










Scanfil's sustainability with focus areas

| Environmental | Social | Governance |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Responsible Consumption</p> <ul style="list-style-type: none"> • Reduce energy consumption • Reduce water consumption • Reduce waste created • Full material declarations <p>Climate Action</p> <ul style="list-style-type: none"> • Reduce carbon footprint • Fossil free energy consumption • Compliance with common environmental certificate and standards | <p>Occupational health and safety</p> <ul style="list-style-type: none"> • Occupational health & safety improvement process • Local safety policies • Company safety council • Occupational health services <p>Employee Satisfaction</p> <ul style="list-style-type: none"> • Excellent place to work • Development of personnel's motivation • Development of personnel's work satisfaction • Competence development • Fair employment conditions <p>Reduced Inequalities</p> <ul style="list-style-type: none"> • Respect for different cultures • Ethical principles • Gender equality • Honesty and fair methods of operation • Human rights and equal treatment • Conflict Minerals Policy | <p>Sustainable Procurement</p> <ul style="list-style-type: none"> • Supplier base sustainability assessment • EcoVadis assessment platform <p>Fairness in All Stakeholder Relations</p> <ul style="list-style-type: none"> • Defined in Scanfil Code of Conduct and Supplier Code of Conduct • Compliance with Laws and Cultures <p>Finnish Corporate Governance Code</p> <ul style="list-style-type: none"> • Stakeholder transparency to company governance and remuneration • Complimentary to the provisions of law <p>Rules and regulations of Nasdaq Helsinki</p> <ul style="list-style-type: none"> • Complimentary to the provisions of law |
|   |     |    |

UN's Sustainable Development Goals relevant to Scanfil

Scanfil has evaluated 17 UN's Sustainability Development Goals (SDGs) and chosen 7 the most significant to it and its stakeholders.

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|  <ul style="list-style-type: none"> The goal aims to ensure that consumption and production patterns are sustainable and do not deplete natural resources. Scanfil aims to reduce its energy, water and material consumption mainly by doing energy, water and material efficient choices in production. |  <ul style="list-style-type: none"> Aims to ensure that everyone has access to quality health care and can lead healthy lives. Scanfil aims secure a healthy and safe work environment for all its employees. |  <ul style="list-style-type: none"> Aims to ensure that everyone lives in a peaceful and inclusive society and that everyone has access to justice and institutions that are accountable and responsive to their needs. Scanfil aims to secure and strengthen fair, lawful, equal and predictable business practices. |
|  <ul style="list-style-type: none"> Aims to take urgent action to combat climate change and its impacts. Scanfil aims to improve its energy efficiency, increase the share of fossil-free energy in its operations and considering GHG in all aspects in its operations such as freights and travel. |  <ul style="list-style-type: none"> Aims to eliminate discrimination and violence against women and girls, and ensure full and equal participation in political, economic, and social life. Scanfil aims to increase the share of women in the workforce and senior management. | |
| |  <ul style="list-style-type: none"> Aims to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. Scanfil aims to improve and ensure its employees well-being at work. It is measured annually and actions are taken according to the results. | |
| |  <ul style="list-style-type: none"> Aims to reduce income inequality and ensure that everyone, regardless of their background, has an equal opportunity to succeed. Scanfil aims reduce perceived bullying and discrimination among its employees. | |

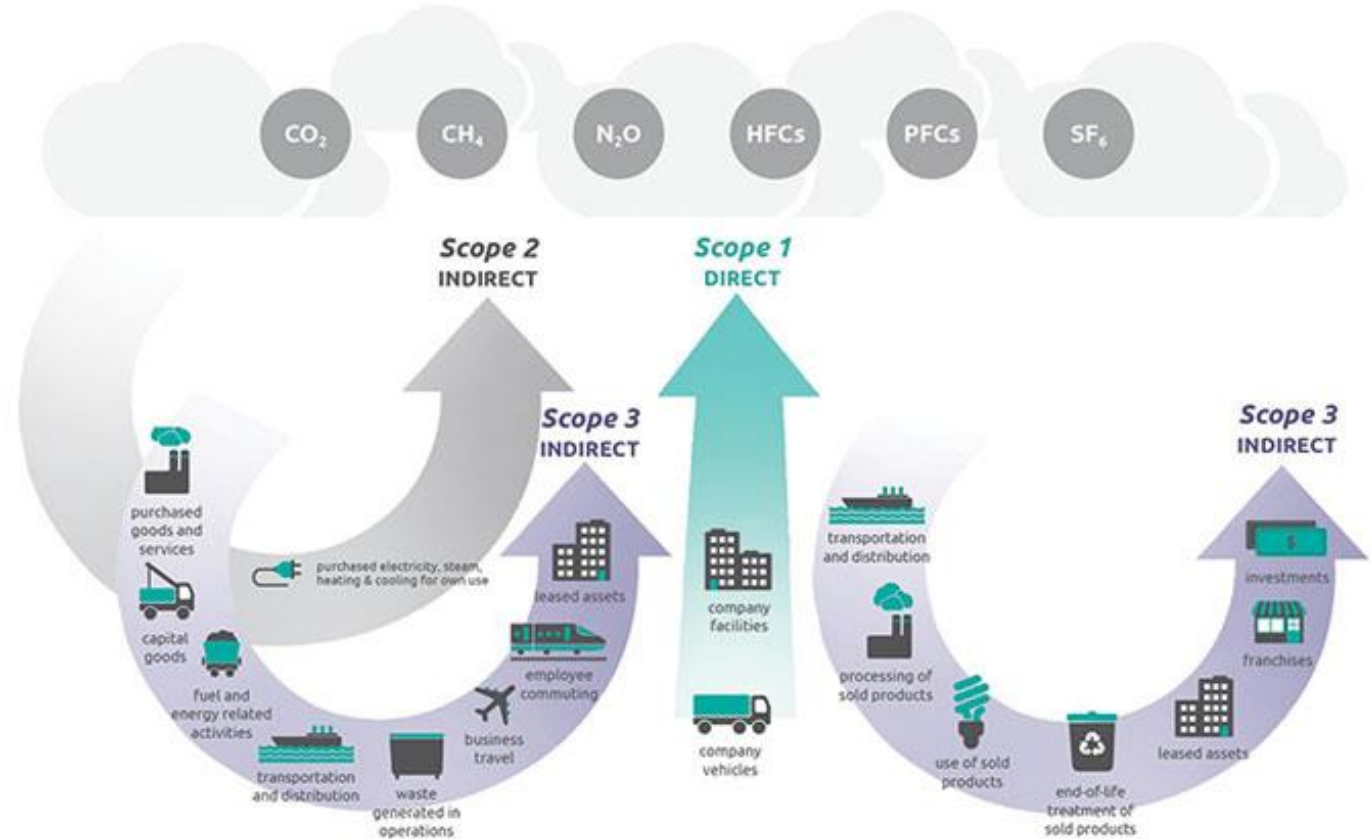
Green House Gas Protocol

Scanfil is currently covering Scope 1 & 2 and will gradually expand to Scope 3 in 2023 (freight and waste)

Scope 1 – All Direct Emissions from the activities of an organization or under their control. Including fuel combustion on site such as gas boilers, fleet vehicles¹ and air-conditioning leaks.

Scope 2 – Indirect Emissions from electricity purchased and used by the organization. Emissions are created during the production of the energy and eventually used by the organization.

Scope 3 – All Other Indirect Emissions from activities of the organization, occurring from sources that they do not own or control. These are usually the greatest share of the carbon footprint, covering emissions associated with business travel, procurement, waste and water.



¹ Partially covered, will be fully covered in 2023. It has been estimated to be less than 1% of total CO2 emissions created by Scanfil.

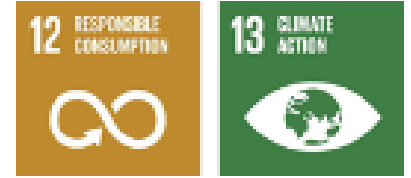
Centric Social Objectives



Our SDG focus areas on social side are Good Health, Gender Equality and Reduce Inequalities. These three areas are decided based on UN Sustainable Development Target Framework, UN Women Empowerment Initiative, and ISO 45001:2018. Our centric objectives for social sustainability are:

| SDG Area | Targets | 2020 | 2021 | 2022 | 2023 Q1 | 2023 Q2 | 2023 Q3 | TRG 2023 | TRG 2030 |
|----------------------------------------|---------------------------------------------------|------|------|------|---------|---------|---------|----------|-----------|
| 3 Good Health | Workplace accidents, % of active workforce | 1% | 0,6% | 0,7% | 0,1% | 0,3% | 0,5% | 0,6% | -10% p.a. |
| 5 Gender Equality | % of women in the senior management | 23% | 25% | 24% | 22% | 22% | 21% | 26% | 2026: 35% |
| 8 Good Jobs/ 10 Reduce Inequalities | Employee satisfaction and motivation survey score | 68 | 70 | 71 | - | - | 73 | 72 | 2025: ≥75 |

Centric Environmental Objectives



CO2 emission target is aligned with Greenhouse Gas Protocol. Our centric objectives by the year 2030 are as follows:

| SDG Area | Targets | 2020 | 2021 | 2022 | 2023 Q1 | 2023 Q2 | 2023 Q3 | TRG 2023 | TRG 2030 |
|-------------------|--------------------------------------------------|--------|--------|--------|---------|---------|---------|----------|----------|
| 13 Climate Action | CO2 emissions (tCO2e) | 16 853 | 16 144 | 10 246 | 2 295 | 2 148 | 2 358 | 10 000 | 8 500 |
| 13 Climate Action | Reduce CO2 / value-add by more than 60% | n/a | -10 % | -42 % | -60% | -66% | -70% | -45% | -60 % |
| 13 Climate Action | Increase the share of fossil-free energy to >60% | 28 % | 33 % | 52 % | 52,8% | 54,8% | 50% | 55% | 60 % |

Centric Governance Objectives



Our focus areas are Good Jobs and Economic Growth, and Peace, Justice and Strong Institutions. Scanfil complies with all laws and regulations in its areas of operations and considers its stakeholders aspirations in sustainability point of view. Our centric objectives for sustainable governance are:

| SDG Area | Targets | 2020 | 2021 | 2022 | 2023 Q1 | 2023 Q2 | 2023 Q3 | TRG 2023 | TRG 2030 |
|-------------------------------------------|------------------------------------------------------|------|--------|--------|---------|---------|---------|----------|----------|
| 16 Peace, justice and strong institutions | Improve sustainable procurement: EcoVadis rating | - | Silver | Silver | Silver | Silver | Silver | Gold | Platinum |
| 16 Peace, justice and strong institutions | Supplier Code of Conduct signed by new suppliers | - | - | 100% | 100% | 100% | 100% | 100% | 100% |
| 16 Peace, justice and strong institutions | Onboarding Code of Conduct training to new employees | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |

Key actions for 2023

| | Area | 2023 Action | Status |
|---------------|--------------------------|-----------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Environmental | Energy and GHG emissions | Energy saving and transport optimization Green energy agreement in Wutha | Green energy agreement signed for Wutha in January. |
| | Waste | Detailed reporting of waste type Package waste reduction and recycling | Data collection for each factory has started. First results are expected to be reported at the latest in early May |
| Social | Workplace accidents | Safety council improvement actions | More strict reporting and auditing implemented at most impacted factories. |
| | Sick leaves | Improve Working Conditions (EES actions) Well-being campaign promoting healthy habits | Working conditions Best Practices and Safety Council lessons learned gathered and compiled in the handbook. Well-being campaign continues with monthly inspirations shared in posters and stories. |
| | Gender equality | Gender equality action plan (brand, career, recruitment) Enhance Diversity & Inclusion awareness | International Women's Day celebrated with UN and campaign around women empowerment run. DEI enhancement concept ready and first quarterly Forum scheduled for Q2. |
| | Employee satisfaction | Improve EES action plans quality Targeted development for selected Managers | Detailed review of chosen areas with quality actions Immediate Managers development best practices gathered and compiled in the handbook |
| Governance | Reporting | CSRD materiality assessment and actions based on that | Assessment ready in February. Development of reporting starts in May |
| | Reporting | Ecovadis Gold preparations | Preparations are proceeding as planned and Gold should be achievable in Autumn |
| | Code of Conduct | Updated CoC training for all employees | eLearning for 2023 update should be in use as of May |