are presented in connection with each topic. The report does not contain information related to other legislation or reporting frameworks.

The role of the administrative, management and supervisory bodies (GOV-1)

Glaston's sustainability statement describes Glaston's sustainability management, governance, deci-

sion-making and responsibilities, as well as competence in the management of sustainability factors. The members of Glaston's Board of Directors are Veli-Matti Reinikkala (Chair), Sebastian Bondestam (Deputy Chair), Antti Kaunonen, Sarlotta Narjus, Arja Talma, Tero Telaranta and Michael Willome. Glaston's Board of Directors has two committees: an Audit Committee and a People and Remuneration Committee. Arja Talma has served as the Chair of the Audit Committee, with Sarlotta Narjus and Tero Telaranta as members. Veli-Matti Reinikkala has served as the Chair of the People and Remuneration Committee, with Sebastian Bondestam, Antti Kaunonen, and Michael Willome as members. In 2024, the Executive Leadership Team consisted of the following members: interim CEO Antti Kaunonen (until August 12, 2024), CEO Toni Laaksonen (from August 12, 2024), Chief Sales Officer Sasu Koivumäki, SVP People & Culture Riikka Laitasalo, General Counsel Kaisa Latva, CFO Päivi Lindqvist, SVP Services Artturi Mäki (until April 30, 2024), SVP Automation & SCM Robert Prange (until October 13,

2024), SVP Mobility, Display & Solar José Yepes (until October 31, 2024) and SVP Architecture Miika Äppelqvist.

Glaston's Board of Directors and its committees have been formed in such a way that their capabilities, competence and diversity correspond to the company's business and support its strategic objectives. The selection and composition of the members take into account the nature of the company's business, the international scope of operations and the diversity of competence. Glaston's Nomination Board prepares proposals on nominations for the Annual General Meeting. The Nomination Board is also responsible for assessing the competence and composition of the Board of Directors. In 2024, the Board of Directors had seven members, comprising two women and five men. The proportion of women was 29%.

At the end of 2024, the proportion of independent Board members was 100%, and the proportion of members independent of significant shareholders was 71%. In 2024, the proportion of management representatives in the Executive Leadership Team was 100%. There were no employee representatives.

The Executive Leadership Team has extensive business expertise related to sustainability, and its members

include the executives in charge of personnel, legal affairs and compliance, for example. The CFO is responsible for sustainability at the Executive Leadership Team level. The CFO is also in charge of the company's sustainability function. The expertise of the company's sustainability specialists is utilized in connection with special issues, such as environmental matters, and external expertise is used as necessary.

Glaston's Board of Directors and Annual General Meeting

Glaston's Board of Directors is the highest decision-making body for sustainability. It confirms the results of the double materiality assessment, decides on the sustainability strategy as part of the Group's business strategy, decides on strategic sustainability targets, and approves all policies related to sustainability. The Board of Directors assesses sustainability at least once a year. The Board of Directors approves the sustainability report and is responsible for the monitoring of sustainability reporting. The Annual General Meeting approves the annual sustainability report as part of the financial statements and appoints an assurer for the sustainability reporting.

The Board of Directors' Audit Committee and People and Remuneration Committee

The Audit Committee of the Board of Directors supports the Board of Directors in the monitoring and assessment of sustainability reporting, as well as the assessment of the effectiveness of internal control and risk management related to the reporting process. The Audit Committee monitors the assurance process at all of its meetings and prepares the Board of Directors' proposal on the sustainability reporting assurer for the Annual General Meeting. The Audit Committee may hire external sustainability advisors to support the Board of Directors or the Audit Committee in carrying out their sustainability-related tasks. The Audit Committee also reviews all sustainability-related policies before the Board of Directors.

Glaston's CEO and Executive Leadership Team

The CEO has overall responsibility for the implementation of Glaston's sustainability program as part of the strategy. The CEO is responsible for establishing an appropriate organization for sustainability efforts and securing the necessary internal and external resources and expertise.

The CEO is responsible for organizing Glaston's sustainability reporting in such a way that it complies with applicable laws and regulations.

The Executive Leadership Team (ELT) is responsible for taking sustainability-related impacts, risks and opportunities into consideration in Glaston's business strategy. The Executive Leadership Team evaluates and prepares Glaston's strategic direction, materiality assessment, target-setting and performance. Sustainability monitoring at the Executive Leadership Team level takes place at least twice a year. The Sustainability Director participates in these sessions. The Executive Leadership Team establishes guidelines related to sustainability and decides on the principles and policies submitted to the Board of Directors for approval. The members of the Executive Leadership Team are responsible for allocating adequate resources in their respective organizations to Glaston's sustainability work.

Glaston's CFO and the sustainability function

Glaston's CFO is responsible for sustainability topics in the Executive Leadership Team and in charge of the Group's sustainability function. The executive responsible for the sustain-

ability function is in charge of Glaston's sustainability efforts, which are carried out in the relevant functions and Group companies. The sustainability function is also responsible for the Group-wide implementation of environmental and climate issues in cooperation with the business areas and functions. The sustainability function cooperates with external experts as necessary.

The CFO oversees sustainability reporting, and the Finance organization is responsible for analyzing risks related to the reporting process and establishing internal control to manage the risks.

Glaston Sustainability Working Group

The Glaston Sustainability Working Group coordinates development efforts related to sustainability and their practical implementation throughout the Group. The Sustainability Working Group is chaired by the CFO and its members include the General Counsel; the SVP, People and Culture; the Director, Sustainability; the Treasury Manager, who is responsible for taxonomy calculations; the Sustainability Specialist; the VP, Operations, Germany; and the Communications Manager, Finance & Sustainability. The HR function has ownership of most topics related to social responsibility, while the Legal function

has ownership of governance-related matters. The company's Sustainability Director is in charge of topics related to the environment. The Sustainability Working Group monitors action plans related to sustainability on a quarterly basis at a minimum. It also prepares reports, KPIs, targets and policies for decision-making by the Executive Leadership Team and the Board of Directors. The Sustainability Working Group is also responsible for carrying out the double materiality assessment and sustainability risk assessment on a regular basis.

Business areas, functions and Group companies

Glaston's businesses and Group companies carry out practical sustainability efforts and are responsible for the implementation of measures, reporting on progress and providing information for sustainability reporting. All Glastonians are expected to take sustainability targets into account in their day-to-day work and, if necessary, report any non-compliance with the sustainability targets to their supervisor, the local HR function, Group Legal or through Glaston's whistleblowing channel.

The companies in the Glaston Group engage in active dialogue with

their local communities and the company supports the social engagement of local communities. Everyone at Glaston has a role to play in promoting the achievement of Glaston's sustainability targets. The responsibility for Glaston's sustainability program is divided between multiple organizational levels and functions. Interaction with the personnel on promoting the achievement of sustainability targets is key when sustainability is integrated into the company's business.

The Sustainability Policy approved by Glaston's Board of Directors outlines the principles of sustainability management and the setting and reporting of sustainability targets.

Sustainability-related actions are presented in connection with each material topic. Glaston's day-to-day operations are guided by the Code of Conduct approved by the Board of Directors. Glaston also has a Supplier Code of Conduct, to which the company requires its suppliers to commit.

The majority of Glaston's procurements are direct procurements. For these, the suppliers' commitment is monitored in accordance with a systematic process. For indirect procurement, the process will be developed on a risk basis. The Code of Conduct documents have been drawn up in

Finnish, English, German, and Chinese. Glaston is committed to respecting human rights and labor rights, as defined in internationally recognized principles such as the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. Glaston supports the UN Sustainable Development Goals (SDGs).

The Sustainability Policy and Code of Conduct are supplemented by other policies and guidelines that provide guidance on sustainable operating practices:

- People Policy
- Environment and Climate Change Policy
- Human Rights Policy
- Anti-Corruption and Anti-Bribery Policy
- Sourcing Guidelines
- Global Health and Safety Policy,
- Information Security Policy, and
- Tax Policy.

Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies (GOV2)

Sustainability targets are part of Glaston's strategic cornerstone initiatives,

the progress of which is monitored by the Executive Leadership Team on a quarterly basis. The initiatives are presented in more detail in the section Strategy. Each initiative has a designated person at the Executive Leadership Team level who is responsible for progress. The progress of the cornerstone initiatives is also reported regularly to the Board of Directors. Sustainability covers all matters related to the environment, society and corporate governance that affect the company's current and future business operations and the impacts of the company's operations and value chain on the environment and people.

In the double materiality assessment, key targets, KPIs and roadmaps have been determined for the sustainability topics related to Glaston's business based on the identified risks, opportunities, and impacts. The selected KPIs are incorporated into the Group's strategic targets. Material risks, opportunities, and impacts are discussed in the meetings of the Executive Leadership Team, the Audit Committee, and the Board of Directors. Sustainability perspectives are incorporated into decision-making related to Glaston's business as part of the assessment of risks and opportunities.

In particular, topics related to special

issues of sustainable development, such as environmental aspects, are regularly discussed by the Executive Leadership Team and the Board of Directors. An extensive Sustainability Review is discussed once a year. It is presented by the Group CFO to the Executive Leadership Team and the Board of Directors. In 2024, the Sustainability Review covered sustainability targets and related performance, development measures and future plans related to sustainability topics, and preparations for sustainability reporting. The Executive Leadership Team also participated in a workshop on business opportunities related to climate change and the circular economy. The plan that was drawn up on the basis of the workshop was also discussed by the Board of Directors. In 2024, the Board of Directors discussed the materiality assessment and approved the topics of the assessment.

In addition to the aforementioned matters, topics discussed by the Executive Leadership Team in 2024 included the climate roadmap, preparations for the CSRD, the progress of sustainability reporting, business opportunities related to climate change, topics related to occupational health and safety, the results of the Group's employee engagement sur-

vey, and development measures.

Sustainability topics related to preparations for the CSRD were discussed at each Audit Committee meeting in 2024. The topics were as follows: Schedule for CSRD preparation and the progress thereof, external partners related to the CSRD project, documentation of the materiality analysis, progress of the assurance of the sustainability report and the 2024 sustainability statement.

Integration of sustainability-related performance in incentive schemes (GOV-3)

The principles, decision-making process and practices concerning the remuneration of the members of the Board of Directors, the CEO and the Deputy CEO are set out in more detail in Glaston's Remuneration Policy. The policy is drawn up by the People and Remuneration Committee, approved by the Board of Directors and confirmed by the Annual General Meeting.

The People and Remuneration Committee takes into account the views and feedback of several internal and external stakeholders. Updated in 2024, the Remuneration Policy enables sustainability-related targets as part of short-term or long-term targets. The People and Remuneration Commit-

tee evaluates the policy at least once a year. The purpose of remuneration is to attract and retain people at the senior management level who have the necessary skills, industry knowledge and experience to support the achievement of Glaston's strategic goals and performance targets, including sustainability targets.

The remuneration of senior management and the Group's key individuals consists of fixed pay, pension benefits, and short-term and long-term incentives. Remuneration is linked to the achievement of financial and strategic targets in both short-term and long-term remuneration, and the targets can also include sustainability targets. The People and Remuneration Committee prepares the principles for target-setting for Glaston's long-term and short-term incentives for approval by the Board of Directors. The Board of Directors decides on the target-setting of Glaston's short-term and long-term incentives and whether they include sustainability-related KPIs.

In 2024, the short-term or long-term incentives did not include metrics related to sustainability, such as climate change mitigation or social themes.

Statement on due diligence (GOV-4)

Core elements of due diligence	Paragraphs in the sustainability statement
a) Embedding due diligence in governance, strategy and business model	ESRS2: GOV-1 ESRS2: GOV-2
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS2: SBM-2 ESRS2: IRO-2
c) Identifying and assessing adverse impacts	ESRS2, IRO-1, ESRS2, SBM-3
d) Taking actions to address those adverse impacts	E1 Climate change: actions and resources related to policies S1 Own workforce: policies, actions and resources
e) Tracking the effectiveness of these efforts and communicating	ESRS2: MDR-T, metrics and targets

Risk management and internal controls over sustainability reporting (GOV-5)

Sustainability reporting is determined by the accuracy, integrity and timeliness of the reported information.

Glaston uses a sustainability management model that is presented in sections GOV1 and GOV2 in this report.

The collection of data for sustainability reporting is primarily the responsibility of the Group's HR function, the sustainability function and Group Finance. External expertise is used particularly for the verification of emission calculations. The Group's communications

function is responsible for producing the report in collaboration with an external partner. Group Finance supports the development of controls and risk management related to the reporting process.

The monitoring of sustainability reporting is based on reporting guidelines, analysis of any deviating information and, if necessary, discussions between the reporting units and the group functions responsible for reporting. The correctness of the reporting is assessed by the Group's HR for personnel data and by the sustainability function for environmental data. Sustaina-

bility reporting is subject to oversight by the Audit Committee. The risks related to sustainability reporting are related to manual data collection and processing, especially with regard to environmental data, as well as the fact that the company is reporting in accordance with sustainability standards for the first time. These risks are mitigated by good detailed advance planning, the documentation of processes and practices, and teamwork. The quality of sustainability reporting is developed through cooperation between different functions, discussions with other companies and close cooperation with the assurance provider.

The Group's finance organization regularly monitors the financial reporting of the Group units and takes action to address any deviations observed in the reporting. Internal audit activities are guided by the Audit Committee. The Group has an outsourced internal audit function. The Audit Committee prepares an annual audit plan and the internal audit reports on the audits to the Audit Committee.

The control of financial reporting and forecasting processes is based on the Group's reporting principles, whose specification and centralized maintenance is the responsibility of the Group's financial organization. The

principles are applied consistently throughout the Group and there is a uniform Group financial reporting system in place.

Market position, strategy, business model(s) and value chain (SBM-1)

Market position and business model

Glaston creates value by providing technologies that enable the processing of glass into safe and energy-efficient glass solutions. The business strongly supports the aim of climate change mitigation and improves the safety of the built environment and mobility.

As the technology leader in the glass processing industry, Glaston supplies equipment, services and solutions for the architectural, mobility, display, and solar energy industries. The company also supports the development of new technologies integrating intelligence into glass. The key technologies of the company's products facilitate the improvement of the energy efficiency and safety of buildings, for example.

Glaston has production operations in Germany, Finland, China, and Switzerland. Glaston's plants in Finland, Switzerland, and China assemble

machines and in Germany also partly manufacture machines. The production operations in Switzerland will be relocated to China in 2025. The company also has sales and service points in nine countries. Glaston's customers are mainly glass processing companies that supply glass products to the construction and automotive industries. The customers operate in over 100 different countries. The company is domiciled in Helsinki, Finland. Glaston had 817 employees at the end of 2024.

Measured in terms of the number of personnel, the three largest operating countries are Germany, Finland, and China.

**Employees per region 2024,
%, (fte)**



- Germany..... 36%
- Finland..... 26%
- Other EMEA 10%
- Asia..... 23%
- Americas 6%

Glaston's business activities are divided into two business areas: Architecture and Mobility, Solar & Display. The business areas correspond to the end-use segments of the customers.

The Glaston Architecture business area includes Glaston's tempering and laminating technologies as well as insulating glass technologies, which form three business lines. The Tempering and Laminating business lines offer a technically advanced and wide range of heat treatment machines, maintenance, upgrade and modernization services, as well as spare parts for glass tempering and laminating. The majority of the personnel of the business lines focused on tempering and laminating technology are located in Finland. The Insulating Glass business line offers high-technology machines for the production of insulating glass, as well as maintenance, upgrade and modernization services and spare parts. The majority of the personnel of the business line are located in Germany.

The Glaston Mobility, Display & Solar business area is divided into two business lines. The pre-processing business line offers glass pre-processing technologies and a related service business for the mobility and display markets. The MDS Heat Treatment

business line offers heat treatment technologies and a related service business to the mobility, display and solar glass markets. The majority of the personnel of the business line are located in China.

Climate change affects glass processing by accelerating the demand for energy-saving insulating glass products and glass used in solar panels, for example. Glaston's offering also includes products for the heat treatment of solar glass.

Strategy

Glaston's strategy is aimed at growth and profitability. At the core of the strategy are business area-specific product development initiatives through which the company maintains its technology leadership and ensures future growth. The growth measures defined by the business units and the implementation of the strategy are also supported by five Group-wide cornerstone initiatives. The initiatives are focused on innovating with customers; industry-leading customer service; supporting Glaston's personnel toward success to build a coherent corporate culture; sustainable business; and sourcing and production management. Promoting sustainability and the green

transition is part of Glaston's strategy.

At Glaston, promoting sustainability is seen as an opportunity, and sustainability is an integral part of the company's strategy. As a technology leader in the glass processing industry, the company plays a key role in improving the energy efficiency of the building stock. In the European Union, for example, the heating and cooling of buildings accounts for half of the end consumption of energy. The insulating glass technologies produced and developed by Glaston make it possible to manufacture even more energy-efficient glass structures for both new construction and renovation. At the same time, as the use of renewable energy sources, such as solar energy, increases, Glaston's offering also includes solutions for the heat treatment of solar glass.

The investments made in Glaston's Insulating Glass business create positive impacts on climate change mitigation and adaptation. In addition, the Tempering and Laminating businesses have a positive impact on ensuring the safety of buildings and mobility. In connection with these, the company has two must-win projects that support the implementation of the strategy. One of them is focused on the product development and commercialization of

insulating glass technologies by means of regional product-specific solutions, for example. The other is focused on further strengthening and developing the market position in heat treatment and laminating technologies, taking into account regional product and marketing needs.

In 2024, the cornerstone initiative “Innovate with customers to win” focused on managing the product development portfolio for insulating glass products and tempering & laminating products, which serve as enablers for advanced glass solutions for various applications.

Glaston’s “Empowering Glastonians to thrive” cornerstone initiative focused specifically on concrete actions aimed at promoting employee well-being, promoted the progress of the DEI roadmap and involved continued efforts to promote competence development.

The strategic cornerstone initiative “Elevate Sustainability” enables the company’s long-term success by systematically promoting the sustainability agenda. The cornerstone initiative focused on the preparation of a CSRD-compliant sustainability statement, finalizing the documentation of the double materiality assessment, and setting of a new emission reduc-

tion target that spans the entire value chain, which was confirmed by the international Science Based Targets initiative in summer 2024.

Value chain

Glaston aims to contribute to a better future by providing safer and more energy-efficient glass solutions.

Promoting sustainability is an integral part of Glaston’s values. The company participates in the creation of standards and practices related to the sustainability of the glass industry. Glaston participates in the activities of many international glass industry organizations and is also an active member, authorized by the Finnish national working group, of the glass industry committees of the CEN (European Committee for Standardization) and the ISO (International Organization for Standardization), as well as working groups focused on the preparation of standards related to safety glass (tempered and laminated glass). Glaston’s strategy is focused on customers that process glass for the architectural, mobility, display, and solar energy markets. Most of the glass processed using the company’s technology is supplied to the construction industry.

Suppliers of goods and services play

an important role in Glaston’s value chain. The company carefully selects its suppliers to ensure quality and compatibility with its requirements, both in terms of products and processes.

Glaston is committed to sustainable sourcing practices, which include supplier requirements and audits, as well as the realization of human rights and occupational safety. Glaston’s Supplier Code of Conduct aims to ensure that business partners meet the company’s expectations with regard to legal requirements, ethical practices, human rights and environmental issues. The sustainability-related focus areas in direct procurement concern supplier audits, the implementation of the Code of Conduct and the assessment of emissions impacts as part of sourcing. The monitoring of suppliers’ commitment to the Code of Conduct covers Glaston’s direct sourcing. The aim is to include indirect sourcing within the scope of the monitoring. The majority of Glaston’s sourcing are direct procurements.

The key sustainability issues in the glass industry revolve around the energy consumption of glass production and further processing, the recyclability of glass and the emissions generated by the value chain. A significant part of Glaston’s value

chain emissions are related to customers’ heat treatment processes, which consume significant amounts of electricity. Glaston’s environmental and climate impacts and risks have been identified throughout the company’s value chain, and the aim is to reduce and prevent them with a proactive approach.

Glaston’s value chain was examined in the double materiality assessment carried out in late 2023. Glaston’s value chain consists of suppliers of upstream raw materials and components, equipment and services all the way to the processing of glass products and end-use applications such as buildings, vehicles and solar energy equipment. Between these, Glaston’s own business activities include the design of machines and services, sourcing, production and assembly, as well as delivery and transport. Glaston supports its customers throughout the entire life-cycle of the equipment, from the sale of the equipment to glass processing at the customers’ premises and life-cycle maintenance and modernization of the equipment.

Approximately 90% of Glaston’s sourcing is from the EMEA region, and the majority of Glaston’s subcontractors operate in Europe, where the company’s largest assembly and

production units are also located. Key materials sourced in connection with the manufacture of machines include steel structures, electric and automation components, switchgears and process blowers.

Glaston operates in nine countries and serves customers in over 100 countries. The company's plants in Finland, Switzerland, and China assemble machines and the plant in Germany engages in both assembly and component manufacturing. In total, Glaston has approximately 4,000 installed and operational machine lines.

In line with the company's life-cycle model and to increase the life span and safety of its products, Glaston also offers maintenance services. Operating practices and processes are continuously developed in cooperation with partners, creating value and a better user experience for customers.

Interests and views of stakeholders (SBM-2)

Glaston engages in regular interaction with its key stakeholders. Feedback received from stakeholders is valuable to Glaston, and the company takes it into account in the development of its operations. Stakeholder views were also taken into consideration in the double materiality assessment carried out in 2023, on the basis of which

Glaston confirmed the sustainability themes that are material to its operations. Employees, investors, customers, suppliers and financing partners were engaged in the process, and the results of their engagement were dis-

cussed by both the Executive Leadership Team and the Board of Directors.

As part of the annual calendar, the Board of Directors is regularly informed of personnel and customer satisfaction surveys and their results,

for example. Key issues are also put on the agenda of the Board of Directors. The Executive Leadership Team monitors the feedback received from stakeholders as part of normal operational activities.

Stakeholder	Topics of key importance to stakeholders and purpose	Engagement and the organization of interaction	Impact on Glaston's operations
Personnel (own workforce)	Competence development Health and occupational safety Diversity of the workplace community Climate change Innovation and cooperation	Annual employee survey Sustainability survey Supervisor interviews for the materiality assessment Performance discussions, team meetings, supervisor-subordinate discussions Cooperation with personnel representatives	Developing the competence of the personnel Developing employee engagement Developing occupational safety and well-being DEI roadmap Investments in product development
Investors	Climate change Circular economy in the industry Human rights of the personnel as part of risk management	Investor meetings Interviews for the materiality assessment	Product development investments in the development of the sustainability agenda
Customers	Climate change, especially reducing the industry's CO ₂ emissions Development of technology Circular economy, especially glass recycling	Customer meetings and workshops Customer satisfaction surveys Interviews for the materiality assessment	Product development Energy efficiency of machines Material efficiency
Suppliers	Employee health and safety Climate change Packaging and transport	Bilateral meetings Supplier evaluations and audits Interviews for the materiality assessment	Supplier evaluation as part of the selection process and during cooperation
Financing providers	Climate change Occupational safety Ethical operating practices	Bilateral discussions Interviews for the materiality assessment	Product development Investments in the development of the sustainability agenda

Description of the processes to identify and assess material impacts, risks and opportunities (IRO-1)

Description of the materiality assessment process

Glaston carried out its first materiality assessment based on the company's strategy and business model and stakeholder consultation in 2019. The materiality assessment was subsequently updated in 2021. The company has developed sustainable business as part of its business and its strategic cornerstone initiatives. One of the cornerstone initiatives is related to the development of the engagement and competence of the company's own workforce, which are critical priorities for the successful implementation of Glaston's strategy. The measures taken to put the strategy into action have positive impacts on the company's own workforce through the development of competence and increased job satisfaction. At the same time, the implementation of Glaston's strategy is dependent on the availability of competent and committed personnel.

As part of the company's preparations for the entry into force of the sustainability reporting standards,

Glaston carried out a double materiality assessment between spring 2023 and fall 2024. The materiality assessment examined the most material sustainability topics with regard to the company's strategy, business model, impacts, risks and opportunities. Glaston will review its materiality assessment during 2025. The materiality assessment was based on current information on the company's external impacts and the impacts of sustainability factors on the company's business.

The material impacts, risks, and opportunities will be assessed as part of the company's sustainability management process and reviewed in connection with annual reporting. A description of sustainability management, the decision-making process and risk management as part of the company's risk management processes is presented in the description of the role of administrative and supervisory bodies ([GOV1](#), [GOV2](#), and [GOV5](#))

The material topics identified in the double materiality assessment in compliance with the sustainability reporting standards were approved by the company's Board of Directors in late 2023. The assessment was specified further during 2024 and the

specified topics were approved in September 2024.

Materiality assessment process and steps

The assessment based on double materiality examined the actual and potential positive and negative sustainability impacts of Glaston's business model, as well as financial risks and opportunities. The materiality assessment evaluated impacts on the environment, social factors and corporate governance, as well as financial risks and opportunities related to sustainability factors, including the company's dependencies on human resources and natural resources.

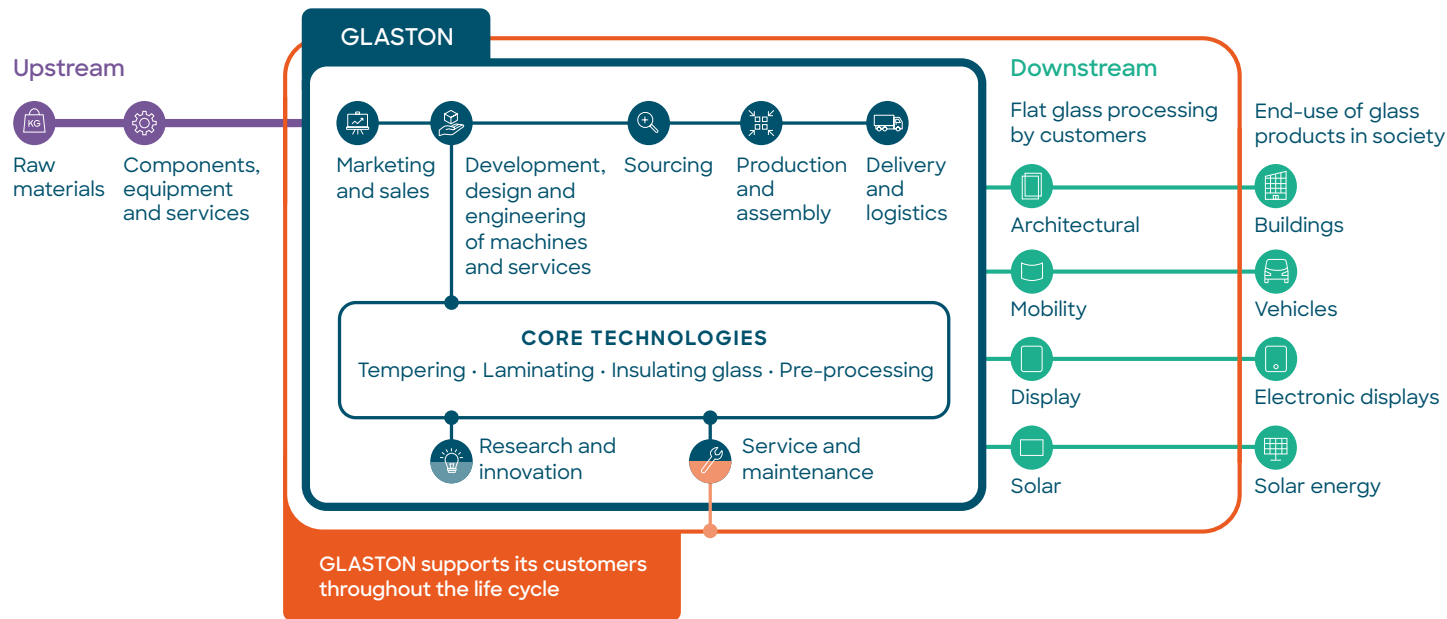
The assessment covered the company's own operations and the key actors in the value chain, upstream and downstream, which the company has an impact on through its operations and which have an impact on the company's operations.

For negative impacts, materiality was assessed in terms of the severity, scope and remediability of the impacts. For positive impacts, severity and scope were assessed. For potential impacts, the likelihood of the impacts was also assessed.

Country-specific differences and risks were taken into account as

increasing or decreasing factors in the assessment of the scale and scope of the impact. For example, potential negative impacts related to human rights were assessed to be higher in China than in Glaston's other operating countries, which had an increasing effect on the overall assessment. Glaston's business model and the scale of operations in the business areas were also taken into account.

In the assessment of financial materiality, potential significant risks and opportunities for implementing the company's strategy were assessed. Country-specific differences were taken into account in the overall assessment of the materiality of each impact (scale and scope).



The starting point for the materiality assessment was Glaston's strategy and business model. As a rule, the assessment was carried out with a focus on the medium term. In addition, the assessment considered how the short-term impacts, risks, and opportunities may differ from the medium term. Their probable development in the long term was also assessed.

The time horizons for the assessment were defined as follows:

- short term, i.e. the reporting year,
- medium term (1-5 years), and
- long term (over 5 years).

Stakeholder engagement and impact assessment

The materiality assessment was carried out in stages. In the first stage, a long list of sustainability topics from the perspective of the company's strategy and business model was created in a workshop attended by senior management and experts. The assessment covered all of Glaston's operating countries and the relevant upstream and downstream parts of the value chain.

In the second stage, representatives of key stakeholders were engaged in the materiality assess-

ment. Customers, suppliers, shareholders, financing providers and supervisors at Glaston were interviewed in connection with the assessment to evaluate their views and expectations regarding the company's sustainability. In addition, a personnel survey was conducted, with over 200 Glastonians responding. The stakeholder engagement for the materiality assessment took place in spring 2023. The Executive Leadership Team was engaged in the materiality assessment after the second stage.

In the third stage, the process continued with workshops in which

the impacts and financial risks and opportunities were assessed on the basis of the previous stages. Both assessments involved identifying, assessing and prioritizing the impacts of operations, connections between them, and risks and opportunities based on desk research, expert assessments and the views of stakeholders, extending the assessment to the company's value chain. Negative impacts were assessed on the basis of scale and scope, likelihood, duration and remediability. The assessment included a human rights impact assessment. For positive impacts, the scale, scope and likelihood were assessed. The severity of the impacts was assessed on a three-point scale and their scale, scope and likelihood were assessed on a five-point scale. Impacts exceeding more than 15 threshold values were assessed to be material. External consulting was used in the materiality assessment in addition to Glaston's experts and senior management. The risks identified in the materiality assessment also serve as inputs to the Group's annual strategic risk assessment process, in which all risks are assessed on the basis of their likelihood and financial effects.

In the fourth stage, a list of the most material sustainability topics was

created on the basis of the impact assessment and the assessment of financial risks and opportunities. The Board of Directors approved the assessment in September 2024.

The data sources used included the results of internal employee surveys, summaries of stakeholder interviews, internal reviews concerning the sustainability function, internal climate risk and biodiversity analyses, results of previous materiality assessments, analyses of sourcing data, Group strategy documentation and megatrend analysis, the Group's strategic risk assessment, emissions calculation data and a report on human rights risks. External sources of information included external sustainability risk profiles for the industry, a human rights and climate risk map and location-specific climate risk reports. Studies related to climate and energy saving in the architectural sector were used in the assessment of risks and opportunities.

Material impacts, risks and opportunities and their interaction with strategy and business model(s) (SBM-3)

In the double materiality assessment, Glaston's material ESRS topics related to the environment were identified as climate change mitigation, energy and climate change adaptation (E1). The

material social topics were identified as the company's own workforce (S1), and consumers and end-users (S4) through creating safety for the users of buildings. The most relevant of the impacts related to the company's own workforce are the sub-sub-topics of health and safety, work-life balance and working time, diversity, and training and skills development, which are related to equal treatment and equal opportunities, as well as working conditions. Employee engagement was identified as an own topic that is material. These are presented in more detail in the S1 section.

Glaston's material risks and opportunities did not trigger significant direct financial effects in 2024, and they are not expected to trigger such effects in the short, medium or long term. Business opportunities related to climate change mitigation or improving the safety of buildings are material, but their effects cannot be distinguished from other market growth or growth expectations. Measures related to the utilization of these opportunities or risk management are part of the Group's normal development of personnel competence and well-being, as well as product development, as is the improvement of the energy and material efficiency of products. The target for the reduction of direct GHG

emissions can be achieved without significant new investments.

Other topics identified as important included business conduct, the circular economy, human rights and safety among value chain workers, and biodiversity and ecosystems. However, these did not emerge as sustainability topics to be reported in the sustainability statement on the basis of the threshold values established for the materiality assessment. The environment-related topics E2 pollution, E3 water and marine resources, E4 biodiversity and ecosystems and E5 resource use and circular economy were carefully assessed as part of the double materiality assessment. These topics were recognized as important, but their materiality did not exceed the threshold values established for the assessment. Glaston has not carried out a resilience analysis, as the potential risks and opportunities are indirect to the extent that it is impossible to predict their effects.

Non-material topics: Pollution E2 and Water and marine resources E3

The actual and potential impacts, risks, and opportunities related to pollution, water, and marine resources were assessed in a workshop that was attended by Glaston employees who are familiar with the company's

operations and production plants. Due to the nature of the business, no other expert consultations were organized for the assessment.

Glaston had four production plants in 2024. They were located in Germany, Finland, China, and Switzerland. The plants in Finland, China, and Switzerland assemble machines from components. The plant in Germany mainly engages in the manufacture of machines, but the plant also produces a few special components itself. The assembly operations do not cause pollution of air, water, or soil. The use of chemicals is low. Microplastics, substances of concern, and substances of very high concern are not used. The production activities also do not involve water consumption. Glaston's other sites include sales and service sites with offices and small warehouses. Based on the above, the impacts, pollution and water-related risks and opportunities were considered minor and not material.

Glaston purchases electrical and metal components primarily from suppliers located in close proximity to the production plants. Based on Glaston's procurement volumes and the requirements set for suppliers, the upstream impacts, risks, and opportunities were also considered to be minor and not material.

Glaston's machines use electricity as their energy source, which means that they do not create airborne direct emissions or other sources of pollution. Glaston's product range includes glass washers that use water, usually in a closed cycle. They represent a small proportion of the total number of machines delivered. Consequently, the downstream impacts, risks, and opportunities were considered to be low and not material.

Non-material topics: Biodiversity E4 and Resource use and circular economy E5

The actual and potential impacts, risks, and opportunities related to biodiversity and ecosystems, resource use, and circular economy were assessed by members of the Glaston Sustainability Working Group who are familiar with the company's operations and production plants. The assessment considered impacts, risks and opportunities in Glaston's own operations for each production site, including resource inflows and outflows as well as waste. The assessment also covered Glaston's value chain.

Glaston's sites are not located in or near biodiversity-sensitive areas, as confirmed by the production plants in a survey conducted by the Group as part of the climate risk assessment.

In Glaston's stakeholder engagement related to double materiality with customers, employees, suppliers, investors and financing providers, special attention was paid to topics related to biodiversity and the circular economy, and the results of the assessment were taken into account. The assessment process and results were also discussed in Glaston's Executive Leadership Team and the Board of Directors. Due to the nature of the business, no expert consultations were organized for the assessments.

No material impacts, risks, or opportunities were identified with regard to biodiversity and ecosystems. Similarly, no transition risks or physical risks related to diversity and ecosystems were identified, nor were cascading effects of physical risks and transition risks that would lead to the breakdown of the entire system (systemic risk). Glaston's own operations or value chain are not dependent on biodiversity or ecosystems. Glaston's position in the value chain related to the construction sector was examined as a potential negative impact and risk, as glass production and the use of land for construction may have impacts on biodiversity. At the same time, glass products enable the renovation of the existing building stock, which reduces the need to construct

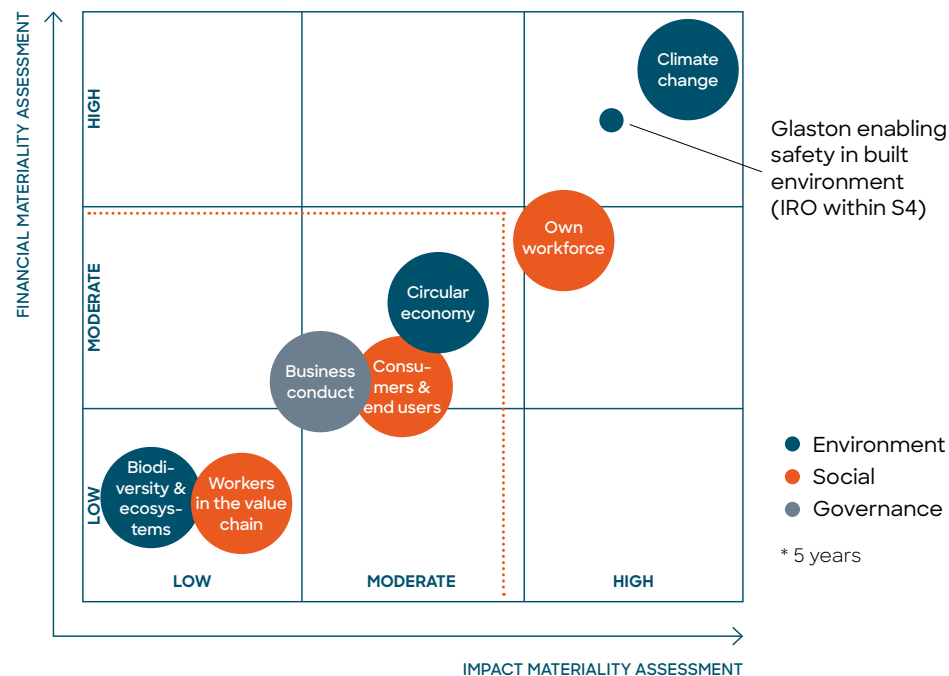
new buildings. However, Glaston's role in these impacts, risks, and opportunities is small.

The impacts, risks, and opportunities related to resource use and the circular economy were considered to be low or moderate. The most significant direct impacts and opportunities were the long life-cycle of Glaston's machines and partnerships with customers with regard to maintaining and upgrading the machines

for longer use, as well as the material efficiency and energy efficiency of the machines. The recycling of glass also involves moderate indirect risks and opportunities. If the glass industry were to fail to increase the use of recycled glass, this could affect the attractiveness of glass as a material. On the other hand, companies have opportunities to develop technologies that enable the use of recycled glass.

Glaston's double materiality matrix

Impact and financial materiality of sustainability topics in the glass processing value chain on the medium-term horizon.*



**Materiality assessment:
climate change E1**

ESRS E1, climate change in the value chain, is a material topic from the perspective of both impacts and financial risks and opportunities. Glass processing is an energy-intensive activity, and it has a negative impact on the environment through energy consumption and emissions. The process of identifying and assessing climate-related impacts, risks and opportunities, including impacts on climate change, climate-related physical risks and climate-related migration risks, is described in section E-1 Climate Change.

The electricity consumption of the machines manufactured by Glaston is the most significant source of GHG emissions in Glaston's value chain and accounts for approximately 84% of the entire value chain's GHG emissions. At the same time, glass produced with Glaston's technology enables the reduction of CO₂ emissions and energy savings, thereby creating a positive impact in the value chain. Glass products processed with Glaston's technology can serve as an enabler in improving the energy efficiency of buildings, for example by replacing old windows with energy-efficient insulating glass units or enabling the growth of solar energy.

The transition to a low-carbon economy is reflected through demand growth as a potential opportunity in Glaston's business. With regard to financial materiality, the primary factors are related to decarbonization and investments in the end-use industry, as well as the regulatory environment and innovations in low-energy glass processing.

The aim of reducing the energy consumption of buildings and thereby emissions currently has a significant impact on the demand for insulating glass and, consequently, on the demand for Glaston's insulating glass technologies and, partly, also safety glass technologies. The achievement of the emission reduction targets set by many countries and operators calls for reducing the emissions of new construction to zero and significantly accelerating renovation construction. In the medium term, economic cycles may affect the pace of investment growth. In the long term, it is likely that investments will need to be accelerated significantly, which will increase the impact on Glaston's business.

**Materiality assessment:
own workforce S1**

The primary drivers of the impacts related to the company's own work-

force are occupational safety, workload and mental well-being, diversity, equity and inclusion (DEI), competence development, good leadership and the continuity of work.

The primary drivers of financial materiality are the employer brand and reputation, competence development and leveraging digitalization. Employees having a high level of engagement, competence and well-being is a financially material topic for Glaston which, if realized, creates a positive impact on the personnel. A safe and healthy work environment is a key material topic in terms of impacts on the company's employees. Workload management and mental well-being are an important topic, especially with regard to expert positions. The company's coherent corporate culture, known as OneGlaston, was also highlighted as an important topic in the materiality assessment. Positive opportunities have been identified in relation to this topic, but there are also potential risks if the topic is not effectively managed. Diversity, equity and inclusion (DEI) has been identified as a material topic that concerns all of the personnel.

In 2024, Glaston had operations and employees in nine countries. The countries with the largest number of

employees were Germany, Finland, and China. The company has employees in both production and office roles. In 2024, 65% of the personnel were white-collar workers and 35% were blue-collar workers. Glaston's own workforce and the scope of the information reported under ESRS 2 General disclosures includes all employees as discussed in this section ESRS 2 General disclosures.

Of the potential negative impacts, safety-related impacts are particularly relevant to job roles connected to factory work, while potential negative impacts related to workload are particularly relevant to expert roles. Risks and opportunities, as well as the measures to increase positive impacts and reduce negative impacts, are described in more detail in section S1 Own workforce.

Glaston operates on equal principles and in compliance with the local legislation in each of its operating countries. Glaston also operates in China, and the company has recognized that the likelihood of potential human rights risks may be higher than in other countries of operation with regard to the value chain. The company has not identified material human rights risk with regard to its own workforce. The company

operates in China on equal principles and the risk is managed by means of Glaston's global People Policy and HR practices.

Glaston recognizes its responsibility for climate impacts throughout its value chain. The aim is to anticipate and prevent potential risks and to use Glaston's solutions, product development and full life-cycle machine maintenance services to create more energy-efficient, environmentally sustainable and safe glass solutions. Competent personnel are an enabling factor for Glaston's business operations. Glaston is committed to developing the competence of its personnel as part of its environmental and business targets. The company has not recognized any particular impacts on the personnel in relation to climate change mitigation.

Materiality assessment: consumers and end-users S4

In the materiality assessment, the personal safety of S4 consumers and end-users was identified as a material topic through positive impact. Glaston's tempering and laminating technologies make glass safe and indirectly improve the safety of the end-users of properties. A positive impact was identified in this topic through increased safety, as well as a

financial opportunity through business development.

Glaston's customers are glass processors that supply glass products to the construction industry, automotive manufacturing, solar panel manufacturing and other industries that use specialty glass. In the value chain, the end-users of the products include the users of buildings and vehicles, for example. A material positive impact was identified with regard to the

safety of the users of buildings.

Glaston cooperates with its customers, property developers and the developers of safety standards. With respect to this topic, the aim is to grow the business and launch new products. The safety of buildings is a topic of growing attention. In the context of glass solutions, this means the increasing use of tempered and laminated glass. Tempering, laminating and insulating glass processes are

Glaston's core competencies and the company offers the most advanced technology in these areas.

The material standard-specific topics are presented in the table. The material impacts, risks and opportunities of the different areas are presented in the standard-specific sections. Topics that have been assessed as non-material have not been included in the table.

Topic	Sub-topic/own topic	Sub-sub-topic
E1 Climate change	Climate change mitigation	
	Climate change adaptation	
	Energy	
S1 Own workforce	Equal treatment and equal opportunities for all	Training and skills development
		Diversity
		Gender equality and equal pay for equal work
	Working conditions	Health and safety
		Working hours
Work-life balance		
Employee engagement (own topic)		
S4 Consumers and End-users	Personal safety of consumers and end-users	Health and safety

Metrics and targets (MDR-T)

Glaston's medium-term (3-5 years) and long-term targets to promote sustainability are as follows:

- Customer satisfaction (Net Promoter Score, NPS) over 40. Outcome in 2024: 64
- Occupational safety: zero lost-time accidents (LTA, progress is meas-

ured by accident frequency, LTIFR). Outcome in 2024: 5.7

- Employee engagement rate over 75 (out of 100). Outcome in 2024: 76
- Reducing the CO₂ emissions of Glaston's own operations (Scope 1 + 2) by 50.4% by 2032, using 2022 as the baseline

- Reducing value chain (Scope 3) CO₂ emissions by 58.1% per square meter of sold glass processing capacity (m²) by 2032, using 2022 as the baseline (emission intensity) Outcome in 2024: Scope 1+2: 1,539 tCO₂e and Scope 3: 184,930 tCO₂e

The targets related to climate change mitigation have been approved by the Science Based Targets initiative (SBTi).

Customer satisfaction is calculated as follows: the number of promoters minus the number of detractors divided by the number of respondents and multiplied by 100. The employee engagement rate is based on an annual employee survey, which all employees have the opportunity to answer. The responses are collected using a scale of 0-3 (0= completely disagree, 3=completely agree) and an external service provider converts the responses into indices on a scale of 0-10 (10 = all completely agree). The target Employee engagement rate over 75 corresponds to a result of 7.5/10.0 for the overall index.

The loan margin on Glaston's financing agreement takes into account Glaston's annual performance against its sustainability targets. The targets linked to the loan margin are occupational safety (reduction in accidents that lead to lost time, measured by the lost time injury frequency rate, LTIFR) and CO₂ emissions (scope 1 and 2) relative to net sales. The covenants of the financing package are discussed in note 5.1. Management of capital in the financial statements.

List of ESRS requirements followed in the preparation of the sustainability report		Page
ESRS2 General Disclosures	BP-1 General basis for preparation of the sustainability statement	47
	BP-2 Disclosures in relation to specific circumstances	47
	GOV-1 The role of the administrative, management and supervisory bodies	47
	GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	49
	GOV-3 Integration of sustainability-related performance in incentive schemes	50
	GOV-4 Statement on due diligence	51
	GOV-5 Risk management and internal controls over sustainability reporting	51
	SBM-1 Strategy, business model and value chain	51
	SBM-2 Interests and views of stakeholders	54
	SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	57
	IRO-1 - Description of the process to identify and assess material impacts, risks and opportunities	55
	IRO-2 - Disclosure Requirements in ESRS covered by the undertaking's sustainability statement	61
	E1 Climate change	E1-1 - Transition plan for climate change mitigation
E1-2 - Policies related to climate change mitigation and adaptation		77
E1-3 - Actions and resources in relation to climate change policies		77
E1-4 - Targets related to climate change mitigation and adaptation		78
E1-5 - Energy consumption and mix		79
E1-6 - Gross Scopes 1, 2, 3 and Total GHG emissions		80

List of ESRS requirements followed in the preparation of the sustainability report

Page

S1 Own workforce	S1-1 – Policies related to own workforce	89
	S1-2 – Processes for engaging with own workforce and workers’ representatives about impacts	91
	S1-3 – Processes to remediate negative impacts and channels for own workforce to raise concerns	92
	S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	92
	S1-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	92
	S1-6 – Characteristics of the undertaking’s employees	96
	S1-8 – Collective bargaining coverage and social dialogue	97
	S1-9 – Diversity metrics	97
	S1-10 – Adequate wages	91
	S1-11 – Social protection	93
	S1-13 – Training and skills development metrics	95
	S1-14 – Health and safety metrics	97
	S1-15 – Work-life balance metrics	97
	S1-16 – Remuneration metrics (pay gap and total remuneration)	98
S1-17 – Incidents, complaints and severe human rights impacts	98	
S4 Consumers and end-users	S4-1 – Policies related to consumers and end-users	99
	S4-2 – Processes for engaging with consumers and end-users about impacts	100
	S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	100
	S4-4 – Taking action on material impacts on consumers and end- users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	100
	S4-5 – Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	100

List of datapoints that derive from other EU legislation and information where these are disclosed

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/Not material
ESRS 2 GOV-1 Board's gender diversity	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/181627, Annex II		material , page 48
ESRS 2 GOV-1 Percentage of board members who are independent			Delegated Regulation (EU) 2020/1816, Annex II		material , page 48
ESRS 2 GOV-4 Statement on due diligence	Indicator number 10 Table #3 of Annex 1				material, page 51
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/245328 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		not material
ESRS 2 SBM-1 Involvement in activities related to chemical production	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		not material
ESRS 2 SBM-1 Involvement in activities related to controversial weapons	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/181829, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		not material
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		not material
ESRS E1-1 Transition plan to reach climate neutrality by 2050				Regulation (EU) 2021/1119, Article 2(1)	material, page 77
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book- Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		material , page 77
ESRS E1-4 GHG emission reduction targets	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book - Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		material, page 78
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				material, page 86
ESRS E1-5 Energy consumption and mix	Indicator number 5 Table #1 of Annex 1				material, page 86
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors	Indicator number 6 Table #1 of Annex 1				material, page 86

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/Not material
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		material, page 85
ESRS E1-6 Gross GHG emissions intensity	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		material, page 87
ESRS E1-7 GHG removals and carbon credits				Regulation (EU) 2021/1119, Article 2(1)	not material
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		not material
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk; ESRS E1-9 Location of significant assets at material physical risk		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book – Climate change physical risk: Exposures subject to physical risk.			not material
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy efficiency classes		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book – Climate change transition risk: Loans collateralised by immovable property – Energy efficiency of the collateral			not material
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities		Delegated Regulation (EU) 2020/1818, Annex II	Delegated Regulation (EU) 2020/1818, Annex II		not material
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				not material
ESRS E3-1 Water and marine resources	Indicator number 7 Table #2 of Annex 1				not material
ESRS E3-1 Dedicated policy	Indicator number 8 Table 2 of Annex 1				not material

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/Not material
ESRS E3-1 Sustainable oceans and seas	Indicator number 12 Table #2 of Annex 1				not material
ESRS E3-4 Total water recycled and reused	Indicator number 6.2 Table #2 of Annex 1				not material
ESRS E3-4 Total water consumption in m ³ per net revenue on own operations	Indicator number 6.1 Table #2 of Annex 1				not material
ESRS 2- SBM-3 - E4 paragraph 16 (a)i	Indicator number 7 Table #1 of Annex 1				material, page 57
ESRS 2- SBM-3 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				material, page 58
ESRS 2- SBM-3 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				material, page 58
ESRS E4-2 Sustainable land / agriculture practices or policies	Indicator number 11 Table #2 of Annex 1				not material
ESRS E4-2 Sustainable oceans / seas practices or policies	Indicator number 12 Table #2 of Annex 1				not material
ESRS E4-2 Policies to address deforestation	Indicator number 15 Table #2 of Annex 1				not material
ESRS E5-5 Non-recycled waste	Indicator number 13 Table #2 of Annex 1				not material
ESRS E5-5 Hazardous waste and radioactive waste	Indicator number 9 Table #1 of Annex 1				not material
ESRS 2- SBM3 - S1 Risk of incidents of forced labour	Indicator number 13 Table #3 of Annex I				not material
ESRS 2- SBM3 - S1 Risk of incidents of child labour	Indicator number 12 Table #3 of Annex I				not material
ESRS S1-1 Human rights policy commitments	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				material, page 90
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			Delegated Regulation (EU) 2020/1816, Annex II		material, page 90
ESRS S1-1 processes and measures for preventing trafficking in human beings	Indicator number 11 Table #3 of Annex I				material, page 90
ESRS S1-1 workplace accident prevention policy or management system	Indicator number 1 Table #3 of Annex I				material, page 93
ESRS S1-3 grievance/complaints handling mechanisms	Indicator number 5 Table #3 of Annex I				material, page 92
ESRS S1-14 Number of fatalities and number and rate of work-related accidents	Indicator number 2 Table #3 of Annex I	Delegated Regulation (EU) 2020/1816, Annex II	Delegated Regulation (EU) 2020/1816, Annex II		material, page 97

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/Not material
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness	Indicator number 3 Table #3 of Annex I				material, page 97
ESRS S1-16 Unadjusted gender pay gap	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		material, page 98
ESRS S1-16 Excessive CEO pay ratio	Indicator number 8 Table #3 of Annex I				material, page 98
ESRS S1-17 Incidents of discrimination	Indicator number 7 Table #3 of Annex I				material, page 98
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		material, page 98
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain	Indicators number 12 and n. 13 Table #3 of Annex I				not material
ESRS S2-1 Human rights policy commitments	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				not material
ESRS S2-1 Policies related to value chain workers	Indicator number 11 and n. 4 Table #3 of Annex 1				not material
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		not material
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			Delegated Regulation (EU) 2020/1816, Annex II		not material
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain	Indicator number 14 Table #3 of Annex 1				not material
ESRS S3-1 Human rights policy commitments	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				not material
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		not material
ESRS S3-4 Human rights issues and incidents	Indicator number 14 Table #3 of Annex 1				not material
ESRS S4-1 Policies related to consumers and end-users	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				material, page 99

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/Not material
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		not material
ESRS S4-4 Human rights issues and incidents	Indicator number 14 Table #3 of Annex 1				not material
ESRS G1-1 United Nations Convention against Corruption	Indicator number 15 Table #3 of Annex 1				not material
ESRS G1-1 Protection of whistleblowers	Indicator number 6 Table #3 of Annex 1				not material
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		not material
ESRS G1-4 Standards of anti-corruption and anti-bribery	Indicator number 16 Table #3 of Annex 1				not material

E – Environment

Taxonomy eligibility and alignment

The European Union's Sustainable Finance Classification System (EU taxonomy) entered into force in 2022. The system contributes to the achievement of the EU environmental goals by channeling investments for the transition to a climate-neutral and environmentally sustainable economy. The regulation applies to Glaston and requires disclosure of the share of environmentally sustainable revenue, capital expenditure and operating expenditure.

The taxonomy includes six environmental objectives and related technical screening criteria. The environmental objectives are: 1) climate change mitigation, 2) climate change adaptation, 3) the sustainable use and protection of water and marine resources, 4) the transition to a circular economy, 5) pollution prevention and control and 6) the protection and restoration of biodiversity and ecosystems. Glaston has evaluated the criteria and has activities that significantly contribute to climate change mitigation. For an eligible activity to be aligned with the EU Taxonomy it further has to comply with the Technical Screening Criteria (TSC) and the Do

No Significant Harm (DNSH) Criteria. In addition, the company has to fulfill Minimum Social Safeguards.

Technical Screening Criteria

The technical screening criteria form the basis for taxonomy reporting and are criteria for determining the conditions under which an economic activity qualifies as contributing substantially to the environmental objectives and for determining whether that economic activity causes no significant harm to any of the other environmental objectives.

Glaston has conducted an analysis of its operations and concluded that the Insulating Glass technologies and related services, as well as all equipment and services to solar energy technology providers, are enabling activities that substantially contribute to climate change mitigation. Glaston's Insulating Glass technologies, machines, manufacturing lines, upgrade options and services that enable manufacturing of insulating glass unit systems are taxonomy-eligible activities, conforming with the definition and fulfilling the internationally standardized requirements and

essential characteristics of insulating glass units. Further, hand-operated or power-driven lifting, handling, loading or unloading machinery, edge working machines and equipment are considered not to be taxonomy-eligible activities when not installed as a part of an existing or new insulating glass manufacturing lines.

The EU Taxonomy has set clear requirements for windows and doors for substantial contribution to climate change mitigation in the Annex to the Commission Delegated Regulation*). The manufacture of energy-efficiency equipment for buildings, in accordance with Section 3.5 of the Annex, identifies the manufacturing of high-performance windows and their key components as an economic activity that significantly contributes to climate change mitigation. Insulated Glass Units (IGU's) represent between 70 to 80% of the surface area of a window and are key components affecting their energy efficiency, which has been demonstrated in studies of CO₂ savings**). Glaston's insulating glass manufacturing technologies for windows are essential for achieving the set threshold in the regulation.

The economic activities of manufacturing energy-efficient windows and doors are covered in Section 3.5 by NACE codes C16.23 and C25.12, in accordance with the statistical classification of economic activities established by Regulation (EC) No 1893/2006. Glaston's insulating glass technologies and related services are enabling activities in accordance with Article 10 of Regulation (EU) 2020/852.

Based on this 46.4 (45.4)% of the Group's turnover is taxonomy eligible. In total, Glaston has identified 31.5 (34.0)% of the total investments to be taxonomy eligible as well as 25.7 (24.5)% of operating expenditure in 2024.

*) COMMISSION DELEGATED REGULATION (EU) .../... supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives. C/2021/2800 final

***) Potential impact of high-performance glazing on energy and CO₂ saving in Europe, TNO, 2019.

Do No Significant Harm (DNSH)

Glaston has carried out an assessment to ensure that the DNSH criteria are met for the environmental objectives 2-6 listed above in accordance with the applicable technical screening criteria for Climate Change Mitigation. The assessment is based on scientific articles, industry association publications and established international product standards. Glaston's eligible activities comply with all DNSH criteria as set out in the regulation.

The DNSH criteria for disclosed activities for insulating glass technologies (3.5 manufacture of energy efficiency equipment for buildings) are the same.

Glass is a fully recyclable and reusable material and does not contain substances of concern. Recycled glass is a valuable resource for the glass industry to replace virgin raw materials and input as a raw material to reduce energy consumption and CO₂ emissions. Further, material off-cuts generated in flat glass processing can be subject to direct recycling in glass manufacturing furnaces due to its high purity. In addition, flat glass products manufactured accordingly to relevant product standards ensure reasonable working life and durability. Also, insulated glass units can be dismantled, collected and recycled. Insulating glass

units can be assigned with information on traceability and substances of concern when applicable.

Minimum safeguards (MS)

As set out in the EU Taxonomy Regulation, as well as in the final report on Minimum Safeguards published by the EU Platform on Sustainable Finance, Glaston has reviewed the Minimum Safeguards with respect to human rights, bribery and corruption, taxation and fair competition. Compliance with Minimum Social Safeguards has been assessed at company level. None of the indicators recommended for the assessment have been discovered in the company's operations. Based on this assessment, Glaston meets the criteria for alignment with Minimum Safeguards.

Glaston is committed to operating in accordance with the UN Guiding Principles on Business and Human Rights (UNGPs) and the OECD Guidelines for Multinational Enterprises. Glaston is a signatory to the UN Global Compact and is therefore committed to its principles on human rights, labour, environment and anti-corruption. Glaston's Code of Conduct and Human Rights Policy set out the standards expected of all employees and all Glaston Group companies. Glaston also requires its business part-

ners to comply with similar principles. The company therefore encourages its business partners to continuously improve and develop their human rights practices to meet the human rights standards and expectations set out in Glaston's Human Rights Policy.

Conclusion

Glaston has reviewed the Technical Screening Criteria for each of its eligible activities and all the eligible activities also meet the Technical Screening Criteria for substantial contribution to climate change mitigation. Further, based on the analysis made by the company, the identified activities do no significant harm (DNSH) to any of the other five environmental objectives. Compliance with Minimum Social Safeguards has been assessed at the level of the whole company and based on the assessment Glaston determined the company fulfills the criteria for Minimum Social Safeguards.

Based on the assessment made by Glaston, 46.4 (45.4)% of the Group's turnover is taxonomy aligned. In total, Glaston has identified 31.5 (34.0)% of the total investments to be taxonomy aligned as well as 25.7 (24.5)% of operating expenditure in 2024. In addition, Glaston discloses information referred to in Article 8(6) and (7) of the amended Delegated Regulation (EU)

2021/2178 as in standard template 1, Nuclear and fossil gas related activities. Glaston does not have nuclear energy or fossil gas related activities.****)

****) COMMISSION DELEGATED REGULATION (EU) 2022/1214 of 9 March 2022 amending Delegated Regulation (EU) 2021/2139 as regards economic activities in certain energy sectors and Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities

Turnover

Financial year 2024	2024			Substantial contribution criteria						DNSH criteria						Proportion of Taxonomy aligned (A.1) or eligible (A.2) turnover, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)	
Economic activities (1)	Code (a) (2)	Turnover, EUR thousand (3)	Proportion of turnover, year 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)				Minimum safeguards (17)
Text		Currency	%	Y;N; N/EL (b) (c)	Y; N; N/EL (b) (c)	K; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1. Environmentally sustainable activities (Taxonomy-aligned)

Insulating glass technologies	CCM 3.5	99,465	45.6%	Y	N	N	N	N	N	Y	Y	Y	Y	Y	Y	Y	43.7%	E	
Glass processing technologies for photovoltaic modules	CCM 3.1	1,571	0.7%	Y	N	N	N	N	N	Y	Y	Y	Y	Y	Y	Y	1.7%	E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		101,036	46.4%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	45.4%		
Of which enabling		101,036	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	100.0%	E	
Of which transitional		0	0.0%	0.0%													0%		

A.2. Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)

Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%								0.0%		
A. Turnover of taxonomy eligible activities (A.1 + A.2)		101,036	46.4%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%								45.4%		

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

Turnover of Taxonomy-non-eligible activities (B)		116,909	53.6%																
TOTAL		217,945	100.0%																

CapEx

Financial year 2024	2024			Substantial contribution criteria						DNSH criteria						Proportion of Taxonomy aligned (A.1) or eligible (A.2) CapEx, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)	
Economic activities (1)	Code(a) (2)	CapEx, EUR thousand (3)	Proportion of CapEx, year 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)				Minimum safeguards (17)
Text		Currency	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1. Environmentally sustainable activities (Taxonomy-aligned)

Insulating glass technologies	CCM	3.5	2,158	30.9%	Y	N	N	N	N	N	Y	Y	Y	Y	Y	Y	28.0%	E	
Glass processing technologies for photovoltaic modules	CCM	3.1	42	0.6%	Y	N	N	N	N	N	Y	Y	Y	Y	Y	Y	3.8%	E	
Installation, maintenance and repair of solar photovoltaic systems and the ancillary technical equipment (Switzerland factory)	CCM	7.6	0	0.0%	Y	N	N	N	N	N	Y	Y	Y	Y	Y	Y	2.2%	E	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)			2,200	31.5%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	34.0%		
Of which enabling			2,200	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	100.0%	E	
Of which transitional			0	0.0%	0%												0.0%		

A.2. Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)

CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)			0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%								0.0%		
A. CapEx of taxonomy eligible activities (A.1 + A.2)			2,200	31.5%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%							34.0%		

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

CapEx of Taxonomy-non-eligible activities (B)			4,794	68.5%															
TOTAL			6,994	100.0%															

Financial year 2024	2024			Substantial contribution criteria						DNSH criteria					Proportion of Taxonomy aligned (A.1) or eligible (A.2) OpEx, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)		
Economic activities (1)	Code(a) (2)	OpEx, EUR thousand (3)	Proportion of OpEx, year 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)				Biodiversity (16)	Minimum safeguards (17)
Text		Currency	%	Y; N; N/EL (b) (c)	Y;N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N N/EL (b) (c)	Y; N; Y/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1. Environmentally sustainable activities (Taxonomy-aligned)

Insulating glass technologies	CCM 3.5	3,485	24.2%	Y	N	N	N	N	N	Y	Y	Y	Y	Y	Y	Y	24.3%	E
Glass processing technologies for photovoltaic modules	CCM 3.1	215	1.5%	Y	N	N	N	N	N	Y	Y	Y	Y	Y	Y	Y	0.2%	E
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		3,700	25.7%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	24.5%	
Of which enabling		3,700	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	100.0%	E
Of which transitional		0	0.0%	0%													0.0%	

A.2. Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)

OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%								0.0%	
A. OpEx of taxonomy eligible activities (A.1 + A.2)		3,700	25.7%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%								24.5%	

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

OpEx of Taxonomy-non-eligible activities (B)		10,674	74.3%															
TOTAL		14,374	100.0%															

Nuclear and fossil gas related activities

Row Nuclear energy related activities

1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO

Fossil gas related activities

4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Going forward, Glaston's conclusions on the taxonomy may change as the assessment criteria become more precise and further guidance is available.

Accounting policy

The consolidated financial statements of Glaston Group are prepared in accordance with International Financial Reporting Standards (IFRS), including International Accounting Standards (IAS) and Interpretations issued by the International Financial Reporting Interpretations Committee (SIC and IFRIC). The Taxonomy key performance indicators (KPIs) have been calculated by using the financial information presented in Glaston's financial statements for the fiscal year 2024.

Turnover

Glaston has calculated KPI for turnover based on its interpretation of definitions presented in the Disclosures Delegated Act.

The numerator of turnover KPI, as defined in the Disclosures Delegated Act, includes the portion of net turnover derived from products or services, including intangibles, associated with Taxonomy-aligned economic activities. The denominator equals Group total net sales that are reported in the Financial Statements (see page 102) in accordance with IFRS for the period January 1 to December 31, 2024.

Glaston's taxonomy-aligned turnover includes sales of insulating glass

machines and services as well as sales of tempering lines which are specified for manufacturing glass components for solar panel production. For Insulating Glass technologies, machines, manufacturing lines, upgrade options and services that enable manufacturing of insulating glass unit systems are included whereas loading or unloading machinery, edge working machines and equipment when not installed as a part of an existing or new insulating glass manufacturing lines, are excluded.

Turnover KPI is calculated based on net sales per project and therefore double counting is avoided.

Capital expenditure

Glaston has calculated the KPI for taxonomy-aligned CapEx based on its interpretation of definitions presented in the Disclosures Delegated Act.

The denominator of CapEx KPI, as defined in the Disclosures Delegated Act, includes additions to tangible and intangible assets during the financial year considered before depreciation, amortization and any re-measurements. Total capital expenditure covers costs that are accounted in accordance with IAS 16 Property, Plant and Equipment, IAS 38 Intangible Assets as well as IFRS 16 Leases.

Glaston capitalizes development costs of new products. Additionally, CapEx includes other tangible and intangible assets, such as property, IT equipments and software, machinery and other equipments. Total CapEx inclusions are further described in Notes 3.1. Intangible Assets, 3.2. Tangible Assets and 3.3. Leases.

The numerator of CapEx KPI includes the part of capital expenditure, as defined in the Disclosures Delegated Act, that relates to assets or processes that are associated with taxonomy-aligned economic activities. Should the capital expenditure relate only partly to taxonomy-aligned economic activity, the expenditure has been attributed through an allocation key based on net sales.

Operating expenditure

Glaston has calculated KPI for taxonomy-aligned OpEx based on its interpretation on definitions presented in the Disclosures Delegated Act.

The denominator of OpEx KPI, as defined in the Disclosures Delegated Act, includes direct non-capitalized costs that relate to research and development, building renovation measures, short-term lease, day-to-day servicing (i.e. maintenance and repair) of property, plant and equip-

ment. Research and development costs include personnel expenses and other fixed costs.

The numerator of OpEx KPI includes the part of operating expenditure, as defined in the Disclosures Delegated Act ****), that relates to assets or processes that are associated with taxonomy-aligned economic activities.

Should the operating expenditure relate only partly to a taxonomy-aligned economic activity, the expenditure has been attributed through an allocation key based on net sales. Depreciation is excluded from this KPI.

****) COMMISSION DELEGATED REGULATION (EU 2021/2178 of 6 July 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by specifying the content and presentation of information to be disclosed by undertakings subject to Articles 19a or 29a of Directive 2013/34/EU concerning environmentally sustainable economic activities, and specifying the methodology to comply with that disclosure obligation

E1 Climate Change

Materiality and relevance in the business model (E1 ESRS 2, 12; ESRS 2 SBM-3; IRO-1)

Supporting sustainability and the green transition is an integral part of Glaston's strategy and business. The mitigation of climate change, the increased demand for energy-efficient solutions and the growing importance of renewable energy production have a strong impact on glass processing. Glaston offers solutions to these challenges, in particular with insulating glass technologies and tempering lines designed for high production capacity volumes used, among other things, in the processing of solar glass. In its operations, Glaston invests in capabilities that can promote climate efforts in the glass industry value chain.

Material impacts, risks, and opportunities

Material impacts, risks, and opportunities related to climate change have been assessed in a double materiality assessment conducted by Glaston. The materiality assessment is described in more detail in section

ESRS 2 on page 55. Climate change has been identified as a material topic for Glaston in the company's value chain in terms of impacts, risks and opportunities. As a result of the ESRS double materiality assessment, the material topics related to climate change are climate change adaptation, climate change mitigation and energy. Glaston also reports on greenhouse gas emissions in its own operations.

Climate change adaptation includes measures aimed at reducing the current and future adverse impacts of climate change and pursuing identified opportunities. The transition to a low-carbon economy offers Glaston significant business opportunities in the form of growing demand. Glass is a key enabler in improving the energy efficiency of buildings, for example by replacing old windows with new energy-efficient windows or supporting increasing use of solar energy.

Climate change mitigation is linked to the reduction of greenhouse gas emissions. Glass products processed with Glaston technology enable the

reduction of carbon dioxide emissions and energy consumption in construction. Most of the glass processed with Glaston machines ends up in construction. The technologies developed by Glaston enable the production of energy-efficient insulating glass with a significant positive climate impact. In addition, tempered or heat-strengthened glass is an important component in facades to ensure that the glass structures used meet the safety and energy requirements set for them, as well as in solar panels that enable emission-free electricity production. The company recognizes the avoided GHG emissions in construction as both a positive impact on climate change mitigation and a significant business opportunity as a result of increased demand.

With regard to climate change mitigation and energy, the company identifies negative impacts and risks in its downstream value chain and outside the value chain. With regard to heat treatment, glass processing is an energy-intensive process that has an impact on the environment, particularly through the electricity

consumption and related emissions of machines during use. The GHG emissions and energy consumption of glass production have a negative impact outside the company's own value chain. A negative impact outside Glaston's own value chain could potentially jeopardize the industry's decarbonization and thus also constitute a transition risk.

Innovations related to energy-efficient glass processing have been identified as an economic opportunity based on the associated demand potential.

The table below summarizes the material impacts, risks and opportunities identified in the double materiality assessment by subtopic:

Topic/subtopic	Impacts	Risks - / Opportunities +	Management
E1 Climate change adaptation		+ Glaston enables glass products that support adaptation, growth in demand	Glaston's product development to enable emission-reducing and energy-efficient glass solutions
E1 Climate change mitigation	+ Avoided GHG emissions in the end-use of glass products	+ Avoided GHG emissions in the end-use of glass products, increases demand	Development to enable emission-reducing and energy-efficient glass solutions
E1 Climate change mitigation and energy	<ul style="list-style-type: none"> - GHG emissions and energy use in glass production (outside own value chain) - GHG emissions and energy use in glass processing (downstream) 	- GHG emissions and energy use in glass production (outside own value chain), decarbonization	Strategic SBTi targets set, resulting in Glaston's decarbonization levers in its own operations and value chain
E1 Energy		+ Innovations to improve the energy efficiency of machines, potential for demand	Glaston's product development to enable emission-reducing and energy-efficient glass solutions

The identified impacts, risks and opportunities are closely linked to Glaston's business, as glass production processes consume a lot of energy and produce GHG emissions. The glass-making industry is a natural gas-dependent industry. The green transition of the glass industry can have both positive and negative impacts on Glaston's strategic targets. Glaston has not assessed the resilience of its strategy and business using a separate resilience analysis based on climate scenarios.

Glaston's business model and

strategy are described in more detail in ESRS 2 on page 51.

Assessment of climate-related impacts, risks and opportunities

In addition to the double materiality assessment, Glaston has carried out a climate and biodiversity risk assessment using the TCFD (Task Force on Climate-Related Financial Disclosures) framework. The assessment investigated transition risks and physical risks affecting Glaston. For the assessment of physical risks, data was collected from the production unit level, while

transition risks were assessed at Group level. Transition risks were assessed in the short, medium and long term. Physical risks were not assessed in different timeframes, as from a climate change perspective, physical risks were found to be low. In the assessment, Glaston has, using the TCFD framework, identified climate-related threats and transition events and assessed the company's business exposure to these threats and transition events.

The assessment identified transition risks related to the policies

and legislation, technology, markets and the company's reputation. In the medium and long term, replacing existing products and services with lower-emission alternatives and Glaston's potentially unsuccessful investments in new technologies were assessed as risks with moderate financial effects. However, the likelihood of the risks was considered low.

Changing customer behavior and uncertainty in market signals were identified as market-related transition risks. Changing customer behavior, such as reduced demand due to a

change in customer preferences, may affect the demand for Glaston's products in the medium and long term. Even if the financial effect was significant, the likelihood of the risk was assessed as low. Uncertainty in market signals can lead to increased glass processing costs, for example, as a result of higher electricity prices. The risk was estimated to have a moderate financial effect and likelihood in the medium term.

Of the physical risks, the worsening of extreme weather phenomena was assessed to have a low to moderate impact in China, where the factory building is exposed to heavy rainfall, and the risk of storms and floods increases. Heavy rainfall has become more common in northern China, which increases risks related to the supply chain and plant operations. Over the past two years, there have been floods in the area. However, the effects of the risks are expected to be short-term. In Finland and Germany, the worsening of extreme weather phenomena may have temporary effects on the supply chain, but the risk was assessed to be low.

Glaston has assessed the impacts on climate change in connection with the SBTi target setting using the scenario analysis of the International

Energy Agency (IEA). The Sustainable Development Scenario has been used to assess the development of emissions for significant emissions in the value chain. For more information on the scenario used, see GHG emissions.

Glaston has not carried out a climate scenario analysis to identify climate-related transition risks and physical risks. The assessment of climate risks will be developed in the coming years to cover a more detailed analysis of climate-related threats and transition events and a broader utilization of climate scenarios in their identification.

E1 ESRS2 GOV-3

Glaston has not taken climate-related aspects into account in the company's incentive schemes. For more information on remuneration, see ESRS 2 on page 50.

Transition plan for climate change mitigation E1-1

Transition plan

Glaston has not yet drawn up a transition plan for climate change mitigation. Glaston aims to prepare and approve a transition plan during

2025. During 2025, the company will prepare a detailed emissions intensity roadmap to 2032 and is committed to science-based targets, for which Glaston received the SBT initiative's approval in July 2024. The Scope 1 and 2 targets set in accordance with the SBT initiative support the Paris Agreement's goal of limiting global warming to 1.5 degrees Celsius.

The decarbonization levers and the resources required for them are defined in more detail in the section on policies related to climate change mitigation and adaptation on page 77.

Glaston is not excluded from the EU Paris-aligned Benchmarks.

Policies E1-2 and actions E1-3 related to climate change mitigation and adaptation

Glaston's environmental efforts are guided by the company's Environmental and Climate Change Policy approved by the Board of Directors, defining a commitment to the systematic reduction of environmental impact. In Finland, Glaston manages and guides production-related environmental matters in accordance with the certified ISO 14001 environmental management system. Glaston is also committed to the guidelines of the UN

Global Compact and SBTi initiatives in relation to the implementation of the Environmental and Climate Change Policy.

The Environmental and Climate Change Policy applies globally to all legal entities within the Glaston Group. It applies to all employees and external parties working on behalf of Glaston. Glaston recognizes its responsibility for the environmental and climate impacts caused throughout the company's value chain and proactively seeks to prevent and mitigate potential environmental impacts and risks caused by its operations. Glaston's Executive Leadership Team and Board of Directors monitor the development of the Group's environmental performance indicators annually. In addition, energy audits are carried out regularly in the company's premises, and the energy efficiency and low-emission properties at the premises are continuously developed.

The Environmental and Climate Change Policy takes a position on climate change mitigation. In line with its policy, Glaston aims to reduce carbon dioxide emissions in its own operations and value chain by focusing on energy savings and transitioning to low-carbon and renewable energy sources. Glaston is planning to phase

out natural gas and other fossil energy sources in its operations in the long term and to significantly increase the share of renewable energy. The company has set short-term science-based emissions reduction targets that cover the entire value chain. The target year for the science-based short-term target is 2032 and the baseline is 2022. To achieve these targets, the company's policy is to improve the energy efficiency of the products it sells, support customers in their emission reduction initiatives and implement measures to reduce emissions in other parts of the value chain, such as purchased goods and services.

A significant part of the company's contribution to climate change mitigation is to provide products and services that promote decarbonization, improve energy efficiency and expand the use of renewable energy sources. Glaston focuses on developing and delivering sustainable, upgradeable and energy-efficient products. The company offers its customers maintenance and modernization services that can considerably extend the life cycle of machines. In 2024, Glaston's product development accounted for 4.7% of net sales. Maintenance and modernization services accounted for 36.7%

of net sales. Of emissions in Glaston's own operations (Scope 1 & 2), the share of fuels and natural gas (Scope 1) was approximately 55% and the share of electricity and district heat (Scope 2) approximately 45% in 2024.

The type of glass processing solutions ordered by Glaston's customers and the availability of emissions-free energy in different market areas are factors that have a substantial impact on the fluctuation of emissions. In 2024, Glaston's GHG emissions (Scope 1, Scope 2, Scope 3) decreased by 43% year-on-year. The projected emission development has not yet been assessed.

Glaston does not estimate that taking actions related to climate change mitigation will require significant capital or operating expenditure. The company estimates that clear emphases in product development are key in taking actions. The company strives to allocate product development resources efficiently in order to profitably take the planned actions in accordance with the climate policy. The most significant transition risk is the decarbonization of Glaston's glass production outside the value chain, which, should it fail, could affect the use of glass as a building material and thus also the demand for Glaston's

products. Globally significant glass producers have decarbonization programs and related investments. Glaston tracks this development and participates in discussions on the subject.

Glaston's policy on climate change does not cover climate change adaptation, energy efficiency, or renewable energy deployment.

Targets related to climate change mitigation and adaptation E1-4

In Glaston's operations, the most significant climate impacts are caused by the electricity consumption of machines during use and associated emissions. To manage identified risks and negative impacts related to climate change mitigation and energy, Glaston is committed to science-based emission reduction targets. The company's final emission reduction targets for its own operations (Scope 1 and 2) and the value chain (Scope 3) were published in summer 2024 and have been approved by the international SBT initiative. In line with the Paris Agreement, the science-based Scope 1 and 2 emission reduction targets aim to limit global warming to a maximum of 1.5 degrees Celsius.

Glaston is committed to reducing its absolute Scope 1 and Scope 2 GHG emissions by 50.4% by 2032 compared to base year 2022. In addition, the company is committed to reducing its Scope 3 greenhouse gas emissions in its value chain by 58.1% per square meter (m²) of sold glass processing capacity over the same target period.

The targets are based on the decarbonization development path defined by the SBTi, which is based on scientifically substantiated climate scenarios. The target setting takes into account the IEA's Announced Pledges Scenario (APS) in assessing the development of emissions. Glaston's targets include critical assumptions related to, for example, future changes in sales volumes, developments in customer demand and preferences, regulatory factors, and the deployment of new technologies. Assessing and considering these assumptions ensures the realism of the targets and their feasibility in the long term.

2022 has been set as the base year for the SBTi targets. Before setting the SBTi targets, one of Glaston's four non-financial targets was to halve the CO₂ emissions intensity of its own operations (emissions in relation to net sales) by 2025. This target was

already achieved in 2022 through investments in energy efficiency and the use of renewable energy, as well as by increasing the share of zero-emission electricity.

Ensuring the management of changes in the base year is based on the consistency of the emissions calculation assumptions. The production assumptions used in the calculation are also retained in future calculations. Should the assumptions be changed later, these changes will also be made to the base year data in order to maintain comparability and ensure the reliability of the analyses.

Annual Scope 3 emissions are significantly influenced by the types of glass processing solutions Glaston's customers purchase each year and the availability of zero-emission energy in different market areas. The company delivers different kinds of machines to different countries in different years, which results in fluctuations in absolute Scope 3 emissions between years. At the same time, it can be assumed that Glaston's absolute Scope 3 emissions will increase as the number of machines sold increases. In order to achieve the reduction of emissions caused by new machines, the emission reduction target for the value chain is proportional

to the sold glass processing capacity.

Glaston's GHG emissions inventory covers Scope 1, Scope 2 and Scope 3 emissions and is based on the GHG Protocol standard. The undertaking is committed to the Science Based Targets initiative (SBTi) targets, which cover both its own operations (Scope 1 and 2) and the value chain (Scope 3) emissions. For Scope 1 and 2 emissions, the targets focus on low-carbon energy use and improving energy efficiency. Glaston's emissions calculations cover all companies over which the undertaking has operational control. For Scope 3 emissions, the set emission targets cover all calculation categories relevant to Glaston (1-13). This ensures that the targets are aligned with the GHG inventory boundaries.

The Sustainability Working Group is responsible for the systematic development of Glaston's sustainability agenda. The working group monitors the progress of operations at least quarterly. Emissions data is calculated annually, so it is monitored on an annual basis. The working group also reports on progress to the Executive Leadership Team and the Board of Directors.

Apart from the SBTi process, no other stakeholders have been involved in the target setting.

Energy consumption and mix E1-5

The most significant climate impacts of Glaston's operations are related to the use of sold machines, especially the electricity consumption of tempering machines. The tempering process, in which glass is heated to over +600 degrees Celsius and quickly cooled to room temperature, is energy-intensive.

As part of its science-based targets, Glaston intends to gradually phase out natural gas and other fossil energy sources in the long term and further significantly increase the share of renewable energy. Glaston's product development focuses on improving the energy efficiency of machines and, for example, has succeeded in significantly reducing electricity consumption in tempering of coated energy-saving glass. Automation and technological developments allow machines to efficiently optimize energy consumption in both the heating and cooling process, and new technologies can also be upgraded to existing production lines.

Glaston operates in sectors that are defined as high impact climate sectors in accordance with Regulation (EC) No 1893/2006 of the European Parliament and of the Council, falling

within the main categories A-H and L in Annex I (as defined in Commission Delegated Regulation (EU) 2022/1288). Glaston's main business, manufacturing of glass processing machines, falls under main category H subcategory "Manufacture of other special-purpose machinery and equipment" and the Services business under main category H subcategory "Repair and maintenance of machinery and equipment". The consulting business is classified in category N subcategory "Technical operations and related technical consulting", which is not classified as high impact climate sectors. Since the first two businesses account for almost all of Glaston's annual net sales and it is difficult to distinguish the net sales from consulting from the total net sales, the energy intensity has been calculated using the company's total net sales, i.e. the Group's total net sales in accordance with IFRS reported in the company's Financial Statements (see page 102) for the period January 1-December 31, 2024. The boundaries of emissions calculation, Scope 1 and 2, apply to the calculation of energy consumption.

Energy consumption data and energy intensity are presented on page 86 in this section.

Gross Scopes 1,2,3 and Total GHG Emissions E1-6

GHG emissions

The Scope 1 and 2 emissions of Glaston's own operations account for only a small proportion of Glaston's total emissions. The majority, approximately 99% of all emissions related to Glaston's operations, are generated in the company's value chain (Scope 3). The most significant sources of emissions are electricity consumed during the life cycle of machines manufactured by Glaston (67.7%) and emissions caused by purchased goods and services (27.4%). Tempering lines used continuously in high-volume production consume significantly more electricity than lines with smaller volumes. On the other hand, continuous tempering lines are more energy efficient.

Glaston's annual Scope 3 emissions are significantly influenced by the types of glass processing solutions customers purchase and the availability of zero-emission energy in different market areas. Absolute emissions are likely to fluctuate considerably in the coming years. In addition, it can be assumed that the company's absolute Scope 3 emissions will increase as the number of new machines sold increases.

Logistics accounts for a small share of Glaston's total emissions. The transport of manufactured machines to customers is handled by forwarding companies as land or sea transport. Smaller and urgent spare parts are also transported as air freight.

The denominator used in calculating the GHG emissions intensity is the Group's total net sales reported in accordance with IFRS for the period January 1-December 31, 2024 in the Company's Financial Statements (see page 102).

The exceptional product mix of orders received in 2024 had a significant impact on the volume and intensity of Scope 3 emissions. These emissions decreased by a total of 43% year-on-year, which was due to the reduction in category 11 (use of sold products) emissions. The decrease reflected the challenging market conditions in the architectural market. Due to weak demand, orders for high-energy continuous tempering lines, such as glass processing machines for solar glass, also decreased. Orders for continuous tempering lines, especially from countries with high emissions intensity, affect Scope 3 emissions and thus intensity. Correspondingly, emissions from the company's less electricity-consuming pre-process-

ing lines for automotive production increased by 335% year-on-year, driven by increased demand in China. Emissions from other Scope 3 categories remained at the previous year's level.

There have been no changes in the undertaking's operations or value chain that would trigger the recalculation of emissions.

Calculation principles

Glaston's emissions calculations cover all companies over which the undertaking has operational control. However, companies that do not have actual business operations and whose liquidation process has been initiated have been excluded from the calculation. These are Glaston Hong Kong Ltd., Glaston Management (Shanghai) Co. Ltd., Glaston International Oy, Glaston Brazil Ltda and Uniglass Engineering Oy.

The GHG emissions inventory is based on the Greenhouse Gas Protocol Accounting and Reporting standard and the Corporate Value Chain (Scope 3) Accounting and Reporting standard. In addition, the calculation takes into account the requirements of the SBTi Corporate Net-Zero Standard.

The reporting covers direct GHG emissions from own operations

(Scope 1), indirect GHG emissions (Scope 2) and indirect GHG emissions from the company's value chain (Scope 3). Emissions are reported for 11 out of the 15 categories in the value chain. Four categories have been excluded from the calculation: upstream leased assets, processing of sold products, franchising and investments, which have been assessed as irrelevant. Irrelevant categories are not included in the Scope 3 emission reduction target. The categories included and excluded in the calculation are listed in the table (N/A) and in the calculation descriptions.

For each category, total GHG emissions (CO₂, CH₄, N₂O, HFCs, PFCs and SF₆) are reported in tons of carbon dioxide equivalent. The undertaking has no emissions from the incineration, processing and distribution phase of bioenergy or land use emissions or removals related to bioenergy raw materials.

Glaston did not engage in GHG trade during the reporting year, such as buying, selling or transferring carbon credits or emission allowances.

The benchmark year for the emissions targets, Scope 1, 2 and 3, is 2022. The benchmark year was selected based on the availability of more accurate and comprehensive data

and the timeliness of the data in relation to the business when committing to and setting science-based emission reduction targets in 2023. Glaston is committed to reviewing and, if necessary, recalculating and confirming its targets in accordance with the latest criteria at least every five years. Glaston has set a 5% significance threshold for recalculating emissions.

The data published for 2022 and 2023 has been retrospectively corrected in the table due to the recalculation of emissions to cover WTW (well-to-wheel) emissions in categories 6, 7 and 9 as part of the SBTi target validation process.

Direct emissions from own operations (Scope 1) and indirect emissions from purchased energy (Scope 2)

Scope 1 & 2 inventory includes data from offices and factories of Glaston Finland Oy, Glaston Oyj Abp, Glaston Switzerland AG, Glaston Germany GmbH, Glaston America Inc., Glaston UK Limited, Glaston Singapore Pte Ltd and Glaston Tianjin Co, Ltd. Other entities are excluded since there are no emissions to Scope 1 and 2, or the emissions are considered insignificant. No biogenic CO₂ emissions are generated in Scope 1 or 2.

Activity data was collected from

each legal entity by using a data collection form. The data sources vary between legal entities, and include but do not limit to electricity bills, utility invoices, and fuel card data. Emission factors are from Statistics Finland, EPA and EMBER, but also other sources were used. The quality of the reported activity data is classified as very good in all data quality areas, as the data is from 2024 and is exact data of the used energy. The quality of the emission factors is classified as good in geographical representativeness and very good in other data quality areas.

The emissions were calculated based on the amounts of used energy. Each energy or fuel type was assigned with the corresponding emission factor to calculate emissions from Scope 1 and 2. It was assumed that the electricity and district heating used in some office buildings is like in 2023. The share of market-based Scope 2 GHG emissions linked to purchased electricity bundled with instruments is 44% of total location-based emissions.

Value chain emissions (scope 3)

Category 1 inventory includes all Glaston factories and technology centers in Finland, Germany, Switzerland and China, which represent the largest

locations. These activities have been identified as significant contributors to emissions within this category and align with the requirements of the GHG Protocol. Sales and service units are excluded, as they range from small offices to facilities with minimal purchases and therefore have an immaterial contribution to total emissions. There are no biogenic CO₂ emissions associated with this category.

Emissions were calculated using activity data from Glaston's ERP systems. The emission factors are spend-based and from ADEME and BEIS databases. The quality of the reported emissions activity data is classified as good or very good in completeness, reliability, and temporal representativeness. The activity data is seen as poor in geographical and fair in technological representativeness. The quality of emission factors is classified as good or fair in completeness, and technological and temporal representativeness. The quality of emission factors is seen poor in reliability and geographical representativeness. Emissions were calculated using the spend-based method. Each supplier is assigned to an emission factor category based on the materials, products or services they mainly supply. The categories are assumptions and might

create uncertainties in the data. No allocations were used in this category.

In this category, 0% of emissions were calculated using data obtained directly from suppliers or other value chain partners.

Category 2 inventory includes data from all legal entities, when applicable and there were assets belonging to the category. Companies with no actual operations, either functioning as administrative entities or being in the process of dissolution, are excluded. These companies have been listed on page 80. There are no biogenic CO₂ emissions associated with this category.

Data for capital goods is collected by Group Treasury for CAPEX calculations. The emission factors are spend-based and from ADEME and BEIS databases. The quality of the reported emissions activity data has been rated very good in terms of coverage, reliability, and temporal and geographical representativeness, and reasonable in terms of technological representativeness. The quality of the emission factors is considered to be good in terms of technological and temporal representativeness and coverage, reasonable in terms of reliability, and poor in terms of geographical representativeness.

Emissions were calculated using the spend-based method. Data was divided into asset types, which are used to define the type of CAPEX projects. The biggest development projects were screened by using ERP reports for detailed cost information. The averages from all conducted screenings were used to estimate all projects in the inventory. Salary costs were excluded from calculations. For the projects that were not thoroughly screened, an assumption of material/salary costs was used.

In this category, 0% of emissions were calculated using data obtained directly from suppliers or other value chain partners.

Category 3 inventory includes data from the same entities that are included in Scope 1 and 2 as the activity data is the same. No biogenic CO₂ emissions are associated with Category 3 emissions.

Activity data is collected similarly as for Scope 1 and 2. The emission factors used are from VTT, BEIS, ADEME and UBA. The quality of the reported activity data is classified as very good in all data quality areas. The quality of the emission factors is classified as very good in technological and geographical representativeness, as well

as in completeness, but fair in temporal representativeness and good in reliability.

The emissions were calculated based on the amount of used energy. Each energy or fuel type was assigned the corresponding emission factor to calculate emissions from Category 3.

In this category, 0% of emissions were calculated using data obtained directly from suppliers or other value chain partners.

Category 4 inventory follows the same boundaries and methodology as in Category 1. However, well-to-wheel emission factors were estimated using a conversion factor. The conversion factor was based on the ratio between other available tank-to-wheel and well-to-tank factors.

In this category, 0% of emissions were calculated using data obtained directly from suppliers or other value chain partners.

Category 5 includes data from Glaston Finland Oy, Glaston Germany GmbH, Glaston Switzerland AG, Glaston Tianjin Co Ltd and Glaston UK Limited. Glaston America Inc, Glaston Oyj Abp, Glaston Singapore Pte Ltd and other small locations are excluded from Category 5 calculations, as the amount of

waste generated in the office areas does not contribute significantly to total emissions generated in this category. No biogenic CO₂ emissions are associated with Category 5 emissions.

Activity data is collected directly from waste handling companies. The emission factors used are from BEIS, ADEME and ecoinvent. The quality of the activity data is considered very good in all data quality areas. Emission factors are considered as very good in all other areas except for geographical representativeness, where the quality was considered fair. The calculations are made based on the type, weight and treatment method of the waste. Each type of waste generated was calculated using an emission factor corresponding to the correct waste type and the reported treatment method.

Category 6 inventory includes data from Glaston Finland Oy, Glaston Services Ltd. Oy, Glaston Oyj Abp, Glaston Switzerland AG, Glaston Germany GmbH, Glaston America Inc., Glaston UK Limited, Glaston Singapore Pte Ltd and Glaston (Tianjin) Co, Ltd. These locations have been identified as significant contributors to emissions within this category. There are no biogenic CO₂ emissions associated with this category.

Inventory data was collected from ERP, Travel Expense System and from supplier reports. The travel expense system includes various expense types and emissions were calculated for each expense type using the distance-based method. Travel-related spend that was not covered in the travel expense system or supplier data was estimated by CO₂/eur-intensity factor from different expense types. It is assumed that the calculated intensity values are representative to calculate the emissions from the estimated spend from travel expenses where more accurate data was not available. The emission factors are distance-based and mainly from the BEIS database. For electricity, EMBER factors were used. Other calculation factors have been used to support the calculations.

The quality of the reported emissions activity data is classified as good or very good in technological, temporal and geographical representativeness and reliability, and fair in completeness. The quality of emission factors is classified as good or very good.

Only mandatory business travel emissions were calculated and reported on a well-to-wheel basis. In this category, 33% of emissions

were calculated using data obtained directly from suppliers or other value chain partners.

Category 7 inventory includes employees working for Glaston in all locations. Emissions from employees working remotely were left out from the calculations. The transport modes covered in the category are rail, bus, car travel including fuel type, walking, and biking. Emissions from working remotely are excluded, as they are optional according to the GHG protocol. Category 7 does not include biogenic CO₂ emissions.

The data was collected directly from the legal entities with the Employee Commuting Survey 2024, which includes the main transport mode, distance and frequency of commuting. The survey was sent to randomly selected Glaston employees. The rest of employee commuting emissions were estimated using the proportional amounts resulted by the survey. The category was calculated by using the stratified random sampling method in accordance with the GHG protocol and assumed 95% reliability. Directly calculated emissions from the survey are distance based using an assumption of 47 working weeks in a year. Estimated emissions

are based on the same assumptions.

The emission factors used are the same as in Category 6 and based on the transport distance. Emissions are calculated using the distance-based method in accordance with the GHG protocol and emission factors are expressed in g/km. Emissions are calculated on a well-to-wheel basis. The quality of activity data and emission factors are classified as good and very good. There are no biogenic CO₂ emissions calculated in this category and 0% of emissions were calculated using data obtained directly from suppliers or other value chain partners.

Category 8 is excluded as lack of relevance to the reporting boundary. No calculable emissions were identified as a result of reviewing the leased assets at the upstream end of the production chain. The asset types were deemed either economically insignificant or non-emitting. For some asset types, the emissions have been accounted under Scope 1 and 2 categories. This category is excluded from the Scope 3 target boundary.

Category 9 inventory includes all Glaston factories and technology centers in Finland, Germany, Switzerland and China, which represent

the largest locations. The smaller locations are excluded, as the downstream and distribution is focused on the manufacturing locations and the shipments from the smaller locations are assumed not to contribute significantly to the total emissions. Category 9 does not include biogenic CO₂ emissions.

Activity data was collected from value chain partners, if it was available. The rest of delivery data was collected from actual machine deliveries. Due to lacks in data, a small share of emissions was estimated based on change in spend. The emission factors used are from BEIS. The quality of activity data was considered good in all areas except for temporal representativeness, in which the data quality was considered very good. The quality of the used emission factors was considered very good in other categories than technological and geographical representativeness, where it was considered good.

The calculations were based on the delivered distance in kilometers. Also, the type of freight was included in the calculations. Emissions were calculated on a well-to-wheel basis. The share of supplier data used to calculate Category 9 emissions was 58%.

Data on energy consumption and

mix was collected from the units' factories and offices using a data collection form in connection with Scope 1 and 2 data collection. Data sources include fuel cards, electricity bills and operating expense invoices. The consumption meters have not been validated/verified by Glaston.

Category 10 is not relevant to Glaston. The company does not sell end products that require further processing before being sold to the final user. This category is excluded from the Scope 3 target boundary.

Category 11 includes the expected lifetime emissions of all products sold in Glaston's product portfolio during the reporting year. This covers the direct emissions during the use of sold products from all Group companies. Glaston's products are powered exclusively by electricity.

The machines included in the calculation are based on sales data. Sold products are included in the calculation based on the significance of the emissions in the use phase. Products valued less than EUR 20,000 are expected to have a low impact on total emissions and are excluded from the calculation. Exceptions have been made for some products if their

consumption data is based on tabulated values and is easily available. The machinery consists of production lines and individual machines that can be used for glass processing and whose use-phase consumption can be estimated with reasonable accuracy using estimates and assumptions. Machine upgrades have been excluded from the calculation by default because the emissions calculation took place during their year of sale and their significance in terms of total emissions as an individual part of a machine or production line is minor. Cases where the annual energy consumption for the machine upgrade can be estimated with reasonable accuracy are included in the inventory.

The data used is collected from project and sales data, the ERP system and product data. All calculated products are individual delivery projects customized to the customer's requirements, affecting the energy consumption and efficiency of the machine. The method for calculating the electricity consumption of machines is based on a combination of actual data and assumptions made from machines in different use cases. These assumptions are simplified between different product groups and types. If the input data does not allow

the determination of individual calculation values, an estimate is made by selecting the most representative of the available values. A detailed calculation method has been developed for each product group, based on information classified as confidential.

At the time of the calculation, the most accurate available emission factors (g CO₂e/kWh) were used based on the destination country (EMBER, Electricity Data), and the emission factors are location-based. Changes in electricity emissions during the product lifecycle are assessed using the International Energy Agency (IEA) Announced Pledges Scenario (APS). It is assumed that the sold products will be put into production no later than the year following the reporting, unless the date of commissioning is known in more detail. The expected service life and production times of the machines are fixed to ensure the consistency of the calculation year by year. The expected service life of the products is based on assumptions in the emission calculations, using a life cycle of 17 years for heat treatment machines and 15 years for insulation and pre-processing machines.

Category 12 inventory includes the machines included in the calculation

in category 11. Emissions have been calculated from the estimated weight of the machines included in the inventory. Emission factors are from BEIS.

The quality of activity data was considered very good in temporal and geographical representativeness, as well as in completeness, and good in technological representativeness and reliability. The quality of emission factors was considered very good in temporal representativeness and reliability. In addition, it was considered fair in technological representativeness and completeness, and poor in geographical representativeness.

In this category, 0% of emissions were calculated using data obtained directly from suppliers or other value chain partners.

Category 13 inventory includes the emissions of electricity sold to tenants. The category data is based on the measured consumption of tenants and emission factors obtained from suppliers (69%).

Category 14 is excluded as not relevant to the reporting boundary. The company does not own or operate franchise activities in exchange for fees or royalty payments. This category is excluded from the Scope 3 target boundary.

Category 15 is excluded. In 2024, there were no joint ventures, new subsidiaries, or other financial activities that needed to be reported or included in the greenhouse gas inventory. This category is excluded from the Scope 3 target boundary.

Validation

An internal audit process was implemented to ensure that the inventory is complete, accurate, consistent, transparent, relevant and free from error. In addition, first-party assurance in accordance with the GHG protocol was carried out for the emissions calculation by an external party.

Glaston has not identified any significant events affecting the calculation of greenhouse gas emissions between the entities in the value chain and Glaston at the reporting date.

	2022 Base year	Retrospective		Change-% 2024/2023
		2023	2024	
Scope 1 GHG emissions				
Gross Scope 1 GHG emissions (tCO ₂ eq)	605	552	848	54%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0%	0%	0%	0%
Scope 2 GHG emissions				
Gross location-based Scope 2 GHG emissions (tCO ₂ eq)	1,340	1,215	1,228	1%
Gross market-based Scope 2 GHG emissions (tCO ₂ eq)	886	686	692	1%
Scope 3 GHG emissions				
Total Gross Scope 3 GHG emissions (tCO ₂ eq) ¹	685,073	323,249	184,930	-43%
1 Purchased goods and services	52,722	55,015	51,025	-7%
2 Capital goods	1,213	1,539	753	-51%
3 Fuel and energy-related activities (not included in Scope 1 or Scope 2)	596	566	609	8%
4 Upstream transportation and distribution ¹	1,015	970	2,317	139%
5 Waste generated in operations	31	30	22	-27%
6 Business travel ^{1,2}	1,345	1,730	1,831	6%
7 Employee commuting ^{1,2}	685	696	813	17%
8 Upstream leased assets	N/A	N/A	N/A	N/A
9 Downstream transportation and distribution ^{1,2}	2,054	952	1,197	26%
10 Processing of sold products	N/A	N/A	N/A	N/A
11 Use of sold products	625,168	261,577	126,258	-52%
12 End-of-life treatment of sold products	113	64	23	-64%
13 Downstream leased assets	131	110	83	-24%
14 Franchises	N/A	N/A	N/A	N/A
15 Investments	N/A	N/A	N/A	N/A
Total GHG emissions				
Total GHG emissions (location-based) (tCO ₂ eq) ¹	687,018	325,016	187,006	-42%
Total GHG emissions (market-based) (tCO ₂ eq) ¹	686,564	324,486	186,470	-43%

¹Reported including WtW (well-to-wheel) emissions.

²2022 and 2023 recalculated in connection with SBTi validation.

In market-based Scope 2 emissions, the share of primary data is 44%. 33% of Scope 3 category 6 emissions and 58% of category 9 emissions have been calculated using primary data. The combined share of primary data for all emissions (Scope 1, 2, 3) is 0.98%.

Energy intensity in relation to net sales

2024

Total energy consumption of operations in highest climate impact sectors in relation to net sales from operations in high climate impact sectors (MWh/€)	0.000047
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Energy consumption and mix

Fuel consumption from coal and coal products (MWh)	-
Fuel consumption from crude oil and petroleum products (MWh)	1,791
Fuel consumption from natural gas (MWh)	1,957
Fuel consumption from other fossil sources (MWh)	-
Consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources (MWh)	1,908
Total energy consumption from fossil sources (MWh)	5,656
Share of fossil sources in total energy consumption (%)	56
Consumption from nuclear sources (MWh)	2,600
Share of consumption from nuclear sources in total energy consumption (%)	26
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	-
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	1,854
The consumption of self-generated non-fuel renewable energy (MWh)	56
Total renewable energy consumption (MWh)	1,910
Share of renewable energy sources in total energy consumption (%)	19
Total energy consumption (MWh)	10,166
Total renewable energy production (MWh)	277

Data on energy consumption and mix was collected from the units' factories and offices using a data collection form in connection with Scope 1 and 2 data collection. Data sources include fuel cards, electricity bills and operating expense invoices. The consumption meters have not been validated/verified by Glaston.

GHG intensity per net revenue	2023	2024	Change-% 2024/2023
Total GHG emissions (location-based) per net revenue (tCO ₂ eq/M€)	1,479	858	-42%
Total GHG emissions (market-based) per net revenue (tCO ₂ eq/M€)	1,477	856	-42%

Glaston's emission reduction targets	2022 Base year	2023	2024	Target 2032
Absolute Scope 1 and 2 GHG emissions (market based) -50.4% from base year (tCO ₂ eq)	1,491	1,238	1,539	740
Scope 3 GHG emissions -58.1% in relation to sold glass processing capacity (m ²) from base year (tCO ₂ eq./m ²)	0.00043	0.00036	0.00017	0.00018

The Scope 1 and 2 target is a combined target, validated by SBTi and has not been updated for the sustainability reporting separately for Scope 1 and Scope 2 emissions. The absolute emissions for the scope 3 target year are not reported due to the sensitive nature of the data, ESRS 2 BP-1 5d.

S1 Own workforce

Personnel strategy and objectives

Professional, committed and healthy employees are the foundation of Glaston's success. The employees play an important role in the implementation of Glaston's strategy. Glaston is committed to promoting a diverse, equal and inclusive workplace community where all employees are treated with respect and where everyone has equal opportunities for professional growth and development.

Glaston's strategy and business model are presented in section ESRS2, SBM-3. The aim is for Glaston's strategic targets to be achieved in 3-5 years, with the exception of the emission reduction targets, which the company aims to achieve by 2032. Glaston's sustainability-promoting non-financial strategic objectives with regard to the personnel are as follows:

- Zero work-related accidents resulting in lost time (LTA). Progress is measured by the accident frequency (LTIFR, lost time injury frequency rate/million hours worked). In 2024, the LTFR was 5.7.

- An employee engagement rate above 75 (out of 100). Progress is measured by means of an annual personnel survey. In 2024, the engagement rate was 76.

Glaston has targets that support the strategic objectives and have been identified in the materiality assessment as material with regard to the personnel. These targets are presented in the sections describing each area.













Glaston's objective is to be a safe workplace, which consists of the following areas:

- We are an equal employer that values diversity
- Our management culture strengthens success together
- We encourage skills development
- We enable career advancement
- We take care of well-being and safety at work

The materiality assessment, which is based on double materiality, is presented in section IRO-1 Description of the materiality assessment. In the assessment, working conditions and non-discrimination and

equal treatment were identified as material sub-topics with respect to the personnel. The material sub-sub-topics related to working conditions are working hours, work-life balance and health and safety. With regard to non-discrimination and equal treatment, the aspects identified as the most material are gender equality and compensation, training and development and diversity. Employee engagement was identified as a separate material topic in the assessment. The material impacts, risks and opportunities related to the personnel and the management practices concerning these impacts, risks and opportunities are presented in the table the next page.

The personnel-related key themes identified in the double materiality assessment are in line with the material themes identified in Glaston's materiality assessments carried out in 2019 and 2021.

Sub-topic/own topic	Impacts	Risks  / Opportunities 	Management
Working conditions			
Working hours Work-life balance Health and safety	<ul style="list-style-type: none">  Glaston is committed to developing safe working conditions and a workplace with a good work-life balance and where employees are motivated and engaged. When realized, this has a positive impact on the workplace community  Occasional excessive workloads can increase the amount of work and hours worked. Work can cause stress. 	<ul style="list-style-type: none">  Glaston is committed to providing a healthy work-life balance, and this attracts employees. 	<p>Opportunities for flexible and hybrid work, monitoring of working hours.</p> <p>Occupational safety is managed systematically, reporting channels, training, policies and instructions.</p> <p>Through supervisory work, support and actions concerning functions in which potential negative impacts have been identified.</p>
Non-discrimination and equal treatment			
Diversity Gender equality and equal pay for equal work Training and skills development	<ul style="list-style-type: none">  Glaston develops the capabilities of its personnel and makes development possible  At Glaston, women feel that they have equal opportunities  Glaston is perceived as a diverse workplace  Glaston may fail in competence development  Employees do not experience equality 	<ul style="list-style-type: none">  Glaston is perceived as an equal employer, and this is a pull factor 	<p>Operating in accordance with diversity, equity and inclusion principles.</p> <p>Developing DEI activities.</p> <p>Development plans for Glaston employees.</p> <p>Learning environments.</p>
Own topic			
Employee engagement	<ul style="list-style-type: none">  Glaston employees are highly engaged and motivated 		<p>Personnel development measures.</p> <p>Personnel survey feedback and targets.</p>

Policies related to own workforce S1-1

The company's operations are guided by the Code of Conduct approved by the Board of Directors. The Code of Conduct determines how Glaston interacts with employees, customers and other stakeholders. The Code of Conduct has been published in Finnish,

German, English, and Chinese.

All of the employees are required to complete a mandatory course on the Code of Conduct once every two years, and familiarization with the Code of Conduct is part of onboarding. The General Counsel is in charge of the implementation of the Code of Conduct. The Code of Conduct was

not drawn up with the interests of any specific group in mind. Instead, they are intended as generally applicable principles.

Glaston's business objectives are set out in the company's strategy, which is approved by the Board of Directors. Glaston has a People Policy approved by the Board of Directors.

It entered into effect in January 2024 and applies to the entire Group.

The People Policy supplements the Group's Code of Conduct and sets out principles concerning working conditions, equality, training and development, and equality.

The Group's People Policy includes a commitment to the principles of

equality and non-discrimination with respect to gender, age, religious beliefs, gender identity, political opinions, and national or social origin. Glaston has not identified particularly vulnerable groups and therefore has no specific policies or operating principles in relation to such groups. Glaston has a process in place to enable the reporting of conduct that violates the company's policies and guidelines. Glaston's employees have many ways to report potential non-compliance. For example, they can contact their immediate supervisor or report incidents or issues via an externally maintained whistleblowing channel that the employees can also use to report issues anonymously. Glaston investigates all reported incidents promptly and confidentially and takes appropriate action based on the findings of the investigation. The concerned parties are informed of the outcome of the investigation process.

In 2024, a new DEI (diversity, equity and inclusion) roadmap was drawn up at Glaston. It was approved by the Executive Leadership Team in December. The aim of the DEI roadmap is to create a diverse, equal and inclusive work environment for all employees regardless of their background or minority. One of the goals of the

roadmap is to increase the proportion of women among the personnel and the company's senior management.

Glaston respects human rights and workers' rights as defined in internationally recognized instruments such as the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights (UNGPR) and the OECD Guidelines for Multinational Enterprises.

Glaston is a signatory to the UN Global Compact initiative and is committed to its principles on human rights, labor, environment, and anti-corruption. The company is also committed to the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. Glaston joined the UN Global Compact in February 2023.

Glaston's commitment to human rights is described in the company's Code of Conduct and separate Human Rights Policy. Negative human rights impacts arising from Glaston's operations and value chain were identified and assessed by means of a human rights risk assessment conducted by an external expert in 2023. The assessment was based on reviewing internal practices and documentation as well as interviews with key personnel. Risks related to occupational safety, particu-

larly with regard to the company's own personnel, were identified as having the most serious potential impacts.

Glaston has operations in China and the company has recognized that the probability of potential human rights risks may be greater there than in the company's other countries of operation. At the same time, the company has not identified groups among Glaston's own employees that are particularly at risk with regard to working conditions or general labor and human rights.

Human rights-related risks and impacts are assessed regularly at Glaston. The first human rights risk assessment was carried out in 2023 and the next assessment is planned to be carried out by 2026 at the latest, unless there are changes in the company's operations or external circumstances that would justify an earlier assessment. The company aims to recognize, assess and prioritize the negative human rights impacts of its business as part of operational activities and risk management. The company aims to prevent and mitigate these impacts and take action as necessary to remediate negative impacts.

Glaston has separate instructions in place to assess and mitigate risks relating to occupational safety. The poli-

cies have been communicated to the personnel, and relevant occupational safety instructions are reviewed on a task-specific basis. Any deficiencies and violations can be reported through the line organization or by using the anonymous whistleblowing channel. Corrective actions are determined on a case-by-case basis.

The management of occupational safety and health is guided by Glaston's Health & Safety Policy. It sets out targets and Glaston Group's global health and safety guidelines.

Glaston does not use child labor or forced labor, and does not allow the use of child labor or forced labor by its suppliers or subcontractors. This commitment is laid down in the Supplier Code of Conduct and the Group's People Policy. According to the Supplier Code of Conduct, Glaston's suppliers are expected to respect the rights set out in the Universal Declaration of Human Rights and the fundamental rights set out in the eight fundamental Conventions of the International Labour Organization. The Supplier Code of Conduct has been approved by Glaston's Board of Directors. The primary responsibility for its implementation lies with the procurement organization, and the legal department monitors compliance with

the Supplier Code of Conduct. The Supplier Code of Conduct also applies to tier 1 suppliers, contractors and other business partners of Glaston's suppliers. Suppliers are responsible for compliance with the applicable laws regarding working hours, minimum wages, overtime, sufficient breaks and rest time, sick leave and annual holidays, as well as parental leave and mandatory benefits, such as social security, and maintain appropriate records of these, and ensure that all employees are made aware of the key terms of their employment prior to commitment to work. Suppliers must provide their employees with a healthy, safe and secure workplace in compliance with all laws and regulations applicable to its operations, and comply with the agreed-upon health and safety requirements. The Supplier Code of Conduct also addresses the prevention of forced labor, as well as non-discrimination and commitment to equal treatment and the right to organize. Suppliers are expected to commit to these principles.

Glaston's People Policy lays down the Group's uniform practices pertaining to working conditions, including the personnel's freedom of association and the employee's freedom to choose their political views. All employ-

ees have the right to be a member of a trade union of their choice and to bargain collectively. Discrimination against employee representatives is strictly prohibited by the company's binding internal operating guidelines. Employee representatives are encouraged to cooperate with other employees. Cooperation between management and employee representatives is based on local laws and regulations and is organized at the country level. In China, Glaston has been a member of a local Chinese trade union since 2020. The organization represents all employees in the Tianjin region. The trade union's activities are based on local legislation, which aims to guarantee safe working conditions and look after employee benefits, such as minimum wages.

Glaston is committed to complying with all applicable local labor laws and regulations and to ensuring that remuneration practices meet the legal requirements at all operating locations. Glaston is committed to paying adequate wages for subsistence, and the principles are documented in the company's Human Rights Policy and People Policy. To ensure equal and competitive remuneration, Glaston participates in an annual salary level survey, by which the company com-

pares basic salaries to the market median in order to calculate local wage indices. Glaston ensures that any dismissal processes are conducted fairly and in compliance with the applicable laws and regulations. Dismissals are not made on discriminatory grounds.

Processes for engaging with own workforce and workers' representatives about impacts S1-2

Glaston promotes an open and transparent communication culture where employees are encouraged to share their ideas, give feedback and raise concerns.

In addition to day-to-day management and interaction, feedback is collected by means of an annual Group-level personnel survey, and the results of the survey are communicated when the results are ready, at least once a year. Any Group-level development measures are communicated to the personnel through the existing internal communication channels and processes. Feedback received through the personnel survey is taken into account in the annual planning related to personnel, and the SVP, People and Culture is responsible for taking the feedback into account at the Group level. The survey and

related action plans have been prepared annually. Employees are also encouraged to participate in dialogue and decision-making on topics related to their team and working conditions. Similarly, all supervisors are encouraged to regularly share feedback with their team members to ensure the continuous development of teams and individuals.

Glaston's units in Finland have a co-operation committee, and the units in Germany and Switzerland have a Workers Council, which covers all local employees. These committees and councils discuss matters related to cooperation between the employer and employees, potential impacts related to the company's own workforce, which are described below, and the employees' position, working conditions and prerequisites for work. Such impacts may include, for example, the position of the personnel and benefits such as working hours and holidays, occupational safety and well-being at work, the development of the work environment and the company's financial situation. In China, a trade union committee consisting of employee representatives meets once a year as a rule. The committee is also convened as necessary, such as in connection with

any adaptation measures planned by the employer.

In order to create a safety culture, safety standards and the reporting of accidents and near misses have been harmonized throughout the Group. Alongside reporting and operating principles, a safe work culture is also built on safety awareness, anticipation, and learning from near-miss situations. A safe work culture also means a sense of mental safety. Reporting of near-miss situations is encouraged, and a new reporting tool was introduced in 2023 to streamline the reporting of situations and incidents.

Glaston has not identified any particular at-risk personnel groups among its own workforce with regard to the realization of human rights. The company's binding internal policies require that all employees are treated equally and on the same principles. Any incidents and deviations that come to the company's attention are addressed and investigated by the HR function and Group Legal. The personnel survey provides feedback and information on development areas on a wide range of topics, such as working conditions, non-discrimination, and equal treatment.

Processes to remediate negative impacts and channels for own workforce to raise concerns S1-3

Glaston has several different channels in place to obtain information about the effectiveness of measures related to the identified personnel-related impacts, risks and opportunities.

Glaston has an anonymous whistleblowing channel that is available to everyone. The company's employees and external parties can use the channel to report concerns anonymously. The channel is openly accessible to everyone via the company's website. Glaston investigates all reported incidents promptly and confidentially and takes appropriate action based on the findings of the investigation. The necessary measures are initiated when Glaston becomes aware of potential concerns or negative impacts, and the implementation of remedies is monitored. Glaston has not received information via other channels, such as feedback sent through the personnel survey, regarding the process being ineffective or any significant concerns or negative impacts. Glaston's People Policy lays down principles on whistleblower protection.

The Group's personnel survey provides feedback from employees on a wide range of perspectives, such as working conditions, well-being at work, and perceived equality and diversity. In 2024, the personnel survey had a response rate of 78%. Communication efforts are used to increase the response rate by sending reminders, for example, so that as many employees as possible are aware of the survey and have the opportunity to provide feedback related to impacts.

Glaston has an online reporting tool in place to improve occupational safety. The tool can be used on a continuous basis to report any observations concerning occupational safety. The tool can also be used on a mobile basis with the company's devices. Reports sent via the channel are forwarded to the occupational safety manager and the remediation of any deficiencies is initiated immediately by implementing preventive measures. Accidents are divided into three categories based on their severity (minimal, minor and large). Minor and large incidents are also discussed in weekly safety calls, the participants in which include the management team in charge of occupational safety and the local occupational safety managers.

Working conditions

Actions and targets in relation to own workforce S1-4 and S1-5 Metrics and targets

Annual resource allocation and investments in development related to the company's own personnel are made in connection with annual planning. Annual planning takes into account and prioritizes material potential negative impacts related to personnel and aims to reduce them while increasing positive impacts. Development measures and investments may, for example, be allocated towards occupational safety and health or equal opportunities for training and development. Human resources and adequate financial resources are both taken into consideration in resource allocation.

Work-life balance, working hours

Glaston values the work-life balance of its employees. Glaston complies with local regulations concerning working hours and offers flexible work arrangements whenever possible, taking into account the nature of the work and the applicable legislation and work instructions. To help employees maintain work-life balance, flexible work arrangements can include hybrid work, flexible working times and part-time

work. Glaston adheres, at a minimum, to the standards established by local legislation and practices with regard to parental leave and other family-friendly programs and offers parental leave and other family-friendly programs in accordance with local legislation at a minimum. These are offered to all Glaston employees on an equal basis, regardless of gender and other diversity factors.

Work-life balance has been identified as both a positive impact and a potential negative impact at Glaston. The workload varies between different roles. According to the personnel survey, some functions have a higher risk of work-related stress and mental strain. At the same time, work-life balance is perceived as a strength in certain functions. Through supervisory work, Glaston allocates support and measures to functions in which a risk has been identified, and the effectiveness of the measures is monitored by means of the annual personnel survey, for example.

Workload monitoring is included in the following HR processes. The realization of a healthy work-life balance is measured in the annual personnel survey, and the necessary measures are taken based on the results. According to the 2023 personnel survey, work-

load & health was adopted as a focus area and the aim is to improve the employees' occupational well-being and ability to cope with the demands of work. The performance dialogue (PD) process also includes questions related to workload and coping with the demands of work, and measures are taken as necessary.

Efforts are made to implement measures to address potential adverse impacts. The aim is to mitigate and, subsequently, prevent the potential adverse impacts. The aim is to allocate adequate human resources to the mitigation measures. For example, in 2024, efforts were made to identify teams and functions which involve elevated risks related to stress and workload, and to particularly allocate measures to these areas. Location-specific plans and measures to promote occupational well-being were one key measure taken in 2024. In addition, function-specific plans and regular discussions were incorporated into all team meetings and supervisor-subordinate discussions. The 2024 personnel survey was responded to by 78% of the personnel. The employee engagement rate rose to 76 from the previous year's level of 70. Team-specific and function-specific plans will be prepared during the spring of 2025.

All of Glaston's employees at the main operating locations are covered by social protection due to major life events such as illness, unemployment, occupational injury or disability, parental leave and retirement.

Health and safety

Glaston's goal is to look after the well-being and safety of its personnel. The company is committed to providing healthy and safe working conditions for all employees. Glaston complies with all applicable local health and safety laws and regulations and strives to improve health and safety performance. The company's strategic goal is zero work-related accidents, and LTIF is used as the metric. The aim is to achieve the target in 3-5 years.

Every Glaston employee and everyone working at Glaston's production plants and business locations should comply with the rules and safety instructions provided and protect themselves, their colleagues, the workplace, the community and the environment by reporting unreasonable health or safety conditions, taking preventive measures, and minimizing potential harm.

Glaston Group's Health & Safety Policy lays down goals and global guidelines for health and safety. Any

deficiencies observed with regard to occupational safety are actively addressed in accordance with Glaston's process. Adverse impacts are minimized by taking development measures and allocating resources to mitigation measures as necessary. Glaston reacts quickly to any serious deficiencies. For accidents and serious near-miss incidents, the company has a standardized operating model that aims to minimize risks. Every Glaston employee has the right to refuse work that they do not perceive to be safe. A reporting tool is available for reporting near-miss incidents.

The development and management of safety at Glaston is the responsibility of a steering group consisting of representatives of different functions and local units, which closely monitors the development of indicators that measure occupational safety. The day-to-day management and development of occupational safety is the responsibility of the company's various units, led by the local safety manager. There are nine local safety managers in the company's operating countries.

Risk assessments are carried out as part of regular plant inspections. The reported risks are analyzed and corrective measures are taken to prevent the recurrence of the risks. Fire

and evacuation drills and occupational safety training are held regularly at all of Glaston's assembly and production units. A Group-wide occupational safety week is organized annually to promote occupational safety culture. In addition to various drills and exercises, safety improvement projects are carried out at different sites and lessons are shared to promote occupational safety and health.

Occupational safety has been on the agenda throughout the year and investments have been made for increasing the personnel's occupational safety awareness. New occupational safety training materials have been created for the e-learning platform, for example. In 2024, the occupational accident frequency was 5.7 (6.3). Glaston has not identified any specific occupational diseases related to its operations.

The comprehensive well-being of employees is essential both from the perspective of the personnel and the company's performance. Glaston is committed to fostering a culture of well-being that supports the employees' physical, mental and emotional health. The company's employee benefits include physical health programs and initiatives that encourage employees to focus on their well-being.

Glaston has recognized the importance of maintaining mental health in particular. The company strives to provide employees with support and a stigma-free environment to respond to any needs related to mental health challenges, and thereby prevent and mitigate potential adverse impacts. In Finland, Germany and Switzerland, online services are available to support the maintenance of mental health and provide low-threshold opportunities to discuss challenging issues with occupational psychologists. There are plans to also introduce corresponding services at other sites.

Non-discrimination and equal treatment

Actions and targets in relation to own workforce S1-4 and Metrics and targets S1-5

Glaston's goal is to be an equal opportunity employer that values diversity. The People Policy lays down diversity, equity and inclusion (DEI) principles, according to which all Glaston employees are treated fairly and equally by both the company's management and other employees. The company wants to actively enrich diversity in terms of both gender and other individual characteristics.

Equality and diversity are supported by a sense of inclusion in the community and the fact that everyone can feel safe and express their thoughts. These are an important part of psychological safety in creating a healthy workplace environment and ensuring well-being. Going forward, Glaston aims to develop operating practices and processes in order to be even better able to dispel any unconscious prejudices and thereby mitigate any negative impacts and strengthen the positive impacts.

Glaston is committed to the principle of equal opportunities, which prohibits all forms of discrimination. Equal and non-discriminatory treatment is incorporated into all operating practices. It means equal opportunities for a mentally and physically safe workplace community, equal opportunities for training, and harmonized remuneration practices.

Coherent practices and management enable an equal and non-discriminatory work culture. Diversity, the equality of training and pay equality have been identified as material impacts and topics related to equality. Equality is key at Glaston, and no discrimination or harassment of any kind is allowed. All reported incidents of discrimination and harassment are inves-

tigated, and appropriate measures are taken as necessary. The company's target with regard to harassment is "zero incidents of harassment". This target is permanent and continuous. Two incidents were reported in 2024. The incidents were handled in accordance with the relevant process.

The aim is to increase awareness about the issue in order to mitigate potential negative impacts related to perceived inequality, for example, while simultaneously strengthening the positive impacts. One of the focus areas of the occupational safety week in 2024 was psychological safety, which is a topic that is related to equality and diversity. Content about the theme was communicated by means of training videos posted on the intranet, discussions in team meetings and by launching an online course on the subject that is available to everyone.

Diversity

Glaston's goal is to increase the diversity of the workplace community in terms of both gender and other individual diversity factors. The most significant concrete step to promote diversity in 2024 was an assessment of the current state of diversity and drawing up a DEI roadmap. The roadmap will guide development measures and target-set-

ting over the next 3–5 years. The goals include increasing the proportion of women among the personnel and management, for example. The target set in the roadmap is for the proportion of women to be 20% in the entire organization and 40% in the Executive Leadership Team by the end of 2027. The roadmap includes concrete development measures that support the realization of equality, and the company will report on these starting from 2025.

Glaston is an international workplace community with diverse jobs. The company operates in a technical field where the gender distribution is traditionally very male-dominated and an individual company has limited opportunities to influence it, but the goal is to increase diversity. In recruitment advertising, for example, the goal is gender neutrality. The proportion of women among the personnel in 2024 was 17%.

According to the personnel survey, Glaston's employees perceive the workplace community as diverse. Inclusion in the workplace community, being seen and heard, and everyone being able to feel safe and express their thoughts are important factors in ensuring well-being among Glastonians, which supports diversity.

Training and development

Glaston's goal is to encourage the personnel to develop their competence. Competent employees are critical to Glaston and it is important for the company to ensure the development of business-critical skills. The aim is to ensure competence by means of the Group-level People Deep Dive process and through performance dialogue in which development needs are reviewed at the individual level.

The People Policy outlines Glaston's commitment to the continuous development of employee competence and providing an inspiring work environment where employees can learn, develop and use their skills and abilities to improve team performance. Glaston strives to provide equal opportunities for training.

The purpose of Glaston's performance dialogue (PD) process is to ensure that all employees, teams and their supervisors have regular performance and development discussions. The aim is to have an annual performance dialogue (PD) with all Glaston employees, which includes the documentation of a personal development plan. The share of employees who have a performance dialogue is monitored yearly in connection with annual reporting. In 2024, 77% of

full-time employees participated in a performance dialogue.

The goal of the PD is to have open dialogue between the employee and the supervisor to establish a shared understanding of the requirements of the job, personal targets and performance in relation to these targets, as well as individual development needs. The performance dialogue process is one way to enable the development of the personnel's competence and increase the positive impact, as well as prevent the potential negative impact of competence falling behind the required level of competence. PDs are an important part of competence development and they also help to ensure that every Glaston employee understands what their role is and what is required of them to implement the strategy. The performance dialogue process enables bilateral feedback on working conditions and other factors that influence employee engagement and well-being.

It is the responsibility of each supervisor to ensure that they conduct regular performance dialogues with their team members in accordance with the schedule set by the company. People Deep Dive discussions are also held annually at Glaston between the senior management and the HR func-

tion. The aim is to identify personnel development needs and resources as well as capabilities for implementing the strategy.

The Group's sales training program continued in 2024. Training was also organized locally according to identified needs. All employees have access to the Glaston e-Learning Portal, which includes internal training, supervisor training and microlearning content related to interaction and recovery, for example.

At Glaston, the majority of competence development is based on interactive on-the-job learning, and actual training is a small part of the overall picture of competence development. Training hours are not collected at the Group level. Instead, competence development is examined as part of the annual PD discussions.

Remuneration

Glaston is committed to maintaining equality and ensuring equal and consistent remuneration for employees who work in similar roles, with similar responsibilities and similar experience. Glaston strives to ensure that there are no unjustified differences in remuneration between genders.

All of Glaston's personnel are within the scope of a performance bonus

system that is based on the company's financial performance. The company also hands out Glaston Award bonuses for good work performance that supports the achievement of strategic objectives.

In 2024, Glaston prepared for the entry into force of the Pay Transparency Directive, among other things.

Employee engagement

Actions and targets in relation to own workforce S1-4 and Metrics and targets S1-5

Glaston's aim is for the company to be attractive to potential employees and to have a high level of engagement among the existing employees. Engaged employees play an important role in the achievement of strategic goals.

Employee engagement was identified as a material topic through positive impact in the double materiality assessment. Past survey results indicate that Glaston's employees are highly engaged and motivated. No potential negative impacts have been identified in relation to employee engagement. Consequently, no measures have been taken in relation to this topic.

One of the Group-wide strategic goals is to increase the employee engagement rate to a level over 75 (on a scale of 1-100) over a period of 3-5 years, which is linked to the strategy period. The company conducts an annual personnel survey to measure Glastonians' engagement and thereby also assess the effectiveness of measures. The engagement rate improved from the previous year and was 76 (on a scale of 0-100).

Interaction and feedback on engagement is obtained by means of an annual survey. In 2024, the survey had a response rate of 78%. Employee engagement is a material topic in itself, but it is also an indicator and metric that reflects other personnel-related impacts. The results of the survey were at a good level across the group. Group-level measures are derived annually from the results of the survey, and the local HR functions start to implement the measures. In 2024, for example, measures related to mental well-being were taken on the basis of the survey results.

Key personnel figures

	2024	2023*)
Number of employees (FTE)	817	802
Total number of employees	878	857
Male	728	714
Female	150	143
Permanent personnel	721	-
Male	593	-
Female	128	-
Fixed term personnel	157	-
Male	135	-
Female	22	-
Full-time personnel	808	-
Male	694	-
Female	114	-
Part-time personnel	70	-
Male	34	-
Female	36	-

Employee turnover

	2024	2023*)
Average number of permanent employees	730	-
Permanent employees who left	66	-
Total employee turnover, permanent personnel, %	9.0	-
Male	9.8	-
Female	5.4	-

*Not all comparison year figures are available.

Employees by country 2024

	Germany	Finland	China	Switzerland	USA
Number of employees*)	333	220	166	65	45
Male	286	165	143	52	39
Female	47	55	23	13	6

*Countries with nearly or more than 50 employees

Collective bargaining coverage and social dialogue

Coverage Rate	Collective Bargaining Coverage		Social dialogue
	Employees - EEA	Employees - Non-EEA	Workplace representation (EEA only)
0-19%	Germany	USA, China	
20-39%			
40-59%			
60-79%			
80-100%	Finland	Switzerland	Germany, Finland

Countries with nearly or more than 50 employees

Diversity metrics

Gender distribution of top management	2024	2023
Number	Male: 3 Female: 3	Male: 6 Female: 3
Percentage	Male: 50% Female: 50%	Male: 67% Female: 33%
Age distribution of employees, %	2024	
Under 30 years old	13%	
30-50 years old	55%	
Over 50 years old	32%	

Training and Skills Development metrics

	2024
Employees who participated in regular performance and career development reviews, %	77.1%
Male	75.3%
Female	85.7%

The comparison year's figures are not available.

Health and Safety

Own workforce	2024	2023
Work-related accidents, including work-related accidents resulting in lost time	97	83
Work-related accidents resulting in lost time	9	10
Fatal work-related accidents	0	0
Occupational diseases	0	0
Occupational diseases resulting in death	0	0
Occupational accident frequency	5.7	6.3
Employees covered by an occupational health and safety system, %	100%	100%

The most typical work-related accidents are minor cuts and scratches. Work-related accidents and near misses are reported on a monthly basis in an occupational safety report. The report is delivered to the Executive Leadership Team and it is also accessible via the company's intranet.

Work-life balance

Family-related leaves	2024
Employees entitled to family leave, number	878
Employees entitled to family leave, %	100
Females on family leave, number	7
Females on family leave, %	4.7%
Males on family leave, number	29
Males on family leave, %	4.0%

The comparison year's figures are not available.

Remuneration metrics	2024
Unadjusted gender pay gap	1.5%
Total remuneration	2024
Ratio of the highest-paid person's annual total earnings to the median annual total earnings (excluding the highest-paid person)	658%

Incidents of discrimination and harassment

Number of incidents of discrimination and harassment	2024	2023
Incidents of harassment	2 cases	3 cases
Reports to national contact points	0 cases	0 cases

Based on the reported cases, the company has not paid any fines or damages.

Principles for preparing metrics

The figures on the company's own workforce include all internal employees of Glaston Group. External workers are not included in the reported figures, as there are fewer than 50 external workers in Glaston's own workforce. The number of personnel used in the calculations is based on the number at the end of the reporting period (December 31, 2024). The number of employees also includes non-active employees, such as those on family leave.

Employee turnover: Employee turnover is calculated by taking the number of employees who have left the company for any reason and dividing it by the average number of employees for the year. The turnover figure includes permanent employment relationships.

Proportion of women in management: The proportion of women in management includes women in middle management and senior management (Vice President/Senior Vice President/Chief Executive Officer).

Gender pay gap: The gender pay gap includes all employees who are in an active employment relationship. Seasonal workers and trainees are not included. The calculation is based on pay figures for November 2024.

Total pay ratio: The calculation uses the basic wages, compensations and value of fringe benefits for November 2024, and the amounts are multiplied by the number of payment months in the year. For incentives, actual amounts paid during the reporting period are used. The calculation includes all employees who are in an active employment relationship. In the calculation of the ratio between the total annual remuneration of the highest paid individual and the total annual median remuneration of employees, seasonal workers and trainees have been excluded from the calculation of the median.

Accident frequency (LTIFR): The accident frequency includes Glaston's own personnel and work-related accidents resulting in lost time of at least one day. The frequency is calculated by multiplying the number of days of lost time by one million, divided by the total number of hours worked by employees.

Employee engagement rate: The employee engagement rate is based

on the annual personnel survey. All Glaston employees have the opportunity to respond to the survey. The responses are collected using a scale of 0-3 (0= completely disagree, 3= completely agree) and an external service provider converts the responses into indexes on a scale of 0-10 (10 = all completely agree). The target Employee engagement rate over 75 corresponds to a result of 7.5/10.0 for the overall index.

Employees who participated in regular performance and career development discussions: The figure covers all employees who started before April 30, 2024, excluding trainees (Apprentice, Summer Worker and Trainee). The figure indicates how many employees have been set targets and have had a Performance Dialogue (PD) discussion by April 30, 2024.

The company's top management (S1-9_06) = Glaston's Executive Leadership Team

The metrics have not been externally verified.

S4 Consumers and end-users

Materiality, interaction with the strategy and business model

Promoting sustainability is an integral part of Glaston's business strategy. The company's technologies enable and thus improve the energy efficiency and safety of buildings. Glaston's strategy and business model are presented in section ESRS2, SBM-1. on page 51.

In the double materiality assessment, enabling the safety of consumers and end-users in the value chain was identified as a material sustainability topic to be reported from the perspective of both positive impacts and financial opportunities. Glaston develops glass processing technologies for its customers that enable them to meet stringent and regulated safety and energy efficiency requirements.

The material impacts, risks and opportunities and their interaction with the strategy and business model are also presented in the materiality description in section SBM-3, ESRS2 on page 57. The interests and views of stakeholders are presented in the table on page 54. The materiality assessment, which is based on double materiality assessment, is presented

in section IRO-1 Description of the materiality assessment.

Safety glass technologies enable the further processing of glass into various types of safety glass, and this is part of Glaston's strategy. Safety glass can be tempered or laminated or combinations of these. Safety glasses are widely used in various applications requiring additional protection and durability. Safety glass ensures both the safety of users and the durability and longevity of glass structures in various environments.

The net sales of glass tempering and laminating technologies and related services amounted to EUR 65.8 million in 2024, representing 30% of the Group's total net sales. In line with the Group's overall growth target, growth in net sales is also pursued in the tempering and laminating businesses. Glaston's products are technologically advanced and growth is sought by introducing increasingly automated, energy-efficient and material-efficient technologies to the market and investing in the service business. Research and development expenses accounted for 4% of net sales in the tempering and laminating businesses in 2024.

Material impacts and opportunities related to consumer and end-user safety.

Topic	Impacts	Risks  /	
		Opportunities 	Management
Personal safety of consumers and end-users	 Glaston's technologies enable safety in the built environment	 Glaston enables safety in the built environment	Promoting safety glass technologies is an integral part of Glaston's strategy, business and product development.

Glaston's purpose is to build a better tomorrow through safer and more energy-efficient glass solutions. Glass processed with Glaston's machinery is used in the architectural, mobility, display and solar energy industries.

Safety is essential and a built-in part of the use of glass elements in the built environment. Glaston's product development and technologies address this need in cooperation with customers.

Glaston's tempering and laminating machines produce high-quality safety glass for demanding applications that create safety for end-users in buildings. The Tempering and Laminating business lines offer a broad and tech-

nically advanced range of tempering and laminating machines, as well as maintenance, upgrade and modernization services and spare parts for glass tempering and laminating.

The safety of the glass surfaces and glass solutions of buildings is a key factor in increasing safety for their users. Buildings with glass elements place high demands on the durability properties of the glass, both in terms of large structural glass surfaces and key details such as door and railing solutions. Glaston's safety glass technology has been delivered worldwide, which means that glass processed using the company's machinery can be found all over the world. Glaston's

impact on the safety of consumers and end-users is indirect but significant, as the production of safety glass would not be possible without high-quality glass processing machinery.

Glaston's safety glass business and related product development are a significant part of the company's business and strategy, and the positive safety impacts indirectly benefit the end-users of the products of Glaston's customers. For this reason, the company does not have separate policies pertaining to consumers and end-users. The Senior Vice President, Architecture is in charge of the business.

Processes and engagement S4-2 and processes and channels to remediate negative impacts S4-3

Glaston is actively involved in the development of its industry. One of Glaston's strategic cornerstone initiatives is "Innovate with customers to win", which focuses on strengthening the company's technology leadership by integrating customer understanding with faster innovation and development work.

Glaston does not have a separate process or channel for engagement with consumers and end-users, as the

impact of the business on end-users is indirect. The company will also not create a separate process. Stakeholder engagement is discussed in section SBM-2.

Glaston does not have a separate channel for raising potential negative impacts or for consumers and end-users to raise concerns. A whistleblowing channel is available to all of Glaston's stakeholders.

Metrics S4-4 and targets S4-5

Glaston has not prepared action plans or set targets and metrics that are directly focused on consumer and end-user safety, as the impacts are indirect. Product development involves collaborative development with customers and property developers as well as the developers of safety standards. The goals are business growth, increased efficiency and new services. Glaston's positive impact on end-user safety increases indirectly through these actions. This indirect impact is assessed through the net sales of the business and investments in it through the amount of R&D expenditure.

Glaston's purpose is to build a better tomorrow through safer and more energy-efficient glass solutions. The company invests significantly in the

continuous development of its technology portfolio and R&D activities. In 2024, R&D expenses accounted for 4.7 % of net sales. The aim is to maintain R&D expenditure at the level of 2023.

Helsinki, February 27, 2025

Glaston Corporation

Board of Directors

Consolidated financial statements

Consolidated statement of profit or loss	102
Consolidated statement of comprehensive Income...	103
Consolidated statement of financial position	104
Consolidated statement of changes in equity	105
Consolidated statement of cash flows	107
Supplemental information for statement of cash flows	108

Consolidated statement of profit or loss

EUR thousand	1 January – 31 December		
	Note	2024	2023
Net sales	2.2.	217,945	219,708
Other operating income	2.3.	2,090	2,488
Changes in inventories of finished goods and work in progress	2.4.	4,551	1,599
Own work capitalized		742	604
Materials	2.4.	-93,261	-94,917
Personnel expenses	2.5.	-69,148	-69,159
Other operating expenses	2.4.	-48,599	-44,591
Depreciation, amortization and impairment	3.4.	-8,533	-7,589
Operating result		5,787	8,144
Financial income	2.8.	421	378
Financial expenses	2.8.	-2,405	-1,649
Financial items, net		-1,984	-1,272
Result before income taxes		3,803	6,872
Income taxes	2.9.	-1,325	-1,830
Profit for the period		2,478	5,042
Attributable to:			
Owners of the parent		2,478	5,042
Non-controlling interest		-	-
Earnings per share (EPS), EUR, basic and diluted	2.10.	0.029	0.060

The main calculations presented by the Group must be read together with the relevant notes.

Consolidated statement of comprehensive income

EUR thousand	1 January - 31 December	
	2024	2023
Profit for the period	2,478	5,042
Other comprehensive income that will be reclassified subsequently to profit or loss:		
Exchange differences on translating foreign operations	1,212	-257
Cash flow hedges	-1,226	343
Taxes on cash flow hedges	254	-159
Other comprehensive income that will not be reclassified subsequently to profit or loss:		
Actuarial gains and losses arising from defined benefit plans	-1,200	-129
Taxes on actuarial gains and losses arising from defined benefit plans	264	28
Other comprehensive income for the reporting period	-697	-174
Total comprehensive income for the reporting period	1,781	4,869
Attributable to:		
Owners of the parent	1,781	4,869
Non-controlling interest	-	-

The main calculations presented by the Group must be read together with the relevant notes.

Consolidated statement of financial position

EUR thousand	at 31 December			EUR thousand	at 31 December		
	Note	2024	2023		Note	2024	2023
Assets				Equity and liabilities			
Non-current assets				Equity			
Goodwill	3.1.,3.4.	58,524	58,154	Share capital	5.3.	12,696	12,696
Intangible assets	3.1.	17,073	18,906	Other restricted equity reserves	5.3.	71	71
Property, plant and equipment	3.2.	23,105	23,208	Reserve for invested unrestricted equity	5.3.	97,754	101,962
Right-of-use assets	3.3.	6,011	5,856	Treasury shares	5.3.	-228	-203
Financial assets measured at fair value through other comprehensive income	5.5.	8	8	Other unrestricted equity reserves	5.3.	-468	505
Loan and other non-current receivables	4.2.	1,393	492	Retained earnings	5.3.	-48,928	-50,453
Deferred tax assets	2.9.	2,713	1,585	Exchange difference	5.3.	5,947	4,735
Total non-current assets		108,827	108,209	Total equity		66,844	69,313
Current assets				Non-current liabilities			
Inventories	4.1.	37,022	35,827	Non-current interest-bearing liabilities	5.6.	22,935	19,930
Trade and other receivables	4.2.	19,285	18,579	Non-current lease liabilities	5.6.	4,885	5,147
Contract assets	2.2.	9,110	13,699	Non-current non interest bearing liabilities	2.7.	645	-
Cash equivalents	5.2.	12,283	20,153	Non-current provisions	4.4.	399	368
Total current assets		77,700	88,258	Deferred tax liabilities	2.9.	9,006	9,557
Total assets		186,527	196,466	Total non-current liabilities		37,869	35,002
				Current liabilities			
				Current interest-bearing liabilities	5.6.	2,039	4,039
				Current lease liabilities	5.6.	2,204	1,966
				Current provisions	4.4.	4,958	3,496
				Trade and other current interest-free payables	4.3.	70,241	81,220
				Contract liabilities	2.2.	438	424
				Liabilities for current tax	2.9.	1,933	1,007
				Total current liabilities		81,813	92,152
				Total liabilities		119,682	127,154
				Total equity and liabilities		186,527	196,466

The main calculations presented by the Group must be read together with the relevant notes.

Consolidated statement of changes in equity

EUR thousand 2024	Share capital	Other restricted equity reserves	Reserve for invested unrestricted equity	Treasury shares	Other unrestricted equity reserves	Retained earnings	Cumulative exchange difference	Total equity
Equity 1 January	12,696	71	101,962	-203	505	-50,453	4,735	69,313
Profit for the period	-	-	-	-	-	2,478	-	2,478
Other comprehensive income								
Total exchange differences on translating foreign operations	-	-	-	-	-	-	1,212	1,212
Actuarial gains and losses arising from defined benefit plans	-	-	-	-	-	-1,200	-	-1,200
Taxes on actuarial gains and losses arising from defined benefit plans	-	-	-	-	-	264	-	264
Cash flow hedges	-	-	-	-	-1,226	-	-	-1,226
Taxes on cash flow hedges	-	-	-	-	254	-	-	254
Total other comprehensive income	-	-	-	-	-972	-936	1,212	-697
Total comprehensive income for the period	-	-	-	-	-972	1,542	1,212	1,781
Acquisition of treasury shares	-	-	-	-128	-	-	-	-128
Disposal of treasury shares	-	-	-	103	-	-	-	103
Share-based incentive plan	-	-	-	-	-	-21	-	-21
Taxes on share-based incentive plan	-	-	-	-	-	14	-	14
Return of capital	-	-	-4,208	-	-	-	-	-4,208
Total transactions with the owners of the Company	-	-	-4,208	-25	-	-8	-	-4,241
Other changes	-	-	-	-	-	-9	-	-9
Equity 31 December	12,696	71	97,754	-228	-468	-48,928	5,947	66,844

The main calculations presented by the Group must be read together with the relevant notes.

Consolidated statement of changes in equity

EUR thousand 2023	Share capital	Other restricted equity reserves	Reserve for invested unrestricted equity	Treasury shares	Other unrestricted equity reserves	Retained earnings	Cumulative exchange difference	Total equity
Equity 1 January	12,696	75	105,334	-	373	-55,032	4,992	68,437
Profit for the period	-	-	-	-	-	5,042	-	5,042
Other comprehensive income								
Total exchange differences on translating foreign operations	-	-	-	-	-	-	-257	-257
Actuarial gains and losses arising from defined benefit plans	-	-	-	-	-	-129	-	-129
Taxes on actuarial gains and losses arising from defined benefit plans	-	-	-	-	-	28	-	28
Cash flow hedges	-	-	-	-	343	-	-	343
Taxes on cash flow hedges	-	-	-	-	-159	-	-	-159
Total other comprehensive income	-	-	-	-	184	-101	-257	-174
Total comprehensive income for the period	-	-	-	-	184	4,942	-257	4,869
Acquisition of treasury shares	-	-	-	-203	-	-	-	-203
Disposal of treasury shares	-	-	-	-	-	-	-	-
Share-based incentive plan	-	-	-	-	-	-182	-	-182
Taxes on share-based incentive plan	-	-	-	-	-	36	-	36
Return of capital	-	-	-3,372	-	-	-	-	-3,372
Total transactions with the owners of the Company	-	-	-3,372	-203	-	-146	-	-3,721
Other changes	-	-4	-	-	-53	-216	-	-273
Equity 31 December	12,696	71	101,962	-203	505	-50,453	4,735	69,313

The main calculations presented by the Group must be read together with the relevant notes.

Consolidated statement of cash flows

EUR thousand	1 January - 31 December	
	2024	2023
Cash flows from operating activities		
Profit for the period	2,478	5,042
Adjustments ¹⁾	13,711	11,797
Interest received	374	355
Interest paid	-1,642	-920
Interest of leasing liabilities	-410	-434
Other financing items	-352	66
Income taxes paid	-1,506	-1,140
Cash flows from operating activities before change in net working capital	12,655	14,766
Change in net working capital		
Change in inventories	-1,349	-3,878
Change in current receivables	683	-227
Change in interest-free current liabilities	-10,514	5,608
Change in net working capital, total	-11,180	1,502
Cash flows from operating activities	1,475	16,269
Cash flows from investing activities		
Other purchases of non-current assets	-4,034	-7,542
Proceeds from sale of other non-current assets	10	220
Cash flows from investing activities	-4,024	-7,322
Cash flow before financing	-2,550	8,946

EUR thousand	1 January - 31 December	
	2024	2023
Cash flows from financing activities		
Acquisition of treasury shares	-	-203
Draw-down of non-current loans	5,000	-
Repayments of non-current loans	-	-
Change in loan receivables (decrease +, increase -)	-	-
Draw-down of current loans	-	-
Repayments of current loans	-4,039	-4,039
Repayments of leasing liabilities	-2,828	-2,512
Return of capital	-4,208	-3,372
Cash flows from financing activities	-6,075	-10,126
Effect of exchange rate fluctuations	756	-892
Net increase (- decrease) in cash and cash equivalents	-7,869	-2,071
Cash and cash equivalents at beginning of period	20,153	22,224
Cash and cash equivalents at end of period	12,283	20,153
Net increase (- decrease) in cash and cash equivalents	-7,869	-2,071

¹⁾ Cash flow supplemental information

Supplemental information for statement of cash flows

EUR thousand	1 January - 31 December	
	2024	2023
Cash and bank	12,283	20,153
Total cash and cash equivalents	12,283	20,153
Cash flows from operating activities		
Adjustments		
Depreciation, amortization and impairments	8,533	7,589
Changes of provision	1,492	240
Financing items	1,984	1,272
Taxes	1,325	1,830
Others	377	866
Adjustments total	13,711	11,797

1. General accounting policies

1.1. Basic information

Glaston Corporation Plc organized under the laws of the Republic of Finland and domiciled in Helsinki, Finland. Glaston's shares are publicly traded in Nasdaq Helsinki Ltd. Small Cap. Finland. Glaston Corporation is the parent of Glaston Group and its registered office is at Lönnrotinkatu 11, 00120 Helsinki, Finland.

Glaston Group is an international glass technology company. Glaston is one of the leading manufacturers of glass processing machines globally. Its product range and service network are the most extensive in the industry. From 1 October 2023 the operations of Glaston Group are organized in two reportable segments which consists of operating segments.

The Board of Directors of Glaston Corporation has in its meeting on 27 February 2025, approved these financial statements to be published. According to the Finnish Companies' Act, the shareholders have a possibility to approve or reject or make a decision on altering the financial statements in a General Meeting to be held after the publication of the financial statements.

1.2. Basis of preparation

The financial statements have been prepared on a going concern basis

The consolidated financial statements of Glaston Group are prepared in accordance with International Financial Reporting Standards (IFRS), including International Accounting Standards (IAS) and Interpretations issued by the International Financial Reporting Interpretations Committee (SIC and IFRIC). International Financial Reporting Standards are standards and their interpretations adopted in accordance with the procedure laid down in regulation (EC) No 1606/2002 of the European Parliament and of the Council. The Notes to the Financial Statements are also in accordance with the Finnish Accounting Act and Ordinance and the Finnish Companies' Act.

The consolidated financial statements include the financial statements of Glaston Corporation and its subsidiaries. The functional and reporting currency of the parent is euro, which is also the reporting currency of the consolidated financial statements. Functional currencies of subsidiaries are determined by the

primary economic environment in which they operate.

The financial year of Glaston Group as well as of the parent and subsidiaries is the calendar year ending 31 December.

The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The figures in Glaston's consolidated financial statements are mainly presented in EUR thousands. Due to rounding differences the figures presented in tables do not necessarily add up to the totals of the tables.

1.3 Consolidation principles

The consolidated financial statements include the parent and its subsidiaries. Subsidiaries are companies in which the parent has, based on its holding, more than half of the voting rights directly or via its subsidiaries or over which it otherwise has control. The group has control over a company if, by being part of it, it is exposed to its variable return or is entitled to its variable return and it is able to influence this return by using its power over the company. In the fiscal year

2023, EAI Hedging 3 Oy has been established, which, financed by Glaston, will acquire shares in accordance with the agreement in accordance with the provisions of the Limited Liability Companies Act regarding the financing of the acquisition of own shares. These shares are used as part of Glaston's share-based incentive scheme in accordance with its terms. The legal ownership of the holding company is with Allshares Oy, but based on the agreement, Glaston actually exercises control over the arrangement and acts as the principal, while Allshares Oy acts as an agent through the holding company. This control arising from contractual features leads to the fact that the holding company is combined with the IFRS consolidated financial statements as a so-called structured community. Divested subsidiaries are included in the consolidated financial statements until the control is lost, and companies acquired during the reporting period are included from the date when the control has been transferred to Glaston. Acquisitions of subsidiaries are accounted for under the purchase method.

Other shares, i.e. shares in companies in which Glaston owns less than 20 percent of voting rights, are classified as assets recognized at fair value through other comprehensive income, or if the fair value cannot be measured reliably, at acquisition cost, and dividends received from them are recognized in profit or loss.

All inter-company transactions are eliminated as part of the consolidation process. Unrealized gains arising from transactions with associates are eliminated to the extent of the Group's interest in the entity. Unrealized losses are eliminated in the similar way as unrealized gains, but only to the extent that there is no evidence of impairment.

Transactions in Foreign Currency

In their own day-to-day accounting the Group companies translate transactions in foreign currencies into their own reporting or functional currency at the exchange rates prevailing on the dates of the transactions. At the end of the reporting period, the unsettled balances of foreign currency transactions are measured at the exchange rates prevailing at the end of the reporting period. Foreign exchange gains and losses arising from trade receivables are entered as

adjustments of net sales and foreign exchange gains and losses related to trade payables are recorded as adjustments of purchases. Foreign exchange gains and losses arising from financial items are recorded as financial income and expenses.

1.4. Estimates and assessments by Management

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the end of the reporting period and the recognized amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates.

In addition, management uses judgment in applying the accounting principles and in choosing the applicable accounting policies, if IFRS allow alternative methods.

The following items include critical accounting estimates: impairment testing of assets; estimated fair values of property, plant and equipment and intangible assets acquired in an acquisition and their estimated useful lives; useful lives of other intangible assets and property, plant and equipment;

future economic benefits arising from capitalized development cost; measurement of inventories and trade and loan receivables; recognition and measurement of deferred taxes; estimates of the amount and probability of provisions and actuarial assumptions used in defined benefit plans. The critical accounting estimates and judgments are described in more detail in the notes.

1.5. Applied New and amended IFRS standards and IFRIC interpretations

At the beginning of the financial year, no new standards or amendments to standards have entered into force that would have had a material effect on the Glaston Group's financial statements.

In addition to the standards and interpretations presented in the financial statements for 2024, the Group will adopt IFRS standards, IFRIC interpretations and changes to existing standards and interpretations that enter into effect in 2025. Management is assessing the impact of IFRS 18 Presentation and Disclosure in Financial Statements* IFRS 18 is effective for annual periods beginning on or after January 1, 2027. IFRS 18 replaces IAS 1 Presentation of Financial Statements.

* not yet endorsed for use by the European Union as of 31 December 2024

Notes to the consolidated financial statements

2. Group performance

2.1. Reporting segments	112
2.2. Revenue from contracts with customer	116
2.3. Other operating income.....	119
2.4. Materials and other operating expenses.....	120
2.5. Employee benefits and number of personnel.....	121
2.6. Share-based incentive plans	122
2.7. Pensions benefits	125
2.8. Financial income and expenses.....	129
2.9. Income taxes.....	130
2.10. Earnings per share	135

2.1. Reporting segments

Accounting policy

Glaston has two Business Areas (BA): Architecture and Mobility, Display & Solar which are the same as the operating segments and the reporting segments.

Segment assets include external trade receivables, fixed assets and inventory.

Segment liabilities include external trade payables and advance payments received.

In addition, segment assets and liabilities include business related prepayments and accruals as well as other business related receivables and liabilities. Segment assets and liabilities do not include loan receivables, prepayments and receivables related to financial items, interest-bearing liabilities, accruals and liabilities related to financial items, income and deferred tax assets and liabilities nor cash and cash equivalents.

Reporting segments

EUR thousand 2024	Architecture	Mobility, Display & Solar	Total segments	Unallocated	Total
External net sales	166,556	50,341	216,897	1,048	217,945
Internal net sales	208	180	387	-387	-
Total net sales	166,763	50,521	217,284	661	217,945
Operating result	8,265	-2,748	5,517	270	5,787
Financial items	-	-	-	-1,984	-1,984
Income taxes	-	-	-	-1,325	-1,325
Result for the reporting period	8,265	-2,748	5,517	-3,039	2,478
Segment assets	137,291	33,368	170,659	-	170,659
of which investments	3,086	1,035	4,120	-	4,120
Other assets	-	-	-	15,868	15,868
Total assets	137,291	33,368	170,659	15,868	186,527
Segment liabilities	62,960	13,351	76,311	-	76,311
Other liabilities	-	-	-	43,521	43,521
Total liabilities	62,960	13,351	76,311	43,521	119,832
Operative net working capital	47,666	18,897	66,563	516	67,079

EUR thousand 2023	Architecture	Mobility, Display & Solar	Total segments	Unallocated	Total
External net sales	175,119	43,577	218,696	1,012	219,708
Internal net sales	-	26	26	-26	-
Total net sales	175,119	43,603	218,721	986	219,708
Operating result	10,363	-2,481	7,882	261	8,144
Financial items	-	-	-	-1,272	-1,272
Income taxes	-	-	-	-1,830	-1,830
Result for the reporting period	10,363	-2,481	7,882	-2,840	5,042
Segment assets	139,222	34,371	173,593	-	173,593
of which investments	5,577	1,965	7,542	-	7,542
Other assets	-	-	-	22,874	22,874
Total assets	139,222	34,371	173,593	22,874	196,466
Segment liabilities	72,449	12,564	85,012	-	85,012
Other liabilities	-	-	-	42,141	42,141
Total liabilities	72,449	12,564	85,012	42,141	127,154
Operative net working capital	30,621	24,855	55,476	294	55,770

Non-cash income and expenses included in operating result

	2024	2023
Segment total	1,075	-567
Total non-cash expenses and income	1,075	-567

Non-cash income and expenses in 2024 included the following items: impairment losses of trade receivables EUR -0.6 million, impairment losses of inventory EUR 0.2 million, changes in provisions EUR 1.5 million.

Non-cash income and expenses in 2023 included the following items: impairment losses of trade receivables EUR -1.0 million, impairment losses of inventory EUR 0.2 million, changes in provisions EUR 0.3 million.

Personnel

Number of personnel at the end of the year by segment	2024	2023
Architecture	619	630
Mobility, Display & Solar	197	171
Total Segments	816	801
Unallocated	1	1
Total Glaston Group	817	802

Number of personnel at the end of the year by geographical location	2024	2023
Finland	211	214
Other EMEA*	374	382
Americas*	45	48
APAC*	187	158
Total	817	802

Entity-wide disclosures

Net sales by product groups	2024	2023
Goods sold	207,667	209,383
Services rendered	10,278	10,325
Total	217,945	219,708

Net sales by country by destination	2024	2023
Finland	10,997	8,695
Other EMEA*	85,856	104,724
Americas*	66,701	72,412
APAC*	54,391	33,878
Total	217,945	219,708

Assets by country	2024	2023
Finland	41,030	49,953
Other EMEA*	102,762	113,239
Americas*	16,614	13,253
APAC*	26,120	20,021
Total	186,527	196,466

*EMEA = Europe, the Middle East and Africa

*Americas = North, Central and South America

*APAC = China and the rest of the Asia-Pacific area

Glaston's revenues from any single external customer do not exceed 10 per cent of Glaston's total revenue.

2.2. Revenue from contracts with customer

Accounting policy

Net sales include the total invoicing value of products sold and services provided less discounted interest and sales tax, cash discounts and rebates. Foreign exchange differences arising from trade receivables are recognized as sales adjustments.

Revenue from the sale of goods is recognized at a specific date or within a certain period, according to when the buyer receives the goods or gains control. Normally, this takes place at the date of the delivery in accordance with the terms of delivery. Revenue from services rendered and repair work is recognized when the service has been rendered or the work has been completed. Revenue is recognized in an amount that reflects the consideration to which the entity expects to be entitled in exchange for goods delivered or services rendered.

In satisfying the terms of IFRS 15, Glaston recognizes the revenue from tailor-made glass processing machine deliveries over time. As a revenue recognition practice, Glaston applies the cost-to-cost method, i.e. the share of accumulated project costs compared to total estimated costs is used as the degree of completion. Revenue recognition takes place over time, according to when costs accumulate and are recognized for the project.

Contractual assets are recognized when project billing is lower than revenue recognized based on the progress of the project and, similarly, advances received and contractual liabilities are recognized if project billing exceeds the revenue recognized on the basis of the project.

Contractual liabilities are recognized as revenue as the project is completed. Projects subject to over time revenue recognition are, as a rule, completed in less than a year from start-up.

Estimates and assessments by Management

In satisfying the terms of IFRS 15, Glaston recognizes the revenue from tailor-made glass processing machine deliveries over time. As a revenue recognition practice, Glaston applies the cost-to-cost method, i.e. the share of accumulated project costs compared to total estimated costs is used as the degree of completion. Revenue recognition takes place over time according to when costs accumulate and are recognized for the project. Costs attributable to a project for which revenue is not yet recognized are included in inventories as construction contracts. Estimates are monitored and updated monthly and changes in revenue recognition are recognized in the same month as a forecast is changed. Forecasts are related to material and wage costs and to project overheads, which may result in a risk of a greater increase in a project's overall costs than forecast. Other risks related to the project and its profitability are unforeseen technical problems with supplied and installed equipment, which may give rise to repair costs. If project costs exceed the revenue of a project subject to over time revenue recognition, the loss is recognized for the period in which it is identified.

Revenue from contracts with customer
Classification of net sales

EUR thousand

2024	Architecture	Mobility, Display & Solar	Total segment	Unallocated	Total
External net sales	166,556	50,341	216,897	1,048	217,945
Internal net sales	208	180	387	-387	-
Total net sales	166,763	50,521	217,284	661	217,945
Revenue recognition					
Over time	119,055	32,966	152,021	-	152,021
At a point in time	47,708	17,555	65,263	661	65,924
Total net sales	166,763	50,521	217,284	661	217,945

2023	Architecture	Mobility, Display & Solar	Total segment	Unallocated	Total
External net sales	175,119	43,577	218,696	1,012	219,708
Internal net sales	-	26	26	-26	-
Total net sales	175,119	43,603	218,721	986	219,708
Revenue recognition					
Over time	127,793	20,534	148,326	-	148,326
At a point in time	47,326	23,069	70,395	986	71,382
Total net sales	175,119	43,603	218,721	986	219,708

Contract assets and liabilities

EUR thousand	31.12.2024	31.12.2023
Contract assets		
Trade receivables	14,529	11,157
Project income receivables	9,110	13,699
Contract assets total	23,639	24,855
Contract liabilities		
Advance payments	-32,411	-43,091
Project expense liabilities	-438	-424
Contract liabilities total	-32,849	-43,515
Gross contract assets/liabilities	-9,210	-18,659

	31.12.2024	31.12.2023
Transaction price allocated to performance obligations that are partially or fully unsatisfied at the end of the reporting period		
Allocated transaction price expected to be recognised as revenue	86,864	100,003

2.3. Other operating income

Accounting policy

Government or other grants are recognized in profit or loss in the same periods in which the corresponding expenses are incurred. Government grants received to acquire property, plant and equipment are reduced from the acquisition cost of the assets in question.

Government grants

2024

Glaston Switzerland AG was granted a total of EUR 51 thousand for a photovoltaic system.

2023

Glaston Finland Oy was granted a total of EUR 268 thousand from Business Finland's innovation finance.

Other operating income

EUR thousand	2024	2023
Capital gains on sale of property, plant and equipment	35	54
Rents	939	1,021
Government grants	51	268
Insurance compensation	5	3
Legal compensation	-	249
Other income	1,061	894
Other operating income total	2,090	2,488

2.4. Materials and other operating expenses

EUR thousand	2024	2023
Materials		
Materials and supplies, purchases during the period	-92,334	-97,236
Change in inventories of materials and supplies	-927	2,319
Total materials	-93,261	-94,917
Other operating expenses		
Leases	-936	-1,029
Losses on sale of property, plant and equipment	-241	-0
Subcontracting and maintenance	-8,062	-8,344
Commissions	-2,574	-1,860
Freight expenses	-4,769	-4,648
Travel expenses	-6,941	-7,082
External services, not production related	-4,269	-4,989
IT, internet and phone	-8,214	-7,789
Electricity, heating	-1,201	-1,077
Marketing expenses	-1,662	-821
Other expenses	-9,731	-6,953
Total other operating expenses	-48,599	-44,591

EUR thousand	2024	2023
Fees for professional services rendered by auditors		
Auditor KPMG		
Auditing	-327	-327
Legal statements	-77	-10
Tax advisory	-78	-49
Other services	-	-
Total	-482	-386

The auditor of Glaston Group during the financial years of 2024 and 2023 has been KPMG. KPMG Oy Ab fee from other than auditing was EUR 12 (0) thousand. Sustainability reporting assurance fee included in legal statements. Fee to other audit companies was EUR 85 (77) thousand.

EUR thousand	2024	2023
Research and development costs		
Recognized in profit or loss	-8,409	-5,429
Amortization of capitalized development costs during the reporting period	-2,164	-1,475
Total	-10,572	-6,904
As a percentage of net sales	4.9%	3.1%
Capitalized development costs during the reporting period	1,928	3,790

2.5. Employee benefits and number of personnel

EUR thousand	2024	2023
Employee benefits		
Wages and salaries	58,138	57,853
Pension expenses	4,445	5,090
Other personnel expenses	6,566	6,216
Total personnel expenses	69,148	69,159

Pension expenses

Defined benefit plans	-180	221
Total pension expenses	4,625	4,869
Total pension expenses	4,445	5,090

	2024	2023
Number of personnel		
Number of personnel, average	809	804
Personnel in Finland, end of the period	211	214
Personnel outside Finland, end of the period	606	588
Total	817	802

Information on the Group's executive leadership team's employee benefits and other related party transactions is presented in Note 7.1.

Share-based incentive plans are described in more detail in Note 2.6. to the consolidated financial statements.

Pension benefits are presented in more detail in Note 2.7. to the consolidated financial statements.

2.6. Share-based incentive plans

Accounting policy

Glaston's share-based incentive plans are directed to the Group's key personnel as part of the Group's incentive schemes.

The plans aim to align the interests of the company's shareholders and key personnel in the Group in order to raise the value of Glaston.

The expenses arising from the equity-settled share-based payment transactions have been recognized in profit or loss and in equity during the vesting periods.

Equity-settled share-based payment transactions are valued at the time of grant. Glaston has recorded the share-based incentive plans as equity-settled share-based payment transactions. The fair value of the part to be paid in shares is determined on the day the target group has accepted the terms of the arrangement. The portion of the reward paid in cash is revalued during the waiting period at each reporting time based on the share's stock exchange price at the time of review.

Share-based incentive plans

In January 2022, the Board of Directors of Glaston Corporation resolved on the share-based incentive plan 2022-2026 for the Group key employees in accordance with the terms and conditions materially corresponding to the terms and conditions of the share-based incentive plan 2019-2023. The aim of the incentive plan is to align

the objectives of the shareholders and the key employees in order to increase the value of the company in the long term, to retain the key employees at the company, and to offer them a competitive incentive plan that is based on earning and accumulating the company's shares.

The Performance Share Plan 2022-2026 comprises three per-

formance periods, calendar years 2022-2024, 2023-2025, and 2024-2026.

The Board of Directors resolves on the plan's performance criteria and on the performance levels at the beginning of each performance period. The key employees will receive the company's shares as a reward, if the performance levels of the performance criteria, set by the Board of Directors, are achieved. As a rule, no reward will be paid, if a key employee's employment or service terminates before the reward payment.

The CEO and President and each member of the Executive Leadership Team of the Company must hold 50% of the net number of shares he or she has received on the basis of the plan until the number of the company's shares he or she holds corresponds to the value of his or her gross annual base salary. Such number of shares must be held as long as such person's employment or service in a company belonging to the Group Company continues.

Performance Period 2024-2026

The potential reward of the performance period 2024-2026 will be based on the Glaston Group's comparable EBITA, Service Net Sales and EPS during the period of 1 January 2024-31 December 2026. If the performance levels of the performance criteria for the performance period 2024-2026 are achieved in full, the payable rewards correspond to a maximum total of 439,650 Glaston Corporation shares, including also the proportion to be paid in cash.

The potential reward from the performance period 2024-2026 will be paid in 2027 in a manner resolved by the Board of Directors, either partly in the company's shares and partly in cash, in which case the cash proportion is intended to cover taxes and tax-related costs arising from the reward to the key employee, or fully in cash.

The reward to be paid on the basis of the plan may be reduced if the reward cap set by the Board of Directors is reached.

In total 13 key persons belong to the target group of the plan in the performance period 2024–2026.

Performance Period 2023–2025

The potential reward of the performance period 2023–2025 will be based on the Glaston Group's comparable EBITA, Service Net Sales and EPS during the period of 1 January 2023–31 December 2025. If the performance levels of the performance criteria for the performance period 2023–2025 are achieved in full, the payable rewards correspond to a maximum total of 307,400 Glaston Corporation shares, including also the proportion to be paid in cash.

The potential reward from the performance period 2023–2025 will be paid in 2026 in a manner resolved by the Board of Directors, either partly

in the company's shares and partly in cash, in which case the cash proportion is intended to cover taxes and tax-related costs arising from the reward to the key employee, or fully in cash.

The reward to be paid on the basis of the plan may be reduced if the reward cap set by the Board of Directors is reached.

In total 11 key persons belong to the target group of the plan in the performance period 2023–2025.

Performance Period 2022–2024

The potential reward of the performance period 2022–2024 was based on the Glaston Group's comparable EBITA and Service Net Sales during the period of 1 January 2022–31 December 2024. The performance levels of the performance criteria for

the performance period 2022–2024 are achieved partly and the rewards correspond to a approximately total of 55,582 Glaston Corporation shares, including also the proportion to be paid in cash.

The potential reward from the performance period 2022–2024 will be paid in 2025 in a manner resolved by the Board of Directors, either partly in the company's shares and partly in cash, in which case the cash proportion is intended to cover taxes and tax-related costs arising from the reward to the key employee, or fully in cash.

In total 8 key persons belong to the target group of the plan in the performance period 2022–2024.

Basic information of the share-based plans	2024-2026	2023-2025	2022-2024
Grant date	29 April 2024	12 April 2023	27 January 2022
Nature of the plan	Shares/cash	Shares/cash	Shares/cash
Target group	Key personnel	Key personnel	Key personnel
Maximum amount of shares (including cash)	439.650 shares	307.400 shares	214.600 shares
Total amount of shares at the end of the performance period (including cash)	-	-	approx. 55.582 shares
Performance period begins	1 January 2024	1 January 2023	1 January 2022
Performance period ends	31 December 2026	31 December 2025	31 December 2024
End of restriction period/ payment	1 April 2027	1 April 2026	1 April 2025
Vesting conditions	Group's comparable EBITA, Service Net Sales and EPS Service period	Group's comparable EBITA, Service Net Sales and EPS Service period	Group's comparable EBITA and Service Net Sales Service period
Maximum contractual life, years	3	3	3
Remaining contractual life, years	2	1	0
Number of persons involved 31 December 2024	13	11	8

Effect on the profit or loss for the period and on financial position	2024	2023
Effect on the profit or loss for the period and on financial position	68	195

2.7. Pension benefits

Accounting policy

The Group has various pension plans in accordance with the local practices in the countries where it operates. The pension plans are classified as defined contribution plans or defined benefit plans. The payments to the schemes are determined by actuarial calculations.

The contributions to defined contribution plans are charged to profit or loss in the period to which the contributions relate.

The obligations for defined benefit plans have been calculated separately for each plan. Defined benefit liabilities or assets, which have arisen from the difference between the present value of the obligations and the fair value of plan assets, have been entered in the statement of financial position.

The defined benefit obligation is measured as the present value of the estimated future cash flows using interest rates of government securities that have maturity terms approximating the terms of related liabilities or similar long-term interests.

For the defined benefit plans, costs are assessed using the projected unit credit method. Under this method the cost is charged to profit or loss so as to spread over the service lives of employees.

According to the standard Glaston records actuarial gains and losses, return on plan assets excluding interest income and change in effect of asset ceiling in other comprehensive income. Current and past service costs, net interest on net defined benefit liability and interest expense or income on effect of asset ceiling is recorded in profit or loss. Other changes in net defined benefit liability are recognized in other comprehensive income with no subsequent recycling to profit or loss.

Estimates and assessments by Management

Calculation of defined benefit pensions and other defined long-term employee benefits requires choosing certain assumptions which actuaries use in calculation of the obligations arising from defined benefit plans. These assumptions include, among other things, discount rates used in the measurement of plan assets and liabilities as well as other actuarial assumptions such as future salary increases and mortality rate.

The Group has a defined benefit pension plan in Glaston Switzerland AG, Switzerland. The Group has also defined contribution pension plans, of which the charge to the income statement was EUR 5.0 (5.2) million.

In addition to defined benefit pensions, Glaston has no other long-term defined employee benefits in 2024 and 2023.

Pension benefits

EUR thousand	2024	2023
Amounts in the statement of financial position relating to defined benefit pension plans		
Present value of funded obligations	18,200	25,826
Fair value of plan assets	17,555	26,998
Total deficit of defined benefit pension plans	-645	1,172
Difference	-645	1,172
Amounts in the statement of financial position		
1.1. Net liability (asset +)	-	-
Liabilities	645	-
Assets	-	-1,172
Adjustment to asset ceiling	-	1,172
31.12. Net liability (asset +)	645	-

Amounts in the statement of financial position relating to other long-term employee benefits

EUR thousand	Present value of obligation	Fair value on plan assets	Total
1.1.2024	25,826	26,998	-1,172
Foreign exchange difference	-417	-437	20
Interest expense / income	462	485	-23
Current service cost	548	-	548
Past service cost	-	-	-
Employee contributions	508	508	-
Employer contributions	-	557	-557
Benefits paid	-4,474	-4,474	-
OCI: Actuarial gains (-) / losses (+)	1,785	-	1,785
Other gains (-) / losses (+) on settlement	-6,051	-5,492	-559
Other gains (-) / losses (+)	13	-	13
OCI: Return on plan assets (excluding amounts included in the net interest expense)	-	-590	590
31.12.2024	18,200	17,555	645

EUR thousand	Present value of obligation	Fair value on plan assets	Total
1.1.2023	21,536	22,225	-689
Foreign exchange difference	1,365	1,409	-44
Interest expense / income	506	524	-17
Current service cost	556	-	556
Past service cost	-19	-	-19
Employee contributions	604	604	-
Employer contributions	-	677	-677
Benefits paid	-927	-927	-
OCI: Actuarial gains (-) / losses (+)	2,193	-	2,193
Other gains (-) / losses (+) on settlement	11	-	11
OCI: Return on plan assets (excluding amounts included in the net interest expense)	-	2,486	-2,486
31.12.2023	25,826	26,998	-1,172

Plan asset classes

EUR thousand	2024	2023
Cash and cash equivalents	527	810
Equity instruments	6,751	9,449
Debt instruments	5,063	8,639
Real estate	4,336	6,750
Other	878	1,350
Total plan assets	17,555	26,998

Sensitivity analysis, defined benefit obligation

EUR thousand	Sensitivity analysis, defined benefit obligation	2024	2023
Discount rate	- 0.25%	18,871	26,692
Discount rate	+ 0.25%	17,572	25,017
Interest rate on retirement savings capital	- 0.25%	18,026	25,513
Interest rate on retirement savings capital	+ 0.25%	18,379	26,147
Salary increase	- 0.25%	18,133	25,729
Salary increase	+ 0.25%	18,272	25,923
Life expectancy	+ 1 year	18,634	26,239
Life expectancy	- 1 year	17,761	25,408

Glaston Switzerland AG is affiliated to the foundation GEMINI Sammelstiftung which pension foundation is able to adapt the contribution and benefits. In case of underfunding there is a risk for the employer to be

involved in additional payments to the foundation.

The Group expects to contribute EUR 381 thousand to its other long-term employee benefit plans in 2025.

Actuarial assumptions

	2024	2023
	Defined pension plans	Defined pension plans
Discount rate, %	0.90%	1.95%
Future salary increase, %	1.00%	1.00%
Duration in years	14.4	13.2

2.8. Financial income and expenses

EUR thousand	2024	2023
Interest income		
Interest income on deposits	421	378
Total interest income	421	378
Interest expenses		
Interest expenses on financial liabilities measured at amortized cost	-1,336	-1,341
Interest expenses on lease liabilities	-410	-434
Interest rate derivatives	283	220
Other interest expenses	-348	-60
Total interest expenses	-1,811	-1,614
Other financial expenses		
On bank fees	-262	-225
Currency derivatives forward points	-1	-1
Guarantee expenses	-72	-89
Other financial expenses	-180	-214
Total other financial expenses	-514	-529
Foreign exchange differences, net		
On financial liabilities measured at amortized cost	-	-1
On loans and receivables	-175	-132
Other foreign exchange gains and losses	95	627
Total foreign exchange differences	-80	494
Total financial income and expenses in financial items	-1,984	-1,272

EUR thousand	2024	2023
Net foreign exchange differences in operating result		
Net sales	139	655
Purchases	5	216
Other operating expenses	-54	-8
Total	90	863
Derivatives recognized in profit or loss		
Currency derivatives, hedge accounting		
Realized currency derivatives recognized in net sales	-512	-566
Currency derivatives forward points	-1	-1
Total	-513	-567

Borrowing costs were not capitalized in Glaston Group in 2024 or 2023 as Glaston has not had any qualifying assets as defined in IAS 23 Borrowing Costs.

2.9. Income taxes

Accounting policy

The consolidated financial statements include current taxes, which are based on the taxable results of the Group companies for the reporting period together with tax adjustments for previous reporting periods, calculated in accordance with the local tax rules, and the change in the deferred tax liabilities and assets.

Income taxes which relate to items recognized in other comprehensive income are recognized in other comprehensive income.

The Group's deferred tax liabilities and assets have been calculated for temporary differences, which have been obtained by comparing the carrying amount of each asset or liability item with their tax bases. Deferred tax assets are recognized for deductible temporary differences and tax losses to the extent that it is probable that taxable profit will be available, against which tax credits and deductible temporary differences can be utilized. In calculating deferred tax liabilities and assets, the tax rate used is the tax rate in force at the time of preparing the financial statements or which has been enacted by end of the reporting period.

Changes in tax rates have been taken into account when calculating deferred taxes. The corporate tax rate in Finland is 20.0 percent.

Deferred tax liability has not been recognized in 2024 or 2023 of the undistributed earnings of Finnish or foreign subsidiaries as the majority of such earnings can be transferred to the owner without any tax consequences.

Principal temporary differences arise from depreciation and amortization of property, plant and equipment and intangible assets, defined benefit plans, recognition of net assets of acquired companies at fair value, through other comprehensive income and derivative instruments at fair value, inter-company inventory profits, share-based payments and confirmed tax losses. Other temporary differences in deferred tax assets consist of expenses which were not tax deductible in the reporting period, but will be tax deductible in future. Other temporary differences in deferred tax liabilities consist of, among other things, differences between local and IFRS accounting principles, which create timing differences in recognizing revenue and expenses.

Estimates and assessments by Management

Recognition and measurement of deferred tax liabilities and assets include management estimates, especially deferred tax assets arising from confirmed tax losses of group companies or from other temporary differences. Deferred tax assets are recognized for deductible temporary differences and tax losses to the extent that it is probable that taxable profit will be available against which tax credits and deductible temporary differences can be utilized. All tax liabilities and assets are reviewed at the end of the reporting period and changes are recognized in profit or loss.

Income taxes

EUR thousand	2024	2023
Income tax charge in income statement		
Income tax of accounting period	-2,240	-1,221
Income tax of previous years	-24	70
Deferred tax charge	1,091	-671
Other	-152	-8
Total income tax charge	-1,325	-1,830
Income taxes recognized in other comprehensive income and in equity		
Deferred taxes		
Share-based incentive plan recognized in equity	14	36
Actuarial gains and losses arising from defined benefit plans	264	28
Cash flow hedge	254	-159
Total taxes recognized in other comprehensive income and in equity	531	-94

EUR thousand	2024	2023
Reconciliation of income tax expense calculated at statutory tax rates with income tax expense in the income statement		
Profit before taxes	3,803	6,872
Tax at the tax rate applicable to the parent	-761	-1,374
Difference due to different tax rates of foreign subsidiaries	-478	-454
Tax exempt income and non-deductible expenses	177	-219
Losses, where no deferred tax benefit is recognized	-1,209	-645
Deferred taxes recognized during the reporting period in respect of previous years' temporary differences	32	321
Withholding taxes and adjustments in respect of current income tax of previous periods	-194	-53
Use of losses for which deferred tax has not been recognized	465	394
Deferred tax assets recognized in respect of confirmed losses in previous years	644	200
Income taxes in the income statement	-1,325	-1,830
Effective tax rate	35%	27%

The Group companies have tax losses totalling EUR 37.4. (34.1) million, which can be applied against future taxable income. A deferred tax asset has not been recognized for all tax losses, due to the uncertainty regarding the extent to which they can be used. Tax losses expire in the period 2025-2034. Some of the losses do not have an expiration date. Over the next two years, the losses will expire by approximately EUR 1.9 million.

EUR thousand	2024	2023
Tax assets and tax liabilities		
Deferred tax assets	2,713	1,585
Assets for current tax	-	-
Deferred tax liabilities	9,006	9,557
Liabilities for current tax	1,933	1,007

Reconciliation of deferred tax assets and deferred tax liabilities 2024

Deferred tax assets	1 January	Exchange difference	Other changes	Change in income statement (- tax expense)	Recognized in equity	Recognized in other comprehensive income	31 December
Unrealized internal profits, inventory	108	-	-	-9	-	-	99
Confirmed tax losses carried forward	1,413	38	-	534	-	-	1,985
Share-based payments	-31	-	27	-	-14	-	-18
Other temporary differences	95	3	215	14	-	-	327
Currency and interest hedging	-	-	-	-	-	97	97
Lease liabilities	1,528	-	-	-10	-	-	1,518
Deferred tax netting	-1,528	-	233	-	-	-	-1,295
Deferred tax assets in statement of financial position	1,585	41	475	529	-14	97	2,713

Deferred tax liabilities	1 January	Exchange difference	Other changes	Change in income statement (+ tax expense)	Recognized in equity	Recognized in other comprehensive income	31 December
Untaxed reserves	144	-	-	15	-	-	158
Defined benefit employee benefits	94	-23	-	-	-264	-	-193
Fair value changes of financial assets	-1	-	-	1	-	-	0
PPA allocation	3,484	-	-	-313	-	-	3,171
Other temporary differences (incl. revenue recognition and capitalized development costs)	6,097	-2	120	-293	-	-	5,922
Currency and interest hedging	-	-	94	-	-	-157	-63
Right of use assets	1,266	-	-	29	-	-	1,295
Deferred tax netting	-1,528	-	243	-	-	-	-1,285
Deferred tax liabilities in statement of financial position	9,557	-25	458	-562	-264	-157	9,006

Total change in deferred taxes in income statement (- tax expense)	1,091
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Reconciliation of deferred tax assets and deferred tax liabilities 2023

	1 January	Exchange difference	Other changes	Change in income statement (- tax expense)	Recognized in equity	Recognized in other comprehensive income	31 December
Deferred tax assets							
Unrealized internal profits, inventory	114	-	-	-6	-	-	108
Confirmed tax losses carried forward	738	-	-	675	-	-	1,413
Share-based payments	6	-	-	-	-36	-	-30
Other temporary differences	1,281	-8	65	-1,245	-	2	95
Lease liabilities	1,575	-	-	-47	-	-	1,528
Deferred tax netting	-1,575	-	-	47	-	-	-1,528
Deferred tax assets in statement of financial position	2,139	-8	65	-575	-36	2	1,586

	1 January	Exchange difference	Other changes	Change in income statement (+ tax expense)	Recognized in equity	Recognized in other comprehensive income	31 December
Deferred tax liabilities							
Untaxed reserves	187	-	-40	-3	-	-	144
Defined benefit employee benefits	123	-	-	-	-28	-	94
Fair value changes of financial assets	-1	-	-	-	-	-	-1
PPA allocation	4,207	-	-	-723	-	-	3,484
Other temporary differences (incl. revenue recognition and capitalized development costs)	4,854	183	93	810	-	157	6,097
Right of use assets	1,301	-	-	-35	-	-	1,266
Deferred tax netting	-1,575	-	-	47	-	-	-1,528
Deferred tax liabilities in statement of financial position	9,096	183	53	96	-28	157	9,557

Total change in deferred taxes in income statement (- tax expense)	-671
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2.10. Earnings per share

Accounting policy

Basic earnings per share are calculated by dividing the net result attributable to owners of the parent by the weighted share-issue adjusted average number of shares outstanding during the year, excluding shares acquired by the Group and held as treasury shares. In calculating diluted earnings per share, the weighted average number of shares takes into account the dilutive effect of the share-based compensation plan.

Earnings per share

EUR thousand	2024	2023
Net profit for the year attributable to owners of the parent, EUR thousand	2,478	5,042
Number of shares		
Weighted average number of shares outstanding	84,063,463	84,217,969
Diluted weighted average number of shares outstanding	84,362,799	84,573,103
Earnings per share from net profit attributable to equity holders of the parent, EUR		
Basic and diluted EPS, Group Total	0.029	0.060

Notes to the consolidated financial statements

3. Intangible assets and property, plant and equipment

3.1. Goodwill and intangible assets	137
3.2. Property, plant and equipment	140
3.3. Right-of-use assets	143
3.4. Depreciation, amortization and impairment of assets	145

3.1. Goodwill and intangible assets

Accounting policy

An intangible asset is recognized in the statement of financial position if its cost can be measured reliably and it is probable that the expected future economic benefits attributable to the asset will flow to the Group. Intangible assets are stated at cost and amortized on a straight line basis over their estimated useful lives. Intangible assets with indefinite useful life are not amortized, but tested annually for impairment. Glaston's intangible rights include patents, trademarks, softwares.

The accounting for cloud computing arrangements depends on whether the cloud-based software classifies as a software intangible asset or a service contract. Those arrangements where the Company does not have control over the underlying software are accounted for as service contracts providing the Company with the right to access the cloud provider's application software over the contract period. The ongoing fees to obtain access to the application software, together with related configuration or customization costs incurred, are recognised under Other operating expenses when the services are received. Prepayments paid to the cloud vendor for customizing services which are not distinct are recognized over the contract period.

Acquired intangible assets recognized as assets separately from goodwill are recorded at fair value at the time of the acquisition of the subsidiary.

The estimated useful lives for intangible assets are as follows:

Computer software, patents, licenses, trademarks, product rights	3-10 years
Capitalized development expenditure	5-7 years
Other intangible assets	5-10 years

Research costs are expensed as incurred. Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products, is capitalized if the product is technically and commercially feasible and the Group has sufficient resources to complete development and to use or sell the intangible asset. Amortization of the capitalized expenditure starts when the asset is available for use. The intangible assets not yet available for use are tested annually for impairment. Research expenditure and development expenditure recognized in profit or loss are recognized in operating expenses.

Borrowing costs are capitalized as part of the acquisition cost of intangible assets if the intangible assets are qualifying assets as defined in IAS 23 Borrowing Costs. In 2024 or 2023 Glaston did not have any qualifying assets.

Goodwill represents the excess of the acquisition cost over fair value of the assets less liabilities of the acquired entity. Goodwill arising from the acquisition of foreign entities of acquisitions is treated as an asset of the foreign entity and translated at the closing exchange rates at the end of the reporting period.

Acquisitions have been recognized in accordance with IFRS 3. Purchase consideration has been allocated to intangible assets, if they have met the recognition criteria stated in IAS 38 (Intangible Assets).

In accordance with IFRS 3 Business Combinations, goodwill is not amortized. The carrying amount of goodwill is tested annually for impairment. The testing is made more frequently if there are indications of impairment of the goodwill. Any possible impairment loss is recognized immediately in profit or loss.

Glaston's goodwill has been allocated to the cash generating units of the group.

Glaston has no other intangible assets than goodwill with indefinite useful life. All intangible assets with the exception of goodwill are amortized over their useful lives.

Estimates and assessments by Management

Useful lives of intangible assets and property, plant and equipment are based on management's best estimate of the period the asset is expected to be available for use by Glaston.

Customer relationships, trademarks, product development assets and other intangible assets acquired in a business combination are measured at fair value at the acquisition date and subsequently amortized over their estimated useful lives.

The actual useful life can, however, differ from the expected useful life resulting in adjustment of annual depreciation or amortization of the asset or in recording of impairment loss.

Glaston capitalizes development costs of new products. In addition to other capitalization criteria, management has to estimate the future economic benefits arising from the development cost. If management estimates that there will not be future economic benefits, the development cost is recognized in profit or loss. Whether a development cost is capitalized or recognized immediately in profit or loss can have an effect on the result of the reporting period. At the end of the reporting period of 2024, Glaston had EUR 9.5 (9.8) million of capitalized development expenditure and related advance payments of the development expenditure on its statement of financial position.

Intangible assets

EUR thousand	Capitalized development expenditure	Intangible rights	Customer relations	Goodwill	Advances paid	Total
2024						
Acquisition cost at beginning of year	31,954	17,203	11,400	51,894	3,409	115,859
Other increases	540	159	-	-	1,721	2,420
Decreases	-132	-1,184	-	-	-	-1,316
Reclassifications and other changes	3,082	297	-	-	-3,380	-0
Exchange differences	-10	-66	-	370	-1	293
Acquisition cost at end of year	35,434	16,408	11,400	52,263	1,749	117,255
Accumulated amortization and impairment at beginning of year	-25,269	-14,375	-5,415	6,260	-	-38,799
Accumulated amortization relating to decreases and transfers	132	969	-	-	-	1,101
Amortization during the reporting period	-2,164	-697	-1,140	-	-	-4,001
Exchange differences	-29	68	-	-	-	40
Accumulated amortization and impairment at end of year	-27,330	-14,034	-6,555	6,260	-	-41,659
Carrying amount at end of year	8,105	2,374	4,845	58,524	1,749	75,596
2023						
Acquisition cost at beginning of year	27,336	16,056	11,400	52,402	4,756	111,950
Other increases	721	134	-	-	3,942	4,797
Decreases	-	-476	-	-	-110	-586
Reclassifications and other changes	3,854	1,208	-	-	-5,087	-25
Exchange differences	42	282	-	-508	-92	-276
Acquisition cost at end of year	31,954	17,203	11,400	51,894	3,409	115,859
Accumulated amortization and impairment at beginning of year	-23,806	-13,994	-4,275	6,260	-	-35,815
Accumulated amortization relating to decreases and transfers	-	476	-	-	-	476
Amortization during the reporting period	-1,475	-597	-1,140	-	-	-3,211
Exchange differences	11	-260	-	-	-	-249
Accumulated amortization and impairment at end of year	-25,269	-14,375	-5,415	6,260	-	-38,799
Carrying amount at end of year	6,685	2,828	5,985	58,154	3,409	77,060

3.2 Property, plant and equipment

Accounting policy

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. The cost of self-constructed assets includes the cost of materials, direct labor and an appropriate proportion of production overheads. When an asset consists of major components with different useful lives, they are accounted for as separate items. Assets from acquisition of a subsidiary are stated at their fair values at the date of the acquisition.

Depreciation is recorded on a straight-line basis over expected useful lives. Land is not depreciated since it is deemed to have indefinite useful life.

Useful lives according to Group accounting policy are as follows:

Buildings and structures	25-40 years
Heavy machinery	10-15 years
Other machinery and equipment	3-5 years
IT equipment	3-10 years
Other tangible assets	5-10 years

The buildings include the investment property which is part of the plant situated in Tianjin China. This is reported as investment property and has been leased since 2016 under a 10-year agreement.

Gain on the sale of property, plant and equipment is included in other operating income and loss in operating expenses.

The costs of major inspections or the overhaul of property, plant and equipment items, that occur at regular intervals and are identified as separate components, are capitalized and depreciated over their useful lives. Ordinary maintenance and repair charges are expensed as incurred.

Borrowing costs are capitalized as part of the acquisition cost of intangible assets if the intangible assets are qualifying assets as defined in IAS 23 Borrowing Costs. In 2024 or 2023 Glaston did not have any qualifying assets.

Glaston has given liens on chattel as security for liabilities. These are presented in Note 5.8. At the end of 2024 and 2023 Glaston did not have any pledged property, plant and equipment or intangible assets as security for liabilities.

At the end of 2024 and 2023 Glaston did not have contractual commitments for the acquisition of property, plant and equipment.

In 2024 or 2023, Glaston did not receive any material third party compensation for items of property, plant

and equipment that were impaired, lost or given up.

Glaston China has reported the expansion of its factory as investment property. In 2016 the expansion part was leased out to a third party for a period of ten years. Rental income in

2024 was EUR 0.3 million. Costs related to the investment property were EUR 0.2 million.

Property, plant and equipment	Land and water areas	Buildings and constructions	Investment property	Machinery and equipment	Other tangible assets	Advances paid and assets under construction	Total property, plant and equipment	Right-of-use assets	Total property, plant and equipment and right-of-use assets
EUR thousand 2024									
Acquisition cost at beginning of year	6,708	30,016	2,591	19,557	1,377	1,901	62,150	21,775	83,925
Other increases	-	5	-	425	36	1,235	1,700	2,051	3,751
Decreases	-	-	-	-930	-117	-	-1,047	-	-1,047
Reclassifications and other changes	-	-0	-	1,744	-	-1,744	-0	854	854
Exchange differences	-	-40	91	1	16	-	68	-	68
Acquisition cost at end of year	6,708	29,981	2,682	20,797	1,312	1,392	62,871	24,680	87,552
Accumulated depreciation and impairment at beginning of year	-	-20,619	-1,050	-16,578	-695	-	-38,942	-15,920	-54,861
Accumulated depreciation relating to decreases and transfers	-	-	-	904	117	-	1,021	-	1,021
Depreciation during the reporting period	-	-702	-136	-769	-209	-	-1,815	-2,722	-4,538
Reclassifications and other changes	-	-46	-	-	46	-	0	-	0
Exchange differences	-	20	-41	5	-14	-	-30	-28	-57
Accumulated depreciation and impairment at end of year	-	-21,347	-1,226	-16,438	-755	-	-39,766	-18,669	-58,436
Carrying amount at end of year	6,708	8,634	1,456	4,359	557	1,392	23,105	6,011	29,116

Property, plant and equipment									
EUR thousand	Land and	Buildings and	Investment	Machinery	Other tangible	Advances	Total	Right-of-	Total property,
2023	water	constructions	property	and	assets	paid and	property,	use assets	plant and
	areas			equipment		assets under	plant and		equipment and
						construction	equipment		right-of-use
									assets
Acquisition cost at beginning of year	6,708	28,879	2,764	19,312	1,187	789	59,639	19,651	79,290
Other increases	-	474	-	631	-	1,641	2,745	1,786	4,532
Decreases	-	-	-	-435	-113	-138	-685	-	-685
Reclassifications and other changes	-	306	-	-69	319	-391	165	338	503
Exchange differences	-	358	-173	117	-16	-	285	-	285
Acquisition cost at end of year	6,708	30,016	2,591	19,557	1,377	1,901	62,150	21,775	83,925
Accumulated depreciation and impairment at beginning of year	-	-19,485	-976	-15,911	-647	-	-37,019	-13,420	-50,439
Accumulated depreciation relating to decreases and transfers	-	-	-	407	113	-	520	-	520
Depreciation during the reporting period	-	-726	-138	-858	-210	-	-1,933	-2,499	-4,432
Reclassifications and other changes	-	-92	-	-110	37	-	-165	-	-165
Exchange differences	-	-316	65	-106	13	-	-345	-	-345
Accumulated depreciation and impairment at end of year	-	-20,619	-1,050	-16,578	-695	-	-38,942	-15,920	-54,861
Carrying amount at end of year	6,708	9,398	1,541	2,979	681	1,901	23,208	5,856	29,063

Carrying amount of machinery and equipment used in production 31 December, 2024

3,292

Carrying amount of machinery and equipment used in production 31 December, 2023

2,331

3.3. Right-of-use assets

Accounting policy

All leases are recognized in the lessee's statement of financial position. The lessee recognizes in the statement of financial position a right-of-use asset item, based on its right to use the asset, and a lease liability item corresponding to the present value of the asset, based on the obligation to make the lease payments. Glaston adopts the exemptions permitted by IFRS 16 for leases of 12 months or less and for assets of low value and continues to treat them as other leases, and their costs are recognized as an expense on a straight-line basis.

Under IFRS 16 Leases, the amount of the right-of-use asset and the liability is calculated by discounting future lease payments based on the agreement. At the inception of the lease agreement, a lease liability is recognized, which is determined as the present value of the rental payables. The discount rate will primarily be the interest rate implicit in the lease, if available. In leases where the implicit interest rate is not specified, the discount rate used is the lessee's incremental borrowing rate, the components of which are the currency-specific reference rate, the interest margin and any country or currency risk premium. For leases valid until further notice, an estimate is made of the length of the lease.

Leases in the balance sheet

EUR thousand

Right-of-use assets	Buildings	Vehicles	Others	Total
Carrying amount at 1 January 2024	4,147	1,599	110	5,856
Foreign exchange differences	-53	-20	45	-28
Additions	2,025	668	212	2,905
Decrease	-	-	-	-
Depreciation expense	-1,700	-914	-108	-2,722
Carrying amount at 31 December 2024	4,420	1,333	259	6,011
Carrying amount at 1 January 2023	4,922	893	421	6,235
Foreign exchange differences	-3	5	-8	-6
Additions	618	1,507	55	2,181
Decrease	-	-57	-	-57
Depreciation expense	-1,391	-750	-358	-2,499
Carrying amount at 31 December 2023	4,147	1,599	110	5,856

EUR thousand

Lease liabilities	2024	2023
Carrying amount at beginning of the period	7,113	7,566
Foreign exchange differences	-70	-
Additions	2,874	2,058
Interest expense	410	434
Rental payment	-3,237	-2,945
Carrying amount at end of the period	7,089	7,113

Average incremental borrowing rate applied at the date of initial application was 4.46% for all lease liabilities valid at the end of 2024.

Maturity of lease liabilities is shown in note 5.6.

Leases in profit and loss statement

EUR thousand	2024	2023
Depreciation of right-of-use assets	-2,711	-2,488
Interest expense on lease liabilities	-410	-434
Low value lease expense	-356	-188
Short-term lease expense	-199	-359
Total amounts recognised in profit or loss	-3,675	-3,469

3.4. Depreciation, amortization and impairment of assets

Accounting policy

Intangible and tangible assets are stated at cost and amortized on a straight line basis over their estimated useful lives. Intangible assets with indefinite useful life are not amortized, but tested annually for impairment. Estimated useful lives for intangible assets are as follows: computer software, patents, licenses, trademarks, product rights 3-10 years, Capitalized development expenditure 5-7 years, Other intangible assets 5-10 years. Depreciation is recorded on a straight-line basis over expected useful lives. Land is not depreciated since it is deemed to have indefinite useful life. Estimated useful lives are as follows: Buildings and structures 25-40 years, Heavy machinery 10-15 years, Other machinery and equipment 3-5 years, IT equipment 3-10 years, Other tangible assets 5-10 years.

Annual impairment tests for goodwill are performed during the fourth quarter of the year. If there is, however, an indication of impairment of goodwill, the impairment tests for goodwill are performed earlier during the financial year. Tangible and intangible assets of the Group are evaluated at the end of each reporting period or at any other time, if events or circumstances indicate that the value of an asset has been impaired.

If there are indications of impairment, the asset's recoverable amount is estimated, based on the higher of an asset's fair value less costs to sell and value in use. An impairment loss is recognized in profit or loss whenever the

carrying amount of an asset or cash generating unit exceeds its recoverable amount. If subsequently recording the impairment loss a positive change has occurred in the estimates of the recoverable amount, the impairment loss made in prior years is reversed no more than up to the value which would have been determined for the asset, net of amortization or depreciation, had not impairment loss been recognized in prior years. For goodwill, a recognized impairment loss is not reversed.

Cash flow projections have been calculated on the basis of reasonable and supportable assumptions. These are based on the most recent financial plans and forecasts that have been approved by the management. Estimated cash flows are used for a maximum of five years. Cash flow projections beyond the period covered by the most recent plans and forecasts are estimated by extrapolating the projections.

The discount rate used in arriving at the recoverable amount is the pre-tax weighted average cost of capital, which reflects the current market assessment of time as well as value of money and of risks related to the assets and the countries of operation. Also the industry's median capital structure has been taken into account in determining the discount rate as well as Glaston's cost of debt.

Estimates and assessments by Management

The most significant management estimates relate to impairment tests, which require use of estimates in the calculations. In impairment testing management estimates recoverable amount of an asset or a cash generating unit. Recoverable amount is the higher of fair value less costs to sell and value in use. When calculating value in use, management estimates the future cash flows as well as the discount rates used in discounting the cash flows. Discount rates reflect current market assessments of the time value of money at the time of impairment testing and the risks related to the tested assets. Estimated cash flows include assumptions of, among other things, future prices, production levels, costs and development of the markets. Impairment loss is recorded if the carrying amount exceeds the recoverable amount.

EUR thousand	2024	2023
Depreciation and amortization		
Intangible assets		
Intangible rights	1,837	1,737
Capitalized development expenditure	2,164	1,475
Property, plant and equipment		
Buildings and constructions	2,529	2,259
Machinery and equipment	1,788	1,952
Other tangible assets	209	210
Total depreciation and amortization	8,527	7,632
Impairment losses		
Intangible assets		
Capitalized development expenditure	-	-
Property, plant and equipment		
Machinery and equipment	6	-44
Total impairment losses	6	-44
Total depreciation, amortization and impairment	8,533	7,589

Impairment of assets

The most significant assumptions used in value in use calculations in 2024

	Architecture	Mobility, Display and Solar
Pre-tax discount rate	14.1%	14.5%
Long-term growth rate	1.0%	1.0%

The most significant assumptions used in value in use calculations in 2023

	Architecture	Mobility, Display and Solar
Pre-tax discount rate	11.8%	13.4%
Long-term growth rate	1.0%	1.0%

Impairment testing of goodwill

Goodwill

EUR million

Cash generating unit	1 January, 2024	31 December 2024
Architecture	49.4	49.7
Mobility, Display & Solar	8.7	8.8
Total goodwill	58.2	58.5

Sensitivity analysis

The recoverable amounts used in impairment testing are subject to change if the assumption used in calculation of the recoverable amounts changes.

The recoverable amounts of these cash generating units exceed their carrying amounts by 45 per cent in the Architecture business and by 24 per cent in the Mobility, Display & Solar business.

A change in an assumption which, other things being equal, would cause the recoverable amount to equal the carrying amount:

Post-tax discount rate	Value assigned to the assumption	Value Change
Architecture	10.7%	15.2%
Mobility, Display & Solar	12.0%	14.8%

Long-term growth rate	Value assigned to the assumption	Value Change
Architecture	1.0%	-6.8%
Mobility, Display & Solar	1.0%	-3.6%

The costs of Architecture business are estimated to be 89 per cent of the estimated net sales during the testing period. Should the costs be 3 percentage points higher, the recoverable amount, other things being equal, would equal the carrying amount.

The costs of Mobility, Display & Solar business are estimated to be 91 per cent of the estimated net sales during the testing period. Should the costs be 1 percentage points higher, the recoverable amount, other things being equal, would equal the carrying amount.

Notes to the consolidated financial statements

4. Net working capital

4.1. Inventories	150
4.2. Trade and other receivables	151
4.3. Trade payables and other interest-free liabilities	154
4.4. Provisions	155

4.1. Inventories

Accounting policy

Inventories are reported at the lower of cost and net realizable value. Cost is determined on a first in first out (FIFO) basis, or alternatively, weighted average cost. Net realizable value is the amount which can be realized from the sale of the asset in the normal course of business, after allowing for the estimated costs of completion and the costs necessary to make the sale.

The cost of finished goods and work in process includes materials, direct labor, other direct costs and a systematically allocated appropriate share of variable and fixed production overheads. As Glaston's machine projects are usually not considered to be qualifying assets as defined in IAS 23, borrowing costs are not included in the cost of inventory in normal machine projects.

Used machines included in the inventory are measured individually so that the carrying amount of a used machine does not exceed the amount that is expected to be received from the sale of the machine. In this measurement the costs arising from converting the used machine back to saleable condition are taken into account.

Prototypes of new machines included in inventory are measured at the lower of cost and net realizable value.

Estimates and assessments by Management

Measurement of inventories includes some management estimates. Inventories are measured at lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Net realizable value is used in testing the recoverable amount of inventories in order to avoid the inventories being carried in excess of amount expected to be realized from their sale or use.

EUR thousand	2024	2023
Inventories		
Materials and supplies	20,847	21,733
Work in process	11,665	9,323
Finished goods	4,463	4,205
Advances paid	47	566
Total inventories	37,022	35,827
Impairment losses of inventory during the period	-111	-201
Reversals of impairment losses of inventory during the period	339	361
Total	228	160

4.2. Trade and other receivables

Accounting policy

In measuring expected credit losses from trade receivables, Glaston applies the IFRS 9 simplified approach, which uses a lifetime expected loss allowance to be assessed and recognized regularly. These impairment losses are recognized in profit or loss. If the impairment loss recognized in the allowance account becomes final, trade receivables are decreased with the amount of the impairment loss and allowance account is adjusted respectively.

The counterparties of trade receivables do not normally have external credit rating. The credit quality of these receivables is assessed based on assessment of the impairment of financial assets based on expected credit losses and on the payment history of the customers and third party credit reports.

Trade receivables past due are analyzed on company level, in reporting unit level and individually. If the days past due exceed the time limits set in the Group's credit policy, an impairment loss is recognized of the trade receivable. The estimate made for doubtful receivables is based on a review of all trade receivables outstanding on the reporting date as well as on an assessment of the impairment of financial assets based on expected credit losses.

If the counterparty of a trade receivables is insolvent, the trade receivable is individually determined to be impaired even though the trade receivables were not past due. Otherwise the trade receivables not past due are not determined to be impaired.

A finance lease receivable has been recognized when Glaston has leased machinery and equipment for production use, which have been treated as finance leases. The present value of the rental income from the leased machine, discounted at the market interest rate at the time of sale, is recorded as sales revenue. The lessor's leases are subdivided into finance leases and other leases.

Estimates and assessments by Management

Measurement of trade and other receivables includes some management estimates. If management estimates that the carrying amount of a trade or loan receivable exceeds its fair value, an impairment loss is recognized. For example, payment defaults or late payments are considered as indications of impairment of the receivable.

Trade and other receivables

EUR thousand	2024	2023
Receivables		
Trade receivables	13,431	11,061
Trade receivables, falling due after 12 months ⁽¹⁾	1,097	96
Total trade receivables	14,529	11,157
Finance leasing receivables	100	97
Finance leasing receivables, falling due after 12 months ⁽¹⁾	176	276
Prepaid expenses and accrued income	2,116	2,144
Prepaid expenses and accrued income, ⁽¹⁾ falling due after 12 months	120	119
Other receivables	3,637	5,278
Other receivables, falling due after 12 months ⁽¹⁾	-	-
Current loan receivables	-	-
Total receivables	20,678	19,071

⁽¹⁾ In non-current assets

Prepaid expenses and accrued income consist mainly of accruals of financial items, fair values of derivative instruments, accruals related to sales, accruals related to insurances and other accruals.

Prepaid expenses and accrued income related to derivative instruments are disclosed in more detail in Note 5.7.

Ageing analysis of trade receivables at 31 December

	Carrying amount of trade receivables after recognizing allowance account	Not past due	Past due			
			< 30 days	31-180 days	181-360 days	> 360 days
2024	14,529	10,759	2,113	1,429	185	42
2023	11,157	7,706	1,875	1,489	95	-8

Impairment losses of trade receivables and changes in allowance account of trade receivables

EUR thousand	
Allowance account 1 January, 2023	1,151
Exchange difference	195
Charge for the year	1,457
Utilized	-591
Unused amounts reversed	-442
Allowance account 31 December, 2023	1,770
Exchange difference	136
Charge for the year	1,420
Utilized	-289
Unused amounts reversed	-837
Allowance account 31 December, 2024	2,200

Impairment losses of trade receivables recognized in profit or loss, net (- income)

2024	615
2023	1,000

Finance lease receivables

EUR thousand	2024		2023	
	Minimum lease receivables	Unearned finance income	Minimum lease receivables	Unearned finance income
Finance lease receivables are due as follows				
No later than 1 year	100	10	97	14
Later than 1 year and no later than 5 years	176	11	276	21
Later than 5 years	-	-	-	-
Total finance lease receivables	276	21	373	34
Present value of minimum lease receivables	303		398	

Operating leases as a lessor

Glaston has some other operating lease agreements where the Group acts as lessor. In Finland and China, premises adjacent to the factory are leased to external parties. The minimum payments for these non-cancellable lease agreements are shown in the table below.

	2024	2023
Minimum future payments of operating leases		
Maturity within 1 year	558	876
Maturity later than 1 year and not later than 5 years	81	926
Maturity later than 5 years	-	-
Total minimum future payments of operating leases	639	1,802

4.3. Trade payables and other interest-free liabilities

Current interest-free liabilities

EUR thousand	2024	2023
Trade payables	21,100	20,918
Advances received	32,411	43,091
Accrued expenses and deferred income	13,691	14,692
Other current interest-free liabilities	3,039	2,520
Total current interest-free liabilities	70,241	81,220

Accruals mainly consist of cost accruals for machinery deliveries, accrued personnel expenses, accruals related to net sales and purchases, accruals of interests and other accruals.

4.4. Provisions

Accounting policy

A provision is recognized when as a consequence of some previous event there has arisen a legal or constructive obligation, and it is probable that this will cause future expenses and the amount of the obligation can be evaluated reliably.

A restructuring provision is booked only when a detailed and fully compliant plan has been prepared for it and implementation of the plan has been started or notification of it has been made known to those whom the arrangement concerns. The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the time value of money is material, provisions are discounted.

A provision for warranties is recognized when the underlying products are sold. The provision is estimated on the basis of historical warranty expense data. Warranty provision is presented as non-current or current provision depending on the length of the warranty period.

The amount and probability of provision requires management to make estimates and assumptions. Actual results may differ from these estimates.

Estimates and assessments by Management

If Glaston's management has assessed that as a result of a past event Glaston has a legal or constructive obligation, and that it is probable, that an outflow of resources will be required to settle the obligation, the management has estimated the amount of provision recognized from the obligation. The amount of the provision is the management's best estimate of the amount required to settle the obligation at the end of the reporting period. The management's estimate of the warranty provision is based on previous experience. The estimate of the restructuring provision is based on the restructuring plan in which the locations and personnel concerned have been identified. If possible, external experts have been used in estimating the amount of the provision.

Non-current provisions

EUR thousand

	Warranty provision	Other provisions	Total
2024			
Carrying amount 1 January	244	124	368
Reclassification	-214	-	-214
Increase in provisions	536	-	536
Provisions released during the period	-280	-12	-291
Carrying amount 31 December	287	112	399
2023			
Carrying amount 1 January	296	131	427
Reclassification	-212	-	-212
Increase in provisions	270	20	290
Provisions released during the period	-109	-28	-138
Carrying amount 31 December	244	124	368

Warranty provisions

Glaston grants to its machine deliveries a guarantee period of 1 to 2 years. During the guarantee period Glaston repairs the defects, if any, of the machines and carries the costs of the repairing. The warranty provisions are expected to be realized within the next two years.

Restructuring provisions

Glaston has recorded restructuring provisions for rationalization measures by closing production units or reducing activities at the units. Restructuring provisions only include expenses that are necessarily entailed by the restructuring, and which are not associated with the on-going activities.

Current provisions

	Warranty provision	Restructuring provision	Other provisions	Total
2024				
Carrying amount 1 January	3,072	280	144	3,496
Exchange difference	46	-22	1	25
Reclassification	-55	-	-	-55
Increase in provisions	3,236	1,200	20	4,456
Provisions used during the period	-1,599	-393	-84	-2,077
Provisions released during the period	-887	-	-	-887
Carrying amount 31 December	3,813	1,065	80	4,958
2023				
Carrying amount 1 January	2,930	124	142	3,196
Exchange difference	-47	17	6	-25
Reclassification	108	-5	-	103
Increase in provisions	2,459	293	40	2,792
Provisions used during the period	-1,532	-149	-44	-1,725
Provisions released during the period	-844	-	-	-844
Carrying amount 31 December	3,072	280	144	3,496

Reclassification refers to a transfer from long-term to short-term or change in classification

The restructuring provision includes, but is not limited to, estimated provisions for employee benefits related to personnel whose employment has been terminated. For some of the provisions it is not possible to estimate timing of the outflow of economic benefits, for example due to that the timing of such outflows are dependent

on the actions of an external party.

Other provisions

Other provisions include, among other things, litigation provisions and provisions for costs, for which third party compensation has not yet been recognized.

Notes to the consolidated financial statements

5. Capital structure and financial instruments

5.1. Management of capital	158
5.2. Cash and cash equivalents	159
5.3. Equity	160
5.4. Management of financial risks	162
5.5. Financial assets and liabilities by category.....	166
5.6. Borrowings and lease liabilities	171
5.7. Derivative instruments	172
5.8. Contingencies	174

5.1. Management of capital

The objective for management of capital is to secure the continuation of operations at all times and to maintain appropriate capital structure. In the capital management planning process, both current and future needs of the business are taken into consideration together with securing flexibility and competitive pricing of financing.

The primary measure for the Group's capital structure is net gearing. It is calculated as the ratio between net interest-bearing debt to equity. The Group's equity ratio is also used as a measure for the capital structure. It is calculated as the ratio between equity to the total assets adjusted with advance payments received. Additionally, the Group's liquid funds are monitored regularly.

The Group's loan agreements include covenants and other terms and conditions which are linked to consolidated key figures. If the covenant terms are not fulfilled, negotiations with the lenders will be initiated. These negotiations may lead to notice of termination of financial agreements. The covenants in use are net interest-bearing debt to equity (net gearing ratio) and net interest-bearing debt to EBITDA (leverage). Group treasury is responsible for monitoring the covenants and reports the situation regularly to management and the Board of Directors of Glaston Corporation. All covenant terms during the financial year have been met.

EUR thousand	2024	2023
Interest-bearing net debt		
Non-current interest-bearing liabilities	27,820	25,077
Current interest-bearing liabilities	4,243	6,005
Cash and cash equivalents	-12,283	-20,153
Total	19,779	10,929
Equity		
Attributable to owners of the parent	66,844	69,313
Total	66,844	69,313
Total assets	186,527	196,466
Advances received	-32,411	-43,091
Total	154,116	153,375
Equity ratio, %	43.4%	45.2%
Net gearing, %	29.6%	15.8%

The consolidated equity and thus the capital structure is decreased by dividends and return of capital paid and acquisition of Glaston Corporation's own shares. The equity can be increased by disposal of own shares and share issues. Equity is also affected by the result for the reporting period, as well as by changes in fair value reserve and exchange differences included in equity.

5.2. Cash and cash equivalents

Accounting policy

Cash and cash equivalents comprise cash and other financial assets. Other financial assets are highly liquid investments with remaining maturities at the date of acquisition of three months or less. Bank overdrafts are included in current interest-bearing liabilities.

EUR thousand	2024	2023
Cash and bank	12,283	20,153
Total cash and cash equivalents	12,283	20,153

5.3. Equity

Accounting policy

Other restricted equity reserves

Other restricted equity funds include restricted capital not included in the share capital of subsidiaries.

Other unrestricted equity reserves

Other unrestricted equity reserve includes changes in the fair values of investments measured at fair value through other comprehensive income and changes in the fair value of instruments used in cash flow hedging if the hedge is effective and meets the criteria of hedge accounting requirements

Reserve for invested unrestricted equity

The invested unrestricted equity fund includes equity investments and shares subscription price

Treasury shares

Treasury shares acquired by the company and the related costs are presented as a deduction of equity. Gain or loss on surrender of treasury shares are recorded in reserve for invested unrestricted equity net of tax.

Exchange difference

In the consolidated financial statements, statements of profit or loss, statements of comprehensive income and statements of cash flows of foreign

subsidiaries have been translated into euros using the average exchange rates of the reporting period and the statements of financial positions have been translated using the closing exchange rates at the end of the reporting period.

Exchange difference arising from translating the statements of profit or loss, statements of comprehensive income and statements of financial position using the different exchange rates is recognized as other comprehensive income and included in retained earnings in equity. Exchange differences arising from the translation of the net investments in foreign subsidiaries and associates in non-euro-area are also recognized in other comprehensive income and included in equity as cumulative exchange difference.

On the disposal of all or part of a foreign subsidiary or an associate, the cumulative amount or proportionate share of the exchange difference is reclassified from equity to profit or loss as a reclassification item in the same period in which the gain or loss on disposal is recognized.

Dividends and return of capital

Dividends or return of capital proposed by the Board of Directors are not recorded in the financial statements until they have been approved by the shareholders at the Annual General Meeting.

Share capital and number of shares

Shares and Voting Rights

Glaston Corporation has one class of shares. The number of outstanding shares is 84,289,911 and each share carries one vote at general meetings of shareholders. There are no limitations to transfer the shares. On December 31, 2024, Glaston Corporation's share capital amounted to EUR 12,696,000. The share has no nominal value. The share's counter book value is EUR 0.15 per share. Glaston's shares are registered in the book-entry securities system maintained by Euroclear Finland Ltd. The shares are subject to the redemption clause of the Articles of association.

Number of shares and treasury shares	2024	2023
Number of shares (registered)		
Number of shares 1 January	84,289,911	84,289,911
Number of shares 31 December	84,289,911	84,289,911
Treasury shares		
Treasury shares	233,865	250,000
Number of shares excluding treasury shares 31 December	84,056,046	84,039,911

The company has an agreement with an external service provider for the management of key personnel's share-based incentive scheme and the acquisition of shares. On 31 December 2024, there were 233,865 shares on the balance sheet. These shares are the property of EAI Hedging 3 Oy until the shares are handed over to the participants within the incentive systems.

The legal ownership of EAI Hedging 3 Oy is with an external service provider, but based on the agreement, Glaston Oyj Abp actually exercises control over the arrangement, which is why the holding company is combined with the IFRS consolidated financial statements as a structured community.

Equity attributable to owners of the parent per share	2024	2023
Equity attributable to owners of the parent, EUR thousand	66,844	69,313
Number of shares excluding treasury shares	84,056,046	84,039,911
Equity attributable to owners of the parent per share, EUR	0.80	0.82
Distribution of profit		
Return of capital per share, EUR ⁽¹⁾	0.055	0.05

¹⁾ The Board of Directors proposes to the AGM a reverse share split (2:1) and a capital repayment of EUR 0.055 per current share (or EUR 0.11 per share calculated on the number of outstanding shares after the execution of the proposed reverse split). If the Annual General Meeting would not approve the proposed reverse share split, the return of capital to be paid shall be rounded down to EUR 0.05 per share.

5.4. Management of financial risks

5.4.1. Financial risk management

The main objectives for financial risk management within Glaston are to secure operational continuity, support the achievement of operational objectives and to implement treasury functions cost-effectively utilizing the Group's economies of scale.

The Group's treasury functions have been centralised to the parent which is responsible for relations with financial institutions, long-term financing arrangements and the investment of liquid assets as well as the Group's internal funding allocations according to the liquidity needs of different group companies. Group Treasury cooperates with the group companies to identify the risks and provides financial services for the group companies in order to manage these identified risks.

The management of financial risks in Glaston Group is conducted in accordance with the Glaston Group's Treasury Policy approved by the Board of Directors of Glaston Corporation. It is the responsibility of the CFO and

Group Treasury to propose amendments to this policy as conditions within the Group and on the financial markets change. Group Treasury is responsible for monitoring compliance with the Treasury Policy as well as for presenting the need for changes to Treasury Policy to the parent's Board of Directors.

The Group's financial risks consist of foreign exchange, interest rate, credit, counterparty and liquidity risks. Due to its international operations the Group is exposed to risks arising from foreign exchange rate fluctuations. The effects of interest rate changes on the Group's annual result create an interest rate risk. Credit and counterparty risk primarily consists of risk related to credit granted to customers. Liquidity risk is defined as the risk that the Group's funds and borrowing facilities become insufficient to meet the needs of the business or that extra costs are incurred in order to arrange the financing needed. Also investment of liquid funds is managed in accordance with the Treasury

Policy. Liquid assets are invested in low risk instruments and only counterparties that possess good credit-worthiness are accepted.

5.4.2. Market risks

5.4.2.1. Foreign exchange risk

The Group operates internationally and is therefore exposed to transaction and translation risks arising from fluctuations in foreign exchange rates which may have an effect on profit or loss and financial position. Transaction risks arise from cash flows generated by purchase and sales activities while translation risks arise from converting items in the statements of profit or loss and the statements of financial position of non-euro subsidiaries into the Group's reporting currency.

The invoicing currency for a large proportion of the Group's deliveries is the euro, which is also the Group's reporting currency. The most significant foreign exchange risk arises from exchange rate fluctuations between the euro and the US dollar, but the

Group may also have significant exposures in Chinese Yuan, British Pound and Swiss Franc. The US dollar accounted for approximately 31 per cent of the net sales of in 2024 (22 per cent). The Euro and US dollar together accounted for approximately 86 per cent of the invoicing in 2024 (92 per cent).

The Group did not have foreign currency denominated loans. The Group's internal loans are either short-term working capital credit facilities or subordinated long-term loans denominated on a case-by-case basis either in the local currency of the foreign subsidiary or in the reporting currency of the Group.

The objective for foreign exchange risk management is primarily to secure the planned result of group companies from unexpected currency fluctuations. Possible hedging of foreign exchange risk is conducted in accordance with the Treasury Policy and the group companies are responsible for reporting their respective foreign currency items. In 2024, large

orders in USD and GBP and the most probable orders by case-by-case assessment were hedged by currency forward contracts. Cash flow hedging was based on IFRS 9 hedge accounting in 2024. Cash flow hedging is presented in note 5.7. The Group has not hedged net investments in foreign entities nor internal loans.

For the sensitivity analysis as defined in IFRS 7, a possible +/- 10 per cent change in the main currencies was assessed, with all other factors remaining unchanged. The sensitivity analysis is based on the foreign currency denominated assets and liabilities as of 31 December 2024. The analysis takes into consideration the

impact of foreign exchange derivatives, if such instruments have been used, which offsets the effects of changes in foreign exchange rates.

In the table below, the effect of the main currencies on consolidated result before taxes has been analysed. Only risks that are related to financial instruments are included in the analysis.

EUR thousand 2024	Gross position	Currency Forwards		Change in currency rate, Gross position		Change in currency rate, Net position, impact on the income statement	
		nominal value	Net position	-10 per cent	+10 per cent	-10 per cent	+ 10 per cent
USD/EUR	-28,211	12,089	-16,122	-3,135	2,565	-1,791	1,466
CHF/EUR	-650	-	-650	-72	59	-72	59
CNY/EUR	-18,490	-	-18,490	-2,054	1,681	-2,054	1,681
GBP/EUR	-1,798	2,609	812	-200	163	90	-74
	-49,149	14,699	-34,450				

5.4.2.2. Interest rate risk

Possible changes in the interest rates cause a risk that will affect the result of the Group. The objective of interest risk management is to minimize, if necessary, the effect of interest rate fluctuations on the Group's annual result.

As a measurement for the management of interest rate risk an effect of the 1 percent changed of interest rates to interest expenses for the period of 12 months has been used. At the end of 2024 this effect was EUR 30 thousand (EUR 120 thousand).

On 31 December 2024, the Group's interest-bearing net debt mainly consisted of loans agreed with lenders in the financing agreement signed in 2022. In August 2024 Glaston entered into an additional 3-year interest rate swap with a nominal value of EUR 10 million to hedge a variable rate loan. The new swap has a forward start from the expiry of the EUR 12 million value swap expiring in October 2025. Interest rate swaps are subject to hedge accounting.

For the sensitivity analysis as defined by IFRS 7, a possible +1 / -0.5 percentage point change in the interest rates was assessed. The effect of the change on the Group's result before taxes given the level of

debt with floating interest rates on 31 December 2024 is EUR -0.03 / +0.02 (-0.12 / +0.06) million and the effect to Group's equity is EUR +0.47 / -0.23 million.

5.4.3. Credit and counterparty risk

The Group becomes exposed to credit and counterparty risks when it grants payment time to the customers. The credit worthiness of these counterparties may decrease and affect the Group's result. Credit risk management is conducted in accordance with the Group's Credit Management Policy.

The objective for credit risk management is to reduce this risk as much as possible without compromising the flexibility needed by different business areas. Risk management is performed together with the business management with the objective to avoid major credit risk concentrations and to verify, that sufficient guarantees and collaterals are received. The Group reduces its credit risk by using letters of credit and various types of guarantees received from the customers to secure the receivables. In addition, the Group uses advance payments to reduce risk and to accelerate fund inflows. Glaston is closely monitoring

and managing its liquidity and financial position. Credit risks are mitigated through stringent customer payment terms with significant customer advances. Orders are only registered in the order book upon receipt of a customer advance. In measuring expected credit losses, Glaston applies the IFRS 9 simplified approach, which uses a lifetime expected loss allowance from trade receivables to be assessed and recognized regularly.

At the end of 2024 27.1 (13.7) per cent of Group's trade receivables were secured by LCs.

The Group's client base is diversified over several different geographical areas and customer segments which reduces major concentrations of credit risk. The largest single customer's share of the Group's receivables is not significant in terms of risk management. Significant unfavourable changes in the level of investment demand might, however, cause changes in the development of the Group's credit risk.

5.4.3.1. Trade receivables

The quality of trade receivables is assessed by each group company based on the Group's Credit Management Policy. Based on these assessments, impairment losses on trade

receivables are recognized in accordance with the Credit Policy.

The total carrying amount of trade receivables on 31 December 2024 was EUR 14.5 million (EUR 11.2 million).

Ageing analysis and changes in allowance account of trade receivables are presented in Note 4.2. to the consolidated financial statements.

5.4.4. Liquidity risk

Liquidity risk is defined as the risk that the Group's funds and borrowing facilities become insufficient to meet the business needs or that significant extra costs are incurred in order to arrange the financing needed.

Liquidity risk is managed through effective use of advance payments in order to reduce the amount of working capital tied up in the operations. A special focus is set on the working capital management and the development is monitored regularly. Short- and long-term cash planning is part of group companies' operational activity together with the Group Treasury. As a measurement for the liquidity risk are the Group's liquid funds and unused credit facilities. Group Treasury reports the Group's liquidity position regularly to the management and to the Board of Directors of Glaston Corporation.

Glaston Corporation signed a new long-term financing agreement in March 2022. The financing agreement consists of a EUR 30 million long-term loans as well as a EUR 25 million revolving credit facility. The agreement is for three years and includes two one-year options for extension of the loan period. In February 2024, the second of the two one-year options of the financing agreement was utilized and the loan period for the EUR 18 million long-term loan and for revolving credit facility was extended until March 2027. The loan margin of the financing agreement is adjusted by the achievement of Glaston's sustainability objectives annually. The objectives are Safety at work (decrease of lost time accidents, measured as lost time injury frequency rate LTIFR) and CO₂ emissions (Scope 1 & 2) in relation to net sales. The covenant terms of the financing package are described in the note 5.1. Management of capital.

Committed credit facilities

EUR million	In use	Unused	Total
Committed credit facilities 31.12.2024	15.0	10.0	25.0
Committed credit facilities 31.12.2023	3.0	22.0	25.0

Maturity analysis of financial liabilities 31 December 2024

Maturity of financial liabilities	Carrying amount	Contractual cash flows	Maturing in		
			< 12 months	1-2 years	> 2 years
Financial liabilities					
Loans from financial institutions	24,856	27,745	3,126	1,080	23,540
Other interest-bearing loans	118	120	40	40	40
Lease liabilities	7,089	7,601	2,822	2,264	2,515
Trade payables	21,100	21,100	21,100	-	-
Total	53,163	56,566	27,088	3,384	26,094

Maturity analysis of financial liabilities 31 December 2023

Maturity of financial liabilities	Carrying amount	Contractual cash flows	Maturing in		
			< 12 months	1-2 years	> 2 years
Financial liabilities					
Loans from financial institutions	23,812	26,399	5,312	2,572	18,515
Other interest-bearing loans	157	161	41	40	80
Lease liabilities	7,113	7,783	2,282	1,983	3,518
Trade payables	20,918	20,918	20,918	-	-
Total	52,000	55,260	28,552	4,595	22,112

5.5. Financial assets and liabilities by category

Accounting policy

Glaston's financial assets have been classified into three categories: as assets recognized at amortized cost, at fair value through other comprehensive income and at fair value through profit or loss. The classification depends on the business model under which the financial assets are managed as well as the characteristics of the instrument's cash flows. A financial asset item is derecognized from the statement of financial position when Glaston's contractual right to the cash flows from the financial asset item expire or the financial asset item is transferred to an external party and the transfer fulfills the asset derecognition requirements of IFRS 9.

Financial liabilities are classified at amortized cost using the effective interest method, or at fair value through profit or loss. A financial liability or part of a financial liability is derecognized from the statement of financial position when the liability has ceased to exist, i.e. when the obligation specified in the contract has been discharged or canceled or has expired.

Glaston's long term financial assets have been classified into assets recognized at fair value through other comprehensive income. The classification depends on the business model under which the financial assets are managed as well as the characteristics of the instrument's cash flows. A financial asset item is derecognized from the statement of financial position when Glaston's contractual right to the cash flows from the financial asset item expire or the financial asset item is transferred to an external party and the transfer fulfills the asset derecognition requirements of IFRS 9.

Derivative Contracts Recognized at Fair Value through Profit or Loss, and Hedge Accounting

Derivative contracts are entered in the statement of financial position at the time of acquisition at fair value and remeasured at fair value in the financial statements using the market prices at the end of the reporting period. Entries of the changes of derivatives are influenced by whether a derivative contract falls within the scope of hedge accounting. Derivatives that do not meet the hedge accounting conditions are financial assets and liabilities acquired for trading and entered at fair value through profit or loss, and whose changes of value are recognized immediately through profit or loss.

When a hedging arrangement is entered into, the relationship between the item being hedged and the hedging instrument, as well as the objectives of the Group's risk management are documented. The IFRS 9 standard requires an economic relationship between the hedged item and the hedging instrument as well as the same hedge ratio that management actually uses in risk management.

If the hedging accounting conditions are met, cash flow hedge accounting under IAS 9 is applied with respect to foreign exchange derivatives. If the hedge accounting conditions are not met, the result of hedging instruments when hedging a commercial foreign exchange risk are recognized in profit or loss within other operating income or expenses.

Derivative instruments are included in the statement of financial position in current assets and liabilities. Trade date accounting is used in recognizing sales and purchases of derivatives.

Hedge accounting was used in hedging the trade receivables of projects and in hedging a variable rate loan. In August 2024 Glaston entered into an additional 3-year interest rate swap with a nominal value of EUR 10 million to hedge a variable rate loan. The new swap has a forward start from the expiry of the EUR 12 million value swap expiring in October 2025. Interest rate swaps are subject to hedge accounting. At the end of reporting period 2024, Glaston had open foreign exchange and interest rate forward contracts.

Other Assets Recognized at Fair Value through Profit or Loss

Other assets recognized at fair value through profit or loss may include current investments that are acquired and held for trading, i.e. acquired or incurred for the main purpose of selling them in the short term. Other assets recognized at fair value through profit or loss are included in current assets in the statement of financial position.

Fair values of other financial assets recognized at fair value through profit or loss are estimated to correspond to their carrying amounts because of their short maturities. Trade date accounting is used in recognizing purchases and sales of other assets recognized at fair value through profit or loss.

Loans and Other Receivables

Loans and other receivables are assets which are not included in derivative assets. Loans and other receivables arise when money, goods or services are delivered to a debtor. They are not quoted in an active market and payments related to them are either fixed or determinable. Loans and receivables granted by the Group are measured at amortized cost.

Loan receivables, trade receivables and other receivables have been classified as loans and other receivables. They are included in current or

non-current financial assets in accordance with their maturity. Loan and trade receivables falling due after 12 months are discounted, if no interest is charged separately, and the increase in the receivable which reflects the passage of time is recognized as interest income in financial income and expenses.

Trade receivables are carried at the original invoice amount less the share of the discounted interest and an estimate made for doubtful receivables. The estimate made for doubtful receivables is based on a review of all trade receivables outstanding on the reporting date as well as on an assessment of the impairment of financial assets based on expected credit losses. Impairment losses of trade receivables are recorded in a separate allowance account within trade receivables, and the impairment losses are recognized in profit or loss as other operating expenses. If the impairment loss is final, the trade receivable is derecognized from the allowance account. If a payment is later received from the impaired receivable, the received amount is recognized in profit or loss as a deduction of other operating expenses. If no impairment loss has been recognized in allowance account and the impairment loss of the trade receivable is found to be final, impairment loss is recognized directly as deduction of trade receivables.

Loan receivables are carried at the original amount less an estimate made for doubtful receivables. The estimate made for doubtful receivables is based on a separate review of all loan receivables outstanding on the reporting date as well as on an assessment of the impairment of financial assets based on expected credit losses. For example, payment defaults or late payments are considered as indications of impairment of the receivable. Impairment losses of loan receivables are recognized in profit or loss as financial expenses. If a payment is later received from the impaired receivable, the received amount is recognized in profit or loss in financial items.

Financial Assets Valued at Fair Value through other comprehensive income

Financial assets measured at fair value through other comprehensive income are financial assets not included in derivative assets, assets or liabilities recognized at fair value through profit or loss, or other receivables.

Listed investments included in financial assets measured at fair value through other comprehensive income are valued at the market price at the end of the reporting period. The value of investments whose fair value is not based on verifiable market data, such as unlisted shares and other investments, is based on information obtained from the company or on the fair value of substantially similar instruments.

Unrealized changes in the fair value of financial assets measured at fair value through other comprehensive income are recognized in other comprehensive income less tax effects and are included in the fair value reserve in equity.

Financial assets at fair value through other comprehensive income are included in non-current assets in the statement of financial position.

Financial Liabilities Measured at Amortized Cost

On initial recognition financial liabilities are measured at their fair values that are based on the consideration received. Subsequently, financial liabilities are measured at amortized cost using the effective interest method. Transaction costs are included in the acquisition cost. Financial liabilities measured at amortized cost include pension loans, loans from financial institutions, finance lease liabilities, trade payables and advances received. They are included in current or non-current liabilities in accordance with their maturity.

Interest expenses are accrued for and mainly recognized in profit or loss for each period. If an asset is a qualifying asset as defined in IAS 23 Borrowing Costs, the borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized to the acquisition cost of the asset. The capitalization applies mainly to property, plant and equipment and intangible assets.

Financial assets and liabilities by category

EUR thousand		Financial assets and liabilities measured at fair value through other comprehensive income	Financial assets and liabilities at fair value through profit and loss	Financial liabilities at amortized cost	Total carrying amounts	Total fair value
31 December, 2024	Note					
Cash	5.2.	-	-	12,283	12,283	-
Trade receivables	4.2.	-	-	14,529	14,529	-
Other interest-free receivables	4.2.	-	-	3,851	3,851	-
Derivatives (receivables)	5.7.	214	-	-	214	-
Shares and other long-term investments		8	-	-	8	-
Non-current interest-bearing liabilities	5.6.	-	-	-27,820	-27,820	-25,396
Current interest-bearing liabilities	5.6.	-	-	-4,243	-4,243	-4,711
Trade payables	4.3.	-	-	-21,100	-21,100	-
Other current interest-free liabilities	4.3.	-	-	-3,039	-3,039	-
Derivatives (liabilities)	5.7.	-752	-	-	-752	-
Total		-531	-	-25,539	-26,070	-30,106
31 December, 2023						
Cash	5.2.	-	-	20,153	20,153	-
Trade receivables	4.2.	-	-	11,157	11,157	-
Other interest-free receivables	4.2.	-	-	6,135	6,135	-
Derivatives (receivables)	5.7.	857	-	-	857	-
Shares and other long-term investments		8	-	-	8	-
Non-current interest-bearing liabilities	5.6.	-	-	-25,077	-25,077	-22,718
Current interest-bearing liabilities	5.6.	-	-	-6,005	-6,005	-6,105
Trade payables	4.3.	-	-	-20,918	-20,918	-
Other current interest-free liabilities	4.3.	-	-	-2,520	-2,520	-
Derivatives (liabilities)	5.7.	-47	-	-	-47	-
Total		818	-	-17,075	-16,257	-28,823

Fair value measurement hierarchy

	31.12.2024				31.12.2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets								
Currency and interest rate forward contracts	-	214	-	214	-	857	-	857
Total	-	214	-	214	-	857	-	857
Liabilities								
Financial liabilities	-	-30,106	-	-30,106	-	-28,823	-	-28,823
Currency and interest rate forward contracts	-	-752	-	-752	-	-47	-	-47
Total	-	-30,859	-	-30,859	-	-28,870	-	-28,870

Fair value measurement hierarchy:

Level 1 = quoted prices in active markets

Level 2 = other than quoted prices included within Level 1 that are observable either directly or indirectly

Level 3 = not based on observable market data

Specific valuation techniques used to value financial instruments include:

The fair value of forward foreign exchange contracts is determined by using forward rates at the closing date

The use of quoted market prices or dealer quotes for similar instruments

5.6. Borrowings and lease liabilities

Non-current interest-bearing liabilities

EUR thousand	2024	2023
Loans from financial institutions	22,935	19,930
Lease liabilities	4,885	5,147
Total non-current interest-bearing liabilities	27,820	25,077

Maturity of long term interest bearing liabilities

	1-2 years	2-3 years	3-5 years	> 5 years	Total
Loans from financial institutions	39	22,896	-	-	22,935
Lease liabilities	2,631	1,600	653	-	4,885
Total	2,671	24,496	653	-	27,820

Current interest-bearing liabilities

Loans from financial institutions	2,039	4,039
Lease liabilities	2,204	1,966
Total current interest-bearing liabilities	4,243	6,005

Interest-bearing net liabilities

Non-current interest-bearing liabilities	27,820	25,077
Current interest-bearing liabilities	4,243	6,005
Cash	-12,283	-20,153
Total	19,779	10,929

The Group's funding is mainly organized by using the Facilities Agreement signed in March 2022.

All Group's loans from financial institutions are denominated in euros.

The Group's loan agreements include covenants and other terms and conditions which are linked to consolidated key figures. If the cove-

nant terms are not fulfilled, negotiations with the lenders will be initiated. These negotiations may lead to notice of termination of financial agreements. Covenant terms are described in more detail in Note 5.1.

The liquidity and currency risk related to interest-bearing debt is described in more detail in Note 5.4.

	1.1.2024	Cash flow	Effective rate and Exchange differences	Reclassi- cation	Other changes	31.12.2024
Non-current interest-bearing liabilities	25,077	5,000	44	-2,039	-262	27,820
Current interest-bearing liabilities	6,005	-6,867	-	2,039	3,066	4,243
Total	31,082	-1,867	44	-	2,804	32,063

5.7. Derivative instruments

Accounting policy

Derivative contracts are entered in the statement of financial position at the time of acquisition at fair value and remeasured at fair value in the financial statements using the market prices at the end of the reporting period. Entries of the changes of derivatives are influenced by whether a derivative contract falls within the scope of hedge accounting. Derivatives that do not meet the hedge accounting conditions are financial assets and liabilities acquired for trading and entered at fair value through profit or loss. In whose changes value are recognized immediately through profit or loss.

When a hedging arrangement is entered into, the relationship between the item being hedged and the hedging instrument, as well as the objectives of the Group's risk management are documented. The IFRS 9 standard requires an economic relationship between the hedged item and the hedging instrument as well as the same hedge ratio that management actually uses in risk management.

If the hedging accounting conditions are met, cash flow hedge accounting under IAS 9 is applied with respect to derivatives. If the hedge accounting conditions are not met, the result of hedging instruments are recognized in profit or loss within other operating income or expenses.

Derivative instruments are included in the statement of financial position in current assets and liabilities. Trade date accounting is used in recognizing sales and purchases of derivatives.

Derivative instruments are used only for currency and interest rate hedging purposes. Nominal values of derivative instruments do not necessarily correspond with the actual cash flows between the counterparties and do not therefore give a fair view of the risk position of the Group. The fair values are based on market valuation on the date of reporting.

In reporting periods 2024 and 2023, hedge accounting was used in hedging the trade receivables of projects. In August 2024 Glaston entered into an additional 3-year interest rate swap with a nominal value of EUR 10 million to hedge a variable rate loan. The new swap has a forward start from the expiry of the EUR 12 million value swap expiring in October 2025. Interest rate swaps are subject to hedge accounting. At the end of reporting periods 2024 and 2023, Glaston had open foreign exchange forward contracts and interest rate swaps.

Nominal and fair values of derivative instruments

EUR thousand	2024		2023	
	Nominal value	Fair value	Nominal value	Fair value
Currency rate forwards	14,699	-634	14,385	426
Interest rate forwards	22,000	95	12,000	384

EUR thousand	2024	2023
Derivative instruments in the income statement		
Items included in net sales	-512	-566
Financial items	282	219
Derivative instruments in the statement of financial position, receivables and liabilities		
Accrued expenses and deferred income		
Currency and interest rate forwards	752	47
Accrued income		
Currency and interest rate forwards	214	857

5.8. Contingencies

EUR thousand	2024	2023
Loans secured with mortgages or pledges		
Loans from financial institutions	25,000	24,000
Liens on chattel	292,500	292,500
Carrying amount of pledged securities	21,590	21,590
Total mortgages, liens on chattel and pledged assets	314,090	314,090
Contingent liabilities		
Liens on chattel		
On behalf of own commitments	292,500	292,500
Securities pledged		
On behalf of own commitments	21,590	21,590
Total	314,090	314,090
Guarantees		
On behalf of own commitments	9,554	11,855
On behalf of others	299	276
Total	9,853	12,131
Total contingent liabilities	323,943	326,221

Other contingent liabilities and litigations

At year end Glaston Tianjin Co. Ltd. has endorsed EUR 2.0 million of bank drafts. The expiring dates of the bank drafts are on the first half of year 2025.

Glaston Group can be a defendant or plaintiff in a number of legal proceedings incidental to those operations. The Group does not expect the outcome of any unmentioned legal proceedings currently pending, either individually or in the aggregate, to have material adverse effect upon the Group's consolidated financial position or result.

Liens on chattel are related to companies: Glaston Services Ltd. Oy and Glaston Finland Oy.

Glaston Corporation, Glaston Finland Oy and Glaston Services Ltd. Oy are jointly responsible for the debts of Glaston Group.

Notes to the consolidated financial statements

6. Group structure

6.1. Shares and holdings.....176

6.1. Shares and holdings

Group companies			Group holding %	Parent holding %
Glaston Corporation	Helsinki	Finland		
Uniglass Engineering Oy	Tampere	Finland	100%	100%
Glaston Services Ltd. Oy	Tampere	Finland	100%	100%
Glaston Finland Oy	Tampere	Finland	100%	
Glaston Finland Branch Office (Australia, New Zealand)	Melbourne	Australia		
Glaston Finland Oy (DMCC Branch)	Dubai	United Arab Emirates		
Glaston International Oy	Tampere	Finland	100%	
Glaston America, Inc.	Cherry Hill, NJ	United States	100%	
Glaston UK Ltd.	Shropshire	United Kingdom	100%	
Glaston Singapore Pte. Ltd.	Singapore	Singapore	100%	
Glaston Tianjin Co. Ltd.	Tianjin	China	100%	
Glaston Management (Shanghai) Co. Ltd.	Shanghai	China	100%	
Glaston Brasil Ltda	São Paulo	Brazil	100%	
Glaston Germany GmbH **	Neuhausen-Hamberg	Germany	100%	
Glaston Switzerland AG	Bützberg	Switzerland	100%	
EAI Hedging 3 Oy	Helsinki	Finland	0%	0%

**Pursuant to Sec. 291 German Commercial Code, all EU subsidiaries included in these consolidated financial statements are exempt from the duty to prepare their own consolidated financial statements and group management report for the subgroups in question.

For the following German corporations, the exempting provision pursuant to Sec. 264 (3) German Commercial Code applies in addition:

- Glaston Germany GmbH

Changes in subsidiaries in 2024

- Bystronic Glass UK Ltd. was liquidated in March 2024
- Glaston China Co. Ltd. was merged to Glaston Tianjin Co. Ltd. In June 2024
- Glaston Hong Kong Ltd was liquidated in October 2024

Changes in subsidiaries in 2023

- Bystronic Glass Machinery (Shanghai) Co. Ltd was liquidated in May 2023
- Glaston France S.A.R.L. was liquidated in July 2023
- In the fiscal year 2023, EAI Hedging 3 Oy has been

established, which, financed by Glaston, will acquire shares in accordance with the agreement in accordance with the provisions of the Limited Liability Companies Act regarding the financing of the acquisition of own shares. These shares are used as part of Glaston's share-based incentive scheme in accordance with its terms. The legal ownership of the holding company is with Allshares Oy, but based on the agreement, Glaston actually exercises control over the arrangement and acts as the principal, while Allshares Oy acts as an agent through the holding company. This control arising from contractual features leads to the fact that the holding company is combined with the IFRS consolidated financial statements as a so-called structured community.

A photograph of a tram at a station platform, overlaid with a blue tint. The tram is white and blue, and the platform has a railing. A traffic light and a sign with the number '15' are visible.

Notes to the consolidated financial statements

7. Other notes

7.1. Related parties	179
7.2. Events after end of the reporting period	182

7.1. Related parties

Parties are considered to be related parties if a party is able to exercise control over the other or substantially influence its decision-making concerning its finances and business operations.

Glaston Group's related parties include the parent of the Group (Glaston Corporation) and subsidiaries. Also the shareholders, which have significant influence in Glaston through shareholding, are considered to be related parties, as well as the companies controlled by these shareholders.

Related parties also include the members of the Board of Directors, the Group's Executive Leadership Team, the CEO and their family members as well as the companies controlled by them.

Glaston follows the same commercial terms in transactions with associates and other related parties as with third parties.

Total accrual based remuneration of the Board of Directors and the Executive Leadership Team was EUR 2,433 (2,745) thousand.

Remuneration of the Executive Leadership Team, accrual based

EUR	2024	2023
CEO		
Salaries	337,815	334,904
Bonuses	86,458	45,725
Share based benefit	-	-
Total	424,273	380,630
Fringe benefits	241	10,757
Total	424,514	391,387
Statutory pension payments (Finnish TyEL or similar plan)	112,332	102,574
Voluntary pension payments	-	39,962

2024: From 12 August 2024 Toni Laaksonen has served as the CEO. Antti Kaunonen served as the Interim President and CEO until 12 August 2024.

The CEO salaries in the 2024 table include the total combined salaries of Laaksonen and Kaunonen.

2023: Anders Dahlblom served as the President and CEO until 15 November 2023, after which Antti Kaunonen has served as the Interim CEO.

The 2023 CEO salaries include the total combined salaries of Dahlblom and Kaunonen.

Total other Executive Leadership Team

Salaries	1,376,156	1,495,668
Bonuses	128,753	169,433
Share based benefit	-12,739	137,989
Total	1,492,170	1,803,091
Fringe benefits	140,152	184,451
Total	1,632,322	1,987,542
Statutory pension payments (Finnish TyEL or similar plan)	177,273	265,644
Voluntary pension payments	19,224	43,257

The remuneration the Executive Leadership Team includes salaries only for the period of membership.

The CEO's period of notice is 6 months. In the event the company would give notice to the CEO, he will receive an additional remuneration equaling 6 months' salary.

Compensation of the CEO and other members of the Executive Leadership Team consists of a fixed monthly salary, an annual bonus and a share-based incentive plan intended as a long-term incentive (described in more detail in Note 2.6). The criteria for bonus payments are consolidated result, result of the business area or business unit as well as functional targets. The maximum annual bonus of the CEO is 60 per cent of the annual salary. The maximum annual bonus of the other members of the Executive Leadership Team is 40 per cent of the annual salary.

The retirement age of the CEO of Glaston Corporation and other members of the Executive Leadership Team is according to the normal local legislation, ie. 63-68 years.

Remuneration of the Board of Directors, accrual based

EUR	2024			2023		
	Annual fee	Meeting fee	Total	Annual fee	Meeting fee	Total
Veli-Matti Reinikkala, Chair of the Board of Directors	80,500	17,100	97,600	77,500	16,700	94,200
Sebastian Bondestam, Deputy Chair of the Board of Directors	44,500	8,000	52,500	43,000	8,500	51,500
Sarlotta Narjus	34,500	9,000	43,500	33,000	9,000	42,000
Antti Kaunonen	34,500	6,500	41,000	33,000	8,000	41,000
Arja Talma	44,500	8,500	53,000	43,000	9,000	52,000
Tero Telaranta	34,500	9,000	43,500	33,000	9,000	42,000
Michael Willome	34,500	10,500	45,000	33,000	10,000	43,000
Total	307,500	68,600	376,100	295,500	70,200	365,700

The members of Glaston Corporation's Board of Directors were paid an annual remuneration and a meeting fee; other compensation was not paid. The 2024 Annual General Meeting resolved that an annual fee of EUR 74,000 (70,000) shall be paid to the Chair of the Board, EUR 45,000 (43,000) to the Deputy Chair and EUR 35,000 (33,000) to other Members of the Board. In addition, a meeting fee of EUR 800 (800) per meeting held in the Chair's home country and EUR 1,500 per meeting held elsewhere were paid to the Chair. The other

members of Glaston Corporation's Board of Directors were paid EUR 500 per meeting held in the Board member's home country and EUR 1,000 per meeting held elsewhere. For the Board Meeting, which is held per capitulum, will be paid half of the regular fee. Member of the Board may, at his/her discretion, choose to receive the annual fixed remuneration partly in company shares and partly in cash so that approximately 40 % of the annual fixed remuneration is paid in Glaston Corporation's shares.

The members of Glaston Corporation's Audit and People and Remuneration Committees are paid for every meeting, that a member has participated, EUR 500 per meeting held in the Board member's home country and EUR 1,000 per meeting held elsewhere. In addition, the Chair of the Audit Committee was paid annual fee of EUR 10,000 and to the Chair of the People and Remuneration Committee an annual fee of EUR 7,500.

Board of Directors, share ownership

	Glaston shares	
	31.12.2024	31.12.2023
Veli-Matti Reinikkala, Chairman of the Board of Directors	974,892	825,042
Sebastian Bondestam, Deputy Chairman of the Board of Directors	90,528	69,456
Sarlotta Narjus	-	-
Antti Kaunonen	179,075	162,686
Arja Talma	53,070	36,681
Tero Telaranta	53,446	37,057
Michael Willome	-	-

Share ownership includes also the ownership of Glaston Corporation shares by the related parties of the person in question and entities controlled by the person in question.

Executive Leadership Team, share ownership

	Glaston shares	
	31.12.2024	31.12.2023
Toni Laaksonen, CEO	52,200	-
Sasu Koivumäki	111,819	94,735
Miika Äppelqvist	18,759	8,027
Päivi Lindqvist	54,921	42,217
Riikka Laitasalo	-	-
Kaisa Latva	-	-

7.2. Events after end of the reporting period

On January 31, 2025, the Proposals of Glaston Corporation's Shareholders' Nomination Board to the Annual General Meeting 2025 were published. The Nomination Board proposes that seven (7) members shall be elected to the Board of Directors until the closing of the Annual General Meeting 2026 and that the current members of the Board of Directors Veli-Matti Reinikkala, Sebastian Bondestam, Antti Kaunonen, Arja Talma, Tero Telaranta and Michael Willome shall be re-elected as Members of the Board of Directors, and Tina Wu elected as a new member. Further, the Nomination Board proposes that the annual remuneration of the Members of the Board of Directors remains unchanged and thus is the following: Chair of the Board EUR 74,000, Deputy Chair of the Board EUR 45,000 and other Members of the Board EUR 35,000.

On February 14, 2025, the Company published plans to reduce the number of all shares in the Company through a reverse share split procedure so that each two (2) shares shall be merged into one (1) share. The Board of Directors of Glaston proposes the reverse share split to the Annual General Meeting to be held on 16 April 2025.

On February 14, 2025 The Board of Directors of Glaston Corporation has resolved on the share-based incentive plan 2025-2029 for the Group key employees in accordance with the terms and conditions materially corresponding to the terms and conditions of the share-based incentive plan 2019-2023.

On February 17, 2025 Glaston announced that Toni Laaksonen has submitted a resignation from his position as the CEO of Glaston Corporation to join another company.

Income statement of the parent company (FAS)

EUR thousand	1 January - 31 December		
	Note	2024	2023
Net sales	2	5,120	6,204
Other operating income	3	7,551	5,997
Material and services	4	-	-984
Personnel expenses	5	-3,446	-3,696
Depreciation, amortization and impairment losses	6	-639	-401
Other operating expenses	7	-8,874	-8,437
Operating profit / -loss		-287	-1,316
Net financial items	8	-560	-317
Profit / loss before appropriations and taxes		-847	-1,632
Appropriations	9	-1	3,992
Income taxes	10	-138	-288
Profit / loss for the financial year		-987	2,072

Balance sheet of the parent company (FAS)

EUR thousand	at 31 December		
	Note	2024	2023
Assets			
Non-current assets			
Intangible assets	11	2,701	2,880
Tangible assets	11	27	34
Subordinated loan receivable Group Companies	11,12	36,846	36,846
Investments	12,13	17,211	17,211
Non-current assets, total		56,785	56,971
Current assets			
Non-current receivables	14	78,039	78,003
Current receivables	14	11,234	16,790
Cash and bank		1,847	13,698
Current assets, total		91,119	108,492
Total assets		147,904	165,463

EUR thousand	at 31 December		
	Note	2024	2023
Equity and liabilities			
Equity			
Share capital		12,696	12,696
Hedging reserve		36	307
Reserve for invested unrestricted equity		102,476	106,684
Retained earnings		-46,869	-48,941
Profit / loss for the financial year		-987	2,072
Total equity	15	67,351	72,818
Accumulated appropriations	16	112	111
Liabilities			
Non-current liabilities	17	23,000	20,000
Current liabilities	18	57,440	72,534
Total liabilities		80,440	92,534
Total equity and liabilities		147,904	165,463

Parent company cash flow statement (FAS)

EUR thousand	2024	2023
Cash flow from operating activities		
Profit / loss for the financial period	-987	2,072
Adjustments:		
Income taxes for the period	138	-
Appropriations	1	-3,992
Financial income and expenses	560	317
Depreciation, amortization and impairment	639	401
Proceeds from disposal of tangible and intangible assets	185	-
Other adjustments	-15	-15
Cash flow before change in net working capital	522	-931
Change in net working capital		
Change in current interest-free receivables	-100	-1,026
Change in current interest-free liabilities	-4	920
Cash flow from operating activities before financial items and taxes	418	-1,037
Interests paid and payments made for other financial items and income taxes		
Interests and other financial expenses paid	-2,501	-1,938
Interest received	1,913	1,803
Cash flow from operating activities before appropriations	-171	-1,173
Cash flow from operating activities	-171	-1,173

EUR thousand	2024	2023
Cash flow from investing activities		
Investments in tangible and intangible assets	-638	-1,395
Cash flow from investing activities	-638	-1,395
Cash flow from financing activities		
Drawn-down of non-current loans	3,000	-
Repayments in non-current loans	-	-4,000
Change in current intra-group receivables	-7,835	10,315
Drawn-down of current loans	-	4,000
Repayments of current loans	-2,000	-4,000
Return of capital	-4,208	-3,372
Cash flow from financing activities	-11,043	2,944
Change in cash and cash equivalents	-11,852	376
Cash and cash equivalents at the beginning of the period	13,698	13,322
Cash and cash equivalents at the end of the period	1,847	13,698
Change in cash and cash equivalents	-11,852	376

1. Summary of Significant Accounting Policies

Glaston Corporation is a public limited liability company organized under the laws of Republic of Finland. Glaston's shares are publicly traded in the NASDAQ Helsinki Ltd. Small Cap in Helsinki, Finland. Glaston Corporation is domiciled in Helsinki, Finland and its registered office is Lönnrotinkatu 11, 00120 Helsinki, Finland. Glaston Corporation is the parent of Glaston Group.

The financial statements of Glaston Corporation are prepared in accordance with Finnish Accounting Standards (FAS). The consolidated financial statements of Glaston Group are prepared in accordance with International Financial Reporting Standards (IFRS), and Glaston Corporation applies in its separate financial statements the same accounting principles as Glaston Group to the extent it is possible within the framework of Finnish accounting practice. The accounting principles of Glaston Group are presented in the Notes to the Consolidated Financial Statements (Note 1).

The main differences in the accounting principles between

Glaston Corporation separate financial statements and Glaston Group's consolidated financial statement are presented in the following texts.

Fixed assets

Contrary to IAS 38, intangible assets in the parent company's financial statements also include investments acquired as cloud services that meet the definition of an intangible asset

Share - based incentive plans

At the end of the incentive period, the share-based incentive plans paid in cash have been recognized in the parent company's financial statements as personnel expenses and accrued liabilities.

Financial Assets and Liabilities and Derivative Instruments

Financial assets and liabilities with the exception of derivative instruments are recorded at cost or at cost less impairment losses. Derivatives are

recognized at fair value in financial items. Valuation methods of derivatives are presented in the accounting policies of Glaston Group.

Finance Leasing

Lease payments are recognized as lease expenses. Leasing obligations are presented as contingent liabilities.

Appropriations

Untaxed reserves consist of a depreciation difference. This difference between scheduled depreciation and amortization and the depreciation and amortization deducted in arriving to taxable profit is presented as an appropriations in the income statement and as a separate item in the balance sheet.

Group contributions received from and given to subsidiaries are presented as appropriations.

2. Net Sales

EUR thousand	2024	2023
Net sales by business		
Service sales	5,120	6,204
Net sales by country by destination		
Finland	1,692	1,673
Other EMEA	2,663	3,761
Americas	583	704
Asia	182	66
Total	5,120	6,204

EMEA = Europe, the Middle East and Africa

Americas = North, Central and South America

Asia = China and the rest of the Asia-Pacific area

3. Other Operating Income

EUR thousand	2024	2023
Charges from group companies	7,551	5,997
Other operating income, total	7,551	5,997

4. Material and services

EUR thousand	2024	2023
External services	-	-984
Total	-	-984

5. Personnel Expenses

EUR thousand	2024	2023
Salaries and fees	-2,911	-3,010
Pension expenses	-494	-634
Other personnel expenses	-41	-51
Total	-3,446	-3,696

Salaries and remuneration paid to members of the Board of Directors and Managing Director

801	757
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Employees during financial year, average

White collar	23	24
Total	23	24

6. Depreciation, Amortization and Impairment Losses

EUR thousand	2024	2023
Depreciation and amortization according to plan		
Intangible assets		
Intangible rights	-589	-261
Other capitalized expenditure	-44	-131
Tangible assets		
Machinery and equipment	-7	-8
Total depreciation and amortization according to plan	-639	-401

Notes to parent company financial statements (FAS) / Note 7

7. Other Operating Expenses

EUR thousand	2024	2023
Rents	-212	-213
ICT expenses	-6,676	-5,889
Travel expenses	-172	-121
Losses on disposals of assets	-185	-
Credit losses	50	-52
Other expenses	-1,678	-2,161
Other operating expenses, total	-8,874	-8,437
Fees paid to auditors		
Audit	-74	-80
Statutory statements	-68	-8
Tax advisory	-12	-
Total	-154	-88

8. Net Financial Items

EUR thousand	2024	2023
Interest and other financial income		
From group companies	1,487	1,413
From external parties	656	555
Interest and other financial income	2,143	1,969
Interest and other financial income, total	2,143	1,969
Interest and other financial expenses		
To group companies	-801	-634
To external parties	-1,902	-1,652
Interest and other financial expenses, total	-2,703	-2,285
Net financial items, total	-560	-317
Other financial income and expenses include foreign exchange gains and losses (net)	-0	-11

9. Appropriations

EUR thousand	2024	2023
Received group contributions	-	4,000
Difference between depreciation and amortization according to plan and depreciation and amortization in taxation	-1	-8
Total	-1	3,992

10. Income Taxes

EUR thousand	2024	2023
Income taxes for operations	-138	-88
Change in deferred tax assets	-	-200
Total	-138	-288

11. Fixed Assets

Intangible assets EUR thousand	Intangible rights	Other capitalized expenditure	Advance payments and investments in progress	Total
Acquisition cost 1 January, 2024	7,106	1,238	434	8,777
Additions	3	-	635	638
Disposals	-	-654	-	-654
Reclassifications	405	26	-431	-
Acquisition cost 31 December, 2024	7,514	610	638	8,761
Accumulated amortizations and impairment losses 1 January, 2024	-4,922	-975	-	-5,897
Accumulated amortizations of disposals and transfers	-	469	-	469
Amortization of the period	-589	-44	-	-633
Accumulated amortizations and impairment losses 31 December, 2024	-5,511	-550	-	-6,061
Carrying amount at 31 December, 2024	2,003	60	638	2,701
Carrying amount at 31 December, 2023	2,184	263	434	2,880

Tangible assets EUR thousand	Machinery and equipment	Other tangible equipment	Advance payments and investments in progress	Total
Acquisition cost 1 January, 2024	123	113	-	235
Additions	-	-	-	-
Disposals	-	-	-	-
Acquisition cost 31 December, 2024	123	113	-	235
Accumulated depreciations and impairment losses 1 January, 2024	-99	-103	-	-202
Accumulated depreciations of disposals and transfers	-	-	-	-
Depreciation for the period	-7	-	-	-7
Accumulated depreciations and impairment losses 31 December, 2024	-106	-103	-	-208
Carrying amount 31 December, 2024	17	10	-	27
Carrying amount at 31 December, 2023	24	10	-	34

12. Investments

EUR thousand	Shares Group companies	Shares Others	Subordinated loan receivable Group companies	Total
Carrying amount at 1 January, 2024	17,204	8	36,846	54,058
Carrying amount at 31 December, 2024	17,204	8	36,846	54,058

13. Shares and holdings owned by the Parent

Subsidiary shares

EUR thousand	Ownership-%	Number of shares	Carrying amount
Uniglass Engineering Oy, Tampere, Finland	100%	20,000	2,351
Glaston Services Ltd. Oy, Tampere, Finland	100%	1,800,000	14,853
Total			17,204

Other

Other shares and holdings			8
Total			8

Whole group structure is presented in the group consolidated financial statements note 6.1.

14. Receivables

EUR thousand	2024	2023
Non-current receivables		
Receivables from external parties		
Deferred tax assets	110	100
Other receivables	228	203
Total	339	303
Receivables from group companies		
Loan receivables	77,700	77,700
Total	77,700	77,700
Non-current receivables, total	78,039	78,003
Current receivables		
Receivables from external parties		
Trade receivables	19	97
Other receivables	49	97
Prepaid expenses and accrued income	699	1,026
Total	767	1,220
Receivables from group companies		
Trade receivables	3,971	3,833
Loan receivables	5,138	6,341
Group Contribution receivables	-	4,000
Accrued interest receivables	1,341	1,341
Prepaid expenses and accrued income	17	55
Total	10,466	15,570
Current receivables, total	11,234	16,790
Relevant items of prepaid expenses and accrued income		
Interest SWAP	146	384
Financial items	151	219
Prepaid insurances	4	15
Other	415	464
Prepaid expenses and accrued income, total	716	1,081

15. Equity

EUR thousand	2024	2023
Share capital 1 January	12,696	12,696
Share capital 31 December	12,696	12,696
Hedging reserve account 1 January	307	463
Change in financial year	-271	-156
Hedging reserve account 31 December	36	307
Reserve for invested unrestricted equity 1 January	106,684	110,056
Capital repayment	-4,208	-3,372
Reserve for invested unrestricted equity 31 December	102,476	106,684
Retained earnings 1 January	-46,869	-48,941
Retained earnings 31 December	-46,869	-48,941
Profit / loss for the financial year	-987	2,072
Equity at 31 December	67,351	72,818
Distributable funds at 31 December		
Reserve for invested unrestricted equity	102,476	106,684
Retained earnings	-46,869	-48,941
Profit / loss for the financial year	-987	2,072
Distributable funds	54,619	59,815

16. Accumulated Appropriations

EUR thousand	2024	2023
Accumulated depreciation difference 1 January	111	103
Increase (+) / decrease (-)	1	8
Accumulated depreciation difference 31 December	112	111

Notes to parent company financial statements (FAS) / Note 17

17. Non-current Liabilities

EUR thousand	2024	2023
Liabilities to external parties		
Loans from financial institutions	23,000	20,000
Liabilities to external parties, total	23,000	20,000
Non-current liabilities, total	23,000	20,000

18. Current Liabilities

EUR thousand	2024	2023
Liabilities to external parties		
Loans from financial institutions	2,000	4,000
Trade payables	937	847
Other liabilities	308	306
Accrued expenses and deferred income	1,489	1,656
Deferred tax liability	19	77
Liabilities to external parties, total	4,753	6,886
Liabilities to group companies		
Other interest-bearing liabilities	52,565	65,603
Trade liabilities	122	-
Accrued expenses and deferred income	-	46
Liabilities to group companies, total	52,687	65,649
Current liabilities, total	57,440	72,534
Accrued expenses and deferred income		
Salary and other personnel expense accruals	736	804
Interests	297	342
Interest SWAP	51	-
Other	405	556
Accrued expenses and deferred income, total	1,489	1,702

19. Contingent Liabilities

EUR thousand	2024	2023
Leasing liabilities		
Maturity within one year	74	54
Maturity later than one year	67	40
Total	141	94
Other rental liabilities		
Maturity within one year	123	51
Maturity later than one year	62	1
Total	185	52
Pledges		
On behalf of group companies	7,201	7,580
Loans secured with pledged assets and mortgages		
Loans from financial institutions	25,000	24,000
Liens on chattel		
On own behalf	97,500	97,500
Carrying amount of pledged securities	14,853	14,853

Mortgages, liens on chattel and pledged assets are given on own and other group companies behalf.

Liens on chattel are given jointly with Glaston Services Ltd. Oy and Glaston Finland Oy.

Signatures for the Board of Directors' Review and Financial Statements

Confirmation of the Board of Directors and the CEO

We confirm that

- the consolidated financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and the financial statements of the parent company prepared in accordance with the laws and regulations governing the preparation of financial statements

in Finland give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole;

- the management report includes a fair review of the development and performance of the business and the position of the company and the undertakings included in the consolidation taken as a whole,

- together with a description of the principal risks and uncertainties that they face and
- that the sustainability report within management report is prepared in accordance with sustainability reporting standards referred to in Chapter 7 of the Accounting Act and with the Article 8 of Taxonomy Regulation

Helsinki, 27 February 2025

Veli-Matti Reinikkala
Chair of the Board

Sarlotta Narjus
Member of the Board

Antti Kaunonen
Member of the Board

Michael Willome
Member of the Board

Sebastian Bondestam
Deputy Chair of the Board

Arja Talma
Member of the Board

Tero Telaranta
Member of the Board

Toni Laaksonen
CEO

The Auditor's note

Our auditor's report has been issued today.

Tampere, 27 February 2025

KPMG Oy Ab
Authorised public accountants

Lotta Nurminen
Authorized Public Accountant, KHT

Auditor's Report

To the Annual General Meeting of
Glaston Corporation

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Glaston Corporation (business identity code 1651585-0) for the year ended 31 December, 2024. The financial statements comprise the consolidated balance sheet, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes, including material accounting policy information, as well as the parent company's balance sheet, income statement, statement of cash flows and notes.

In our opinion

- the consolidated financial statements give a true and fair view of the group's financial position, financial performance and cash flows in accordance with IFRS Accounting Standards as adopted by the EU
- the financial statements give a true and fair view of the parent com-

pany's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Our opinion is consistent with the additional report submitted to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

In our best knowledge and understanding, the non-audit services that we have provided to the parent company and group companies are in

compliance with laws and regulations applicable in Finland regarding these services, and we have not provided any prohibited non-audit services referred to in Article 5(1) of regulation (EU) 537/2014. The non-audit services that we have provided have been disclosed in note 2.4 to the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Materiality

The scope of our audit was influenced by our application of materiality. The materiality is determined based on our professional judgement and is used to determine the nature, timing and extent of our audit procedures and to evaluate the effect of identified misstatements on the financial statements as a whole. The level of materiality we set is based on our assessment of the magnitude of misstatements that, individually or in aggregate, could reasonably be expected to have influence on the economic decisions of the users of

the financial statements. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for qualitative reasons for the users of the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The significant risks of material misstatement referred to in the EU Regulation No 537/2014 point (c) of Article 10(2) are included in the description of key audit matters below.

We have also addressed the risk of management override of internal controls. This includes consideration of whether there was evidence of management bias that represented a risk of material misstatement due to fraud.

The Key Audit Matter

How the matter was addressed in the audit

Revenue recognition (Note 2.2 Revenue from contracts with customers)

The consolidated revenue comprise different revenue flows based on different contract types, such as sale of machines, spare parts and services.

Revenue from the sale of goods is recognized at a point in time or over time when the buyer receives the goods or gains control. Revenue from services rendered and repair work is recognized when the service has been rendered or the work has been completed.

The most significant risks relate to revenue from tailor-made glass processing machine deliveries for which the revenue is recognized over time. These involve management estimates related to measuring the progress towards complete satisfaction of the performance obligation and total estimated costs. Net sales for the reporting period include EUR 152.0 million revenue recognized over time representing 70 percent of total net sales.

Selection of revenue recognition methods and revenue recognition involve management judgement and estimates and thus revenue recognition is considered a key audit matter.

Our audit procedures included evaluation of the revenue recognition principles applied by the Group and assessment of their appropriateness by reference to IFRS standards.

We have obtained an understanding of processes relating to different revenue flows and identified and assessed internal controls over revenue recognition as well as tested their effectiveness. In addition, we performed substantive testing and analytical procedures, partly based on data analytics, in order to assess the appropriateness of revenue recognition and the accounting treatment of recording revenue and the related expenses in the correct period.

We assessed the control environment in respect of the main sales software and the related user rights management.

We discussed with the management the revenue recognition practices applied and decisions involving management judgement and estimates which had an impact on revenue recognition.

Furthermore, we considered the appropriateness of the Group's disclosures in respect of revenue recognition principles and net sales.

Valuation of goodwill (Notes 3.1 Intangible Assets and 3.4 Depreciation, Amortization and Impairment of Assets)

Value of goodwill amounts to EUR 58.5 million, which is 31 percent of the total assets and 88 percent of the consolidated equity.

Goodwill is not amortized, instead it is tested for impairment at least on an annual basis. Impairment tests are based on future cash flow forecasts and determining the underlying key assumptions require management estimates.

Due to the high level of management estimates related to the forecasts used in goodwill impairment tests and the significant carrying amounts involved, valuation of goodwill is considered as a key audit matter.

We have assessed the key assumptions used in the impairment calculations, such as profitability, discount rate and long-term growth rate with relation to the forecasts presented to the Board of Directors, external references and our own views.

We involved KPMG valuation specialists when assessing the technical accuracy of the calculations and comparing the assumptions used with external market and industry data.

In addition, we considered the appropriateness of the Group's disclosures in respect of goodwill impairment testing.

We have not identified key audit matters relating to the parent company's financial statements.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent com-

pany or the group or cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform

audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a

going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Reporting Requirements

Information on our audit engagement

We were first appointed as auditors by the Annual General Meeting on May 28, 2020, and our appointment represents a total period of uninterrupted engagement of 5 years.

Other Information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors and the information included in the Annual Report, but does not include the financial statements or our auditor's report thereon. We have obtained the report of the Board of Directors prior to the date of this auditor's report, and the Annual Report is expected to be made available to us after that date. Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise

appears to be materially misstated. With respect to the report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in compliance with the applicable provisions, excluding the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in compliance with the applicable provisions. Our opinion does not cover the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Tampere, 27 February 2025
KPMG OY AB

Lotta Nurminen
Authorised Public Accountant, KHT

This document is an English translation of the Finnish Assurance Report on the Sustainability Report. Only the Finnish version of the report is legally binding.

Assurance Report on the Sustainability Report

To the Annual General Meeting of Glaston Corporation

We have performed a limited assurance engagement on the group sustainability report of Glaston Corporation (business identity code 1651585-0) that is referred to in Chapter 7 of the Accounting Act and that is included in the report of the Board of Directors for the financial year 1 January – 31 December 2024.

Opinion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the group sustainability report does not comply, in all material respects, with

- 1) the requirements laid down in Chapter 7 of the Accounting Act and the sustainability reporting standards (ESRS);
- 2) the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment,

and amending Regulation (EU) 2019/2088 (EU Taxonomy).

Point 1 above also contains the process in which Glaston Corporation has identified the information for reporting in accordance with the sustainability reporting standards (double materiality assessment) and the tagging of information as referred to in Chapter 7, Section 22 of the Accounting Act.

Our opinion does not cover the tagging of the group sustainability report with digital XBRL sustainability tags in accordance with Chapter 7, Section 22, Subsection 1(2), of the Accounting Act, because sustainability reporting companies have not had the possibility to comply with that provision in the absence of the ESEF regulation or other European Union legislation.

Basis for Opinion

We performed the assurance of the group sustainability report as a limited assurance engagement in compliance with good assurance practice in Finland and with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) *Assurance Engagements Other than Audits or*

Reviews of Historical Financial Information.

Our responsibilities under this standard are further described in the *Responsibilities of the Authorised Group Sustainability Auditor section of our report*.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

We draw attention to the fact that the group sustainability report of Glaston Corporation that is referred to in Chapter 7 of the Accounting Act has been prepared and assurance has been provided for it for the first time for the financial year 1 January – 31 December 2024. Our opinion does not cover the comparative information that has been presented in the group sustainability report. Our opinion is not modified in respect of this matter.

Authorised Group Sustainability Auditor's Independence and Quality Management

We are independent of the parent

company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our engagement, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The authorised group sustainability auditor applies International Standard on Quality Management ISQM 1, which requires the authorised sustainability audit firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director of Glaston Corporation are responsible for:

- the group sustainability report and for its preparation and presentation in accordance with the provisions of Chapter 7 of the Accounting Act, including the process that has been defined in the sustainability report-

ing standards and in which the information for reporting in accordance with the sustainability reporting standards has been identified as well as the tagging of information as referred to in Chapter 7, Section 22 of the Accounting Act and

- the compliance of the group sustainability report with the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088;
- such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of a group sustainability report that is free from material misstatement, whether due to fraud or error.

Inherent Limitations in the Preparation of a Sustainability Report

Preparation of the sustainability report requires company to make materiality assessment to identify relevant matters to report. This includes significant management judgement and choices. It is also characteristic to the sustainability reporting that reporting of this kind of information includes

estimates and assumptions as well as measurement and estimation uncertainty. Furthermore, when reporting forward looking information company has to disclose assumptions related to potential future events and describe company's possible future actions in relation to these events. Actual outcome may differ as forecasted events do not always occur as expected.

Responsibilities of the Authorised Group Sustainability Auditor

Our responsibility is to perform an assurance engagement to obtain limited assurance about whether the group sustainability report is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the group sustainability report.

Compliance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) requires that we exercise professional judgment and maintain professional skepticism throughout the engagement. We also:

- Identify and assess the risks of material misstatement of the group sustainability report, whether due to fraud or error, and obtain an understanding of internal control relevant to the engagement in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Design and perform assurance procedures responsive to those risks to obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Description of the Procedures That Have Been Performed

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. The nature, timing and extent of assurance procedures selected depend

on professional judgment, including the assessment of risks of material misstatement, whether due to fraud or error. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our procedures included for example the following:

- We interviewed Glaston Corporation's management and persons responsible for the preparation and gathering of the sustainability information.
- We familiarized with interviews to the key processes related to collecting and consolidating the sustainability information.
- We got acquainted with the relevant guidances and policies related to the sustainability information disclosed in the sustainability report.
- We acquainted ourselves to the background documentation and other records prepared by the company, as appropriate and assessed how they support the information included in the sustainability report.
- In relation to the double materiality assessment process, we interviewed persons responsible for

the process and familiarized ourselves with the process description prepared of the double materiality assessment and other documentation and background materials.

- In relation to the EU taxonomy information we interviewed the management of the company and persons with key roles in reporting taxonomy information to understand how taxonomy eligible and taxonomy aligned activities have been identified, we obtained evidence supporting the interviews and reconciled the reported EU taxonomy information to supporting documents and to the bookkeeping, as applicable.
- We assessed the application of the ESRS sustainability reporting standards reporting principles in the presentation of the sustainability information.

Tampere, 27 February 2025

KPMG OY AB

Authorised Sustainability Audit Firm

LOTTA NURMINEN

Authorised Sustainability Auditor, KRT



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Glaston Corporation is the glass processing industry's innovative technology leader supplying equipment, services and solutions to the architectural, mobility, solar and display industries. The company also supports the development of new technologies integrating intelligence to glass. Glaston is committed to providing its clients with both the best know-how and the latest technologies in glass processing, with the purpose of building a better tomorrow through safer, smarter, and more energy efficient glass solutions. Glaston operates globally with manufacturing, services, and sales offices in 9 countries. Glaston Corporation Plc's shares (GLA1V) are listed on NASDAQ Helsinki Ltd. Small Cap.