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Significant events in 2025

Ependion increased the tempo of its sustainability work in 2025, focusing on improving governance, risk management and control in its value chain. The group's work has helped create a more robust and resilient organization, ready to satisfy regulatory standards and customer requirements on the group's markets. It has simultaneously created good potential to ensure relevant and goal-oriented sustainability work group-wide.

The acquisition of Welotec, described in more detail on p. 18, complements Westermo's portfolio and enables the development of more energy-efficient and secure solutions for critical infrastructure. This is helping reduce environmental impact and improve the group's work for sustainable industrial development.

Ependion has implemented a new framework for working on human rights in its value chain.

Welotec secured ISO14001 certification.

Both Ependion's business entities have joined the Global Compact Business & Human Rights Accelerator program.

Beijer Electronics has developed and launched a new product family—the X3—with a higher share of recycled materials (plastics and aluminum) and fewer plastic components.

Westermo Ireland participated in the UN Global Compact Program for sustainable supply chains.

All Westermo's sales offices conducted health & safety business reviews.

Beijer Electronics implemented a global system to monitor employee satisfaction.

Westermo and Beijer Electronics created upgraded policies and methodologies to monitor suppliers.

Westermo India secured ISO 14001, ISO 45001 and ISO 9001 certifications.

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STATEMENT FROM OUR GROUP HEAD OF SUSTAINABILITY & CFO

Robust structures enable long-term competitiveness

For Ependion, 2025 was the year Ependion intensified the organization's collective sustainability work with clearer shared working methods, governance documents, policies and frameworks. The aim was to establish an even more strategic approach to the transitions Ependion wants to and must make, with clear group-wide objectives.

As a decentralized organization, ensuring the group's business entities are in the right place to manage effective and results-oriented sustainability work is critical. This was the main focus of the year.

"We intensified our work on human rights in 2025, developing our risk management. In parallel, our business entities continued product development supporting our ambitions of circular and resource-efficient design, sustainable material choices and energy efficiency," comments Lena Westerholm.

"We also stayed on track towards integrating sustainability into the group's processes and working methods, creating long-term stability, relevance and value for our stakeholders," adds Joakim Laurén.

An updated risk framework presents opportunities

Updating the group's risk framework in consultation with the Board, Management and representatives of Ependion's business entities was part of this process.

"We've created a clearer and more structured process to identify, assess and manage risks and opportunities. Our framework is based on ISO 31000, providing us with a robust foundation for risk management in a holistic perspective. This risk framework means we can see the relationship between sustainability and economics more clearly, and act faster when risks and opportunities appear," says Lena.

"An updated framework clarifies roles and duties. We expect each entity to work proactively on risks and opportunities in its own segment and make a contribution to the group's overall risk management related to transition, market priorities and innovation. This safeguards Ependion's long-term competitiveness and relevance in a changeable business environment," explains Joakim.

A structure enabling the power to act

For the coming year, Ependion will continue the group's large and small-scale work on continuous improvement, founded on clearer group-wide structures.

"Updating our collective working methods has been an important process that has helped support our business. But now, we're looking forward to accelerating the pace of our actual sustainability work linked to products and services—hopefully on a more effective and well-targeted footing," continues Joakim.

"I'm still impressed by my colleagues' willingness to continuously improve how we work and keep delivering the most robust and effective products on the market. I'm now looking forward to continuing to drive environmental and social improvement with my colleagues, with the core focus of reducing our carbon footprint in Scope 3—which is where our products are a key factor," concludes Lena.

Group Head of Sustainability Lena Westerholm and CFO Joakim Laurén

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Strategy

Sustainability is a central component of Ependion's business strategy where work on climate issues, circular economy and corporate culture are a natural component of business development. To ensure sustainability work is effective and relevant, Ependion applies a decentralized governance model.

Ependion is the group parent company of two business entities, Beijer Electronics and Westermo. To manage sustainability work on a relevant, effective and results-oriented basis, Ependion applies a decentralized governance model, with each business entity formulating its own strategy to achieve its own and group-wide sustainability targets. The group is retaining its ambitions despite a turbulent business environment where the relevance of the sustainability issue is being challenged.

Ependion and its business entities maintain an ongoing dialogue with each other and relevant stakeholders to continuously develop and improve in sustainability. Dialogue is a tool that helps the group prepare relevant strategies, develop its business entities' product offerings to address market standards and expectations, and improve how Ependion collaborates with its workers and suppliers.

Double materiality analysis

Ependion conducted the group's first DMA in 2024, which was revised in 2025 consistent with the procedure the group established. The analysis has been conducted in accordance with the method recommended by the European Financial Reporting Advisory Group (EFRAG) and is reviewed in detail in Ependion's Sustainability Statement.

The material topics identified were integrated in the group's sustainability framework in the year, then communicated and implemented in the group's business entities. The identified topics did not result in any overarching rework of the current sustainability strategy

A complete report on these material topics is provided in the group's Sustainability Statement.

Sustainability framework

	ENVIRONMENTAL SUSTAINABILITY	SOCIAL SUSTAINABILITY	GOVERNANCE
Ependion's contribution to UN SDGs	5 JÄMSTÄLLDHET; 8 ANSTÄNDIGA ARBETSVILLKOR OCH EKONOMISK TILLVÄXT	9 HÅLLBAR INDUSTRI, INNOVATIONER OCH INFRASTRUKTUR; 12 HÅLLBAR KONSUMTION OCH PRODUKTION; 13 BEKÄMPA KLIMATFÖRÄNDRINGARNA	16 FREDLIGA OCH INKLUDERANDE SAMHÄLLEN
Ependion's most material sustainability topics	» Climate change » Circular economy » Pollution » Water*	» Own workforce » Workers in the value chain	» Responsible business

**Material related only to the value chain, based on the electronics sector's circumstances.*

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ENVIRONMENTAL SUSTAINABILITY

Climate

Climate change and its consequences are one of the biggest challenges of our time. Ependion is committed to contributing by reducing its greenhouse gas emissions in line with the Paris Agreement. Simultaneously, the group's climate work is helping minimize climate-related risks with more resilient operation.

In 2024, the group set its first collective targets on emission reduction in Scope 1 & 2, with absolute targets for 2030 and 2050. Group targets for Scope 3 were set in January 2025 (see p. 80).

To reduce Ependion's GHG emissions, several initiatives were both launched and implemented during 2025. Initiatives and activities are divided strategically by where the impact occurs in the group's value chain—with suppliers, in its own operations or with customers and end-users.

Ependion collaborates closely with the group's suppliers to improve the climate footprint of the materials and components it purchases. For example, Ependion's business entities can support suppliers in their energy transition of production, or evaluate the selection of materials with equivalent performance but less climate impact. Actions include Beijer Electronics securing 60% fossil-free electricity supply for its Taiwan plant, expected to significantly reduce related climate emissions from January 2026. In addition, several local environmental initiatives have been implemented.

There was a lot of activity in the climate segment for the group's operations in 2025, with one major advance being it setting group-wide targets for Scope 3. Additionally, Westermo's plant in India secured ISO 14001 certification in the year. Recent acquisition Welotec also secured ISO 14001 certification in 2025. Beijer Electronics continued its work on reducing the climate impact of transportation, with initiatives reducing airfreight, and attempts to offer fully fossil-free transportation for customers in Sweden and Denmark.

Continuous improvement of products is a critical instrument for reducing the group's carbon footprint, and here Ependion is collaborating closely with customers on analyzing and optimizing product lifecycles and identifying improvement potential in material selection, production, transportation, etc.—without compromising quality and performance. The group's work on continuously improving product climate performance is also enabling Ependion to help its customers realize the climate targets set. Read more about how Beijer Electronics works with its marine sector customers to reduce their climate impact on p. 43.

CO_2 emissions, absolute (tonne CO_2e)

Activity	2022	2023	2024	2025
Scope 1	98	127	149	106
Scope 2	581	645	641	694
Total Scope 1 & 2	679	772	789	800
Scope 3	Not calculated		166,800	153,560

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ENVIRONMENTAL SUSTAINABILITY

Setting course towards new business–with traction from the climate transition

About 90% of global freight transport is maritime,[1] indicating substantial potential for climate gains through reduced emissions from merchant vessels, as reflected in increasingly stringent international regulations in this segment. This has become a clear business driver for Beijer Electronics.

The marine sector's climate transition is ongoing, driven by ambitious sustainability standards applied by the International Maritime Organization (IMO) targeting zero net emissions from mid-size companies by 2050. Beijer Electronics already has strong positioning in this segment, close relationships with several global players and can help its customers to address these climate standards, but also drive technology development forward.

"The climate issue is central to our customers, and our customers' customers. Shipping lines are impacted by international regulations, which means energy efficiency, more intelligent propulsion solutions and operational optimization are high on their agendas, segments where we have–or can develop–solutions that can satisfy customer needs," comments Ali Rezaei, Beijer Electronics' VP of Global Sales & Marketing.

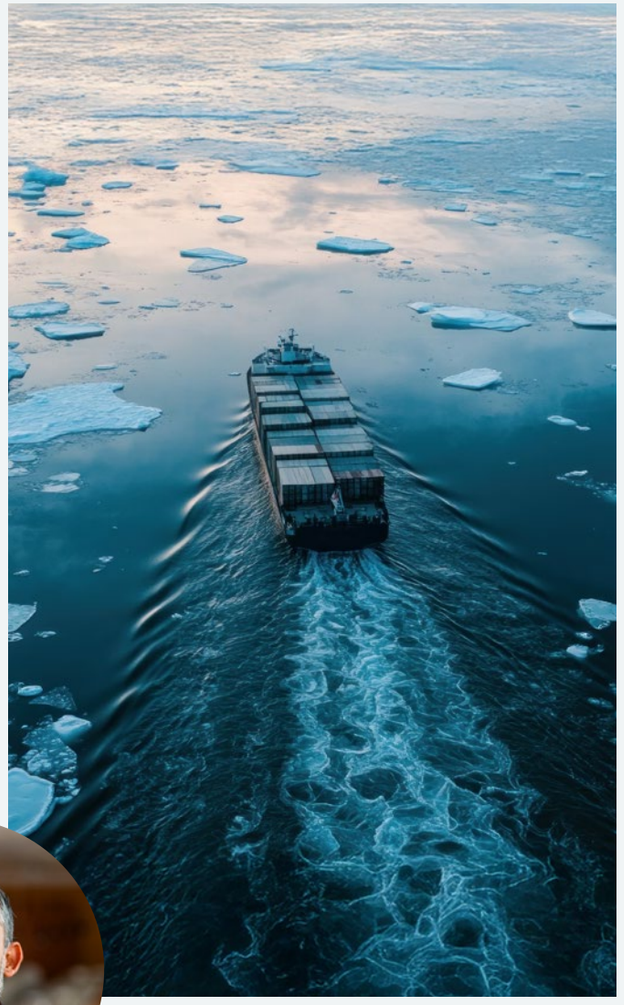
Beijer Electronics' typical marine segment customers are companies that deliver systems for ballast water control, exhaust treatment or fuel optimization for international fleet operators.

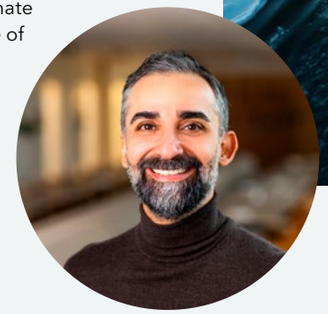
"Many of the major lines are now seeing how climate targets and finances go hand in hand. More efficient operations mean lower costs, which creates a virtuous circle where sustainability becomes a business opportunity for them and us," continues Ali.

Beijer Electronics develops hard and software for control, data visualization and automation. This helps customers gain more insight into operational data, optimizes energy consumption and increases reliability.

"We're an important link in the value chain. With our technical expertise and understanding of the sector, we can help our customers achieve their climate ambitions, while we drive the whole industry forward," adds Ali, concluding:

"The momentum is strong right now. The climate transition isn't a threat; it's the growth engine of the future!"





Ali Rezaei, VP Global Sales & Marketing of Beijer Electronics

1 *https://www.transportstyrelsen.se/sv/Sjofart/Miljo-and-halsa/*

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ENVIRONMENTAL SUSTAINABILITY

Circular economy

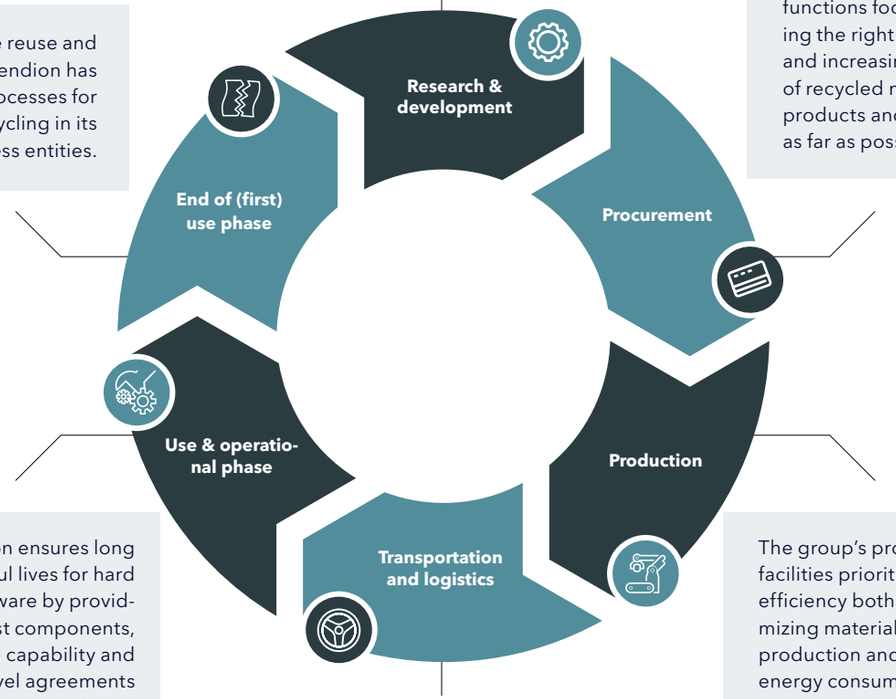
Circular economy and promoting resource efficiency is one of the main topics of Ependion's sustainability work. The group can make a big difference with long-life, energy-efficient solutions, supported by a broad service proposition that further extends technical lifetimes.

Working more circularly is essential to reducing depletion of natural resources, mitigating environmental impact and creating economic opportunities through reuse and recycling. The transition to a fully circular economy will take time, but is necessary to limit climate change and reduce overconsumption of the Earth's resources. The main features of the group's work on circular economy are stated to right.

Ependion collaborates closely with suppliers and customers to investigate and generate shared opportunities in the circular economy, extending from design and materials selection to repairs and reuse. Westermo Ireland describes Ependion's view of value creation from a lifecycle perspective in more detail on page 45. At Beijer Electronics, work on using more recycled material continued, and in fall 2005, it launched a new product family—the X3—with more recycled materials (plastic and aluminum). These products also have lower content of plastic components.

When developing new products, Ependion ensures they last as long as possible—hardware and software. Products are designed to enable reuse and recycling.

The group's procurement functions focus on selecting the right suppliers and increasing the share of recycled materials in products and packaging as far as possible.



To maximize reuse and recycling, Ependion has established processes for returns and recycling in its business entities.

The group's production facilities prioritize resource efficiency both by minimizing material waste in production and reducing energy consumption.

Ependion ensures long product useful lives for hard and software by providing robust components, upgrade capability and service level agreements (SLAs).

To cut emissions, Ependion continuously evaluates new means of transport end to end in its value chain. It currently uses air, sea, rail and road transport.

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ENVIRONMENTAL SUSTAINABILITY

Built to last—a lifecycle philosophy that creates value

In a world of changeable geopolitics and rising regulatory standards, long-term resilience and sustainability are strategic necessities for all businesses. Westermo is playing a key role in helping companies to address change end to end in product lifecycles.

Declan Carew, Managing Director of Westermo Ireland, heads up strategic initiatives to develop robust, secure and sustainable industrially connected products and solutions, focusing on long useful lives and reduced environmental and climate impacts. With over 30 years' sector experience, Declan has witnessed major change in recent years, with customers valuing sustainability more highly. He explains:

"Our key customers manage critical infrastructure like power systems and water supply, which are decisive to national safety, economics, and public health. These customers are in major change processes to cut their climate and environmental impacts sharply, while digitalizing their operations. They've understood the vital role suppliers like Westermo play, who can deliver robust, cybersecure products with long useful lives, produced in a transparent value chain.

These customers also understand the importance of cybersecurity, digital innovation and sustainability in supply chains. In this context, Westermo's fully integrated supply chain and lifecycle perspective fit products and services perfectly for sector needs."

"Westermo rejected the sector's throwaway mentality decades ago—circularity is in our DNA. We stand alongside the customer at every lifecycle phase: development, implementation, operation and end of life. Our customers know they can trust us in the long term," continues Declan.

Sustainability and circularity standards have evolved from being a growth trend to emerging as a market driver of substantial business value—if you're correctly positioned.

"When supply chains become more digitally integrated and interdependent, risks also increase. But a functional circular business model can create value-added. Companies want a partner capable of offering leading-edge technology, sustainable supply chains and reliable corporate governance.

As customers become more conscious of the strategic importance of their investment decisions, Westermo becomes their long-term partner—now and for many years ahead," adds Declan.

Declan Carew, Managing Director of Westermo Ireland

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SOCIAL SUSTAINABILITY

Own operations

Work on social sustainability in its own operations is important to Ependion. By investing in employee development, providing a secure working environment and promoting diversity and inclusion, the group creates the potential for long-term success.

Working environment

A safe working environment is critical to employee wellness, which is why Ependion and the group's business entities work constantly on these issues. The group's engagement KPI indicates continued positive health & safety and that workers are enjoying their jobs. Westermo has been monitoring engagement for several years, and Beijer Electronics implemented a similar system in 2025. At year-end 2025, Beijer Electronics' engagement KPI was 79 and Westermo's was 81, with a score of 80 considered very positive and above the sector average.

Work on continuous skills enhancement initiatives in health & safety continued in both business entities. All Westermo sales offices conducted business reviews in the year focused on health & safety. ISO 45001 certification is another key event to ensure good health & safety, and Westermo's new Indian plant was certified in 2025. Westermo has implemented enhanced safety routines for workers including monthly reporting by all managers, and enabled high engagement across most activities globally, such as a new on-boarding program, monthly health & safety themes and the Take 5 safety concept.

Beijer Electronics continued to offer activities that promote employee wellness. Wellness is measured through the business entity's new, global engagement tool, implemented in the year. The business entity also established new hybrid working guidelines globally.

Diversity and inclusion

Improved potential for diversity and inclusion is imperative for Ependion's innovation and growth. The group pursued several initiatives in this segment in the year. Beijer Electronics implemented a new diversity and inclusion policy in 2025, and launched a new platform for worker engagement.

Westermo made Culture as a Business Accelerator the central theme of its yearly leadership conference, and ran the second round of its Executive Trainee Program. Westermo also continued its engagement in the "Introduce a Girl to Engineering Day" program to encourage more young women to take an interest in the engineering and technology professions.

Work on achieving a more inclusive and representative organization should also be reflected in the group's leadership positions. Ependion has achieved a division of 75% women and 25% men in Group Management. The corresponding division on the Board is one woman (17%) and five men (83%). In the group overall, Ependion still has a predominantly male workforce, which is significant in the sector where the group operates. Ependion is working to change this, through a range of initiatives to spark young women's interest in technology and coding.

Three quick questions on: Westermo Wellness Week

Westermo arranged its first Wellness Week this year, can you tell us a little about the initiative?

Wellness Week is an initiative to reinforce the tradition of health, keep-fit and togetherness at Westermo. We tried new activities, then reflected and had fun together. There were lots of different activities at our plants and offices around the world, with alternatives available on our intranet.

Which activities did people enjoy most?

We got a fantastic turn-out on our padel court and lectures on psychological flexibility, ACT, in Sweden, at both Västerås and Stora Sundby. In Germany, our healthy lunches were popular, while many of our people in Ireland took a lunchtime walk, listened to a lecture and did stretching in the office together. Walks, movement and stretching were popular at many sites and in different ways. However, the highlight of the week for me was a nighttime jog with headtorches in a nature reserve!

What kind of reception did the Week get from all your colleagues?

Engagement worldwide was overwhelmingly positive. The initiative inspired good habits and our people really appreciated the opportunity to share ideas and get mutual support for healthy lifestyles, at work and outside.

Elin Sandell
HR specialist at Westermo

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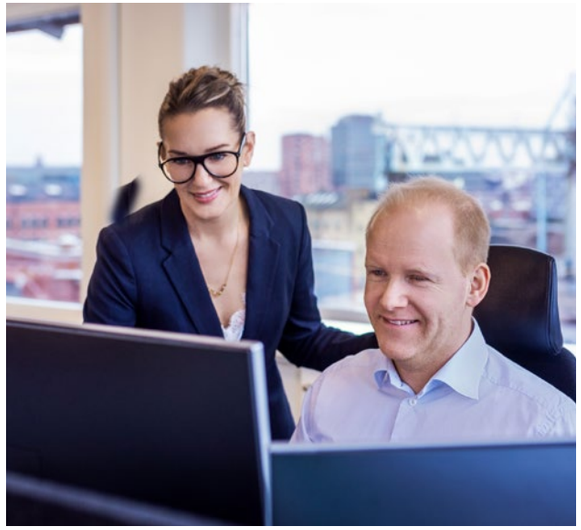
SOCIAL SUSTAINABILITY

Workers in the value chain

Ependion should be a responsible business. Operations are managed consistent with international guidelines like the UN Global Compact, the ILO Declaration on Fundamental Principles and Rights at Work and OECD Guidelines for Multinational Enterprises.

As a multinational group with a global value chain, Ependion is responsible for ensuring that people affected by the group's operations stay well. The group has been a member of the UN Global Compact since 2018, thus supporting the UN Declaration on Human Rights. A global Human Rights Policy was introduced in 2023, and its implementation continued in 2025, including setting a group-wide human rights framework. In 2025, Ependion also participated in the Global Compact's human rights program.

To ensure compliance with the group's expectations and standards for human rights in its value chain, Ependion has established due diligence processes in the group's business entities. These include an assessment of business partners' and suppliers' compliance policies, procedures, impacts and engagement in sustainability and business conduct. Differences in approach to compliance are due to Ependion's decentralized governance methods and the different circumstances in each business entity's value chain.



Three quick questions on: Ependion's human rights due diligence

Could you summarize Ependion's human rights due diligence?

Our new human rights framework—or Human Rights Due Diligence—is based on international human rights guidelines like the UN's Guiding Principles on Human Rights, the ILO's Core Conventions on Workers' Rights and the OECD's Guidelines for Multinational Enterprises. Our aim is to clarify the risks related to human rights and limit our impact on them in our operations.

How is it being/will it be used in operations?

Our new framework gives clear directives on roles and duties in dealing with issues affecting human rights. It helps us focus on the most significant risks to human rights in our value chain—salient human rights issues.

How does the framework help Ependion take care of people in your value chain?

By having now identified the most significant material risks to human rights in our value chain, we've prepared action plans to manage these risks optimally. The framework will also help us maintain awareness on this issue. We'll now incorporate this into our processes more clearly and be able to make wiser decisions.

Lena Westerholm
Group Head of Sustainability
at Ependion

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GOVERNANCE

A responsible Ependion

Ependion should be a responsible business. The group is managed consistently with international guidelines like the UN Global Compact, the ILO's Fundamental Principles and Rights at Work and OECD Guidelines for Multinational Enterprises.

Ependion adopts a decentralized perspective on sustainability management; its most important policy document is Ependion's Code of Conduct, which is the foundation for the business entities' work in their individual operations. All the group's employees need to sign the Code of Conduct to confirm their acceptance of responsible and ethical business conduct. The Code of Conduct was updated at group level in the year.

Ependion has also set a group-wide target of zero tolerance of corruption and bribery, which will be implemented in each business entity going forward. Additionally, the group created an updated risk framework in 2025, with implications including clearer roles and duties related to risk management. Ependion also established a new group-level Sustainability Policy, further clarifying its continued ambition in sustainability, and cementing Ependion's resolve to keep contributing to the transition to a more sustainable society.

This decentralized perspective on sustainability management has also resulted in the group's business entities setting their own sustainability targets and creating suitable approaches to achieve them, depending on the conditions of each operation and value chain. However, both entities require all strategic suppliers to sign their Supplier Social Compliance Policies or Supplier Codes of Conduct. Westermo's target is for all strategic suppliers to sign the Code, which was achieved in 2025. Beijer Electronics also updated its Supplier Code of Conduct, and all suppliers of direct materials received this update in 2025.

Highlights from business entities in this segment included both updating their Codes of Conduct for their own operations in 2025, which actualize the group's overarching Code of Conduct, but are more tailored to each business entity's operations. Most of Westermo's employees have reviewed the updated Code of Conduct and had signed it again by year-end. All Beijer Electronics employees should take a digital course on the updated Code as part of its implementation. This course is in development.

Beijer Electronics also continued to develop policies and policy documents across a range of segments including those related to information security. Policy training programs are available on the business entity's new e-learning platform, which was launched in the year.

Conflict minerals

Ependion works to ensure the group's products do not contain conflict minerals. The group prepared a Conflict Minerals Policy in 2023, based on the recommendations of the Responsible Minerals Initiative, which it updated in 2025. The Policy stipulates that suppliers should comply with Ependion's Code of Conduct, state how they counter the incidence of conflict minerals and continuously investigate their supply chains. In 2025, 96% of Westermo's and 75% of Beijer Electronics' affected suppliers had conducted yearly CMRT (Conflict Minerals Reporting Template) reporting.

Westermo's plant in India has ISO 14001, 45001 and 9001 certifications. Westermo also enhanced systemizing how it monitors its suppliers. Once again, the business entity assigned independent organization EcoVadis to evaluate its sustainability work, which rated Westermo Silver, putting it in the top 15% performing companies globally of those reviewed, although the assessment puts it in the top 6%. Beijer Electronics also received EcoVadis Silver for 2025.

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Ependion is a technology group that delivers advanced digital solutions for secure machine-machine and human-machine control, monitoring and communication in harsh environments, where reliability and high quality are critical factors.

Ependion has a strong presence on expansive markets and segments featuring digitalization. Its offering consists of proprietary and mainly newly developed products, which help create good future prospects and great potential for high and profitable growth.

Products and solutions are sold by direct sales units in 21 countries, and via a network of independent distributors in about 60 countries. The group consists of two business entities—Westermo and Beijer Electronics. These entities manage their own product development and manufacture, and have global sales responsibility.

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Directors' Report

The Board of Directors and Chief Executive Officer of Ependion AB, corporate identity number 556025-1851, hereby present the Annual Accounts and Consolidated Accounts for the financial year 2025. The information in brackets is for the previous year. The group is referred to as Ependion below.

Group operations

Ependion's overarching strategy is to achieve profitable growth by developing and acquiring businesses with high technology content and strong positioning on growth markets. Ependion has three financial targets: achieving minimum yearly organic growth of 10% excluding acquisitions, delivering a minimum EBIT margin of 15%, and paying dividends.

Ependion provides the market with digital solutions for secure control, visualization and data communication for industrial applications in environments where reliability and high quality are critical factors. Its offering consists of software, hardware, services and servicing, linking a variety of systems across wired and wireless digital networks, and interconnecting a raft of applications. Through its 2025 acquisition of Welotec, Ependion has added new specialist technology in edge computing, used in energy systems and industrial automation.

Ependion's solutions are robust, with an emphasis on efficiency, reliability and IT security. The market segments it focuses on are train, trackside, energy, manufacturing and marine. In December 2025, the Board decided to add to the defense industry as a new focus segment for the Westermo business entity. Products feature high technology content, quality and user-friendliness. Proprietary technology and product development is a critical precondition for the group's competitiveness. Ependion has development centers in Sweden, Germany, Taiwan, Switzerland and Ireland.

Ependion's revenue model is founded on close partnerships with customers in long-term relationships. Finished products, which integrate hard and software, are often built into customers' complete solutions with lifecycles up towards ten years. This generates repeat and stable revenues for the long term. Future software updates also present an opportunity for more business.

Products and solutions from Ependion are sold through proprietary sales units in 21 countries, and via a network of independent distributors in a further total of some 60 countries. See also Note 14 for more information on the group's subsidiaries. Parent company Ependion AB is a holding company with central functions like strategic development, accounting and finance, IT, quality and environment, sustainability and communications. The group is divided into two business entities: Westermo and Beijer Electronics. These business entities have proprietary product development and manufacture as well as global sales responsibility.

Operations in the year

Ependion has a strong presence on expansive markets and segments featuring digitalization. With digitalization and electrification as its primary underlying drivers, the group is growing organically with investments in infrastructure, transportation and energy, for example. The need for more resource-efficient control and optimization of processes for more sustainability is another contributor to its business. For the long term, markets are outgrowing the economy generally.

2025 featured geopolitical uncertainty and a weaker business cycle, causing customer hesitancy and slower demand for the business entities' products and solutions.

Negative currency effects had a major impact on the group's earnings. Both Westermo's and Beijer Electronics' order intake increased, but sales decreased on 2024.

Order intake, sales and profit

The group's order intake increased by 11% to 2,253 MSEK (2,039) in 2025. Adjusted for currency effects and acquisitions, the increase was 7%. Sales were 2,232 MSEK (2,258), with the Nordics representing 19% (18), the rest of Europe 49% (48), Asia 20% (20), and North America 12% (14). Proprietary products represented some 91% (90) of the group's total sales.

The group's EBITDA was 432.5 MSEK (427.5). Depreciation and amortization increased to 200.5 MSEK (176.6). EBIT reduced to 232.1 MSEK (250.9), equivalent to an EBIT margin of 10.4% (11.1). Net financial income/expense was SEK -38.2 MSEK (-44.5). Profit before tax was 193.8 MSEK (206.4). Profit after estimated tax was 146.7 MSEK (157.0). Earnings per share after estimated tax were 4.73 SEK (5.45).

Five-year summary, group

SEK 000	2025	2024	2023	2022	2021
Order intake	2,253,351	2,038,885	2,306,956	2,551,984	2,030,594
Revenues	2,231,753	2,258,125	2,470,647	2,128,386	1,618,797
EBITDA	432,549	427,473	473,955	354,810	217,981
Depreciation and amortization	-200,477	-176,565	-152,271	-153,683	-149,709
EBIT	232,073	250,907	321,684	201,127	68,272
EBIT margin %	10.4	11.1	13.0	9.4	4.2
Investments in tangible and intangible assets	180,570	224,217	173,663	121,432	75,726
of which capitalized development expenses	154,918	183,656	141,936	105,336	67,181
Product development expenditure %	13.7	13.9	11.4	10.5	12.6

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Significant events

Group

In spring 2025, Ependion executed a private placement to part-finance its acquisition of German technology company Welotec. For more information, see the Shares and ownership structure section.

Westermo

Westermo opened its new unit in India in March 2025, securing a first local order of 11 MSEK in the train segment, and by year-end this operation had established a base of over 20 local customers.

In June, Westermo acquired all the shares of Welotec GmbH, advancing its positioning in the expansive energy segment, bringing additional edge computing technology, see Note 35.

In November, Westermo acquired a minority holding in UK software developer RazorSecure Ltd., a leader in rail cybersecurity. The parties also entered a collaborative agreement, agreeing an option to acquire the whole company after the end of the financial year 2027 under a predetermined price mechanism.

In December, the Westermo business entity took the decision to add the defense industry as a new focus segment.

Beijer Electronics

Beijer Electronics restructured in March 2025, reducing costs by 22 MSEK annualized, with 3.4 MSEK of restructuring expenses charged to the quarter.

The new generation of operator panels, the X3 series, was completed in September, with several customers deciding to place orders.

Westermo business entity

Westermo develops robust and secure communication solutions for harsh environments, with its main focus on train networks, where the business entity is the global market leader in its niche of track-side and the energy sector, backed by Welotec in power grids.

Westermo was still impacted by a periodically hesitant attitude from customers in 2025, but achieved growing total order intake for the full year. Adjusted for negative currency effects and acquisitions, order intake also increased. Westermo's sales were also up, but adjusted for currency effects and acquisitions, fell somewhat, while EBIT increased. The business entity still exercised great restraint on all costs not related to key future-oriented initiatives. Westermo continued to invest in product development, focusing on still-better cybersecurity functionality, and supplemented its offering in power grids and energy.

Order intake, sales and profit

Westermo's order intake increased by 14% to 1,414 MSEK (1,237). Excluding currency effects and acquisitions, order intake increased by 4%. Sales rose by 5% to 1,378 MSEK (1,317). Excluding currency effects and acquisitions, sales were down by 5%. EBITDA increased to 309.0 MSEK (288.7). Depreciation and amortization was 104.5 MSEK (89.9). EBIT increased to 204.4 MSEK (198.9), equivalent to an EBIT margin of 14.8% (15.1).

Beijer Electronics business entity

Beijer Electronics helps its customers drive efficiency and sustainability by transforming data into valuable insights. Beijer Electronics delivers innovative solutions for visualizing, automating and digitalizing industrial applications for the marine sector, industrial OEMs and for applications in rugged environments.

Beijer Electronics' order intake increased for the full year, with the focus segments of marine and applications for rugged environments making the being the biggest contributors, while the manufacturing segment remained slow. The business entity's sales reduced, partly because of a persistently poor business cycle, and partly because currently phased-out products were included in the 2024 numbers. EBIT decreased due to factors including hire amortization of capitalized development expenses. The business entity executed a savings program in the spring and development expenses tapered off.

Beijer Electronics completed development of the next generation of operator panels, and the complete new X3 series was on the market in September 2025, with versions for all priority focus segments. By year-end 2025, some 120 customers had ordered Beijer Electronics' new generation of operator panels, the X3, over 20 of them being all-new business customers.

Order intake, sales and profit

Beijer Electronics' order intake increased by 5% to 844 MSEK (807). Adjusted for currency effects, the increase was 10%. Sales reduced by 9% to 858 MSEK (946), while currency adjusted, the decrease was 5%. EBITDA reduced to 164.8 MSEK (182.9). Depreciation and amortization increased to 86.3 MSEK (76.9).

EBIT was down to 78.6 MSEK (106.0) with a margin of 9.2% (11.2).

Investments, cash flow and financial position

The group's investments including capitalized development expenses amounted to 614 MSEK (276) in 2025, with 382 MSEK of this sourced from the acquisition of Welotec GmbH, 14 MSEK a contingent consideration for SmartHMI and 38 MSEK for the acquisition of a minority holding in RazorSecure Ltd. The 2024 numbers include the 46 MSEK investment in Blu Wireless. Cash flow from operating activities was 375 MSEK (460). Equity was 1,627 MSEK (1,332) as of 31 December, increased by the new issue conducted in the year. The equity/assets ratio was 50.4% (48.3). Cash and cash equivalents were 160 MSEK (178). Net debt was 692 MSEK (682).

Profitability

Return on equity was 9.9% (12.6). Return on capital employed and net operating assets were 10.1% (12.1) and 13.0% (16.2) respectively.

Employees

The average number of employees was 846 (861).

Product development

Ependion's product development is conducted by both business entities, Westermo and Beijer Electronics. Development projects are regularly executed to extend the range of new products and solutions, and enhance the existing offering. The group develops hardware and software. It has development centers in Malmö, Stora Sundby and Västerås in Sweden, Dublin in Ireland, Laer, Mainz, Nürtingen and Düsseldorf in Germany, Bubikon in Switzerland, and Taipei in Taiwan. Total expenditure for product development amounted to 306.7 MSEK (313.4), which corresponded to 13.7% (13.9) of group sales.

Currencies

Ependion's sales are global and in different currencies. Sales in euro represented 1,162 MSEK (1,134), or 52.1% (50.2) of total. Sales in Swedish kronor were 194 MSEK (191), 375 MSEK (438) in US dollars, 64 MSEK (57) in Norwegian kroner, 22 MSEK (19) in Danish kroner, 128 MSEK (143) in UK sterling, 148 MSEK (132) in Chinese yuan and 138 MSEK (144) in other currencies.

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Risk management

Ependion's ability to achieve its strategic targets is based on systematic and effective risk management. By identifying, analyzing and managing risks, Ependion creates the potential for well-founded decisions that reduce negative effects and create opportunities in line with the company's strategy.

Ependion formulated a new risk management policy in 2025, administered by the Group's CFO and Group Head of Sustainability, subject to consultation by the Audit Committee and adopted by the Board of Directors.

The company's risk management framework is integrated into governance and closely related to planning, project management and operational monitoring. Work is based on the guidelines of ISO 31000:2018, and should cover all companies in all countries where Ependion operates. This framework clarifies roles and responsibilities, and supports the organization in proactively identifying, assessing and dealing with uncertainties that may impact the company's targets.

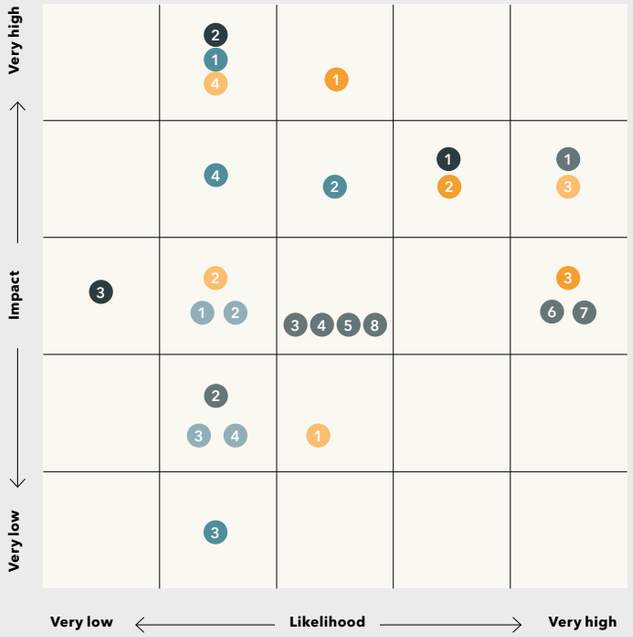
The aim of risk management is to prevent and limit negative risks to an acceptable level, ensure business continuity, and engender trust among investors through a robust and transparent process. Risk management should be an integrated component of operating activities and help protect and create value.

Risks are documented in a group-wide risk register with predetermined assessment criteria of likelihood, impact and management. If a risk exceeds the company's risk appetite, further action is decided. Each business entity prepares an independent risk register that is consolidated at group level. Monitoring risk management is a continuous process at group and company level. Instead of overarching group KPIs, specific indicators and milestones related to each risk and action plan are adopted, which ensures effective and flexible monitoring.

Risk categories and identified risks

Ependion's main risks are in the following categories, a structure that ensures that all material risk segments are identified, analyzed and managed systematically and transparently:

- **Strategic risks:** risks related to the company's long-term targets and external factors such as geopolitical events and market progress.
- **Operational risks:** risks related to operating activities, such as disruptions in the supply chain or production processes.
- **Compliance risks:** risks related to laws, regulations and other standards such as amendments to accounting or reporting regulations.
- **Financial risks:** risks impacting the company's financial stability, such as liquidity and financing risks.
- **Information security risks:** risks related to vulnerabilities in systems, processes or the organization that may jeopardize the confidentiality, accuracy or availability of information.
- **Sustainability risks**: risks related to environmental and social factors, such as poor compliance with human rights or other sustainability standards.



The risk matrix contains material identified risks in the six risk categories. The internal division between squares is not material.

Strategic risks
1. Geopolitics
2. Changes to customer behavior
3. Changes to market standards

Operational risks
1. Damage to property
2. Supply chain disruptions
3. Organisational model
4. Health & safety

Financial risks
1. Currency risk
2. Credit risk
3. Intangible assets
4. Inventory valuation
5. Loss due to interest rate fluctuations
6. Capital structure incl. liquidity
7. Tax
8. Economic recession

Compliance risks
1. Reporting
2. Producer liability risks
3. Export/import controls
4. National regulations

Information security risks
1. Information disclosure
2. Security consciousness
3. New regulations

Sustainability risks
1. Climate-related transition risks
2. Climate-related physical risks
3. Product use in segments with high climate impact
4. End-customer information

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A clarifying selection of the risks listed in the matrix on the previous page follows.

For financial risks, see Note 25.

Strategic risks

Risk	Risk exposure	Risk management
Geopolitics – may cause supply challenges or make it difficult or morally inappropriate to manage operations in certain countries.	Global operations mean broad exposure.	Diversified global sales, avoiding unstable markets. Redundancy in critical supply chains.
Changes to market standards	Broad focus on segments, well accepted. Two main business entities – diversified operations.	Continuous dialogue and responsiveness to market signals.

Operational risks

Risk	Risk exposure	Risk management
Damage to property	Multiple production units. Exposure concentrated on supply chain.	BCP (business continuity plans) at operational level. Insurance policy including business interruption insurance.
Supply chain disruptions – which may imply delivery problems, higher costs and longer lead-times.	Single-sourcing or disruptions resulting from supplier insolvency, geopolitical tensions, trade barriers, natural disasters or altered tariffs may rapidly impact our ability to deliver products. The ongoing global trade volatility including tariff wars and regulatory reform.	Maintain continuous dialogue with suppliers and conduct quality audits of key suppliers. BCPs at business entity level. Business intelligence on regulatory reform.
Organizational model	Decentralized structure – limited resources at group level.	Regular strategic reviews with the Board. Review of operational model at business entity level.
Health & safety	Few incidents, but data is incomplete. This topic is becoming more important for stakeholders.	TIA is the reporting tool, but ongoing implementation to cover the whole organization. OHS plans in place at business entity level.

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Information security risks

Risk	Risk exposure	Risk management
Information disclosure	The volume of classified data, confidential and highly confidential, is substantial. Poorly trained and used AI models may present a risk of unauthorized disclosure of information.	Training and skills-enhancement activities. Business entities apply AI governance. System owner and information owner roles are implemented and generally defined in business entities.
Security consciousness	Ependion's sector is especially exposed and difficult to protect in technical terms. Email remains the most widely used communication channel externally and internally, presenting exposure to phishing attacks. Key individuals may be exposed to pressures.	Conducted by central IT and business entities including training, skills development activities, as well as policies and procedures for background checks in new hirings.
New regulations – presenting a risk of poor compliance.	GDPR, CRA, NIS2, AI-related regulations. Legal evaluations may require external expertise. Extending activities beyond initial analysis is resource intensive. GDPR knowledge and procedures are in place at overarching level, but system owners and information owners need to monitor these risks continuously.	Assessments conducted internally. Processes are in place for managing regulations.

Sustainability risks

Risk	Risk exposure	Risk management
Climate-related transition risks (e.g. costs related to more stringent climate regulation)	The usage of fossil-free energy sources may cause higher energy costs due to potential supply and demand imbalances. Increased customer demand for low-carbon technologies and high energy efficiency may cause development expenses to increase.	Ecodesign is part of the group's continuous improvement work in R&D and enables Ependion to work proactively on implementing new legislative and stakeholder standards. Established targets and action plans for scope 1-3 are in place.
Climate-related physical risks (damage to property, operational disruption, downtime, workforce disruption etc.)	One of Ependion's main production facilities is in a climate-sensitive zone: Taiwan. Production in Stora Sundby is not fully secure against weather extremes. Some suppliers are located in climate-sensitive zones, mainly Asia.	BCP plans are in place. Malmö production is ready for scaling up. Enhanced preventive measures were implemented at Stora Sundby in August 2025. Processes for onboarding and evaluating suppliers, including from a climate perspective, are in place.
Product use in high climate impact segments	Ependion's products can be used by customers in applications with potentially high environmental impact.	The business strategy excludes fossil fuel-based segments from core business.
End-customer information	Ependion's products may fall into the wrong hands via primary or secondary markets/customers, and be used for activities that are not consistent with the group's values.	Ensure that sales processes also include procedures that regulate product usage. Identifying end-customers (checks at company and country level including DD). Close collaboration with distributors.

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Shares and ownership structure
The parent company's share capital was 10,770,278.74 SEK as of 31 December 2025, divided between 32,152,255 ordinary shares each carrying 1 vote, corresponding to 32,152,255 votes, and 158,581 class C shares, each carrying 1/10 of a vote, or 15,858.1 votes. The minimum share capital is 5,000,000 SEK and the maximum is 20,000,000 SEK. Each share has a quotient value of 0.33 SEK. All shares have equal entitlement to the company's assets and earnings. Ordinary shares carry one vote and class C shares carry one-tenth of a vote.

The largest shareholder of Ependion at year-end 2025 was Stena Adactum AB with 29.5% of the vote. Svolder held 15.2% and Nordea Fonder 14.3% of the vote.

In May 2025, Ependion's Board of Directors decided on a private placement of 2,912,622 ordinary shares at a subscription price of 103.00 SEK per share as authorized by the AGM 2025. This issue raised the company approximately 300 MSEK before transaction expenses, and was for a number of Swedish and International institutional investors, as well as existing shareholders, including Stena Adactum AB, Svolder AB and Nordea Funds AB. The purpose of this new issue was to part-finance the acquisition of Welotec GmbH. The subscription price corresponded to the closing price of the company's share on 15 May 2025 and was set through an accelerated book-building process managed by Danske Bank. The issue meant the number of shares of the company increasing by about 10%.

In accordance with a resolution of the AGM 2024, Ependion implemented a share-based incentive program called LTI 2024/2027. In accordance with the issue authorization, within the auspices of this program, in April 2025, the Board of Directors decided to issue 54,000 class C shares based on the estimated outcome of the program. The issue was to a financial institution and was immediately repurchased by the company. The repurchased class C shares are intended for conversion into ordinary shares on delivery to employees in 2027, pursuant to the terms and conditions of the incentive program.

In April 2025, the Board of Directors decided to convert 189,608 class C treasury shares to the corresponding number of ordinary shares to execute the transfer of ordinary shares to the participants of LTI 2022/2025 and transfer the ordinary shares on Nasdaq Stockholm for a cash flow hedge of social security contributions linked to LTI 2022/2025.

A share-based incentive program has been implemented in accordance with a resolution by the AGM 2025, called LTI 2025/2028. The estimated outcome means that consistent with the adopted program, the parent company intends to issue around 59,000 class C shares in the first half-year 2026.

Guidelines for remuneration of senior executives
The Remuneration Committee is appointed by the Board of Directors each year. The Remuneration Committee consults on the Board of Directors' decisions on remuneration of the Chief Executive Officer and decides on the remuneration of the rest of Management. The Remuneration Committee also consults on proposals for incentive programs. The principles governing the work of the Remuneration Committee are reviewed in more detail in the Corporate Governance Report on pages 164.

Basic salary, as well as customary employment benefits, plus pension benefits, are payable to Management. The guidelines for setting remuneration and other employment terms of senior executives for the financial year 2025 were approved by the AGM in May 2024. Remuneration to the Board of Directors and Management in 2025, and a review of incentive programs, is stated in Note 6 on pages 135–137.

Outlook for 2026
Ependion operates on attractive markets with healthy underlying growth and has good potential to achieve its growth and profitability targets in the medium term. Investments in fundamental social infrastructure like railways, shipping and energy are increasing. The group is balancing cost discipline with strategic future-oriented initiatives focused on creating value. In the short perspective, geopolitical and economic uncertainty persist, but the group takes a cautiously positive view of 2026.

Proposed appropriation of profit
The following funds are at the disposal of the Annual General Meeting:

SEK 000	
Share premium reserve	290,440
Retained profit	316,009
Net profit	59,782
Total	**666,231**

The Board of Directors and Chief Executive Officer propose that these funds are appropriated as follows:
Dividends of 1.50 SEK per share to shareholders.

SEK 000	
Total dividend	48,228
Carried forward	618,003
Total	**666,231**

The Income Statement and Balance Sheet will be presented to the AGM on 12 May 2026 for adoption.

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SUSTAINABILITY STATEMENT

ESRS 2 General disclosures

BP-1: General basis for preparation of the Sustainability Statement

The Sustainability Statement generally reflects the same organizational scope as the group's financial reporting. It has been prepared on a consolidated basis. The Sustainability Statement covers all the group's business entities apart from Westermo's smaller offices in Denmark, Finland, and the Netherlands. Ependion's conclusion is that these exceptions are only of marginal significance. Statistics of total employee headcount cover all workers as of 31 December 2025 and also include workers in the aforementioned exceptions. All parts of Beijer Electronics are covered, but for its smallest units, which are sales offices, year-2024 data has been used to estimate metrics for electricity and energy to reduce the reporting burden.

Welotec has been wholly owned by Westermo since 1 June 2025 and is covered by the reporting, with metrics for Welotec being for seven months, June – December 2025. In 2024, Westermo acquired a minority holding in the company Blu Wireless, and in fall 2025, Ependion announced that Westermo had also acquired a minority holding in RazorSecure. These operations are not covered in the Sustainability Statement. The omission of information due to intellectual property, confidentiality and sensitive information was not considered necessary. No topics are under negotiation.

The Sustainability Statement includes upstream and downstream information, as well as Ependion's own operations. When identifying and assessing impacts, risks and opportunities in its value chain, Ependion's focus centered on those parts of the value chain where it considers the impact most likely to occur. Upstream, this includes transportation, purchasing metals and electrical and electronic components. The focus downstream is on product use (Scope 3). For effects relating to workers in the value chain (ESRS S2), the primary focus has been on tier 1 suppliers, where Ependion has the most data from supplier audits conducted. Circular principles such as reuse and recycling are integrated into ongoing processes to map the value chain and its impacts.

Actions and targets specified in the Statement are usually for Ependion's own operations, with indirect impact on other stakeholders in the company's value chain.

BP-2: Disclosures in relation to specific circumstances

Regarding time horizons for reporting, unless otherwise stated, the initial assumption for short-term is 1 year (the same as for the financial statement), medium term is 1-5 years and long-term is 5 years and more. These time horizons have also been used for preparing Ependion's Double Materiality Analysis (DMA).

Disclosures on the value chain, both upstream and downstream, are often based on estimates. Thorough verification and validation processes are necessary to ensure that emission data is reliable and complete, which can be very time and resource intensive. Ependion has reported all information in an external system compatible with European Sustainability Reporting Standards (ESRS) since 2024. Where precise numbers are not available, the emission factors present in the system are primarily used.

Pursuant to ESRS 1, Ependion reports the assumptions, estimates and judgements used for each relevant metric or amount. This includes descriptions of methods, data sources and any adjustments. The group also gives sources so stakeholders can understand uncertainty in information. Information on these assumptions, reporting principles and the KPIs are based on estimates and their basis is reported in each section's reporting principles.

Because 2025 is the first year the group is reporting in accordance with CSRD and ESRS, comparing data with the previous year is not recommended. The basis for computing and presenting sustainability metrics is stated in the notes for each topic. Metric values are collected in Ependion's operational entities, and are based on local management systems and process data systems, measurements, computations and purchasing data. Internally, data is also collected from the IFS and Aaro (financial data) ERP systems. Due to the timing aspects of reporting and to enable consolidation and auditing, some environment-related data was estimated based on the corresponding period of the previous year. Estimates are largely based on a maximum of one quarter's data from the previous year. For quantitative metrics, there is a high degree of uncertainty surrounding environment-related data, because Ependion is dependent on external parties. Data related to monetary values is considered of reliable quality unless otherwise stated. Metrics related to the value chain may incorporate significant uncertainty factors, primarily in reporting GHG emissions. The group is following progress in this segment and the system vendor of its reporting platform is offering support on updating emission factors. Uncertainties in each topic are reported together with the relevant datapoint. No material errors in sustainability data were identified in the previous year's Annual Report.

Prospective information was prepared based on assumptions.

Actual outcomes will probably differ because expected events often do not occur according to the stated assumptions.

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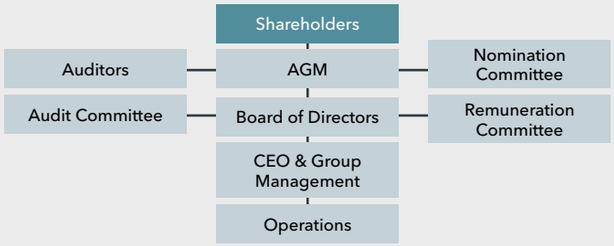
GOV-1: The role of the administrative, management and supervisory bodies

Ependion's administrative, management and supervisory bodies are the company's Management, Board of Directors and Audit Committee. Collectively, these groups bear overarching responsibility for Ependion's sustainability governance, including ensuring compliance with business conduct principles group wide. Pursuant to Ependion's Corporate Governance Policy, the structure and communication pathways of the group's decision-making are stated in the following schematic.



Ependion's Board of Directors has six members. One member (1) is a woman (17%). There are no employee representatives on the Board. All members apart from one (1), i.e. 83%, can be considered independent of the group or its major shareholders. All members of Ependion's Board are non-executive. The executive function rests with the CEO and Management. All members have extensive experience of Swedish and international industry and contribute relevant perspectives and knowledge on sustainability issues and business conduct based on their individual assignments in corporate governance. All Board members have current or previous professional experience of sectors with similar impacts, opportunities and risks as Ependion. Board members also continuously receive information and training on sustainability issues from Ependion. Sustainability aspects are also considered by the Nomination Committee, which proposes suitable members for election to the Board, to ensure Board members have the appropriate skills. However, each Board member is responsible for ensuring that they are informed and possess the right skills.

The Board of Directors is ultimately responsible for the group's organization and administration, and for taking decisions regarding Ependion's overarching goals and strategy. The Board's duties also include identifying how sustainability issues impact the group's risks and business opportunities, as well as Ependion's impacts from a sustainability perspective.

Roles and responsibilities regarding risk management, which also include sustainability risks, are stated in Ependion's risk management framework.

Ependion's Management is composed of four (4) members—the CFO, Group Head of Sustainability, and the two Business Area Managers, one of whom is also CEO. Three (3) of these four individuals are women (75%).

All members of Management have long-term sector experience. Management is the executive body that ensures that Ependion executes and realizes the group's strategy and objectives in the sustainability segment. Management is also responsible for dealing with day-to-day sustainability work, questions from internal and external stakeholders, and keeping the Board informed on the progress of work consistent with the group's strategy and sustainability targets. If a matter requires specialist competence from functions such as HR, Purchasing or similar, key individuals in these functions can be co-opted to deal with the issue.

The Management team's responsibility for impacts, risks and opportunities is integrated into the group's directives and policies. These documents formalize frameworks, roles and responsibilities for how sustainability issues should be dealt with and ensure that Management has the mandate to operate proactively when assessing risks and opportunities, and prioritizing sustainability aspects in strategic decisions.

Ependion's Management has broad experience and skills in business conduct issues, such as sustainability governance, risk management, business development and financial controls. It also has good insight into operational processes and HR-related topics. Skills are based on sources including members' backgrounds in sectors where ethics and integrity are central aspects of business operations. The aggregate experience helps create the potential to prevent and deal with ethical challenges in the company's ongoing work.

Management training is partly through ongoing business intelligence, but primarily through training and skills-enhancing initiatives arranged in the business entities, where most of Management are also employed, and thus continuously participate in relevant programs and activities. Sustainability is also a standing item on Management's agenda, which enables regular deep dives into various sustainability issues depending on needs, issues and challenges.

Ependion's Group Head of Sustainability, who also serves on Group Management, and whose skills are maintained through internal and external training and in potential hiring processes, is ultimately responsible for coordinating the group's sustainability work and sustainability reporting.

The group's Audit Committee is considered a specialist body for relevant operational and reporting issues. The Audit Committee has three Board members, one (1) being a woman (33%). This group also has supervisory responsibility for sustainability issues in the group. The Committee's duty is to serve as a specialist supervisory body supporting the Board and Management. It is responsible for ensuring that work aligns with applicable laws and regulations, and with the group's overall strategy. Because the Committee consists of elected Board members, sustainability skills were a parameter for their election to the Board, these skills transfer to the Audit Committee. All management and supervisory bodies are able to co-opt external expertise and advice when required.

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GOV-2: Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

Ependion's CEO is ultimately responsible for keeping the Board informed about sustainability work. Ependion's Board, Audit Committee and Management are regularly informed on material impacts, risks and opportunities related to sustainability work. Information to the Board of Directors is provided primarily by the CEO and Group Head of Sustainability, and sustainability is a standing item on the agenda of each scheduled Board meeting, and when necessary, extra meetings. In addition, the Board is informed about key events and strategic decisions that require their views each year at strategy days. Due diligence and following up on policies, actions, KPIs and targets is reported at least yearly, and during major change or events, additional reporting is provided to the Board. Through its involvement in Ependion's materiality analysis process, the group's most material issues also have Board input.

The Board, Audit Committee and Management monitor impacts, risks and opportunities when reviewing the group's strategy, major investments, transactions and acquisitions, and in the ongoing risk management process. Assessment of these issues is integrated into decision-making processes, where potential trade-offs between different risks, opportunities and impacts are analyzed and discussed. This means that sustainability aspects are considered in decisions on strategic orientation, major business events and in the group's risk management work. Any compromises and prioritizations are documented and monitored in accordance with the group's risk management framework, which was updated in 2025. This is done at Board and Management meetings to ensure a holistic assessment of Ependion's long term value creation and risk exposure.

In 2025, Ependion's Board, Management and Audit Committee continuously dealt with the material impacts, risks and opportunities facing the group's sustainability work. The DMA, analyzing risks and impacts related to major investments and acquisitions, climate impact with a special emphasis on Scope 3 emissions and associated target decisions were under special focus. Additionally, a new human rights framework was introduced, as well as an updated risk management structure.

GOV-3: Integration of sustainability-related performance in incentive schemes

Ependion has a long-term incentive program (LTI) for its Management and selected key individuals in the group. This is associated with a holding of shares, where sustainability-related targets are some of the parameters that need to be satisfied to receive benefits from the program. The program is based on 10% variable compensation linked to sustainability. The LTI program's targets and levels for each KPI are approved yearly by the Remuneration Committee, and resolutions on the program are taken at the yearly shareholders' meeting. One qualitative sustainability-related target set in 2025 related to the implementation of a new human rights framework.

In the period, the group did not have any climate-related compensation for members of its administrative, management or supervisory bodies. Climate-related means that compensation would be based on members' contribution to the company's climate targets, such as reducing GHG emissions.

GOV-4: Statement on due diligence

Due diligence is integrated into Ependion's various functions. Processes include assessing business partner and supplier compliance with policies, processes, impacts and engagement in sustainability and business conduct. Ependion acts on any warning signs emerging during these assessments. When risks are identified, they are processed on a case-by-case basis. Each functional manager is responsible for creating and integrating due diligence for sustainability into operational processes. When evaluating new partnership and strategic investment candidates, thorough due diligence is conducted with the help of internal expertise and third-party expertise in law, finance, taxation, insurance and risk management as required.

Central elements of due diligence	Sustainability Statement sections
a) Integration of due diligence [S1.1] in governance, strategy and business model	GOV-2, GOV-3, SBM-3
b) Engagement with affected stakeholders	GOV-2, SBM-2, IRO-1, S1-2, S2-2
c) Identifying and assessing negative impacts for people and the environment	IRO-1, SBM-3
d) Actions to address negative impacts	SBM-3, E1, E2, E3, E5, G1, S1, S2
e) Monitoring the effectiveness of these actions	E1, E2, E3, E5, G1, S1, S2

GOV-5: Risk management and internal controls over sustainability reporting

Ependion's system for risk management and internal control over sustainability reporting is designed to ensure accurate, reliable and transparent reporting of sustainability data, and identifying, evaluating and managing risks that can impact the group's ability to achieve its sustainability targets. This system is an integrated part of Ependion's overarching governance and management structures.

The system covers all business entities of the group and covers the whole sustainability reporting value chain, from data collection to processing to consolidation, reviewing and external reporting. The main elements consist of decentralized management systems, standard procedures for data collection and quality assurance, and central guidelines and checks at group level.

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Risk management and internal controls are a natural part of the group's day-to-day processes in ERP systems, purchasing, as well as environment and quality assurance systems. Procedures are also embedded in the reporting system for sustainability. This means that non-compliance can be discovered and rectified promptly, and also helps processes to improve continuously. Digital tools and process data systems are used to ensure traceability and efficiency across the reporting chain. The group does not conduct a separate, specific risk assessment of sustainability reporting, but reporting is part of overall risk management and the group's risk framework. This means that it is covered by a methodology founded on quantifying likelihood and impacts and that any significant risks are recorded in the group's risk register. There are established processes for internal controls that cover the whole annual reporting process, including sustainability data. After the annual report cycle concludes, Ependion conducts an annual evaluation of lessons learned and areas of improvement to ensure that processes can and be developed and rationalized continuously.

No significant risks were identified for reporting in 2025. Risks like low data quality and shortages of information from suppliers are dealt with by updating processes, exchange of best practice and internal dissemination of tried-and-tested working methods. Reporting guidelines are improved continuously to limit risks and training is conducted internally and by the reporting platform's provider.

Risk assessment and internal controls are reported as necessary to Management, the Board and Audit Committee to provide data for decisions and improvements.

SBM-1: Strategy, business model and value chain

Ependion's group-wide strategy is based on decentralized decision-making and shared synergies. Ependion is the group parent of two business entities, Beijer Electronics and Westermo. Both business entities produce technology components and applications for the power and energy, infrastructure and transportation segments. Ependion operates a decentralized governance model to manage sustainability work, with each business entity preparing its own strategy for achieving its own, and group-wide, sustainability targets. Ependion and its business entities have a global presence through procurement, production and sales. The group's primary geographies for its value chain are Europe, Asia and North America.

Ependion's sustainability strategy is closely intertwined with the group's decentralized governance model. The main challenges going forward include more stringent requirements for circular material choices and resource efficiency across the value chain. Critical solutions include the continued development of energy-efficient and recyclable products, the integration of circularity in product development, plus closer monitoring and engagement with suppliers on environmental issues and working conditions. Special projects such as more widespread use of recycled materials, reduced climate impact in transportation and digital solutions for data collection and quality assurance of sustainability data are central elements to address internal targets and external reporting standards. With these efforts, Ependion is meeting the sustainability challenges of today and tomorrow, and consolidating its positioning in sustainable manufacturing development.

The group's value chain

Ependion has a global supplier network. It is crucial that suppliers satisfy the standards of environmental responsibility and ethical working methods defined in the group's CoCs and policies. The business entities bear autonomous responsibility for their supplier relationships. The central input goods for the group's production are metals, electrical and electronic components, transportation, energy, packaging and chemicals. Work with suppliers is through close dialogue, and sustainability criteria are well integrated into processes for onboarding new suppliers and ongoing relationships. Most of the group's suppliers are located in Asia and Europe. Section E5 Circular economy offers information on the group's work towards transitioning to low carbon and recycled metals, for example.

In the latter parts of the value chain, the emphasis is on distribution channels and end-users in the train and rail sector, marine industry, energy segment and manufacturing. Ependion's downstream value chain is based on a global presence with proprietary sales resources and customer support in over 20 countries, backed by a network of distributors dealing with local sales, servicing and supporting over 60 countries. This combination of direct market presence and established partnerships enable Ependion to address customers' specific needs in industrial data communication, visualization and control in harsh environments. Ependion's most significant markets are Europe, Asia and North America.

The group's employees are in many different locations worldwide. The allocation by region is as follows; data is for permanent employees at year-end 2025:

Geography	No.	Percentage
Asia	181	20.4%
Europe	659	74.4%
North America	36	4.1%
Oceania	10	1.1%

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Value creation in Ependion's operations

Ependion and its business entities create value by developing, manufacturing and selling products and services with high technology content in segments where hard and software for harsh environments are the common denominator. The business entities primarily target four main segments: train and rail, marine, energy & electrification, and manufacturing.

Beijer Electronics' main product segment is HMIs that integrate high performance and robustness with intelligent and user-friendly design. In digitalization, Beijer Electronics delivers solutions for industrial data communication, remote access and edge, enabling faster access to data with superior security. Edge technology and secure connections enable customers to manage process data from multiple devices in the field and make it available where needed in operations.

Westermo's offering primarily encompasses ethernet switches and routers, cellular routers and WLAN devices. The group's products integrate hardware and software, with software playing an increasingly central role to enable competitiveness and offer cybersecurity functionality, for example. The acquisition of Welotec in 2025 enhanced Westermo's offerings in industrial data communication and edge computing, especially for the energy sector and manufacturing. Welotec's expertise complements Westermo's portfolio and enables the development of more energy efficient and secure solutions for critical infrastructure. This helps reduce environmental impact and aids the group's work towards sustainable manufacturing development, consistent with Ependion's sustainability strategy. The business entities also provide training, servicing and tech support.

Apart from the Welotec acquisition, there were no major changes to Westermo's customer offering, markets or customer segments in the reporting period. Rather, development of the business entity's products—hardware and software and its servicing portfolio—continued. The same applies to Beijer Electronics, apart from the company completing the sale of Display Solutions in the year, a basic display with low software content. Geographically, Westermo's new start-up in India commenced limited production in late-2025, which will be scaled up through 2026. In early-2026, Westermo is also opening a new sales office in the Netherlands.

The group's overarching sustainability targets

Ependion's long-term ambition is to deliver solutions and products that contribute actively to a more sustainable and circular economy across all markets, products and customer categories. This involves developing and delivering technology solutions that enable electrification, energy efficiency and digitalization, while reducing climate footprint and supporting the transition to fossil-free and resource-efficient societies. Circularity is embedded in the product development model and Ependion's products are largely built for recycling and reuse at the end of their lifecycles.

Primary customer groups are actors in the train and rail sector, marine industry, energy segment and manufacturing, all with high ambitions to reduce climate impact and resource efficiency. The main markets—Europe, Asia and North America—feature a growing need for climate adaptation and sustainable solutions. By delivering products and services that address these needs, Ependion is consolidating its status as a partner for sustainable development, while simultaneously helping achieve the group's own sustainability targets.

More information on the group's sustainability targets is in each section for the thematic standards.

Ependion and its business entities collect data on sustainability aspects through local management systems, audits, process data systems, metrics, computations and purchasing data. Data is also collected from the IFS and Aaro ERP systems. To assure data quality, Ependion applies internal procedures and checks, as well as external systems. When precise data is unavailable, Ependion makes estimates. Quality assurance is through consolidation, audit and verification of data prior to reporting.

SBM-2: Interests and views of stakeholders

Ependion and its Westermo and Beijer Electronics business entities maintain continuous dialogue with relevant stakeholders to continuously develop and improve their efforts in several aspects including sustainability. Stakeholder opinions play a role in how Ependion formulates strategy, policies and frameworks, the evolution of the business entities' product offerings, and how the group deals with its workers, customers and suppliers. Stakeholder opinions are also factored in when formulating the group's DMA, which directs the sustainability issues the group focuses on. When necessary, Ependion brings especially important or new understandings from stakeholder dialogues to the attention of Group Management or the Board for further discussion and decision, which ensures that sustainability-related impacts are considered in strategic decision-making and governance. This enables the stakeholders' perspectives to be integrated into operating activities and Ependion's overarching sustainability work.

The group did not make any significant alterations to its sustainability strategy in 2025. It is maintaining an unchanged focus in its business model on climate targets, product-related environmental issues and the integration of human rights and sustainability in its supply chain. This means the group is continuing to work on existing procedures and strategies, and retaining stable relationships with stakeholders with the current approaches to collaboration and transparency.

Important topics highlighted in stakeholder engagement in 2025 included climate impact and targets, product-related environmental issues, human rights and issues related to sustainability in the supply chain.

A summary of Ependion's main stakeholders, how engagement is conducted and the outcome their opinions had on different projects and initiatives follow:

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Stakeholder	How engagement is organized	Purpose of engagement	Example outcomes of engagement
Employees	Health & safety committees, staff meetings, employee satisfaction surveys, personal development dialogues.	Incorporating employee opinions and expectations. Building a sustainable and healthy corporate culture, workplace and working life.	Improvement and action plans for sustainability, OHS, corporate communication initiatives, internal policy updates, personal development plans.
Customers	Continuous dialogues and periodic reviews, surveys/requests for information, due diligence for business partners.	Support customers in achieving their sustainability ambitions. Deliver sustainable solutions, build relationships and share know-how and experiences.	Product and service improvements, policy and guideline reviews, improvement and action plans for sustainability, market strategy adjustments.
Suppliers	Continuous dialogues and regular audits, due diligence for suppliers, introductions and location-based assessments.	Collecting product/component information and data. Identify sustainable purchasing alternatives. Ensure the protection of human rights and labor law. Declare the supply chain and comply with Ependion's Code of Conduct.	Selection of suppliers with due diligence. Developing improvement plans. Decision-support data for the group's internal procurement and pricing mechanisms. Product carbon footprint at component level.
Investors and financial actors	ESG ratings and surveys, investor dialogues, regular investor reports, capital markets days.	Understanding expectations in sustainability. Attracting responsible investors. Enhancing transparency.	Improvement and action plans for sustainability, policy updates, ESG rating improvements.
Local communities, civil society and non-government organizations (NGOs)	Collaboration on social projects, partnership/sponsorship.	Being a responsible and attractive employer. Building trust and community support.	Supporting social projects, stronger branding.
Public authorities and academia	Participating in public consultations, university collaborations, research projects.	Offering an industrial perspective on regulations and social development, for example. Strengthening relationships with academia.	Closer dialogues with local regulators on environmental issues. Research projects, various initiatives with students.
Trade and sector organizations	Workshops and skills sharing, input in strategic directions.	Lessons from sector peers. Ensuring compliance with regulations helping formulate upcoming regulations that impact the company's operations.	Convergence in sustainability practice. Comparable methodologies for measurement and updates.

SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

Ependion's material impacts, risks and opportunities, identified in its DMA, are mainly in its own operations and upstream in the value chain. An overview of each material topic is presented below. When an impact has already occurred, it is designated as "actual impact" in the column of time horizons. All impacts, risks and opportunities are stated according to the time horizon they relate to. More depth on the topic-specific requirements for SBM-3 is offered under each topic standard. The Direct or indirect impact column indicates whether impacts are sourced from (Direct) or relate to (Indirect) the group's strategy and business model. When Direct is stated, the impact relates only to the group's own operations.

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					Up-stream	Own operations	Down-stream	Short term	Medium term	Long term	
E1 Climate change											
Climate change adaptation	Negative impact: operational disruptions resulting from climate change and weather extremes.	People, Environment	Weather extremes may disrupt plants, production and infrastructure. This has an impact on workers and can cause production delays and economic losses.	Continuous risk management, BCPs.	x	x			x	x	Direct
Climate change adaptation	Risk: production relocation due to weather extremes.		Mainly related to suppliers located in zones with weather extremes, which may mean that alternative suppliers are necessary, which can increase costs. Own operations manage with BCPs and production planning, which also include geographical planning.	Ependion is developing contingency plans and backup solutions for its production covering its own operations and the supply chain. Process for skills transfer and upscaling in place.	x	x			x	x	Direct and indirect
Climate change mitigation	Negative impact: GHG emissions from own operations and value chain.	Environment	Ependion's operations and production processes including transportation, are dependent on energy and material inputs linked to GHG emissions that contribute to climate change.	Risk management processes and continuity planning. Climate transition plan. Processes for onboarding new suppliers incorporating sustainability and climate aspects.	x	x	x	Actual impact			Direct and indirect
Climate change mitigation	Opportunity: continued improvement of current business relationships and delivering to market segments important from a climate perspective.		Increased demand for products and services with high energy efficiency and low climate impact.	Ependion's business strategy largely focuses on segments that are critical for the transition to a more sustainable society; train, energy, the marine segment and manufacturing.		x			x	x	Direct
Energy	Negative impact: fossil fuels in the energy mix.	Environment	The usage of fossil energy sources for own operations is limited but remains in certain units.	Climate transition plan with targets and action plans. Energy mapping.		x		x	x		Direct

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					Up-stream	Own operations	Down-stream	Short term	Medium term	Long term	
E2 POLLUTION											
Pollution of air	Negative impact: pollution of air in value chain.	Environment	Considered material only related to value chain.	Monitoring and control of supplier compliance with environmental and chemicals legislation are integrated into subsidiaries' purchasing processes.	x			x	x		Indirect
Pollution av water	Negative impact: pollution of water in value chain.	Environment	Considered material only related to value chain.	Monitoring and control of supplier compliance with environmental and chemicals legislation are integrated into subsidiaries' purchasing processes.	x			x	x	x	Indirect
Substances of very high concern (SVHC)	Negative impact: inadequate chemical processing and incidents resulting in spillages and leaks.	Environment, People	Ependion's products contain a number of SVHCs and processing is largely in the supply chain.	Monitoring and control of supplier compliance with environmental and chemicals legislation are integrated into subsidiaries' purchasing processes.	x			x	x		Indirect
E3 WATER AND MARINE RESOURCES											
Water	Negative impact: water use in the value chain.	Environment	Water consumption by suppliers considered material against the background of the electronic sector generally including high water intensity processes.	The group requires suppliers to work on reducing their environmental impact, which also includes water-related issues. Monitoring is continuous.	x			x	x	x	Indirect

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					Up-stream	Own operations	Down-stream	Short term	Medium term	Long term	
E5 RESOURCE USE AND CIRCULAR ECONOMY											
Resource inflows	Negative impact: usage of virgin metals and plastic.	Environment	Non-renewable resources are part of Ependion's value chain, metals like zinc and aluminum are important parts of the group's products and resource inflows. The usage of metals can result in significant environmental impact in extraction and processing phases, in forms including GHG emissions.	Targets and plans for increased use of secondary and renewable resources, focusing on metals and plastics.	x	x		Actual impact			Direct and indirect
Resource outflows	Negative impact: products put on the market that cannot be reused or recycled contribute to waste.	Environment	Products that Ependion puts on the market can contain components that cannot be recycled or reused fully at present. The potential for recycling and reuse also differs on Ependion's various markets.	Ependion's product portfolio consists of robust products designed for long useful lives, backed by an extensive services portfolio to further improve resource efficiency and extend product useful lives.		x	x	Actual impact			Direct and indirect
Waste	Negative impact: waste from production.	Environment	Ependion generates waste in the group's various production processes, in the form of metals, plastics and packaging, for example.	Strategy to focus on the upper parts of the Waste Hierarchy, partnering with suppliers of waste management systems.		x		Actual impact			Direct

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					Up-stream	Own operations	Down-stream	Short term	Medium term	Long term	
S1 OWN WORKFORCE											
Working conditions	Negative impact: accidents and ill health in the workplace.	People	Working in Ependion's production involves specific risks, especially during change and conversions where several participants may be engaged and where more risky duties related to e.g. electrical work are conducted. Workers engaged in repair, servicing and fault-finding on site with customers are considered to be at greater risk, because several different parties are often involved, with duties performed in unfamiliar environments. High workload can cause stress-related ill health.	OHS training, risk assessments, audits, safety patrols, incident reporting and analysis, and monitoring LTI. Systematic OHS work, employee satisfaction surveys, review interviews and leadership training packages.		x		Actual impact			Direct
Equal treatment and equal rights	Negative impact: uneven gender division.	People	The current gender imbalance may have negative diversity impacts, higher staff turnover and more discrimination and harassment cases.	Training initiatives, systematic OHS work including recruitment processes, salary mapping, employee satisfaction surveys, review interviews.		x		x	x		Direct
Equal treatment and equal rights	Positive impact: diversity and inclusion.	People	Ependion is a global company with workers of different nationalities, backgrounds and ages. Employee satisfaction surveys that measure engagement and the experience of being yourself in the workplace consistently indicate positive results.	Ependion works actively on developing its corporate culture, inclusion, diversity and good working conditions through a range of training initiatives and systematic OHS work.		x		Actual impact			Direct

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					Up-stream	Own operations	Down-stream	Short term	Medium term	Long term	
S2 WORKERS IN THE VALUE CHAIN											
Working conditions	Negative impact: poor working conditions.	People	Ependion is part of a global value chain and there is a risk that critical raw materials and components may relate to poor working conditions in preparation and production. Inadequate management of these matters may trigger human rights violations and unsafe, high-accident workplaces in the supplier base.	CoCs for Suppliers in each subsidiary are monitored through regular supplier audits. Due diligence framework linked to human rights. Whistleblower system in place to anonymously report suspicions of impropriety or shortcomings in Ependion's or subcontractors' efforts in working conditions.	x			X	X	X	Indirect
Equal treatment and equal rights	Impact: shortcomings related to equal treatment and equal opportunities.	People	Ependion is part of a global value chain and poor management of these issues may imply risks such as people being exposed to discrimination, offensive behavior or unfair pay.	CoCs for Suppliers in each subsidiary are monitored through regular supplier audits. Due diligence framework linked to human rights. Whistleblower system in place to anonymously report suspicions of impropriety or shortcomings in Ependion's or subcontractors' efforts in working conditions.	x			X	X	X	Indirect
Other work-related rights	Impact: risk of the incidence of child and forced labor in the value chain.	People	Ependion is part of a global value chain where critical raw materials may relate to poor conditions in preparation and production, even if to date, Ependion has not experienced any confirmed cases in its value chain. Poor management of these issues may present risks such as human rights violations in the form of forced or child labor.	CoCs for Suppliers in each subsidiary are monitored through regular supplier audits. Due diligence framework linked to human rights. Whistleblower system in place to anonymously report suspicions of impropriety or shortcomings.	x			x	x	x	Indirect

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					Up-stream	Own operations	Down-stream	Short term	Medium term	Long term	
G1 BUSINESS CONDUCT											
Corporate culture	Positive impact: a strong positive and inclusive corporate culture contributes to worker health, wellness and the company's competitiveness.	People	Employee satisfaction surveys have strongly positive results, and Ependion's working culture promotes employee health and wellness.	A range of activities conducted continuously to improve corporate culture, including various health, OHS and inclusion initiatives.		x		Actual impact			Direct
Corporate culture	Negative impact: risks contributing to poor protection of whistleblowers.	People	Protecting whistleblowers should prevent negative consequences for reporting parties and ensure that important problems and impropriety are actually reported and can be actioned. Very low probability with current risk.	The group has established reporting channels and procedures to ensure that employees and other stakeholders can safely report suspicions of serious impropriety in accordance with applicable regulations. Ependion's whistleblower system is managed by a third party where reporter anonymity is guaranteed.	x	x	x	x	x	x	Direct and indirect
Corruption and bribery	Negative impact: risks contributing to business logic where corruption and bribery can exist.	People	Ependion is part of a global value chain. It is likely that people will be harmed by bribery and corruption incidents because such impropriety can result in unfair decisions, discrimination and poor working conditions.	Training initiatives, internal checks, systematic risk management work and whistleblower processes.	x	x	x		x	x	Direct and indirect
Corruption and bribery	Risk: legal, financial and branding costs in poor management of business conduct issues.		Poor management related to corruption and bribery may have legal and financial consequences for Ependion, damage trust among the group's investors and customers, and impact business continuity.	Training initiatives, internal checks, systematic risk management work and whistleblower processes.		x			x	x	Direct

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

In 2025, Ependion updated the group's first DMA, which was conducted in 2024, consistent with the standards of CSRD and inspired by EFRAG's recommended methodology (ESRS Drafts: Double Materiality Assessment Guidance). The analysis had several phases, reviewed in more detail below.

The first DMA, conducted in 2024, enabled a sharper focus on human rights in Ependion. Even if as yet, the analysis has not resulted in any formal changes to working methods, this is expected to enhance the group's strategy and integration of human rights during upcoming reporting periods. The DMA is updated yearly and the group's Board is kept continuously informed of this process. No major amendments to the process for work on the DMA occurred between 2024 and 2025.

Methodology for conducting the double materiality analysis

Identifying relevant topics

In the start-up phase of preparing the DMA, Ependion's implementation team took a decision to conduct the materiality assessment on sub-topic level in its financial and sustainability reporting. Identifying relevant topics covered both actual and potential impact, and was based on a situation without any remedial actions being taken.

After a review of the proposed sector-specific standards, none were considered relevant to the group. Ependion judged that the constituent topics were consistent with those considered in its ERM processes, and there was no gap evident with the issues in surveys from investors and customers, for example, and nor compared to the group's previous stakeholder analysis. On supply chain, a collective assessment of business entity purchasing organizations concluded that there were no significant differences, and that these are managed by representatives from both business entities participating in the analysis process. When identifying and assessing impacts in tandem with being an employer in the supply chain (ESRS S2) the primary focus was on tier 1 suppliers, where Ependion has the most supporting data from the supplier audits it has conducted.

Analysis, assessment and priorities

The Group Head of Sustainability was convener of the assessment process, and each meeting had participants from Beijer Electronics, Westermo and Ependion. Several functions were involved depending on the topic to be analyzed, such as HR, Procurement and Information Security, with hirings by both the group's business entities. Representatives of Finance and Sustainability participated in all reviews. Supporting documentation for assessments:

- Previous materiality analysis
- Internal statistics
- Dialogue and questions from customers, investors and other stakeholders
- Outcomes of employee satisfaction surveys
- Risk assessments including ERM
- Ongoing business intelligence
- Questions and supporting data from trade organizations
- Business entity strategies
- Outcomes of supplier assessments
- The group's in-depth work on human rights
- Data and information from external bodies such as the IEA and IPCC

Due diligence is part of business governance as reflected in processes including those for supplier assessment, M&As and assessing risks linked to markets and customer segments. The group's supply chain and geographical diversity are example factors that influence assessment of Ependion's impacts, risks and opportunities. Evaluations of the supply chain are largely based on internal know-how. In addition to Ependion's operations, assessments of impact are mainly on those parts of the supply chain where impacts are judged as most likely. Upstream, this includes transportation, procurement of metals, plus electrical and electronic components. Downstream, the focus was on product use. Knowledge of customers' direct impact from their operations through emissions to air and water, for example, was concluded as limited. This has been included, and regarding future plans and potential impacts, in actual terms, this involves a production start-up in India for Westermo, whose main impact is judged to correspond to the present: i.e. in terms of environmental impact, the emphasis is in the supply chain. The group's acquisition of Welotec and strong partnerships with the companies Blu and RazorSecure were not judged to constitute any change in impact of significance. Future plans are also considered from perspectives including the group's strategies linked to market segments, as reflected in the assessment of how growth is impacted by the transition to a more fossil-free and circular society.

Ependion judges how impacts and dependencies interrelate with risks and opportunities, which are factored into its materiality analysis and risk management work. Risks related to sustainability are evaluated and prioritized jointly with other risks in the group's risk management framework. This framework also includes roles and responsibilities relating to risk management.

Consequential materiality analysis

To assess the materiality of topics, the following threshold values were applied. Each topic states if this has a positive or negative impact. If a topic is not considered relevant to evaluate, this is justified to enable reasoning and traceability. Unless otherwise stated, an overall assessment is conducted covering all time aspects if an impact is considered to exist in the short medium and long term. In cases where an impact is only judged to exist or has been analyzed over a limited time span, it is stated separately in the analysis.

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Consequential materiality analysis			
Level of seriousness			**Likelihood**
Scale—how serious (negative) or how beneficial (positive] is the impact? 1. Very low 2. Low 3. Medium 4. High 5. Very high	Scope—how extensive is the impact? Ependion's own workforce: from a few individuals to global workforce Supply chain/customers: from specific suppliers to global scale Nature & environment: from an isolated location to global environmental impact	Reversibility—how challenging is it to reverse the effects of the impact? 1. Easily reversible 2. Reversible with material input/cost 3. High 4. Permanent	Likelihood—what is the likelihood that the impact will occur? Actual: 100% Potential: 1–99%

Financial materiality analysis		
Identification (risk/opportunity)	**Assessment**	
Sustainability topics that generate risks or opportunities that can be considered to have, or could have, material impact on the company's progress, financial position, results of operations, cash flow, supply or cost of capital and financing in the short, medium and long term.	**Seriousness—what is the expected degree of financial impact (monetary terms)** **Reference value: percentage of** EBIT* 5. Extensive 50–100% 4. Very high: 20–50% 3. High: 10–20% 2. Medium: 3–10% 1. Low: 1–3%	**Likelihood—how likely financial impact is to occur** **1. Unlikely (<10%)** **2. Low (10–25%)** **3. Possible (25–50%)** **4. Likely (50–75%)** **5. Almost certain (>75%)**

*Reasoning: EBIT is the main parameter Ependion's Management use to monitor the group and business entities.

The assessment of the level of seriousness of each impact topic was largely based on research into planetary boundaries in terms of environmentally related impacts. The assessment of Ependion's impacts utilized a range of internal supporting data from sources including the business entities' management systems including earnings reports, audit outcomes, supplier assessments, risk assessments and safety data sheets. It was possible to draw a conclusion on the materiality of topics where there is scientific consensus on the seriousness of a specific type of environmental impact without in-depth analysis of the extent and level of seriousness. When the assessment was completed, a quantitative value of a sustainability topic was computed. Ependion has decided to take a view on the threshold values embedded in the system that was used for the materiality analysis, which is designed for ESRS.

Financial materiality analysis

The analysis was conducted correspondingly to the consequential materiality analysis for each topic considered relevant and with the same time spans for short, medium and long term. Financial assessments were also conducted for most of the impact topics identified. Each topic is designated as a risk or opportunity. The scales of level of seriousness and likelihood are in the table below. Reference values of seriousness assessment are based on the group's EBIT in 2024. However, each risk or opportunity also states the primary financial impacts (such as increased revenue, increased expenses, new or lost business opportunities). Regarding scenarios use for assessing financial impact, the group has primarily proceeded from current business strategies. Ependion has reflected on market changes, climate-related risks, regulatory changes (including the EU Green Deal and Clean Industrial Deal, which covers a variety of regulations), supply chain risks and branding risks. For climate scenarios, the IEA's World Energy Outlook and the IPCC Sixth Assessment Report (AR6) are the fundamental starting-points for assessments linked to financial risks and opportunities.

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Validation and securing outcomes

The outcome of the DMA has been approved by the Board of Directors, first, the preliminary outcome and later, the definitive. The outcome was also validated by the Ependion group's, Beijer Electronics' and Westermo's managements, and by a number of employee representatives. These presentations also clarified that new knowledge and opinions presented may result in outcomes being adjusted. To ensure quality and traceability of the process, this work is continuously documented, partly in the system used for the materiality assessment, and in internal documentation as part of Ependion's internal controls.

Identifying ESRS-compliant reporting points

Reporting standards were compiled based on the outcome of the DMA. Representatives of Ependion, Beijer Electronics and Westermo collectively allocated the reporting standards, which reporting standard should be used by who, to which function and at what level reporting should be executed within the group. Reporters have been trained. The initial assumption is that only mandatory reporting sections will be included initially, and in cases where phase-in disclosure impacts the group, this schedule will be complied with.

IRO-2: Disclosure Requirements in ESRS covered by the undertaking's Sustainability Statement

The following table offers a list of the information standards compiled in the Sustainability Statement. This information has been determined based on material impacts, risks and opportunities resulting from the group's materiality assessment. Impacts, risks and opportunities not considered material have not been integrated into this Statement. The materiality assessment process and usage of threshold values is reviewed in IRO-1.

Disclosure requirement and related datapoint	Page in Sustainability Statement	Reference to other EU legislation			
		SFDR	Third Pillar	Benchmark Regulation	EU Climate Law
ESRS 2 - General disclosures					
ESRS 2 BP-1	56				
ESRS 2 BP-2	56				
ESRS 2 GOV-1	57				
ESRS 2 GOV-1: More even gender division on the Board of Directors (21d)	57	x		x	
ESRS 2 GOV-1: Percentage of independent Directors (21e)	57			x	
ESRS 2 GOV-2	58				
ESRS 2 GOV-3	58				
ESRS 2 GOV-4	58				
ESRS 2 GOV-4: Statement on due diligence (30)	58	x			
ESRS 2 GOV-5	58				
ESRS 2 SBM-1	59				
ESRS 2 SBM 1: Involvement in activities related to fossil fuels (40d i)	Non-material	x	x	x	
ESRS 2 SBM 1: Involvement in activities related to chemical production (40d ii)	Non-material	x		x	
ESRS 2 SBM 1: Involvement in activities related to controversial weapons (40d iii)	Non-material	x		x	
ESRS 2 SBM 1: Involvement in activities related to the cultivation and production of tobacco (40d vi)	Non-material			x	
ESRS 2 SBM-2	60				
ESRS 2 SBM-3	61-67				
ESRS 2 IRO-1	68-70				
ESRS 2 IRO-2	70-74				

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		SFDR	Third Pillar	Benchmark Regulation	EU Climate Law
ESRS E1 - Climate change					
ESRS E1 IRO-1	75				
ESRS E1 SBM-3	75-77				
ESRS E1-1	77-78				
ESRS E1-1: Transition plan to achieve climate neutrality by 2050 (14)	77-78				x
ESRS E1-1: Companies excluded from the EU Paris-aligned Benchmarks (16g)	78		x	x	
ESRS E1-2	78-79				
ESRS E1-3	79-80				
ESRS E1-4	80-81				
ESRS E1-4: GHG emission reduction targets (34)	80	x	x	x	
ESRS E1-5	81-82				
ESRS E1-5: Energy consumption from fossil sources, disaggregated by source and only for high climate impact sectors (38)	81	x			
ESRS E1-5: Energy consumption and energy mix (37)	81	x			
ESRS E1-5: Energy intensity associated with activities in high climate impact sectors (40–43)	81-82	x			
ESRS E1-6	82-84				
ESRS E1-6: Gross and total GHG emissions, scope 1, 2, 3 (44)	82	x	x	x	
ESRS E1-6: Gross emission intensity of GHG emissions (53–55)	82-83	x	x	x	
ESRS E1-7: GHG removal and carbon credits (56)	84				x
ESRS E1-8	84				
ESRS E1-9: Reference portfolio exposure to climate-related physical risks (66)	Transitional provisions			x	
ESRS E1-9: Disaggregation of monetary amounts by acute and chronic physical risk (66a)	Transitional provisions		x		
ESRS E1-9: Site of significant assets assets exposed to material physical risk (66c)	Transitional provisions	x			
ESRS E1-9: Breakdown of the carrying value of real estate assets by energy efficiency classes (67c)	Transitional provisions	x			
ESRS E1-9: The portfolio's level of exposure to climate-related opportunity (69)	Transitional provisions			x	
Taxonomy disclosures	111-117				
ESRS E2 - Pollution					
ESRS E2 IRO-1	85				
ESRS E2 SBM-3	63				

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		SFDR	Third Pillar	Benchmark Regulation	EU Climate Law
ESRS E2-1	85				
ESRS E2-2	85-86				
ESRS E2-3	86				
ESRS E2-4	86				
ESRS E2-4: Amount of each pollutant listed in Annex II to the Regulation on a European Pollutant Release and Transfer Register released into air, water and country (28)	Non-material	x			
ESRS E2-5	87-88				
ESRS E3 - Water and marine resources					
ESRS E3 IRO-1	89				
ESRS E3 SBM-3	63				
ESRS E3-1	89	x			
ESRS E3-1 Water resources and marine resources (9)	89	x			
ESRS E3-1 Specific strategy (13)	Non-material	x			
ESRS E3-1 Sustainable oceans and seas (14)	Non-material	x			
ESRS E3-2	89				
ESRS E3-3	89				
ESRS E3-4	Non-material				
ESRS E3-4 Total recycled and reused water (28 c)	Non-material	x			
ESRS E3-4 Total water consumption in m^3 per net revenue of own operations (29)	Non-material	x			
ESRS E4 - Biodiversity and ecosystems					
ESRS 2 – IRO 1 (16 a i)	Non-material	x			
ESRS 2 – IRO 1 (16b)	Non-material	x			
ESRS 2 – IRO 1 (16c)	Non-material	x			
ESRS E4-2 Sustainable land/agricultural practices or policies (24 b)	Non-material	x			
ESRS E4-2 Sustainable oceans or seas practices or policies (24 c)	Non-material	x			
ESRS E4-2 Policies to address deforestation (24 d)	Non-material	x			
ESRS E5					
ESRS E5 IRO-1	90				
ESRS E5 SBM-3	64				
ESRS E5-1	90				
ESRS E5-2	91				
ESRS E5-3	91-92				
ESRS E5-4	92				
ESRS E5-5	93				
ESRS E5-5: Non-recycled waste (37d)	93	x			
ESRS E5-5: Hazardous waste and radioactive waste (39)	93	x			
ESRS S1 - Own workforce					
ESRS S1 SBM-2	60-61				
ESRS S1 SBM-3	65, 94				

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		SFDR	Third Pillar	Benchmark Regulation	EU Climate Law
ESRS 2, SBM-3 S1: Risk of exposure to forced labor (14f)	94	x			
ESRS 2, SBM-3 S1: Risk of exposure to child labor (14g)	94	x			
ESRS S1-1	94-95				
ESRS S1-1: Human rights policy commitments (20)	95	x			
ESRS S1-1: Due diligence strategies on issues addressed by the ILO fundamental conventions 1 to 8 (21)	95			x	
ESRS S1-1: Processes and measures for preventing trafficking in human beings (22)	95	x			
ESRS S1-1: Strategy for preventing workplace accidents or a system to manage them (23)	95	x			
ESRS S1-2	95-96				
ESRS S1-3	96				
ESRS S1-3: Grievance/complaints handling mechanisms related to employee matters (32c)	96	x			
ESRS S1-4	96-97				
ESRS S1-5	97-98				
ESRS S1-6	98-99				
ESRS S1-7	Transitional provisions				
ESRS S1-8	99				
ESRS S1-9	99-100				
ESRS S1-10	100				
ESRS S1-11	Transitional provisions				
ESRS S1-12	Transitional provisions				
ESRS S1-13	100				
ESRS S1-14	101				
ESRS S1-14: Number of fatalities and number and rate of work-related accidents (88b, c)	101	x		x	
ESRS S1-14: Number of days lost to injuries, accidents, fatalities or illness (88e)	101	x			
ESRS S1-15	101-102				
ESRS S1-16	102				
ESRS S1-16: Unadjusted gender pay gap (97a)	102	x		x	
ESRS S1-16: Excessive CEO pay ratio (97b)	102	x			
ESRS S1-17	102				
ESRS S1-17: Cases of discrimination (103a)	102	x			
ESRS S1-17: Failure to comply with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines (104a)	102	x		x	
ESRS S2 - Workers in the value chain					
ESRS 2, SBM-2	60-61				
ESRS 2, SBM-3	66, 103				

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Disclosure requirement and related datapoint	Page in Sustainability Statement	Reference to other EU legislation			
		SFDR	Third Pillar	Benchmark Regulation	EU Climate Law
ESRS 2, SBM-3 S2: Significant risk of child labour or forced labour in the value chain (11b)	103	x			
ESRS S2-1	103-104				
ESRS S2-1: Human rights policy commitments (17)	103-104	x			
ESRS S2-1: Policies related to workers in the value chain (18)	103-104	x			
ESRS S2-1: Alignment of policies with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises (19)	103-104	x		x	
ESRS S2-1: Due diligence policies on issues addressed by the fundamental International Labour Organisation (ILO) Conventions 1 to 8 (19)	103-104			x	
ESRS S2-2	104				
ESRS S2-3	104				
ESRS S2-4	105				
ESRS S2-4: Severe human rights issues and incidents connected to the undertaking's upstream and downstream value chain (36)	105	x			
ESRS S2-5	106				
ESRS S3 - Affected communities					
ESRS S3-1 Human rights policy commitments (16)	Non-material	x			
ESRS S3-1 Cases of non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises (17)	Non-material	x		x	
ESRS S3-4 Severe human rights issues and incidents connected to affected communities (36)	Non-material	x			
ESRS S4 - Consumers and end-users					
ESRS S4-1 Policies related to consumers and end-users (16)	Non-material	x			
ESRS S4-1 Non-respect of the UN Guiding Principles on Business and Human Rights and OECD Guidelines for Multinational Enterprises (17)	Non-material	x		x	
ESRS S4-4 Severe human rights issues and incidents connected to consumers and end-users (35)	Non-material	x			
ESRS G1 - Governance					
ESRS G1, IRO-1	107				
ESRS G1, GOV-1	57				
ESRS G1, SBM-3	67				
ESRS G1-1	107-108				
ESRS G1-1: United Nations Convention against Corruption (10b)	107-108	x			
ESRS G1-1: Protection of whistleblowers (10d)	110	x			
ESRS G1-3	110				
ESRS G1-4	110				
ESRS G1-4: Fines for violation of anti-corruption and anti-bribery laws (24a)	110	x		x	
ESRS G1-4: Standards to combat corruption and bribery (24b)	110	x			

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ESRS E1 Climate

IRO-1: Description of the process to identify and assess material impacts, risks and opportunities related to climate

Climate change mitigation is considered a material topic for Ependion from an impact perspective (negative) and financial perspective, related to risks and opportunities. The process to determine and assess material impacts, risks and opportunities is summarized in section ESRS 2 IRO-1.

Ependion uses scenario analyses to support the group's risk management processes. Climate-related risks and opportunities are some of the most significant topics for the group. The climate scenarios used to evaluate the group's risks and opportunities are largely based on the IPCC's Sixth Assessment Report (AR6) and the IEA's World Energy Outlook. Evaluation is based on general and non-site specific geodata for the group, internal emissions data and other internal information relevant to the evaluation. Ependion's evaluation is based on two main scenarios:

Paris Agreement-adapted scenario (1.5°)

A scenario implying rapid transition with risks mainly in the short and medium term, with the target of limiting the average global temperature increase to 1.5° C through extensive actions such as legislation and global carbon taxes. It assumes a significant increase in the share of renewable energy in the total energy mix, greater access to low emission technologies and recycled materials. Significant investments in modernizing power grids will be necessary. A faster rate of innovation and implementation of key technologies such as carbon capture and storage, advanced energy storage and digital solutions for energy management. The EU's Green Deal and Clean Industrial Deal have major impacts, including an extensive development of regulatory structures.

High emission scenario (business as usual):

A scenario where GHG emissions keep increasing, causing a global temperature increase of 3-4° C by 2100. This will lead to more frequent and serious weather extremes, rising sea levels and other climate impacts in tandem with higher economic costs and social challenges. Limited innovation and slow adaptation to new technology may restrict emission reductions. The regulatory landscape will be less extensive than in the Paris Agreement scenario.

Both these scenarios are subject to uncertainties. Assumptions on future social and economic development, such as alterations to regulatory structures, economic activity and energy consumption introduce uncertainty in climate forecasts. Climate models also have inherent uncertainties due to the complexity of the earth's systems and interaction between its various parts. The rate and success of new technologies in reducing emissions or adapting to climate impact is uncertain, including developing and implementing renewable energy sources, carbon capture and energy saving technologies. Changes to market demand for low-emission products and services, as well as changing costs of raw materials and energy, also cause uncertainty. Assumptions regarding climate scenarios are not included in the financial statement.

ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

Description of climate-related impacts

Climate change mitigation is considered a material topic for Ependion from an impact perspective (negative). This is because GHG emissions are a global problem with major direct and indirect effects on people and the environment within and outside Ependion's operations and value chain. Ependion's operations and production processes including transportation depend on energy and material inputs that are associated with GHG emissions, which contribute to climate change. These emissions are concentrated in Scope 3, where emissions arise from purchased materials and related production and processes by Ependion's suppliers, mainly in Asia and Europe in the use phase by the group's customers.

The group assesses that its emissions in Scope 1 and 2 are limited. Lifecycle analysis of the group's core products indicate that the use phase (Scope 3) is most important from a climate impact perspective. Apart from product energy efficiency performance and technical lifespan, the scale of these emissions also depend on the energy source used. These products contain metals like zinc and aluminum associated with GHG emissions (Scope 3).

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Climate-related risks and opportunities

Working on climate change is an important strategic issue for Ependion. The current strategies of the Beijer Electronics and Westermo business entities focus mainly on segments that are important to the transition to a more sustainable society: trains, energy, shipping and manufacturing. By continuing to enhance its value proposition in these segments, Ependion is aiming to achieve better financial performance. Additionally, these focus areas help the group remain an attractive employer and support Ependion's efforts to retain and attract the right skills. Awareness of climate change will probably affect customer preferences, generating higher demand for products and services with high energy efficiency and low climate impact. There is a relationship between sustainability, circularity, climate and service. Adding new service offerings to the group's business model may alleviate Ependion's climate impact and generate additional revenue streams that complement the traditional business model.

Climate-related transition risks

If a disclosed risk relates to only one designated scenario, this is stated explicitly, otherwise risks are considered present in both scenarios that the risk assessment is based on, but to differing extents.

Increased energy costs

The usage of fossil free energy sources may lead to increased energy costs due to potential gaps between demand and supply (price increases).

Time horizon: short and medium term.

Position in value chain: upstream and own operations

New low-emission technologies

Increased customer demand for technologies with low carbon emissions and energy efficiency may cause increased development expenses. Securing metals with low carbon emissions or recycled metals may be more difficult because the demand for them may increase, and with it, costs. Additionally, when the market for green transport (air, sea and road) evolves and Ependion has the ambition to make sustainable choices, costs will probably also rise.

Time horizon: short, medium and long term.

Position in value chain: own operations

Introduction of global or regional carbon taxes

Taxes on GHG emissions or import tariffs on materials or components produced in one region but exported to another may impact total production costs. This may have varying effects depending on how rapid the phase-out of fossil fuels is in the supply chain.

Time horizon: short and medium term.

Position in value chain: own operations and upstream

Implementation of a broad spectrum of legislation and other standards

The administrative burden may be resource intensive when new extensive reporting standards are introduced, for example. If different countries develop differing legal standards, and they are not standardized, the cost for satisfying standards may be significant.

Time horizon: short and medium term.

Position in value chain: own operations

Implementing permanent carbon credits

The company will need carbon credits for the emissions Ependion is not able to reduce itself. Their pricing is uncertain, but may involve significant cost for Scope 3 depending on the rate of progress in the supply chain and the transition to fossil-free energy sources.

Time horizon: medium and long term.

Position in value chain: own operations

Production relocation

If the group's suppliers are located in zones more exposed to weather extremes, selecting alternative suppliers may be necessary, which may potentially cause costs to increase. This risk relates mainly to a scenario of high emissions.

Time horizon: medium and long term.

Position in value chain: own operations and upstream

Climate-related physical risks

If a disclosed risk relates to only one designated scenario, this is stated explicitly, otherwise risks are considered present in both scenarios that the risk assessment is based on, but to differing extents.

Weather extremes that impact production (Ependion's and suppliers'), as well as logistics

Changes to precipitation, flooding, water shortage, variations in sea levels, storms and temperature variations. These risks can disrupt plants, production and infrastructure and cause accidents—resulting in production delays and economic losses. They may also imply reduced access to raw materials and components. In the worst case, they may cause production shortfalls and revenue losses. Ependion has one major production facility in a climate risk zone: Taiwan (no serious incidents to date). The group also has suppliers located in climate-sensitive zones, mainly in Asia. The climate-related physical risks are also present in the Paris Agreement scenario, but expected to be more serious in the long term in a high-emission scenario.

Time horizon: Short, medium and long term.

Position in value chain: Own operations and upstream

Risk reduction

Ependion is developing the contingency plans and back-up solutions for production that cover its own operations and the supply chain. The group has a production facility in Taiwan, considered a high-risk zone for climate change. Production has been started up in Malmö, which means that Ependion has a process in place for transferring skills and preparations for scale-up. The group is accumulating resilience and know-how by starting up a new production facility in India. The other production plants are located in Europe: Germany, Sweden, Ireland and Switzerland.

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Ependion's risk management processes and BCPs include climate-related risks. There are targets and plans in place for the transition to fossil-free energy supply and an electric vehicle fleet. Ependion follows up on progress yearly. The group has processes in place for onboarding new suppliers that cover sustainability and climate aspects, and audits are a component of business entity monitoring processes. An internal carbon pricing framework covers the procurement of certain carbon-intensive materials and transportation. Ecodesign and energy efficiency are part of the group's continuous improvement work in R&D and enable Ependion to work proactively on implementing new standards from legislation and stakeholders. Ependion is enhancing its services portfolio and the group's servicing business model to further extend the useful life of products, supporting the transition to a circular economy and preparations for forthcoming regulations.

Climate-related opportunities

Continue to build on the group's focus segments

Ependion's business strategy focuses primarily on segments important for the transition to a more sustainable society: train, energy, marine and manufacturing. By continuing to enhance the group's offering in these segments, Ependion is endeavoring to achieve stronger financial results. These focus segments also help the group remain an attractive employer and improve its potential to retain and attract talent.

Time horizon: short, medium and long term.

Position in value chain: own operations

Continue to improve business relationships and attract new business customers

Awareness of climate change impacts customer preferences and can result in higher demand for products and services with high energy efficiency and low climate impact. Environmental Product Declarations (EPDs) and Life Cycle Assessments (LCAs) help Ependion demonstrate performance and comparable data.

Time horizon: short, medium and long term.

Position in value chain: own operations

Further enhance the group's service portfolio

There is a relationship between sustainability, circularity, climate and service. By developing new services offerings, the group can reduce its climate impact and create new revenue streams that complement its traditional business model.

Time horizon: medium and long term.

Position in value chain: own operations

Climate resilience analysis—assessment of impacts and risks to strategic planning

Ependion has identified and deals with transition risks (such as increased energy costs and new regulations) and physical risks (such as weather extremes and shortage of resources). Ependion achieves this through contingency plans, rationalizing operations, collaborating with its supply chain and investments in adaptation measures. The group has also prioritized flexibility and its capability to scale up or down production between different plants as required, making it more prepared for disruptions and changing market demand. Apart from risk management, Ependion invests in sustainable market segments like energy, rail, marine and manufacturing solutions. This enhances the group's ability to satisfy customers' climate standards, benefit from incentives and new technology, and create long-term value by diversifying its business portfolio. Investments in these segments improve its resilience to economic and regulatory change. This analysis is based on climate scenario planning in accordance with the Paris Agreement's 1.5° target and a high emission scenario covering the short, medium and long term. Financial and sustainability aspects are included, with risks evaluated yearly, most recently in November 2025. This work is led by the CFO and Group Head of Sustainability. The analysis covers the group's complete organization and value chain with no exclusions.

In summary, the climate analysis indicates that Ependion has good potential to manage climate-related risks and benefit from new opportunities by focusing on efficiency and innovation in sustainable market segments. However, uncertainty regarding future regulatory structures, technological progress and market changes remain, which means that the analysis needs continuous updating to address new risks and opportunities promptly.

E1-1: Transition plan for climate change mitigation

Ependion's plan for climate transition consolidates all the group's climate-related activities and functions as a strategic action plan for its organization. It illustrates the group's commitment to addressing climate change and increasing the transparency of this work. The ambition of the plan is to drive emission reductions that are in line with the Paris Agreement's temperature goal of 1.5° C and achieving net zero emissions across the group's value chain by 2050. The group set targets consistent with the Science Based Targets initiative (SBTi) methodology, although they have not been validated and approved by the SBTi (see also section E1-4). This plan is consistent with Ependion's overarching business strategy and financial planning. This integration ensures the group's sustainability targets are ambitious, realistic and financially sound. This adaptation also helps reduce the risks associated with climate change, simultaneous with Ependion benefiting from current and new market opportunities. Accordingly, the transition plan is embedded in and adapted to the group's overarching business strategy and financial planning by the climate-related targets and actions being considered in strategic prioritization, investment and risk management processes. This means that the group prioritizes investments in energy efficiency, renewable energy and developing lower climate impact products. These actions are integrated into the business entities' strategic and operational targets to ensure that operations are sustainable and competitive for the long term in the circumstances reviewed in the group's climate-related scenarios.

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Ependion collaborates actively with the group's stakeholders, including customers, employees and investors, to ensure that the work reflects their expectations and contributes to the overall business strategy. The transition plan was approved in December 2023, and was expanded in 2024. The plan has been approved by Ependion's CEO and subject to Board consideration in 2025. Because of its recent implementation, there is no overall evaluation of its degree of implementation yet.

Ependion's business activities fall within the definition of sectors with high climate impact. According to the ESRS sector classification (SEC1), the group is a manufacturer of electrical and electronic components and equipment (MEL). The relevant NACE codes are 26.11 Manufacture of electronic components (e.g. switches, PCBs), 26.20 Manufacture of computers and peripheral equipment and 26.30 Manufacture of communication equipment.

Ependion is not excluded from the EU Paris-aligned Benchmarks under the exemption criteria stated in the Commission's Delegated Regulation (EU) 2020/1818.

Potential locked-in GHG emissions

Ependion does not regard potential locked-in emissions from its facilities measured during their lifespan until 2050 as an obstacle to the group's emission reduction targets. Such emissions are limited, and Ependion has already made significant advances in reducing them. It does not regard manufacturing as especially energy intensive and the group works on energy efficiency based on energy mapping. Ependion and its business entities have transitioned to fossil-free electricity at most sites. The climate impact from the group's products through their useful lives is the source of most of Ependion's Scope 3 emissions. Ependion has conducted CO_2 calculations as part of lifecycle analyses of a number of core products. The EPD conducted in 2024 for the Viper-112A switch is based on an expected lifespan of 20 years and energy source plays a major role in impact during these years. Product energy efficiency is an important focus of the group's product development. This work helps reduce the risks of failing to achieve targets set and helps the business entities' customers to realize their climate ambitions.

Investments and financial resources for climate transition

Ependion's strategy to support the group's plan for climate transition means that climate and other sustainability issues should be integrated into the business entities' functional segments with associated processes rather than having substantial separate sustainability and climate budgets. This approach integrates sustainability into Ependion's organization and adapts financial planning to the group's climate ambitions. Major investments are covered by Ependion's internal carbon pricing framework. Substantial investments are being made in R&D, where continuous improvement in product performance is a vital part of this process. Researching new materials, processes and technology that can reduce emissions and improve sustainability is an integrated component of Ependion's operations.

At present, Ependion cannot give any exact figures for financial resources earmarked for climate transition, because these investments are integrated into operating activities and not disclosed separately. The group's methodology to identify and monitor these amounts is in development.

Ependion does not relate its investments to the EU Taxonomy expressly and systematically, but makes investments and arranges finance that support the group's transition plan. These investments cover activities including product development for increased energy efficiency. The share of Taxonomy-aligned CapEx, relevant KPIs and CapEx plans are published according to regulation (EU) 2021/2178 in the Sustainability Statement. The effect is monitored via KPIs like reduced carbon intensity, improved energy efficiency and a higher share of renewable energy, which ensures that resources contribute to climate transition.

E1-2: Policies related to climate change mitigation and adaptation

Ependion's climate policy is a central component of the group's plan for climate transition and involves Ependion actively endeavoring to reduce its climate impact in line with the Paris Agreement target of keeping the global temperature increase below 1.5° C with the sub-target for 2030 and an objective of net zero emissions by 2050 at the latest. With its insights into the physical and transition-related risks related to climate change, the group judges potential impacts and takes actions to increase the resilience and adaptability of all operations. Ependion integrates these assessments into its business planning and financial decision-making, and updates its transition plan as new risks and opportunities appear. The group prioritizes energy efficiency in processes, plants and products, simultaneous with Ependion working to increase the share of renewable and fossil-free energy in its operations. Even if its main focus is on reducing emissions, it also considers opportunities to eliminate and compensate for GHGs where emission reductions are not possible. This involves investigating partnerships and investments and projects supporting carbon capture or carbon removal technologies, especially for the remaining emissions that cannot be eliminated by making changes to operations.

Ependion adopts a holistic perspective and includes its complete value chain in reduction programs. The group endeavors to grow in a way that differentiates economic growth and profitability from the use of finite natural resources and GHG emissions.

The group's Sustainability Policy is a foundation for the management of its climate work. The Policy includes commitments to reduce the group's environmental impact with a focus on climate, pollution, resource management and applying the principles of circular economy.

The senior level responsible for implementing the sustainability policy is each business entity's CEO. There are control mechanisms in place to measure compliance with this policy, through audits and management reviews within the auspices of the group's management systems, for example. There is also a group policy clarifying Ependion's view of carbon compensation, which is approved by the CEO. The group's sustainability-related policies are applied group wide and also cover its partnerships with external stakeholders.

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Environmental policies are also formulated for each business entity, which are more detailed than at group level. Climate commitments are also stated in the CoCs adopted by each business entity, and based on the group-wide policy covering all parts of business entities.

Viewpoints from stakeholders are considered in ongoing updates of policies and procedures. No explicit dialogue or structured consultation with stakeholders has been conducted on the climate issue. However, views and expectations of key stakeholder groups have been incorporated into the process through existing information channels, and by analyzing relevant market, regulatory and sustainability trends.

Policies in this segment are available on the group's website and on internal communication channels.

Ependion has signed the UN Global Compact and backs the Paris Agreement and international commitments intended to promote sustainable business methods. This is reviewed in the group's sustainability policy.

An overview of the group's policies is also provided in G1-1: Business conduct policy and corporate culture.

E1-3: Actions and resources for climate change policies

Ependion's work to reduce climate impact is ongoing, and how much emission reduction is sourced from each action in 2025, where the focus is on Scope 3, cannot be specified at present. In Scope 1 and 2, emissions had already been significantly limited through ongoing efforts to transition to fossil-free electricity supply and an electric vehicle fleet.

Ependion did not implement any nature-based solutions in the reporting period as part of its work to counter or adapt to climate change.

The aggregate effect of initiatives will be monitored and evaluated continuously in relation to overarching climate targets.

Actions to reduce emissions in Scope 1 and 2

Ependion's work on reducing emissions in Scope 1 and 2 and achieving targets set has three main parts:

» Transition to fossil-free electricity

» Electrification of the vehicle fleet

» Energy efficiency

Activities are continuous, and the group is aiming for a transition to 100% fossil-free electricity. Some units have their energy supply included in rent, so the potential to influence suppliers is more limited. Plans to transition to fossil-free electricity are continuing in 2026, with Beijer Electronics' transition to mainly fossil-free electricity supply in Taiwan being an important element of efforts. In 2025, Westermo's efforts included continuing work on actions from its most recent energy mapping process, and metrics were taken in consultation with suppliers ahead of decisions on new energy savings projects in 2026.

A number of dependencies were identified linked to the group's targets to reduce emissions in Scope 1 and 2:

» Access to fossil-free and cost-efficient energy and electricity.

» Access to charging infrastructure driven by fossil-free electricity is decisive. Ependion is dependent on governments in the group's operational markets supporting the rapid introduction and scale-up of clean technology.

» Continued validity of market-based mechanisms for renewable energy, including the validity of renewable energy certification globally.

» Effective solutions to monitor and control energy consumption efficiently (e.g. AI and automation).

Actions to reduce emissions in Scope 3

Ependion's activities to reduce emissions in Scope 3 are ongoing and primarily part of business entities' processes and management systems. Accordingly, how the business entities work on their individual issues may differ. Example actions:

» Ongoing work on continuous improvement of the energy efficiency of products and solutions.

» Integrate circular economy principles throughout our business—from R&D to servicing.

» Incorporate climate and sustainability standards into tendering processes and maintain an active dialogue with the group's suppliers.

» Regularly review Ependion's business model and sharpen the group's value propositions (e.g. in servicing) from climate and circularity perspectives.

» Communicate the importance of the transition to renewable energy sources to participants in the value chain.

» Actively incorporate climate aspects in planning and transportation.

» Apply internal carbon pricing.

In 2026, the business entities' activities will include intensifying their work on transitioning to metals that cause lower carbon emissions. Advances have already been made in parts of operations. In Westermo Sweden, the carbon footprint for zinc of 1.87 kg CO_2e/kg sold product at year-end 2025 is a 48% reduction on 2023.

Beijer Electronics is pursuing a range of activities that will make a positive contribution to the group's climate work in 2026. Through its launch of the new X3 product family, the share of recycled materials (plastic and aluminum) used in products will increase, while this product family also reduces the share of plastic components. Pilot projects relating to more climate-smart transport methods, both related to customers and internal transport, will be conducted in 2026.

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Example dependencies identified linked to the group's work on reducing emissions in Scope 3:

» Access to fossil-free and cost-efficient energy and electricity that impacts emissions from the use of sold products (customers' emissions) and emissions from the group's supply chain (purchased goods and services).

» Requirements of standards and methodologies for product carbon footprint data, which reduce administrative effort and facilitates comparison between products and organizations.

» Access to cost-efficient digital tools and technologies to monitor and manage emissions across the value chain.

» Suppliers need to take climate action and be open with their data. Partnering with suppliers that can deliver materials, products and components with low carbon emissions and offer access to climate-related information is critical to Ependion.

» Faster phase-outs of fossil fuels in the transportation sector.

» Customer awareness and climate ambitions influence their choices. How much the customer values climate and energy efficiency in their evaluations is critical to Ependion's success in bringing carbon-efficient technology to market.

Climate adaptation

The most important efforts for Ependion's climate adaptation work include:

» Improving resource efficiency, especially in terms of material flows, to reduce environmental impact and improve the group's circularity.

» Integrating the climate adaptation perspective into business processes and the supply chain, through means including dialogue and partnership with suppliers.

» Geographical diversity, engendering resilience against disruptions in supply chains and local climate-related risks.

» Ensuring the capability to scale up production at different plants as required, improving the group's flexibility and resilience to altered circumstances.

» With these activities, which are ongoing, Ependion is working proactively to meet the challenges presented by climate change, and help create a more resilient operation over time.

Resources

Investments and financial resources for climate transition are reviewed in section E1-1. At present, the group cannot state precise numbers for financial resources specifically earmarked for climate transition. Climate transition is an integrated part of Ependion's business strategy, and the actions described in this context, where necessary, have been factored into the group's current business plans. Most of the group's transition plan focuses on Scope 3, where it has the greatest potential for impact. Ependion is managing ongoing work linked to product development and supplier development. The group judges that its current allocation of resources is sufficient to implement planned actions. No significant risks related to shortages of resources have been identified. However, there are a number of dependencies that may affect implementation, stated above.

If further investments or resources were necessary to implement the group's initiatives, they will be included in financial planning going forward. If any material impacts on the group's financial statements occurred, they would be identified and disclosed in accordance with the group's applicable financial reporting procedures and standards.

E1-4: Targets related to climate change mitigation and adaptation

The group's strategy with its decentralized organization integrating sustainability topics into each business entity means sustainability-related targets are mainly set by the business entity. The climate segment has four group-wide targets approved by the Board of Directors:

» Ependion is committed to reducing emissions in Scope 1 & 2 by 50% by 2030 compared to the base year 2023

» Ependion is committed to reducing emissions in Scope 1 & 2 by 90% by 2050 compared to the base year 2023

» Ependion is committed to reducing emissions in Scope 3 by 25% by 2030 compared to the base year 2024

» Ependion is committed to reducing emissions in Scope 3 by 90% by 2050 compared to the base year 2024

The targets were set in 2024 and 2025, with the first evaluation in 2026 when more data is available. These targets are set as absolutes and cover market-based CO_2 emissions, measured as tonnes of CO_2 equivalent (CO_2e). They are not based on eliminating GHG gases, using carbon credits or avoiding emissions to achieve them.

99.5% of Ependion's emissions are in Scope 3. For Scope 1, the target for 2030 means a reduction from 127 tonnes to 25 tonnes and for Scope 2 the target for 2023 means a reduction from 645 to 365 tonnes. For Scope 3, the target for 2030 means a reduction from 166,795 tonnes to 125,096 tonnes. Details on the allocation between Scope 1 and Scope 2 in the targets for 2050 have not been established, but are presented here as an aggregate reduction of 90% from the base year.

These targets are a central element of Ependion's climate transition plan and have been formulated with respect to the commitments that the plan is based on. All group targets have been prepared utilizing the SBTi methodology for an absolute reduction method, but have not been validated or approved by SBTi. The ambition of the targets is to support the transition to a sustainable economy and limit global warming to 1.5°C consistent with the Paris Agreement and the group's Climate Policy. No specific stakeholders were directly questioned in the process of setting sustainability targets. The targets were formulated by internal experts, but based on ongoing dialogue and exchange of best practice with internal and external stakeholders.

The targets cover the whole group, but were set prior to the 2025 acquisition of Welotec. They cover Ependion's own operations and the value chain upstream and downstream. The targets have not been amended since being set and are planned for review in 2026 when the group has more insights from collected data and can ensure that they remain relevant and achievable. They are based on assumptions of data availability, market conditions and technology. Data collection is mainly from ERP systems, supplier invoices, and where primary data is unavailable, estimates.

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Primarily, Ependion's climate targets have been formulated based on the group's own strategic priorities and business plans rather than directly following any sector-specific line for phasing out fossil fuels. This means the targets consider the group's business model, technology standard and the opportunities and challenges identified within Ependion's business entities.

The use of sold products is the dominant category for Scope 3 emissions, followed by purchased goods and services. The targets cover all of Scope 1–3 (all emission categories disclosed in E1-6 and are founded on market-based emissions). The current model for goal-setting indicates that apart from the energy efficiency of the group's products, their technical useful life has a major impact on emissions. Market conditions and customer demand are impacted by various regulatory standards and the availability of energy sources with low CO_2 emissions, which have significant impact on the average CO_2 intensity of products sold and used in various countries and regions. Additionally, because Ependion operates in cyclical sectors linked to economic activity and GDP growth, sales volumes and product mix can vary between years. Overall, these factors have a significant impact on the group's ability to achieve its planned targets. At present, Ependion is unable to specify precisely how much emission reduction will be sourced from each action or sub-segment reviewed in E1-3, rather, the overall impact of efforts will be monitored and evaluated continuously in relation to overall climate targets. The climate targets will be reviewed in 2026–2027.

At present, the group has no specific targets or action plans directly related to the EU Taxonomy criteria pursuant to the Commission's Delegated Regulation 2021/2139. However, there are overarching climate targets and investment plans that indirectly contribute to increasing the share of the group's operations that are Taxonomy aligned, through strategies for energy efficiency and reduced emissions, for example.

E1-5: Energy consumption and energy mix

	Energy consumption and energy mix	2025
1)	Fuel consumption from coal and coal products (MWh)	0
2)	Fuel consumption from crude oil and petroleum products (MWh)	402
3)	Fuel consumption from natural gas (MWh)	0
4)	Fuel consumption from other fossil sources (MWh)	0
5)	Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources (MWh)	1,001
6)	**Total consumption of fossil energy (MWh) calculated as the total of rows 1-5 (MWh)**	1,404
	Share of fossil sources of total energy consumption (%)	32
7)	**Use from nuclear energy sources (nuclear power) (MWh)**	542
	Share of total nuclear energy sources in total energy consumption (%)	12
8)	Fuel consumption from renewable sources including biomass (including industrial and municipal waste of biological origin, biogas, renewable hydrogen etc.) (MWh)	0
9)	Consumption of purchased or acquired electricity, heat, steam and cooling from renewable energy sources (MWh)	2,507
10)	Consumption of self-produced renewable non-fuel energy (MWh)	0
11)	**Total use of renewable energy (MWh) (calculated as the total of rows 8-10)**	2,507
	Share of renewable energy sources of total energy use (%)	56
	Total energy consumption (MWh) (calculated as the total of rows 6, 7 and 11)	4,453

Production of non-renewable and renewable energy

Produced energy [MWh]	2025
Renewable energy	0
Non-renewable energy	3
Total	3

Energy intensity per net revenue

Energy intensity per net revenue	2025
Total energy use from operations in sectors with high climate impact per net revenue from operations in sectors with high climate impact (MWh/MSEK)	2.0

Amount of net revenues, 2,232 MSEK, from page 118 of the financial statements.

Reporting principles

Energy use by the group's larger business units is based on self-collected data for 2025, and for office premises, the information is based on estimates for some business units, because precise data is unavailable as the business unit may be one tenant among several. For those business units without primary information, local factors and information on energy mix when energy sources have been determined are considered. Ependion applies a conservative approach when dividing between renewable and non-renewable energy sources and only classifies energy as renewable or nuclear power-based if the origin of the purchased energy is known or clearly defined in contracts with its supplier. Some business units have estimated their energy use because invoices from energy providers were not available at year-end. A few smaller business units (very small offices) have reported energy consumption based on previous years' reporting to reduce the reporting burden of small offices. These estimates have no material impact on the group's total energy use.

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Energy intensity per net revenue for operations in High Climate Impact Sectors (HCIS) is the same as for the whole group. This is because Ependion's primary operations (approx. 95%) involve the manufacture of electrical and electronic components. That portion of the group related to services like servicing and software is considered so small (approx. 5%) that disclosing energy intensity for these activities separately is not justified, so they are not classified as HCIS. Accordingly, aggregate energy intensity per net revenue is disclosed aggregated for the whole group in Ependion's Sustainability Statement.

E1-6: Gross Scope 1, 2, 3 and total GHG emissions

	GHG emissions 2025 and retroactively		Year of sub-target and target		
	Base year	2025	2030	2050	Target 2030 as % / base year
Scope 1 GHG emissions					
Gross GHG emissions Scope 1 (tCO_2e)	127	106	25	13	-80
Percentage share Scope 1 GHG emissions from regulated emission trading systems		0			
Scope 2 GHG emissions					
Location-based gross GHG emissions in Scope 2 (tCO_2e)		640			
Market-based gross GHG emissions Scope 2 (tCO_2e)	645	694	365	65	-43
Significant GHG emissions in Scope 3					
Total indirect gross emissions Scope 3 (tCO_2e)	166,795	153,560	125,096	16,680	-25
1) Purchased goods and services		30,138			
2) Capital goods		513			
3) Fuel and energy-related operations (not included in Scope 1 or Scope 2)		211			
4) Upstream transport and distribution		1,820			
5) Waste generated in own operations		1			
6) Business travel		909			
7) Employee commuting		648			
8) Leased assets upstream		-			
9) Downstream transport and distribution		352			
10) Processing of sold products		-			
11) Use of sold products		118,880			
12) End-of-life treatment of sold products		87			
13) Leased assets downstream		-			
14) Franchise agreements		-			
15) Investments		-			
Total emissions of greenhouse gases					
Total emissions of greenhouse gases (location-based) (tCO_2e)		154,306			
Total emissions of greenhouse gases (market-based) (tCO_2e)		154,360			

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Share of energy consumption covered by contractual instruments

	2025
Share of energy consumption covered by contractual instruments [%]	54
Share of energy consumption covered by bundled contractual instruments [%]	53
Share of energy consumption covered by unbundled contractual instruments [%]	1

Types of contractual instrument

	2025
Share of energy consumption covered by Renewable Energy Certificates (RECs) [%]	0
Share of energy consumption covered by Guarantees of Origin (GOs) [%]	36
Share of energy consumption covered by International Renewable Energy Certificates (I-RECs) [%]	1
Share of energy consumption covered by Renewable Energy Guarantees of Origin (REGOs) [%]	1
Share of energy consumption covered by other/ unspecified certificates [%]	16

Greenhouse gas intensity based on net revenue

Greenhouse gas intensity per net revenue	2025
Total greenhouse gas emissions (location-based) per net revenue (tonnes CO_2e/MSEK)	69
Total greenhouse gas emissions (market-based) per net revenue (tonnes CO_2e/MSEK)	69

Amount of net revenues, 2,232 MSEK, from page 118 of the financial statements.

Reporting principles

GHG emissions are for the whole group. Emissions are categorized in Scopes 1-3 pursuant to the GHG Protocol Corporate Standard. CO_2 is the only significant climate gas for direct emission from Ependion's business. Activity data is based on primary data where possible. If primary activity data is not available, estimates are used. For Scope 3, with base year 2024, all categories were included that cover the group's operations (categories 1-7, 9, 11, 12, 15) apart from investments that the group does not consider to contain material data (only a minor share allocated to the group's minority holdings in Blu and RazorSecure). Other items not included were eliminated because the group does not cover such activities (8, 10, 13, 14). A significant portion of Scope 1 emissions are sourced from the group's service vehicles and company cars, with data collected from the group's ERP system. In certain cases, mileage data is not available, and here, estimates have been used. Metrics for Scope 1 do not include the three electric forklifts the group uses in its Swedish operations, which are not considered to impact overall values because their electricity consumption is from fossil-free sources, which are included in Scope 2, electricity use.

Data for Scope 2 is collected from supporting data from suppliers and total emissions are based partly on specific data on emission factors, partly on estimates depending on location, where emission factors are embedded into the reporting systems the group uses, and are formatted specifically for sustainability reporting. The main sources for the emission factors are DEFRA and national environmental authorities. The group uses both location-based and market-based methods.

For Scope 3, a market-based method is mainly used for category 1, Purchased materials and services, and category 2, Capital goods.

Data for Scope 3 is based on sources including lifecycle analyses of the group's core products, which are the basis of applicable computations and estimates. Verifying that the data reported for Scope 3 emissions is accurate is a significant challenge for the group, because these emissions cover the whole value chain. The group is dependent on data from third parties and encounters variations in reporting practice, which means access to reliable and precise information is problematic. To improve the quality of collected data going forward, Ependion works continuously on developing its processes and systems for data collection and reporting, through means including supplier monitoring systems and closer dialogue with suppliers.

The high outcome for Scope 3 category 11 relating to the use of sold products is explained by these products' long useful lives. For Westermo's products, the useful life is estimated at some 20 years, while Beijer Electronics' products have an estimated useful life of 5-10 years. This means product emissions are accumulated over longer periods, resulting in total climate impact from the usage phase being significant compared to products with shorter lifecycles. Emissions are based largely on a global electricity mix, which implies sizable uncertainties in the disclosed metric. As for category 1, Purchased goods and services, the next largest item in scope 3, this metric covers materials and services the group has purchased for values of over one million Swedish kronor in the year. Information on the size of the percentage share of emissions computed using primary data obtained from suppliers or other value chain partners is not available.

The targets for emission reduction are determined as absolute targets and cover market-based CO_2 emissions, reported in tonnes of CO_2 equivalents (CO_2e). The division between Scope 1 and Scope 2 for year 2050 has not yet been specified, but rather, the objective is presented here as a 90% reduction from each base year for each Scope. Accordingly, the overall target means a total reduction of 90% for Scope 1 and Scope 2. For 2030, the targets for Scope 1 and Scope 2 are collectively a 50% reduction compared to the base year 2023. These targets will be reviewed in

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2026–2027 to ensure they remain relevant and reasonable. The reported numbers for contract-based instruments such as International Renewable Energy Certificates (I-RECs) and Renewable Energy Guarantees of Origin (REGOs) have been produced by compiling data from the group's energy providers. For the unspecified certificates item, these metrics are based on information from the relevant landlord.

GHG intensity based on net revenue is computed from total market and location-based emissions divided by net revenue of 2,232 MSEK.

E1-7: GHG removals and GHG mitigation projects financed through carbon credits

Ependion did not conduct or finance any projects for the permanent removal of GHGs in its own operations or value chain in the reporting period, nor did it purchase or cancel any carbon credits from external climate-related projects. Accordingly, there is no quantitative information to disclose pursuant to this standard.

Reporting principles

Ependion's opinion is that there is no material financing of climate-related projects or activities for permanent GHG removal in the reporting period. This assessment is based on a review of internal investments, the project portfolio and purchasing of external climate credits. Any small-scale local initiatives intended to climate compensate for a specific activity, for example, are not covered by ESRS E1-7, because they do not constitute financing of external climate projects or GHG removal according to the standard's definition.

E1-8: Internal carbon pricing

In 2024, Ependion took a decision to adopt a global framework for ICP (internal carbon pricing) for the group's operations. The purpose of this framework is to raise awareness of the climate issue and its impacts for workers, and provide incentive for emission reductions consistent with the group's climate ambitions and the Paris Agreement's target.

Ependion applies shadow carbon pricing, which means that a theoretical monetary value is assigned to CO_2 emissions to enable the cost or benefit of different strategies and investments to be evaluated. The shadow price covers selected parts of:

» Processes for planning CapEx

» Processes for selecting suppliers

In 2025, this framework covered the whole group, although implementation was on a pilot basis, mainly affecting processes related to transportation and the transition to more sustainable materials.

The price of CO_2 was set at €100 per tonne, in line with sector practice and the EU emission rights trading system. The price was selected to create an incentive for emission reductions and support Ependion's climate ambitions. The price will be adjusted when major changes occur on the market, or in scientific guidance. The steering committee for ICP, led by the group's CFO, evaluates the framework regularly.

Because ICP was piloted in 2025 and not yet fully integrated into operations, there are no available numbers for the scope or gross volumes of GHG emissions covered by the system, or their share of the group total. This will be developed as the framework is implemented and data collection improves.

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ESRS E2 Pollution

IRO-1: Description of the process to identify and assess material impacts, risks and opportunities related to pollution

The process to determine and evaluate the material impacts, risks and opportunities is summarized in section ESRS 2 IRO-1. The topics of emissions to air and water have been considered material from an impact perspective, but only related to the supply chain. Accordingly, emissions data is not available. The assessment of emissions to air and water being materially related to suppliers is based on general assumptions on suppliers' operations and processes rather than any actual mapping of their emissions.

Poor chemicals processing and incidents causing spillages, leakages or other non-compliance with chemical regulations may potentially cause pollution. Most of the manufacturing processes in Ependion's operations involve assembly and imply limited risk of emissions to air, soil and water from Ependion's own operations.

Ependion's products contain a number of substances of concern and/or very high concern (SVHC). Accordingly, Ependion judges this segment as material for the group from an impact perspective. Lead is an SVHC included in certain products, which may have negative effects on the environment and health. Lead is in solder with certain components as high-temperature solder so components can be soldered onto PCBAs without breakage. Ependion's own processing of chemicals is limited, but these compounds are usually embedded in finished components, which means their impacts and risks are mainly in the supply chain. Even if the current impact is financially non-material, future costs may arise in the form of increased development expenses, purchasing prices and additional investments in system support. These impacts are mainly expected to arise in the medium term and managed within the framework of business entities' budgeting processes.

E2-1: Policies related to pollution

At group level, Ependion has a Sustainability Policy covering its commitments to reduce environmental impact focusing on climate, pollution, resource management and applying the principles of circular economy. The highest level responsible for implementing the Sustainability Policy are the CEOs of Ependion's business entities. Control mechanisms are in place to measure compliance with this Policy, through channels including audits and management reviews within the framework of the group's management systems. Ependion's Sustainability Policy is applied group wide and includes partnerships with external stakeholders.

Ependion's policies at group level do not specify individual topics, but instead, this is managed by each business entity. Business entities published product statements on their websites for various substance groups, such as PFAS or substances covered by dedicated regulations like SVHC under REACH. This ensures that information on relevant substances is available and adapted to each operation's product portfolio and market standards.

Ependion's policies for pollution are also integrated into environmental policies created at business entity level and are important parts of the group's management systems. These policies cover commitments to prevent and limit emissions to air and water, and avoid, as well as phase out, the use of hazardous compounds, focused on SVHCs related to its own operations and the supply chain. Ependion views the phase-out of hazardous substances as highly significant to its work on promoting a circular economy. Actions to limit impacts from pollution are stated in the group's CoCs for each business entity and cover all operations.

Procedures to prevent and deal with incidents and emergencies are integrated into the business entity's management systems and not dealt with directly in the group's policies regarding pollution.

Viewpoints from stakeholders are considered in ongoing updates of policies and procedures. Policies in this segment are available on the group's website and internal communication channels.

Ependion has signed the UN Global Compact and backs international commitments designed to promote sustainable business methods, as reviewed in the group's Sustainability Policy.

E2-2: Actions and resources related to pollution

Because Ependion considers emissions to air and water as material only related to the supply chain, reliable data and metrics for these emissions is not available. Monitoring and checking supplier compliance with environmental and chemicals legislation is integrated into purchasing processes.

New and amended regulations for hazardous substances may imply new standards applying to the group's products and work on substitution may be resource intensive. Regulations are not globally harmonized, and market standards may differ between countries. Substituting SVHCs may cause increased costs for product development, purchasing and requirements for new technical validation.

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Ependion's business model is resilient to changes to chemicals legislation by substitution being integrated into the product development process, and by utilizing digital systems support to monitor component content. Chemical processing impacts strategic decisions on product design, supplier selection and customer engagement. Ependion collaborates with external experts as required to ensure compliance and flexibility if market standards alter.
Ependion's strategy is based on dealing with pollution risks via the business entities' environmental policies and management systems.

Targets and action plans for managing and phasing out hazardous substances are set at business entity level, enabling tailored solutions based on the technical circumstances of each operation. Ependion views the phase-out of hazardous substances as highly significant in its work to help create a circular economy, which is one of the group's sustainability focuses. The group works continuously on evaluating and reducing chemical usage in its own operations and by replacing hazardous substances in purchased components, which means that this work covers its own operations and the supply chain.

At present, Ependion is not able to specify exact amounts for current or future financial resources earmarked to prevent and manage chemical-related impacts and pollution risks. The costs for these initiatives primarily consist of payroll expenses and costs for digital systems, although there is no dedicated monitoring or separate disclosure of these amounts at present. Ependion's opinion is that future resource needs may change with new legal requirements and business entity action plans, but at present, reliable data to quantify these amounts is not available. The management of product-related environmental and chemical legislation and chemical substitution covers several functions of the group's operations and is based on collaboration, mainly between Product Management, R&D, Purchasing and Operations. Because the regulations on hazardous compounds are being amended and updated continuously, work on substitution and phase-out is ongoing and integrated into product development work. Currently there are no key actions planned, but the focus is on systematically evaluating and executing improvements as needs are identified, ensuring flexibility in the process.

Westermo's actions include implementing a digital system for its own chemicals processing, enabling documentation of risk assessments and satisfaction of regulations like REACH and RoHS. In 2025, Westermo created a new role to intensify work on substitution, reporting and phase-out of hazardous substances and the operation has produced phase-out plans for the SVHCs included in its components. Beijer Electronics' chemicals use is limited, and it has not identified any SVHCs in its own production. Component databases and external tools are used to ensure that components are approved back in the design phase.

Ependion also has processes for substitution to less hazardous alternatives in partnership with suppliers. Regular site visits and engagement with component vendors is part of the work on ensuring compliance with product legislation in the environmental sphere.

The main materials for the business entities' operations are procured and consist of electronic components from complex supply chains. This means that securing information on the content of every component and a comprehensive view of the nature of the entire value chain are problematic. There are difficulties in obtaining information on SVHCs and other compounds that may present risks in components and products. Ongoing engagement is designed to progressively increase supplier understanding of these topics.

E2-3: Targets related to pollution

There are no group-level targets relating to pollution, and Ependion has no plans to set group-wide targets for this topic at present. Ependion's business entities have differing product portfolios and technological circumstances. Accordingly, targets and action plans, as well as monitoring pollution and the management, processing and phase-out of hazardous substances are set by each business entity where considered relevant. Local solutions tailored to each business entity's specific needs, capacities and technologies mean more efficient and practical actions to phase out hazardous substances.

E2-4: Pollution of air, water and soil

Because Ependion only considers emissions to air and water as material related to its supply chain, the data and metrics for these emissions in its own operations is not available. Monitoring and checking supplier compliance with environmental and chemicals legislation is integrated into business entity purchasing processes. To manage impacts and risks related to pollution in the supply chain, the business entities have implemented systematic follow-ups of their own suppliers. This process focuses on the largest and most strategic suppliers.

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E2-5: Substances of concern and substances of very high concern

Ependion's own usage of chemicals is largely concentrated on Westermo's business, where there is a digital solution and processes in place for chemical processing. This system is used for functions including documenting risk assessments, for example, which enable hazardous chemicals to be monitored and product legislation to be satisfied, such as REACH and RoHS. Staff training is a continuous process.

For managing pollution risks from accidental emissions, leaks or other unplanned incidents, each operation should have conducted risk assessments and have processes in place to manage such risks, in the form of absorbents or other decontamination equipment, for example. Systems and processes are in place that include logging in a component database. In turn, the component database is linked to other digital tools for the systematic satisfaction of various regulations such as REACH. This working method ensures that Ependion can already at the design phase of a new development project verify that the components are approved. The related processes include new and existing components. Where Ependion does not possess the skills in-house, it appoints external parties. Westermo has intensified its efforts on the topics by creating the new role of Sustainability Product Compliance Engineer in 2025. In operations, regular distributors and component suppliers in place maintain close engagement that also covers product legislation issues in the environmental segment designed to evaluate the potential to substitute with less hazardous alternatives. Ependion has processes in place in the group's purchasing functions to apply standards to, and monitor, the group's suppliers in terms of product-related environmental legislation.

Substances of very high concern

Hazard class	Amount used in production (kg)	Amount leaving the group's entities as emissions (kg)	Amount leaving the group's entities in products (kg)	Amount leaving the group's entities as part of products (kg)	Amount leaving the group's entities as part of services (kg)
Reproduction toxic	6.31			6.31	
Suspected reproductive toxic Persistent, bio-accumulative and toxic Under evaluation as persistent organic pollutant (POP)	0.30				
Reproduction toxic Skin irritant/sensitizing	0.07	0.07			
Reproduction toxic Skin sensitizing Endocrine disrupting	5.65			5.65	
Reproduction toxic Suspected of causing cancer (No harmonised classification)	9.57			9.57	

Total volume of SVHCs used in production or have been procured: 21.9 kg. The main hazard classification class of these products is reproduction toxicity. The total volume of SVHCs that leave the group's plants as emissions, as products or parts of products or services: 21.6 kg. Their main hazard class is reproduction toxicity. Substances of less than 10g are not covered by the reporting.

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Data is sourced either from an external component database compiled from supplier material datasheets, or collected directly from suppliers. In isolated cases, Ependion does its own weighing and measuring. Information on RoHS and REACH at component level is sourced from the same component databases or suppliers. Westermo then transfers this information to its PLM (Product Lifecycle Management) system, which is the foundation of Westermo's product-related reporting in most of its operations (Westermo Sweden). Some components are sourced locally, which are not always included in reporting.

Reporting is largely limited to cover substances in concentrations over 0.1g weight percentage, which is the reporting level of REACH.

Data from Welotec, acquired in June 2025, is not covered by reporting. Processes will be implemented in the year to enable reporting in 2026, which is not expected to have any material impact on metrics.

Beijer Electronics does not use an external system, but sources SVHC data directly from each supplier. Based on the concentration of each compound in the component, the total scope of SVHCs is computed from unit sales and other components with SVHC in each product.

Data for SVHCs for chemicals used in the manufacturing process is sourced from Westermo's chemical processing system, which includes a dedicated module for the Swedish operations. Other countries use more manual monitoring, and their chemicals use is less extensive.

Beijer Electronics' chemical usage is very limited, and there are no SVHCs in the chemicals used in its production. This conclusion is based on a review of safety data sheets for chemicals where each CAS number is matched against the latest list of SVHCs.

The reporting of hazardous substances only includes those compounds that are classified as SVHCs, and Ependion is dependent on data from third parties, which means there are significant challenges in reporting precise data. Comprehensive tracking across the supply chain is necessary to ensure complete and accurate reporting, which may be complex and time consuming. Additionally, accessing detailed information from suppliers regarding the SVHC content of products may be problematic. Chemicals may alter or be consumed during the manufacturing process, which further obstructs traceability and reporting precision. Correspondingly, reporting precise data on how much SVHC is present in the chemicals Ependion uses in various manufacturing processes is challenging. Accordingly, the data disclosed includes uncertainty. For compounds used in production, data relates partly to pure chemicals used in production and partly substances included in purchased components.

Ependion does not have information on data related to SOCs (Substances of Concern), and accordingly does not disclose it. Its view is that accessing reliable data will take time, so in this context, Ependion is largely dependent on third-party information, and the amount of substances classified as SOC is significant.

Problems on this topic are largely due to the same factors as those affecting SVHCs.

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ESRS E3 Water and marine resources

IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities related to water resources and marine resources

The process to identify and assess material impacts, risks and opportunities is summarized in section ESRS 2 IRO-1. Water has been identified as a material topic related to water consumption in the supply chain, not related to Ependion's own operations. This represents a significant limitation to the group's disclosures in this topic. The assessment is based on a cautious assumption because there is no supplier-specific data on water impact. Ependion considers supplier water consumption as a material factor, mainly against the background of the electronics sector generally involving processes with high water intensity. However, this conclusion is based on the sector structure rather than verified observations or specific disclosures on water use by relevant suppliers. In parallel, Ependion has measured its water consumption, indicating that its use is limited. The group's operations mainly consist of assembly work and there are no high water-intensity production stages.

E3-1: Policies related to water and marine resources

Water-related impacts are mainly addressed in each business entity's Code of Conduct (CoC) applying to all operations, and in each business entity's Supplier CoC, which primarily address suppliers of direct materials. Stipulations include Ependion's business partners being expected to conduct themselves responsibly in water consumption, emissions to water and pollution of groundwater. The group's Sustainability Policy, which applies to all operations, also addresses resource use and environmental impact in a broader perspective, and covers the whole value chain. Each business entity's CEO is responsible for compliance with these policies. Compliance is monitored through supplier audits.

Stakeholder views are considered in ongoing updates of policies and procedures. Policies addressing water are available on the group's websites, as well as internal communication channels.

E3-2: Actions and resources related to water and marine resources

Ependion requires the group's suppliers to work to reduce their environmental impact, which includes water-related topics. This work is continuous and there were no specific activities in 2025. Ependion does not distinguish between sub-topics on the water issue, but water is covered as a sub-topic in several of the group's supplier audits, which are one of the tools for monitoring suppliers' water use. At present, Ependion is not assigning any specific financial or other resources for water-related topics. Accordingly, implementation of actions related to water is not dependent on specific circumstances such as financial support or developing policies and market conditions.

E3-3: Targets related to water and marine resources

At present, the group has no dedicated targets for water, nor any plans to introduce them. With its current knowledge base, Ependion does not consider it viable or relevant to set specific targets for supplier water use. Instead, it ensures ongoing monitoring of water-related issues within its regular supplier audits. Water aspects of suppliers are considered on an integrated basis with other environmental topics, mainly through business entities' management systems and supplier monitoring procedures. Group-wide methodologies for measurements and reporting have not yet been implemented.

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ESRS E5 Circular economy

IRO-1: Description of the processes to identify and assess material impacts, risks and opportunities related to water use and circular economy

The process to identify and assess material impacts, risks and opportunities is summarized in section ESRS 2 IRO-1. No group-wide screening has been conducted, with instead, analysis based on data in each business entity. Resource use and circular economy are material topics for Ependion from a negative impact perspective. Non-renewable resources are part of Ependion's value chain, and metals such as zinc and aluminum are important elements of the group's products and resource flows. The usage of metals can cause significant environmental impact in the extraction and processing phase, in GHG emissions and other forms. Ependion generates waste from the group's various production processes, as metals, plastics and packaging. Its products may include components that cannot be fully recycled or reused at present. The potential for recycling and reuse also varies across Ependion's different markets. If not processed appropriately, waste can cause pollution and resource losses.

Offering products that have long lifespans and can be kept updated over time is a critical piece of the circular economy puzzle. Ependion's product portfolio consists of robust products designed for long technical lifespans, backed by an extensive services proposition to further improve resource efficiency and extend product useful lives.

This positions the group well for the transition to a circular economy.

E5-1: Policies related to resource use and circular economy

Ependion has several policies and processes for managing its impacts on resource use and the circular economy. Some of them are overarching documents that apply to more than one topic in this Sustainability Statement. An overview of the group's sustainability-related policies is also provided in G1-1.

There is a group-level Sustainability Policy covering commitments to reduce the group's environmental impacts focused on climate, pollution, resource management and applying the principles of circular economy. Increased use of secondary resources and sustainable procurement, as well as the use of renewable resources is indirectly covered by the group's Sustainability Policy. The same applies to the ambition to focus on the upper parts of the Waste Hierarchy, because these topics are important principles in the circular economy.

The Sustainability Policy is backed by Ependion's framework for circular economy, which involves a holistic philosophy and the group is integrating circular principles throughout product lifecycles, from R&D to end-of life processing, as reviewed on the group's website.

The senior level responsible for implementing the Sustainability Policy is each business entity's CEO. There are control mechanisms in place to measure compliance with this Policy, through audits and management reviews within the framework of the group's management systems, for example. Ependion's Sustainability Policy is applied group wide and also covers the value chain and collaboration with external stakeholders.

The Sustainability Policy was produced using internal resources, which indirectly incorporated views of workers, customers and investors, through engagement and consideration of legislation and external standards. Stakeholder views are also factored into policy and procedure updates. Commitments to the circular economy are also stated in Ependion's CoCs, prepared by each business entity based on the group's CoC, and that cover all parts of business entities' operations.

Environmental policies are also approved by each business entity. At this level, policies are more detailed than at group level, and stipulations include operations working for increased use of renewables. The policies also have objectives to eliminate waste and pollution through preventive actions and ensuring that residual products are directed into circular flows for reuse and materials recycling.

Policies on this topic are available on the group's website and also through internal communication channels.

Ependion has signed the UN Global Compact and backs international commitments designed to promote sustainable business methods as reviewed in the group's Sustainability Policy.

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E5-2: Actions and resources related to resource use and circular economy

Ependion's business model centers on production, where metals are a material part of the value chain. To integrate circular economy, the group's work focuses on aspects including designing for circularity and working strategically with suppliers to ensure access to recycled and renewable raw materials. Ependion provides services and solutions to extend product lifecycles such as repair and upgrade. The group also focuses on monitoring and adapting to regulatory changes in the EU and other relevant markets. Work on achieving the group's targets and ambitions in circularity is continuous and integrated into operations.

Ependion works actively to integrate circular principles across its value chain—from design to procurement, use and end-of-life processing of products. The group's strategy is founded on developing robust and energy-efficient products with long useful lives, backed by an extensive service proposition that extends useful life further.

The design phase is central to ensuring product circular characteristics. The focus is on material selection, energy efficiency and technical lifespan, which also improves the potential for upgrade and repair. Products are designed to cope with harsh environments and to be recyclable or reusable after use. In early-2025, members of the group's largest R&D function attended a circular design-themed workshop, which also resulted in a number of improvement projects, in segments including simulation and energy efficiency, which the group continued to work on in the year.

Electronics, metals, plastics and packaging are major waste categories. In accordance with the Waste Hierarchy, Ependion plans its procurement to reduce waste through avenues including avoiding materials that are obsolete or no longer suitable for use. Where necessary, Ependion contacts external parties to evaluate improved methods to process the group's waste. Ependion is subject to producer responsibility for packaging, electronic and electrical products, as well as batteries, partly managed by external parties such as the approved producer responsibility organizations Näringslivets producentansvar and Pronexa AG.

Ependion has mobilized resources in several functions to deal with circular economy-related issues. It manages work in R&D, procurement, production, logistics and servicing, with the responsibility for implementing circular principles within each function. For example, the business entities partner with suppliers to increase the share of low-carbon and recycled metals, and circularity aspects are integrated into the product development process. The group's work is continuous and non-time-finite apart from the actions linked to the targets stated in E5–3.

Material resources cover investments in test equipment, component databases and digital tools to track materials flows. Human resources include dedicated sustainability functions and procurement teams with skills in channels to disclose specific amounts for financial resources allocated directly to work on circular economy, or to make disclosures on future resource allocation, because these initiatives are largely integrated into operating activities, and such decisions impact the continued development and priorities of operations over time.

E5-3: Targets related to resource use and circular economy

Ependion has set targets for resource use and circular economy in each business entity, designed to comply with its policies and deal with material impacts, risks and opportunities related to resource flows and circularity. This means that there is demarcation in terms of the organizational scope of targets, but the assessment is that this is not of material significance.

There are no group targets related to circular economy, but the group has a collective framework for circular economy involving all stages from product design to procurement, production, transportation, the use phase and end-of-life processing.

Activities are ongoing in all these segments, but the group has not set any collective targets, but rather, any targets and activities are decided locally by business units within their management systems. The group's business entities have different circumstances and impacts, and work on circular economy is often directly integrated into operating activities without setting special targets, because initiatives must be flexible and adaptable to operational development and local priorities.

Targets have been set in the business units independently consistent with the group's policy to reduce its environmental impact. Accordingly, this is not the outcome of any legislative requirements, but based on voluntary commitments on climate, pollution, resource management and circular economy. These targets are consistent with the EU's Circular Economy Action Plan and the Waste Hierarchy is a fundamental principle in this segment, although no systematic review of the scientific evidence was conducted when setting these targets.

Targets relate to the group's main impacts, and cover segments including the usage of recycled materials, reducing climate impacts from purchased metals and improved recycling levels in packaging. No overall targets to reduce the environmental impacts from the group's waste have been set. Instead, this impact is managed primarily through local procedures at Ependion's production units consistent with ISO 14001 standards. Ependion has not conducted an analysis of how the targets for increased usage of recycled material may impact biological diversity, but its main focus has been on circular economy and climate impact.

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Beijer Electronics' target is for its products to use 50% recycled materials in 2026. It researched what new materials could be replaced by recycled ones, and set its target based on the weights of various components and expert know-how from its R&D function. Work focused on transitioning to recycled plastic and aluminum, and this effect will mainly be achieved through the new product platform, the X3.

Westermo's target has been set at local business unit level with a specific focus on metals and packaging solutions. Operations actively collaborate with the largest suppliers of metals to reduce climate impact and increase usage of recycled materials. These efforts include initiatives on low-carbon and recycled metals, with the ambition of continuously evolving and intensifying these activities. Westermo has also set local targets for its packaging materials for 2026. The target for the largest business unit is for packaging to use at least 50% recycled plastic and 70% recycled paper by end-2026. The figures for 2025 were 40% recycled plastic and 52% recycled paper. To achieve these ambitions, Westermo is partnering closely with a cluster of selected suppliers, with the central procurement organization coordinating the business entity's work.

The targets are integrated into each business entity's ISO 14001 management system and followed up at least yearly within Management's review. The targets relate to the upper layer of the Waste Hierarchy, and are designed to promote sustainable product design and reduce the dependency on primary raw materials. The targets have been formulated by internal resources of the organization, and external stakeholders were not directly involved in the process.

E5-4: Resource inflows

The most significant resource inflows linked to the group's products consist of metals and HMIs, but also products like industrial PCs and packaging materials. Ependion's business entities have formulated targets and action plans to reduce their climate impact and increase the share of recycled and reused materials linked to metals and packaging.

Resource inflows	2025
Total weight of produced material [tonnes]	332
Percentage share of biological materials, used in the manufacture of the group's products, that are of sustainable origin [%]	0
Total weight of reused or recycled components [tonnes]	81
Total share of reused or recycled components [%]	24
Total weight of secondary intermediate products [tonnes]	0
Total share of secondary intermediate products [%]	0
Total weight of secondary materials [tonnes]	0
Total share of secondary materials [%]	0

Reporting principles

Information and data relating to resource inflows cover the most significant materials, components and products; zinc, aluminum, HMIs, antennas, industrial PCs, PCBAs, as well as paper and plastic packaging. Metals represent most of the group's resource inflows in terms of weight. In terms of unit product, PCBAs are high volume. Data for decision-making on what would be most significant is collected from sources including lifecycle analysis of Ependion's core products. Information on amounts is from the group's purchasing systems, and supporting data on the share of recycled material is from the group's suppliers. Where information on the share of recycled materials is absent, it has been disclosed as zero.

The group's reporting defines technical materials as all materials used in production processes based on their technical characteristics. This includes all chemicals (synthetic and bio-based) and non-renewable energy sources. For example, the group has classified board as a technical material, because in operations, it is used for its technical characteristics rather than biological origin. This reporting and definitions will be reviewed before the year-2026 reporting.

These stated metrics incorporate significant uncertainty, and mean purchased materials are under-reported, for reasons including exact numbers for total weights of purchased materials in the year not being stated. Not all materials and components are included in reporting. Disclosures are also largely based on estimates and information from suppliers, which means that variations and exceptions between disclosure and actual volumes may occur. The group is working to progressively increase the scope and precision of reporting, which means that more segments and details will gradually be included in the Statement. This progress will keep pace with improvements in data availability and internal procedures for collection and quality-assurance being enhanced.

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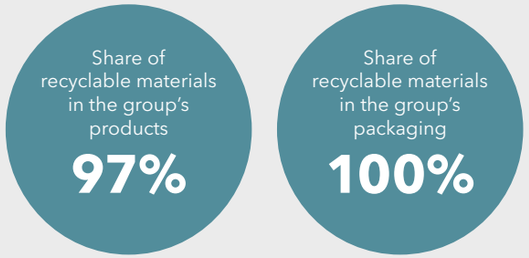
E5-5: Resource outflows

Significant resource outflows are similar to the group's inflows. The EPD conducted on the Viper-112A switch in 2024 indicates that pure metals constitute over 80% of product weight. These metals can be recycled, as applies to most of Ependion's product packaging, which largely consists of board and plastic including some recycled materials.

The design phase has a significant impact on the circular characteristics of products and resource management. Ependion works to continuously enhance the integration of circular design principles into product development where products' technical lifespans and energy efficiency are important components.

The group judges that its products have medium to high repairability, which means they are designed so it is fairly straightforward to identify, exchange and repair individual components as required. For example, this includes using standard screws and fastenings, modular designs and keeping spare parts available. Servicing, maintenance upgrade and update processes are well established, and there are repair centers worldwide. The assessment of high repairability was not based on any standard method for parts of the group, but an estimate based on experience and practical knowledge of operations, while other parts use specialized methodologies for assessing repairability.

Regarding the expected sustainability of the products the group puts on the market compared to the sector average, the group did not identify an appropriate source for a sector average for the group's core products for 2025. The group is monitoring progress, and will include this information as it becomes available.



Waste from own operations	2025
Total waste generated [tonnes]	104
Total amount of waste diverted from disposal [tonnes]	96
- Preparation for reuse [tonnes]	0
- Material recycling [tonnes]	92
- Other recovery method [tonnes]	3
- Hazardous waste [tonnes]	11
- Non-hazardous waste [tonnes]	85
Total amount of waste for disposal [tonnes]	8
- Incineration [tonnes]	6
- Landfill [tonnes]	2
- Other disposal method [tonnes]	0
- Hazardous waste [tonnes]	0
- Non-hazardous waste [tonnes]	8
Proportion of non-recycled waste [%]	8
Total amount of hazardous waste [tonnes]	11
Total amount of radioactive waste [tonnes]	0

Reporting principles

Metrics relating to products and materials for the group's resource outflows are from Ependion's production and sales volumes in the year, and based on information from suppliers regarding the share of recycled materials, for example. The metrics cover the most significant materials and components, with metrics judged to incorporate sizable uncertainty because precise data is absent, on recyclability, for example. Disclosures on product recyclability are mainly based on estimates from waste management providers and known sector practice. It is generally accepted that some materials like metals have very high recyclability as is recognized across manufacturing and in wider society.

The group's packaging consists of paper, board and plastics, which are recyclable.

Metrics relating to waste from Ependion's own operations are mainly sourced from contracted waste management partners, where waste type and amount by weight are stated on invoices. Waste consists of metals, board, packaging, plastic, glass etc. Hazardous waste mainly consists of electronic waste and chemicals. The lack of global standardized methodologies to manage, classify, measure and report waste is a source of measurement uncertainty and challenges in comparing consolidated data over time and between operations. Where the processing method for a specific waste type is unknown, it has been classified in accordance with sector practice. Household waste has not been reported for some operations, which means under-reporting of waste sent for combustion with and without energy recycling. The reason is that waste management is included in rent, and there are no statistics on allocations to Ependion's operations. Ependion does not think this has a significant impact on the group's overall outcomes.

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ESRS S1 Own workforce

ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

The process to identify and assess material impacts, risks and opportunities is summarized in section ESRS 2 IRO-1. Working conditions have been identified as a material topic from an impact perspective. Despite Ependion doing preventive work, there are potential risks of negative impacts on health & safety in the workplace. Even if to date, the accidents that have occurred have been minor, Ependion is retaining its assessment that production involves specific risks, especially during change and conversions where several participants may be engaged and where more risky duties related to e.g. electrical work are conducted. Workers engaged in repair, servicing and fault-finding on site with customers are considered to be at greater risk, because several different parties are often involved, with duties performed in unfamiliar environments.

Ependion operates on a global market, and the possibility that work in different time zones impacts worker health and wellness negatively cannot be ruled out, even if the group's overall assessment is that sickness absence is generally low.

In addition to working conditions, the topic of equal treatment and equal opportunities for everyone is considered material from potentially positive and potentially negative impact perspectives. Ependion is a global corporation with workers of different nationalities, backgrounds and ages. Employee satisfaction surveys, which measure engagement and the experience of being yourself in the workplace, consistently indicate good results. The assessment is that the group's active and long-term work on developing its corporate culture and promoting inclusion and diversity has had clear positive impacts. This creates a working environment with the potential for each individual to fulfil their potential to develop and feel good at work.

Despite active and goal-oriented work to improve gender balance across the group, division remains unsatisfactory, which is assessed as potentially negative from an impact perspective, because low diversity can cause a poorer work climate, but also limited perspective and reduced innovation. Additionally, uneven representation may obstruct hiring and skills succession in the longer term.

Those segments identified as material—working conditions, plus equal treatment and equal opportunities—are central to attracting, developing and retaining qualified workers, which in turn, are critical for enabling and implementing Ependion's business strategy, as well as creating long-term commercial success. Ependion assesses that active work on developing its corporate culture, inclusion, diversity and good working conditions will have a positive impact on engagement, innovation and the ability to attract talent. Ependion judges that this positive impact on corporate culture applies to its own employees and contracted consultants. Meanwhile, these topics also present potential negative impacts relating to the working environment, health & safety or poor diversity, for example, which may impact the results of operations and the ability to hire and retain key skills. Accordingly, Ependion has integrated these topics into the group's strategy and business model through clear targets and actions. The group does not recognize any major differences in terms of material negative impacts in the contexts where the group operates, apart from assessing that the risk of accidents is higher in production environments.

ESRS 1 disclosures apply to everyone in Ependion's own workforce directly employed by the group. When assessing impacts, risks and opportunities, consultants and other people in operations but classed as non-employees under ESRS are also included because these groups may be significantly impacted by Ependion's operations.

Ependion's material impacts do not arise from transition plans to reduce negative environmental impact or the pursuit of more sustainable and climate-neutral operations. The group has not identified any countries or geographical regions in its own operations where there is an increased risk of forced or child labor.

S1-1: Policies related to own workforce

To prevent and deal with discrimination, Ependion applies clear processes that include preventive and reactive measures. This includes conducting regular training for all workers and managers on discrimination, harassment and equal treatment, as well as information initiatives on the procedures and contact pathways available if anyone experiences or suspects discrimination. Ependion has also established procedures to investigate and deal with suspected cases of discrimination promptly, where anonymity and impartiality are guaranteed through the whistleblower function and external management if required.

These processes also help promote diversity and inclusion, partly by creating a working environment where diversity is respected and valued, and by working actively to expand the hiring base and counter unconscious bias in hiring and promotion processes. Regular follow-ups of occupational health & safety and worker experiences are conducted to identify potential barriers to inclusion, and the outcomes are the foundation for continued improvement measures. This is how Ependion creates an inclusive workplace where everyone can develop and contribute based on their own circumstances.

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Group-wide policies

There are several policies in the group dealing with topics on its own workforce. The CoC and group-wide policies that apply to all operations, i.e. all workers, such as the Sustainability Policy and the Human Rights Policy, are also reviewed in section G1-1: Policies related to corporate culture.

Human rights

The Human Rights Policy is founded on the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and OECD Guidelines for Multinational Enterprises. It is designed to address the group's material impacts and covers topics like discrimination, freedom of association, human trafficking, forced labor, child labor, working conditions, health & safety, salaries and compensation. To ensure compliance with these international guidelines, Ependion has established processes such as risk assessments, onboarding new suppliers, audits and follow-up on suppliers' work, partly utilizing external tools.

The Human Rights Policy covers commitments to promote a culture of social dialogue, where open, inclusive and constructive communication between all stakeholders is encouraged to ensure different perspectives are considered in the group's activities and initiatives. The Policy also includes maintaining an independent whistleblower channel and the commitment to offer compensation in cases where the group's operations have directly caused or contributed to negative impacts on human rights. At present, Ependion does not have special policy commitments related to inclusion or affirmative action for especially vulnerable groups in its own workforce. The human rights policy was produced using internal resources, which indirectly factored in views from workers, customers and investors through channels including engagement. Legislation and external standards were also considered. Stakeholder views are also considered when updating policies and procedures. The CoC and policies on this topic are available on the group's website and via internal communication channels.

Occupational health & safety, diversity and inclusion

The group's Global Sustainability Policy covers all workers, includes a zero-harm principle, which means that Ependion endeavors to ensure that no worker, contractor or visitor is injured in the group's operations. This underscores the group's commitment to create a safe and healthy working environment by actively identifying and minimizing risks, promoting a culture featuring safety, health and wellness while simultaneously improving its procedures to prevent accidents, ill health and negative environmental impacts.

Group-wide policies are backed by policies set at business entity level relating to health & safety, diversity and inclusion. Collectively, these specific policies are designed to eliminate discrimination and harassment, promote equal opportunities and create an inclusive, healthy and safe workplace where accidents and ill health are prevented. Diversity covers the whole spectrum of human differences, for example gender, gender identity, age, ethnicity, physical conditions or characteristics, nationality, religion, social background, political and ethical convictions and much more. Concepts and word choices, as well as laws and regulations, may differ between languages, countries and cultures. The policies are implemented through processes to clearly identify and remediate risks of discrimination, through channels including risk assessments, employee satisfaction surveys and review interviews. Training on diversity and equal treatment, along with structured hiring processes, help counter prejudice. Regular follow-ups ensure that the working environment satisfies the group's diversity and inclusion targets.

Overarching responsibility for implementing these business entity-specific policies, which cover all the entities' workers, rests with each business entity CEO. Policies in this topic are available for all workers on the group's intranet. Ependion prevents and deals with material impacts for its workforce through training, clear targets, action plans and management systems. Monitoring compliance is through safety patrols, audits, health & safety committee meetings and management reviews, for example. These activities form the foundation for further preventive and remedial measures.

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

Ependion maintains active dialogue with workers and their representatives on how the group's operations impact staff, with a range of communication channels used throughout their terms of employment. Both business entities conduct quarterly employee satisfaction surveys for all employees—a significant tool to collect views and gain insights that help work teams and the whole group to evolve. Employee satisfaction surveys are the primary channel for measuring employee engagement and offer insights into worker perceptions of their sense of belonging, value and equal opportunities. Staff can also leave open feedback and proposals in the employee satisfaction survey. Work team meetings are held with first-line managers after each quarterly survey, where work team performance is discussed. The overarching responsibility for the employee satisfaction survey rests with each business entity's HR Director, while each line manager bears operational responsibility for implementing any actions.

In Sweden, where most workers are stationed, business entity HR Directors meet union representatives every second month to maintain an open dialogue on the group's progress, working conditions and health & safety topics.

Health & safety committees are in place in the major business units, often convened by HR Directors. Company and employee representatives both participate. The primary focus is on health & safety, which may relate to risk assessments, the investigation of incidents and follow-up on safety patrols, which are another important tool for engagement with workers. The Committee decides on any actions based on these various activities.

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The group also has well-established processes for yearly appraisal interviews with every worker, which each manager is responsible for. This enables structured and continuous engagement with workers on issues affecting their development, job satisfaction and health & safety. It contributes to leveraging different perspectives, while tangible improvement actions can be identified collectively and implemented.

Ependion evaluates the effectiveness of the group's contacts with its own workforce through quarterly employee satisfaction surveys, but also through concrete outcomes in statistics on accidents and sickness absence, for example. This enables areas of improvement to be identified, and measurement of the impact of actions taken over time. Information on overall improvement measures, targets and activities is mainly available on Ependion's intranet. This ensures that workers get feedback on how their views have impacted overall decisions and operational development. The group has not seen a need to maintain special dialogues with specific groups in its own workforce, because no groups have been identified as especially vulnerable or marginalized.

The resources assigned to worker engagement are mainly human resources to manage and organize engagement with staff and resources for planning and implementing training. The group has also assigned financial resources for the digital tool used in employee satisfaction surveys. Westermo conducted its first global Wellness Week in 2025, with specific funds earmarked for lectures and other health-promotion activities.

Information on local activities is managed by each business entity's HR Director, whose duties include compiling results from employee satisfaction surveys and health & safety committees. If a local case needs to be dealt with at group level, it is escalated by the relevant business entity CEO to Group Management for further action.

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

Ependion takes action when the group's operations have caused or contributed to negative impacts on workers, and collaborates with affected parties to find the optimal solution on a case-by-case basis. The effectiveness of actions is also evaluated on a case-by-case basis and pursuant to applicable legislation. Workers are encouraged to feel confident about speaking out, and pursuant to its CoC, Ependion never accepts reprisals against those reporting breaches of the Code in good faith.

Reporting suspected breaches is possible through the group's various complaints channels, including personal contact with first-line managers or HR, email, mail, telephone or anonymously via the external whistleblower service. The process for monitoring and managing reported cases is reviewed in G1-1: Business conduct policies and corporate culture, which also covers information and training initiatives linked to the CoC.

As part of quarterly employee satisfaction surveys, business entities follow up on perceptions of worker security when speaking out or reporting concerns if they suspect or experience any form of impropriety. The health & safety tool is used to report hazards, which help identify and rectify unsafe situations. Health & safety incidents are investigated and outcomes shared on relevant forums to enable implementation of preventive measures to avoid similar events occurring. Ongoing collaboration between HR Directors and employee representatives also includes processes for reporting and updating, which ensures channels are fit for purpose and needs, and that any shortcomings are rectified. Statistics from incident reporting and employee satisfaction surveys are used to measure the effectiveness of actions taken over time and identify needs for further efforts.

A high share of Ependion's employees are party to collective bargaining agreements, and in reorganizations, consulting processes are conducted with the appropriate trade unions in accordance with applicable legislation and relevant collective bargaining agreements.

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

The group's decentralized business model dictates that business entities bear primary responsibility for the planning and execution of actions to achieve the group's overall targets. Ependion's target, also stated in its Sustainability Policy, is a clear ambition that no-one within the group should be affected by injury or ill health in the workplace. The Sustainability Policy, as well as the group's Diversity and Inclusion Policies, also emphasize the importance of ensuring an inclusive and diverse workforce.

Ependion ensures that the group's business practice does not cause or contribute to negative impacts for its own staff, through means including risk assessments being conducted for changes that may impact workload or the working environment. These efforts are designed to balance business requirements with workers' wellness and ensure a secure and safe working environment. Risks and opportunities related to Ependion's own workforce are also covered by the group's overall risk management framework.

Actions taken are primarily dependent on the outcome of employee satisfaction surveys, occupational health & safety reporting, risk assessments, incident investigations and sector trends. This process usually involves HR analyzing data and proposing suitable actions, which are approved by the relevant management team for larger-scale activities.

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Actions are taken in the group's own operations and activities to ensure a secure, safe as well as inclusive working environment, which includes contractors and others working at the group's facilities. This work is continuous with no predetermined end date, unless otherwise stated in this section.

The expected outcome of the actions reviewed below is an improved working environment, better safety, increased worker participation and reduced risk of accidents, ill health and impropriety. By continuously monitoring and adapting actions based on data from employee satisfaction surveys, incident reporting and risk assessments, Ependion ensures its policies and targets are implemented in practice. Overall, these initiatives create a working environment centered on health, safety, diversity and inclusion, helping promote workers' long-term job satisfaction and engagement.

No group-wide key actions have been decided for 2026 other than training all workers on risk management related to health & safety. Targets were set related to the material impact, which is reviewed in section S1-5.

Health & safety

Ependion's business entities work on health & safety issues on a continuous and structured basis to prevent ill health and minimize the risk of accidents. They have implemented a reporting system for OHS events; risk assessments and training are conducted regularly. Workers are offered flexible ways of working and ergonomic improvements. For actual impacts, such as work-related injuries or illness, Ependion has established investigation, rehabilitation and return-to-work procedures. Workers are offered skills support for reorganizations to ensure security and continuity.

Additionally, Ependion is managing a range of initiatives to help promote a positive health & safety culture. In 2025, Westermo's actions included a global Wellness Week, and late in the year, commenced implementation of a project called Take 5, involving taking risk assessments prior to starting a new duty. In 2025, Beijer Electronics introduced quarterly employee satisfaction surveys to monitor engagement and health & safety aspects, as well as identify needs for new actions.

Ependion monitors occupational health & safety with clear KPIs on hazard reporting, sickness absence and accidents, for example. The business entities conduct employee satisfaction surveys and audits to ensure that actions have the desired effect and that continuous improvement is achieved, as specified by the management systems. In 2025, Westermo held reviews with all sales companies on their OHS work on a similar basis as conducting its business reviews, designed to improve OHS work and disseminate lessons learned and best practice, which it will continue in 2026. Beijer Electronics implemented a new OHS reporting system in the year, and roll-out will continue in 2026. Some operations also have externally certified ISO 45001 OHS management systems (Westermo in India and Beijer Electronics' operations in Taiwan).

Diversity and inclusion

Ependion works systematically to promote equal opportunities, diversity, and inclusion. The business entities invest in skills development through training programs and digital education platforms, while offering leadership training and mentorship to promote career development. Work on diversity and inclusion is integrated into hiring processes and internal training programs.

To prevent discrimination and work proactively on equal opportunities, workers and managers take regular training in segments like unconscious bias and inclusive leadership. The business entities monitor diversity and inclusion through employee satisfaction surveys and clear KPIs, enabling efforts to be evaluated and developed continuously. If the group is unsuccessful in ensuring equal treatment, there are clear procedures for investigating and dealing with these situations. Incidents or complaints about discrimination are investigated by business entity HR functions jointly with affected managers, and where necessary, external experts are involved to ensure impartiality. Actions are taken immediately to support affected workers and prevent recurrences.

Overall targets on gender balance and zero tolerance of discrimination, for example, are set at business entity level. Performance and progress are monitored using KPIs and reporting of incidents or complaints, which ensures continuous improvement and positive progress in diversity and inclusion is achieved and maintained.

Resources for own workforce

Human resources are mainly designated to deal with these issues. It is not just the HR function that is dedicated to OHS, diversity, inclusion and skills development—local managers bear substantial responsibility and are actively involved in these topics. The business entities set yearly budgets that include initiatives in training, wellness programs and OHS improvements. Technical resources are also deployed, such as systems for incident management, to support and ensure that initiatives are effective and contribute to sustainable development for workers and operations. Resources assigned to deal with material impacts include funds below threshold values for significant operational and investment costs.

S1-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Ependion has an overall objective of zero work-related accidents and zero human rights violations, in the short and long term. This objective is deliberately broad and long term to fit the group's decentralized structure. It serves as a collective direction and support for the policies and guidelines that direct work on OHS, human rights and diversity. More tangible and measurable targets need to be adapted to each business entity's unique circumstances and challenges, and accordingly, more specific targets are set by each business entity, with individual responsibility for operations and performance.

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Otherwise, Ependion has no group-wide targets to deal with potential impacts related to occupational health & safety or diversity and inclusion of its own workforce. How effective the group's policies and actions are in relation to potential impact on workers is mainly monitored within business entities' management systems and by reviewing any complaint and incident reporting on the group's whistleblower channel. Ependion continuously evaluates risks and opportunities related to working conditions and human rights within its risk management work. Both business entities also have action plans related to the topics identified as salient human rights.

By setting targets in each business entity, the group ensures that its targets are relevant, realistic and justified, which is also consistent with the group's management systems, themselves based on ISO standards. When new targets and activities are formulated, lessons learned and experience of previous initiatives are factored in, with the most important insights on OHS and diversity collected from incident investigations, risk assessments and day-to-day work.

This also enables faster decision-making and greater worker engagement, because workers get the opportunity to influence their own targets based on local conditions. In this way, Ependion can benefit from the strength of collective ambition on sustainability, while retaining flexibility to allow each part of its organization to focus on what is most relevant.

The process for setting and following up on local targets and activities is within the framework of the business entities' management systems. There is no group-wide procedure for consultation with workers in the value chain or their representatives to formulate or follow up on targets. Westermo's targets for 2025 and 2026 imply zero accidents causing absence, and the results of the employee satisfaction survey, which measures engagement, should be over 80. Westermo had a total of one accident causing absence in 2025. Engagement was measured at over 80. Westermo also has a target related to diversity in the form of gender balance of its workforce in total and in Management. The objective is 25% women for 2025, with the outcome for 2025 being 25% of the total workforce and 22% for Management. Continuous training and information initiatives are important tools for achieving targets related to Ependion's own workforce, conducted on unconscious bias, risk assessments and high-risk duties such as electrical work, for example.

Beijer Electronics implemented a tool for employee satisfaction surveys in 2025, and its target is to achieve a score of at least 80 for engagement. In 2025, the outcome was 79, and the same target has been set for 2026. Regarding diversity, the target is to achieve the same gender division in management positions as the total employee headcount. For 2025, this number was 39% female employees and 32% women in managerial positions.

S1-6: Information on the undertaking's employees

Number of employees per gender (S1-6 AR 55: Table 1)

Gender	No. employees
Man	614
Woman	272
Other* or not stated	0
Total no. employees	**886**

*Gender as stated by the employees themselves

Number of employees per country (S1-6 AR 55: Table 2)

Country	No. employees
Sweden	366
Germany	133
Taiwan	121
Other countries	266

Employees per type of employment, allocated by gender (S1-6 AR 55: Table 3)

	Women	Men	Other*	N/A	Total
No. employees	289	631	0	0	**920**
No. permanent employees	272	614	0	0	**886**
No. fixed-term employees	10	14	0	0	**24**
No. temporary employees	7	3	0	0	**10**

*Gender as stated by the employees themselves

Employees per type of employment, allocated by region (S1-6 AR 55: Table 4)

Region	No. employees	No. permanent employees	No. fixed-term employees	No. temporary employees
North America	36	36	0	0
Oceania	10	10	0	0
Asia	181	181	0	0
Europe	693	659	24	10

Staff turnover (S1-6 50.c and AR 59)

Metric	2025	2024
Staff turnover [%]	8.4	8.9
No. employees terminated in the reporting period	74	77

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Employee headcount has been compiled based on payroll data and using information from local HR representatives and the group's ERP systems. The numbers disclosed for employee headcount are actual individuals, rather than full-time equivalents (FTEs). Consultants, fixed-term employees and agency staff are not included in total employee headcount. This applies only to permanent employees, unless otherwise explicitly stated in the metrics, such as employees by employment type, for example. The disclosed figures for the number of employees are for the end of the reporting period, and not full-year averages. Ependion considers these disclosures accurate despite them being based on numbers at period-end instead of yearly averages. Because Welotec was part of the group for over six months of the reporting year, Ependion considers that their inclusion did not have a material impact on the full-year statistics. Without this acquisition, the employee headcount numbers would have been consistent with previous years, and any differences lie within normal operational variations.

Financial reporting states the employee headcount based on averages per country in the year rather than period ends. The definition of country in financial reporting is the same as in the Sustainability Statement. Pursuant to ESRS, a country is defined as a nation. The reporting includes other countries that have fewer than 50 employees and less than 10% of the total employee headcount (S1–6 50.f).

The metrics for employees per type of employment and region cover all employees within the scope of this reporting standard and that work for one of the group's business entities. Temporary employees are employees whose maximum service level is recorded at 0.2 of an FTE in the ERP system.

For employee headcount per country, those countries with fewer than 50 employees and that had less than 10% of the total employee headcount are included in the other countries group.

Staff turnover is disclosed only for Ependion's own permanent employees, and Welotec's staff turnover is not included in the 2025 metrics. This will be included effective 2026. The metric for the number of employees that terminated in the reporting period covers permanent employees that terminated their employment voluntarily, were terminated, retired or died.

S1-8: Collective bargaining coverage and social dialogue

	Collective bargaining agreement coverage	Social dialogue
Coverage percentage	Employees in EEA *(for countries with > 50 employees that represent > 10% of total employee headcount)*	Representatives in the workplace *(EEA only) (for countries with > 50 employees that represent > 10% of total employee headcount)*
0-19%	Germany	Germany
20-39%		
40-59%		
60-79%		
80-100%	Sweden	Sweden

At year-end 2025, 41% of the total workforce were covered by collective bargaining agreements.

The group has no agreements with employees about representation via the European Works Councils (EWC), Societas Europaea (SE) Works Council or Societas Cooperativa Europaea (SCE) Works Council.

Reporting principles

Ependion's reporting on collective bargaining coverage and social dialogue (S1-8 AR 70) cover permanent employees in the European Economic Area (EEA). The percentage rates for those covered by collective bargaining agreements are based on the proportion of employees in Sweden of total employee headcount. Data for Westermo has been reported by each country manager and compiled by the Head of HR centrally.

Beijer Electronics handles this centrally in its HR function, which has overview and monitoring of information in an aggregated system. The group's opinion is that the collected information is reliable based on the available data and methods for collection and reporting are effective and fit for purpose.

S1-9: Diversity indicators

Gender division, absolute and share at company management level (S1-9 66.a)

Metric	2025	2024
Number of women in senior management	7	7
Number of men in senior management	10	10
Number of other* employees in senior management	0	0
Number of other employees of unknown gender in senior management	0	0
Proportion of women in senior management [%]	41	41
Proportion of men in senior management [%]	59	59
Share of other* employees in senior management [%]	0	0
Share of employees of unknown gender in senior management [%]	0	0

*Gender as stated by the employees themselves

Division of employees by age group (S1-9 66.b)

Metric	2025	2024
Number of employees under 30	90	103
Number of employees aged 30-50	520	503
Number of employees over 50	276	263
Share of employees under 30 [%]	10	12
Share of employees aged 30–50 [%]	59	58
Share of employees over 50 [%]	31	30

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The gender balance statistics in number and percentages at Group Management level cover Group Management and management teams of the Beijer Electronics and Westermo business entities. Of a total of four members of Group Management, 3 are women, who are also members of business entity management teams, although each individual has only been counted once to avoid duplication.

The employee headcount has been produced based on payroll data from the group's ERP system and is for the group's permanent employees only. It means that temporary employees, consultants, agency staff, and interns are not covered by the statistics. Data presented applies to the number of employees at reporting period end, and is not yearly averages. The same sample is used to monitor local targets and action plans for diversity and inclusion.

S1-10: Adequate wages

All Ependion's own employees have adequate wages. In addition to collective bargaining agreements that set minimum salary levels, Ependion applies internal salary intervals based on external market comparisons and levels.

Ependion also considers minimum wage legislation in those countries where the group operates.

S1-13: Metrics for training and skills development

Interviews, employees (S1-13 83.a & AR 77)

Metric	2025	2024
Total share participating in performance reviews [%]	92	93
Share of women participating in performance reviews [%]	93	95
Share of women participating in performance reviews [%]	92	92
Share of others* participating in performance reviews [%]	0	0
Share of employees of undeclared gender identity participating in performance reviews [%]	0	0
Agreed total number of performance reviews	886	870
Agreed number of performance reviews per employee and year	1	1
Share of interviews conducted in relation to agreed number of interviews according to management decision [%]	92	93

*Gender as stated by the employees themselves

Training hours, employees (S1-13 83.b and AR 78)

Metric	2025	2024
Average number of training hours per female employee	30	32
Average number of training hours per male employee	39	40
Average number of training hours per employee with other or unstated gender*	0	0
Average number of training hours per employee	36	37

*Gender as stated by the employees themselves

Reporting principles

The statistics only cover the group's own permanent employees, which means temporary employees, consultants, agency staff and interns are not covered.

Disclosures on training-hours are based partly on estimates provided by local HR functions or managers to business entity HR Directors for compilation. For Beijer Electronics, most information is from its learning management system. When seminars are open to all workers or specific groups, operations calculate participation based on estimated attendance frequency. In 2025, Beijer Electronics had a sharp focus on training on tech support and sales. Most workers in these functions are male, which is one explanation for the higher number of training hours for men than women.

In addition to arranged training programs, the group values practical on-the-job training highly. However, because there is no collective, systematic monitoring, it is difficult to determine the precise number of hours creating uncertainty in the reliability of this metric.

Ependion conducts yearly performance and career development reviews for all workers. These reviews are interviews where employees are assessed according to criteria known to both the employee and the first-line manager, and with the employee's awareness that such an assessment is conducted at least yearly. Assessments are conducted by first-line managers. The data disclosed is based on estimates conducted by business entity HR Directors, from internal monitoring and assessments from local HR functions or first-line managers. The numbers are affected by hiring dates, terminations in the year and long-term absence, such as parental leave, for example.

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S1-14: Health and safety metrics

Health & safety for own workforce (S1-14 88, 90, AR 80 & AR 82)

Metric	2025	2024
Share of own workforce covered by the company's OHS systems based on legal requirements and/or recognized standards or guidelines [%]	100	100
Share of own workforce covered by OHS systems based on legal requirements and/or recognized standards or guidelines and that have been internally audited and/or audited or certified by an external party [%]	15	18
Number of fatalities resulting from work-related injuries	0	0
Number of accidents resulting from work-related ill health	0	0
Number of work-related accidents from absence (excluding fatalities)	1	1
Number of work-related accidents with absence (per million working hours)	0.61	0.63
Number of reportable cases of work-related ill health	1	3
Number of lost work days due to work-related injuries and fatalities as well as accidents and fatalities related to ill health	223	164

Health & safety for non-employed workforce (S1-14 88, 89 & AR 80)

Metric	2025	2024
Share of non-employees covered by the company's OHS systems based on legal requirements and/or recognized standards or guidelines [%]	0	0
Number of fatalities resulting from work-related injuries and work-related ill health	0	0
Number of work-related accidents from absence (excluding fatalities)	0	0
Number of work-related accidents with absence (per million working hours)	0	0
Number of reportable cases of work-related ill health	0	0
Number of lost work days due to work-related injuries and fatalities as well as accidents and fatalities related to ill health	0	0

Reporting principles

The metric for the number of accidents is based on a combination of different sources. Ependion uses a global health & safety reporting system for certain main parts of the group, i.e. Westermo globally excluding Welotec, as well as Beijer Electronics' Swedish operation, into which workers and managers both report events. Other units base their reporting on manual processes, with relevant managers reporting to business entity HR functions to compile data. For accidents, metrics only include accidents that have resulted in sickness absence. The frequency of accidents that have caused absence is calculated per one million hours worked. The definition of a work-related accident is not calibrated between the different entities, and accordingly, only those accidents that have resulted in absence are recorded to ensure comparable reporting. This metric is under implementation, and will be improved in 2026 as collective definitions are formulated, because the group uses a single global reporting system.

For management systems, all workers are covered by the group's working methods that are based on the principles of ISO 45001: plan, do, check, act. Metrics for the share of employees covered by management systems are based on local headcount. Beijer Electronics' Taiwanese operation and Westermo's Indian operation are third-party ISO 45001 occupational health & safety system certified. In 2024, only the Taiwanese operation was certified, and its headcount reduced in 2025, explaining why the share of workers covered by a certified management system reduced in 2025 from 2024.

S1-15: Work-life balance

Leave for family reasons (S1-15 93)

Metric	2025	2024
Share of employees entitled to leave for family reasons [%]	100	100
Share of families is entitled to leave for family reasons that took leave [%]	10	10
Share of women entitled to leave for family reasons that took leave [%]	11	9
Share of men entitled leave for family reasons that took leave [%]	9	10
Share of other* employees entitled to leave for family reasons that took leave [%]	0	0
Share of employees with undeclared gender that took leave for family reasons [%]	0	0

*Gender as stated by the employees themselves

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Statistics on the share of employees entitled to leave for family reasons are based on information from business entity HR Directors, who have collected information from local managers or local HR functions as required. The statistics only cover the group's own permanent employees, which means that temporary employees, consultants, agency staff, and interns are not covered.

S1-16: Compensation metrics (pay gap and total compensation)

Compensation-related metrics	2025
Average pay gap Sweden (%)	-5
Average pay gap Taiwan (%)	34
Total salary and compensation for group CEO in relation to employees	9

The average wage gap between the group's employees in Sweden is -5%, which means that women's average pay is 5% higher than men's. In Taiwan, the average wage gap is 34%, which means that women's average pay is 34% lower than men's. This difference is mainly due to most women employed in Taiwan working in production, where market wages are significantly lower than other functions of the company.

Reporting principles
Statistics on the gender pay gap are based on standard monthly working hours of 156 hours per month and cover basic gross salary presented as full-time salaries. The data is collected from the group's payroll systems. The available statistics on average wage gaps in Sweden and Taiwan are illustrated in the table that covers about 55% of the group's permanent employee base at year-end 2025. Wage gaps are mainly based on the gender imbalance among the most highly qualified positions rather than differences in pay for the same or equivalent work between genders.

Ependion's opinion is that a fairer analysis of wage gaps would be achieved by comparing average pay in each function, but at present, the group does not have access to such detailed data. Nor is there any representative and comprehensive data to report wage gaps at group level at present. The metric of the yearly total compensation level for the most highly paid individual in relation to median values for total compensation for all employees (excluding the highest paid individual) is based on fixed basic gross monthly salary converted to a full-year basis. In 2026, Ependion will establish a group-wide structure to adapt its procedures to the stipulations of the Pay Transparency Directive.

S1-17: Incidents, complaints and severe human rights impacts (S1-17 102, 103.a-c, 104 and AR 106)

In the period, zero (0) serious human rights issues or incidents were reported on the group's whistleblower system or discovered otherwise, which means zero (0) fines, penalties or compensation was paid. Nor were any complaints reported to the national contacts for the OECD Guidelines for Multinational Enterprises.

Information is based partly on internal data from the HR Directors of each business entity, and partly from the group's whistleblower system. More information on the group's whistleblower system is in GOV 1: How the undertaking protects whistleblowers.

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ESRS S2 Workers in the value chain

ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model

Workers in the value chain is a material sustainability topic for Ependion from an impact perspective. No material financial risks or opportunities were identified. The process for identifying impacts, risks and opportunities is stated in ESRS 2 IRO-1.

When identifying the different types of worker in the value chain that are, may be, or may become impacted, Ependion has focused especially on those topics where it assesses the risk level as high, and where the group has a significant proportion of its suppliers. This assessment is based on business intelligence and internal experience rather than specific, country-based assessments.

The group judges that its global supplier network contains potential negative impacts related to the topics of child and forced labor, equal treatment, freedom of association, health & safety, pay and compensation, and working hours. It did not consider that any of the material impacts were related to any specific group of workers in the value chain. The group has not identified any specific countries where the risks of child labor or forced labor for example are especially prevalent, but rather views them as related to global challenges in certain sectors and regions. Impacts may occur throughout the supply chain, but it judges that the risks are most significant with suppliers outside tier 1, where the potential for transparency and monitoring is more limited. This applies to operations including the extraction of metals and other raw materials, and the manufacture of electronic components, segments often concentrated in Asia.

Generally, the group's own operations and the contractors it hires are subject to better control than further out in the supplier base. However, some impacts may also occur here, primarily related to health & safety in more risky duties rather than day-to-day work. For workers downstream in the value chain, like logistics and transportation, no specific potential impacts were identified. To manage and follow up on these topics, the group uses a system, a platform provided by an external vendor, which improves transparency and traceability.

The identified risks and potential impacts resulted in Ependion regularly reviewing, and where necessary adapting, its strategy and business model. The group integrates sustainability standards into its purchasing processes and creates close partnerships with strategic suppliers. This means that Ependion prioritizes suppliers able to demonstrate transparency and compliance with the group's working conditions and human rights standards, in turn affecting how its supplier network is structured. Thus, resources and investments are directed towards suppliers that share the group's values and sustainability ambitions.

The risks related to poor working conditions, especially further out in the supplier base, have impacted Ependion's strategic decisions on monitoring and control. In 2025, the group's largest business entity took another step towards implementing an external digital tool—a platform for supplier monitoring with a special focus on sustainability topics. This improved potential for transparency and systematic monitoring of suppliers' working conditions and sustainability work. Ependion did not identify any actual negative impact in those segments where the group operates, makes purchases or has business relationships.

S2-1: Policies related to workers in the value chain

Ependion has a global group-wide CoC covering the whole value chain and all business segments including the Westermo and Beijer Electronics business entities. The CoC states Ependion's expectation of suppliers to conduct themselves in accordance with the principles described there.

Additionally, the business entities apply their own global Supplier CoCs, which make clear stipulations on respect for human rights, working conditions and the environment. These CoCs offer support and guidance to suppliers in their work on satisfying the group's standards.

The group also has a global, group-wide Human Rights Policy covering all workers in the value chain, which is designed to prevent and counter risks and identify and manage any negative impacts in the value chain. Ependion's policy covers segments like discrimination, freedom of association, human trafficking, forced labor, child labor, working conditions, health & safety, pay & compensation. It is founded on the United Nations Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises. To ensure compliance with these international guidelines, Ependion has implemented established processes such as risk assessments, procedures for onboarding new suppliers, audits and follow-ups on suppliers' work, partly supported by external resources. Engagement and collaboration with workers and stakeholders in the value chain is promoted through regular meetings, dialogue and supplier monitoring. This enables risks to be identified early and intensifies relationships as well as the understanding of human rights in the value chain.

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If negative impacts for human rights are discovered, the group has mechanisms in place to report and manage them, through mechanisms including Ependion's whistleblower channel. If required, Ependion initiates measures to compensate affected parties.

The group's whistleblower protection processes are also reviewed in G1-1.

Ependion did not have any reported cases of non-compliance with the UN Guiding Principles, ILO Declaration or OECD Guidelines in its value chain in the reporting period. Accordingly, there is no further information on such cases to disclose.

To manage specific risks in the extraction of raw materials and manufacture of electronic components, the group also has a specific policy governing conflict minerals. Ependion's policy is designed to ensure that minerals are procured on a responsible basis, and that suppliers comply with international guidelines, which helps increase transparency and reduces the risk of the group indirectly contributing to conflicts or human rights violations.

The group's policies are also reviewed in section G1. These Policy documents enable Ependion to ensure that its whole value chain is permeated by the group's values and sustainability ambitions, as well as the risks and consequences related to working conditions and human rights being managed systematically and proactively. The group's policies for human rights and conflict minerals have been produced using internal resources which factor in views from workers, customers and investors indirectly through channels including dialogues that consider legislation and external standards. Stakeholder views are also considered when updating policies and procedures. The CoC and policies in this segment are available on Ependion's and its business entities' websites, as well as on internal communication channels.

S2-2: Processes for engaging with value chain workers about impacts

Engagement with suppliers is continuous and also takes place during special projects. Ependion has established processes in the group's business entities. Dialogue with suppliers is direct and begins with risk minimization measures such as supplier audits and pre-qualification. It also includes defining actions to rectify any shortcomings. Ependion audits strategic suppliers of direct materials. These audits are also conducted through physical visits, with patrols and dialogue with supplier representatives, and ad hoc with their workers. Operational responsibility for ensuring engagement and that the outcomes of these dialogues are integrated into the group's working methods rests with the relevant manager of the procurement function of each business entity. The effectiveness of these engagements in preventing risks and negative consequences linked to working conditions and human rights in the value chain is assessed through channels including follow-ups on audit outcomes, as well as complaints and incidents reported on the group's whistleblower channel. The method for including the views of especially vulnerable groups is adapted as required based on the specific circumstances of each case. Ependion has no global framework agreements or agreements with global trade unions on human rights for workers in its value chain including the right to collective bargaining.

S2-3: Processes to remediate negative impacts and channels through which value chain workers can raise concerns

Ependion's whistleblower system enables workers throughout the value chain to anonymously report suspicions of impropriety without risk of reprisal or retribution. This channel is central to enabling objective and impartial investigation and for dealing with any negative impacts for human rights.

Reports and their status can be tracked continuously through the system, helping increase process efficiency. Where necessary, actions are taken to compensate affected parties, such as dialogue, remedial actions and follow-ups to ensure non-compliance is rectified fairly and transparently.

At present, Ependion does not follow upon whether workers in the value chain are aware of, or have confidence in, existing structures and procedures to highlight problems or needs, and have them investigated. Nor are there any processes adopted going forward to verify this. Additionally, at present, Ependion has no group-wide procedures or requirements to ensure that its workers or other participants in the value chain can access the corresponding reporting channels at their own workplaces, or that these channels satisfy specific availability and functionality standards.

Because Ependion has not experienced any serious events related to negative impacts in recent years, nor has it had reason to evaluate actions for compensation, and accordingly, no follow-ups have been relevant. For more information on the whistleblower system, see G1-1.

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S2-4: Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions

Ependion works continuously to ensure that the group's business conduct does not cause or contribute to negative impacts on human rights and working conditions for workers in its value chain. Most actions are integrated into continuous improvement work, which is based on the group's management systems.

Ependion identifies the necessary initiatives through channels including supplier assessments, due diligence for human rights, risk assessments, audits and considering regulatory changes. The resources assigned to deal with impacts on workers in the value chain are mainly staff in procurement functions and system support for monitoring and evaluating suppliers.

Operations involve continuous improvement work without significant OpEx or CapEx because these activities are mainly part of day-to-day work. Accordingly, Ependion is unable to disclose specific amounts of financial resources allocated directly to the process of preventing negative impacts on workers in the supply chain, or making disclosures on future resource allocation.

Meanwhile, in 2025, the group did conduct some specific activities that supplemented its ongoing work, with representatives of the business entities participating in the Global Compact's human rights program. Westermo invested in new external system support in 2025—an external platform tailored to enable monitoring of suppliers' sustainability work. Implementation has begun, focused on suppliers of direct materials, and roll-out will continue in 2026. An update and subsequent roll-out of Westermo's Supplier CoC is also planned for 2026. In 2025, Westermo Ireland participated in the Global Compact's training program for sustainability in the supply chain.

In 2025, Beijer Electronics produced an updated global CoC for the business entity as well as a new Supplier CoC. Their roll-out began in the year, and implementation will continue in 2026.

These efforts are concentrated on suppliers of direct materials. Beijer Electronics also plans to introduce a new platform for monitoring supplier sustainability work in 2026.

Challenges in following up on working conditions, primarily for tier 2-4 suppliers, where insight is limited, remain. To reduce these risks, the group is working on setting standards that intensify supplier relationships and promote improved working conditions.

Overall, these actions are intended to prevent, identify and manage risks and negative consequences for environmental impacts and human rights and working conditions in the value chain.

In 2025, the group did not take any further special actions apart from day-to-day work to actively support the positive impact.

The planned initiatives for 2026 are expected to improve transparency and compliance with Ependion's policies, especially in implementing new system support and updated CoCs. These initiatives help improve controls over monitoring supplier sustainability work, and ensure compliance with the group's human rights values and standards in practice. Additionally, they enable a more systematic follow-up and faster remediation of any shortcomings, further accelerating the implementation of Ependion's guidelines. The long-term target is to create a robust, flexible structure that ensures that the group can operate proactively and on a long-term basis in its pursuit of good working conditions and taking responsibility across the value chain.

Ependion monitors the effectiveness of its actions through internal audits, complaints processing and incident reporting on its whistleblower channel, and through continuous dialogue with suppliers and monitoring action plans implemented.

The group has no special quantitative KPIs related to monitoring working conditions in its supplier base, but relies on the processes and tools reviewed above to ensure compliance and continuous improvement.

Primarily, monitoring is based on quantitative indicators like audits, risk assessments and systematic supplier follow-up on digital platforms.

Ependion did not receive any reports of serious human rights issues or incidents related to the group's upstream or downstream value chain in 2025.

Any issues are dealt with on a case-by-case basis, consistent with the process reviewed in S2-3.

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S2-5: Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Ependion has no group-wide targets addressing potential impacts related to workers in the value chain. This means that there is no collective process for formulating, monitoring or evaluating such targets. How effective the group's policies and actions are in relation to potential impacts on workers in the value chain is mainly monitored through business entity supplier audits, and reviews of any complaints and incidents reported on the group's whistleblower channel. Ependion takes a clear standpoint that no human rights violations may occur, which also covers the group's value chain.

The reason that the group does not set or plan to set collective targets at group level is that operations are managed in a decentralized structure. Ependion's business entities have different types of business model, geographical market and operational circumstances. Accordingly, centralized objectives risk becoming too generalized, and thus less relevant and effective to the actual situations each business entity is facing.

However, Ependion continuously evaluates risks and opportunities related to working conditions and human rights within the framework of its risk management work. Both business entities also have action plans related to those issues identified as salient human rights.

The process of setting any local targets and activities lies within the framework of business entity management systems, and there is no group-wide procedure for consultation with workers in the value chain or their representatives to formulate or follow up on targets. Beijer Electronics updated its Supplier CoC in 2025, communicating it to all suppliers of direct materials. Westermo has set a target for 2026 implying an update of its existing Supplier CoC, to then be communicated to all suppliers of direct materials.

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ESRS G1 Business conduct

IRO-1: Description of the process to identify and assess material impacts, risks and opportunities

The process to identify and assess material impacts, risks and opportunities is summarized in section ESRS 2 IRO-1. The assessment is based on the likelihood and scope of impacts, and the criteria are based on established sector practice and experience from similar operations, rather than a formally standardized methodology. Ependion assesses business conduct risks as an integrated component of the group's continuous enterprise risk management (ERM) work. Risks are continuously assessed based on factors like sector-specific challenges, in the countries where the group operates and has transactions, industry-related risks and the complexity of Ependion's business relationships. By including these aspects in the group's risk management processes, it adapts and prioritizes its actions for due diligence, training and monitoring. This enables the group to deal with potential risks related to bribery, corruption and other ethical challenges proactively.

Managing responsible business operations is material from a double materiality perspective for Ependion. The group's business entities are part of a global value chain, so their material risks and potential negative impacts linked to business conduct relate to the bribery and corruption topic. Poor management of these issues may present risks such as human rights violations in its supplier base, non-compliance with environmental standards and exposure to corruption and bribery. Such risks may have legal and financial consequences for Ependion, damage trust among the group's investors and customers, and impact business continuity. The likelihood of people being harmed by the incidence of bribery and corruption is significant, because such impropriety has potential impacts including unfair decisions, discrimination and poor working conditions. Protecting whistleblowers is also material from an impact perspective, to prevent negative impacts for the reporting party, and to ensure that important problems and impropriety are actually reported and can be addressed.

A strong and positive corporate culture makes Ependion more competitive. In its materiality analysis, the group concluded that there is a positive impact related to corporate culture. Employee satisfaction surveys indicate high engagement and motivation of staff. A positive and robust corporate culture not only helps attract and retain skilled workers, but also improves the group's business conduct by promoting responsible actions and transparency.

G1-1: Business conduct policies and corporate culture

Ependion has several governing policies designed to manage the impacts, risks and opportunities of business conduct and corporate culture. The CoC is the group' s overarching policy document and applies to everyone working with or for Ependion—not only employees but also the group's Board of Directors, consultants and suppliers. Ependion's CoC sets a foundation for how workers and suppliers should conduct themselves towards each other and the group's stakeholders. The CoC summarizes the values, standards and regulations that govern how Ependion's workers should deal with one another, the group's collaborative partners and wider society. The group's CoC also stipulates that Ependion should not accept any form of discrimination or reprisal against employees for reporting alleged violations in good faith.

Corporate culture is promoted and developed by actively encouraging responsible action and openness, and the group's business entities incorporate core values in training and processes for appraisal interviews.

Monitoring of the group's policies is carried out through several integrated processes such as internal and external audits, risk management, internal controls and continuous employee satisfaction surveys to measure engagement and monitor corporate culture.

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The CoC is the highest level of the group's framework of policy documents and is the starting point of Ependion's policies and rules for conduct. It addresses the group's most material risks and opportunities like business conduct, human rights, health & safety, as well as environmental impacts. Workers and investors were consulted during drafting the original CoC, but they have not been involved in subsequent revisions. The group's business entities also have their own CoCs that are based on the group's policy and clarify values and expectations of conduct in segments like bribery, corruption, whistleblowing, but also environmental impact and human rights. The business entities also have special Supplier CoCs, which are key policy documents for procurement processes and mainly cover suppliers of direct materials.

Ependion has no dedicated or regular training on business conduct for workers but instead information on the group's CoC is a natural part of new employee onboarding. This ensures that all new workers receive basic knowledge of Ependion's values, guidelines and expected conduct from the start.

The group judges that the biggest risks of bribery and corruption are in its procurement and sales functions. Ependion has not conducted a detailed analysis of its risk exposure, but its assessment is based on general experience and the group's understanding of where such risks typically arise. This is primarily in roles involving multiple external contacts and contract negotiations, where authority is particularly sensitive from a corruption perspective.

No dedicated training programs addressing high-risk roles or for administrative, management or supervisory bodies were conducted in 2025. More information on the skills and roles of executive and governing bodies in issues affecting business conduct are in section ESRS 2 GOV-1.

Ependion's perspective of the value chain permeates the group's policies and is the foundation of its sustainability work. All Ependion's group policies are approved by the CEO and apply to Ependion, its business entities and joint ventures. The CoC is also approved by the Board of Directors. Each business entity CEO is responsible for ensuring that all units of the organization have implemented the group's policies. Over and above group-wide policies, policies at business entity level are also approved where considered relevant. These are reported in each section of this Sustainability Statement. The group's Sustainability Policy, Human Rights Policy, Whistleblower Policy and Conflict Minerals Policy, as well as its CoC, have been published on the group's website. Ependion's Climate Policy is part of the group's climate transition plan. Ependion welcomes and values feedback from its stakeholders and their views are considered when Ependion updates the group's policies and working methods.

A summary of the group's policies follows:

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Policy	Purpose	Reference to standards/guidance	Owner(s)	ESRS
Code of Conduct	States the group's fundamental values and expectations of conduct. The purpose is to ensure that all operations are managed with integrity, ethics and respect for human rights, laws and international guidelines. The Code serves as guidance for how Ependion builds long-term trust with customers, workers, suppliers and communities, and how the group takes responsibility for the environment and sustainable development.	- The United Nations Global Compact - The OECD Guidelines for Multinational Enterprises - The Universal Declaration of Human Rights	CEO	E1 E2 E3 E5 S1 S2 G1
Sustainability Policy	States the group's commitments to reduce environmental impact and promote responsible business conduct. It integrates sustainability issues across the value chain. This Policy will guide, ensure compliance with international commitments and create long-term value for communities and stakeholders.	- The OECD Guidelines for Multinational Enterprises - UN Sustainable Development Goals - The Paris Agreement - The Universal Declaration of Human Rights - The eight ILO Core Conventions on Labor Standards - The UN Guiding Principles on Business and Human Rights	Group Head of Sustainability	E1 E2 E3 E5 S1 S2 G1
Climate Policy	States Ependion's guidelines to reduce the group's climate impact consistent with the Paris Agreement's 1.5°C target. Ensures that growth and profitability are possible without increased GHG emissions. By integrating climate tissues into business planning and decision-making, and including the whole value chain in action programs, Ependion improves its resilience and contribution to sustainable development.	- 1.5 °C ambition stated in the Paris Agreement	Group Head of Sustainability	E1
Human Rights Policy	Ensures respect for human rights across the value chain by preventing, managing and following up on risks and impacts, with zero tolerance of discrimination and forced labor.	- The United Nations Global Compact - The OECD Guidelines for Multinational Enterprises - The Universal Declaration of Human Rights - The eight ILO Core Conventions on Labor Standards - The UN Guiding Principles on Business and Human Rights	Group Head of Sustainability	S1 S2 G1
Whistleblower Policy	Ensures that workers and external stakeholders can easily and safely report suspected impropriety that breaches laws or the group's policy documents.		CEO	G1
Conflict Minerals Policy	Promotes responsible and conflict-free extra extraction of minerals through transparency, supplier standards and continuous monitoring of the supply chain consistent with regulations and initiatives like the Dodd-Frank Act and EU Conflict Minerals Regulation.	- EU Conflict minerals regulation - OECD 5 steps Due Diligence Framework (Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High-Risk Areas	Group Head of Sustainability	S2
Risk Management Policy and Framework	Supports the group in predicting, assessing and managing risks so that well-founded and risk-aware decisions can be taken. Defines Ependion's overall risk management framework by clarifying roles and responsibilities.		Group CFO and Group Head of Sustainability	E1 S1 S2 G1

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Protection of whistleblowers

Ependion complies with Swedish law, which has been adapted to conform to the EU Whistleblower Directive. This means the group has established reporting channels and procedures to ensure that employees and other stakeholders can safely report suspected serious impropriety pursuant to applicable regulations.

Ependion's whistleblower system is managed by a third party, which guarantees reporter anonymity. Ependion's whistleblower Policy has been separate from the group's CoC since 2023. By having a dedicated Policy, descriptions of how to report suspicions of activities that breach laws and the group's policy documents are clearer.

The whistleblower function concerns issues of business conduct incuding corruption and bribery, human rights, labor law, the environment, health & safety.

Suspected breaches of Ependion's CoC, applicable legislation or similar should be reported. Ependion encourages its employees to make initial contact with their first-line manager or the HR function but they can also report impropriety anonymously on the group's whistleblower system, which is available to internal and external parties. Cases received are documented and investigated by the appropriate responsible function or individual, selected by the nature of the case and where the suspected impropriety has occurred in the organization. Information on the whistleblower system is included in new employee onboarding, but no other dedicated training is provided. Any actions are also discussed and adopted on a case-by-case basis.

The group documents the number of cases received, and confirmed cases of corruption and bribery. No reports of suspected corruption or bribery occurred in 2025.

G1-3: Prevention and detection of corruption and bribery

Ependion's overarching goal is to maintain zero tolerance for bribery, corruption and human rights violations. The group has implemented a range of measures and processes to prevent, identify and deal with potential illegal conduct such as corruption and bribery. This includes internal monitoring, a systematic ERM process and the whistleblower facility. These group-wide actions are ongoing and cover the whole value chain, helping maintain a culture that centers on business conduct and respect for laws and internal guidelines. Meanwhile, these measures consolidate the protection of parties reporting impropriety consistent with principles of transparency and fairness in the group's CoC.

Employees are expected to remain aware of relevant policy documents and internal regulations and procedures, and the CoC is part of new employee onboarding. No group-wide training programs on corruption and bribery were conducted in 2025. The CoCs of each business entity were prepared in 2025, with the related training and information managed by each of them. In late-2025, Westermo initiated a process with all workers signing the new CoC. This work is expected to conclude in early-2026. Apart from training programs, no specific key actions are planned at present. Instead, questions are progressively integrated into the group's various processes.

The CoC and other relevant policies on this topic are available to all employees on the group's intranet and have also been published on the group's external website.

As stated in G1-1, the group has a global whistleblower system managed by a third party, which guarantees reporter anonymity. Reporting in this area is to Group Management and the Board through the group's Audit Committee.

At present, Ependion is unable to specify exact amounts of current or future financial resources allocated to prevent and deal with issues related to business conduct, bribery and corruption. The costs of such initiatives mainly consist of payroll expenses and expenses for digital systems, but at present, there is no dedicated monitoring or separate disclosure of these amounts. The group plans to intensify its work on training, but its view is that future resource needs will not increase significantly.

G1-4: Confirmed incidents of corruption or bribery

Zero (0) breaches of anti-corruption and anti-bribery legislation were identified in Ependion's own operations or its value chain in 2025, and zero fines (0 SEK) related to these issues were levied.

Reporting principles

Disclosures only apply to Ependion's value chain where the group or workers were directly involved.

Violations of anti-corruption and anti-bribery laws come to Ependion's attention through reports on the group's whistleblower channel, but such breaches may also be discovered in internal reporting or the internal monitoring in place within the organization.

The Finance and HR functions of business entities are jointly responsible for collecting, documenting and maintaining an overview of data and the number of cases linked to corruption and bribery received. To reduce the risk that events are not discovered or reported, Ependion works actively on improving its corporate culture and encouraging transparency so that employees feel safe making reports.

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Taxonomy Regulation—sustainability reporting

Ependion's EU Taxonomy Reporting has been prepared in accordance with the EU Taxonomy Regulation. The Taxonomy Regulation requires companies like Ependion to report on the extent to which its activities are environmentally sustainable in accordance with the EU Taxonomy Regulation through three key indicators: share of turnover, capital expenditure (CapEx) and operating expenditure (OpEx).

The EU Taxonomy states which economic activities lie within the Taxonomy framework ("eligible for the Taxonomy"), which of these activities satisfy the EU's technical review criteria, and are thus classified as environmentally sustainable ("Taxonomy-aligned economic activities").

For the group's products to be considered aligned with the review criteria, operations must comply with certain EU-specific standards (EU Regulation 2017/1369).

For 2025, activities eligible for the Taxonomy are presented divided between what is Taxonomy aligned, and what is not Taxonomy aligned based on:

a) the activity making a substantial contribution to one or more environmental goals.

b) the activity doing no significant harm (DNSH) based on environmental goals.

c) the activity being conducted in accordance with minimum safeguards.

The criteria of environmental goals 1-6 have also been mapped against the group's activities.

A significant proportion of Ependion's products and solutions are used in applications and segments that can be considered to contribute to sustainability and where the group contributes to a more sustainable world. Ependion welcomes the ambition of the EU's Taxonomy Regulation, but also believes the group's economic activities are only classified as economically sustainable to a limited extent under current versions of the Taxonomy documentation.

The results for 2025 imply that Ependion's turnover, CapEx and OpEx cannot be considered Taxonomy eligible for all activities apart from 6.15 Infrastructure enabling low-carbon road transport and public transport. The reason is that at present, Ependion is unable to verify comprehensive documentation covering all topic categories and "other topics" relating to the environmental topic of pollution. Accordingly, the DNSH principle for the environmental topic of pollution cannot be confirmed despite no non-compliance being identified. Structured work is ongoing to close this documentation gap. Ependion complies with all other criteria for the DNSH principle and the principle on minimum safeguards.

Activity 6.15 Infrastructure enabling low-carbon road transport and public transport is only covered by parts of the environmental objective of pollution prevention and control, which in Ependion's case is not considered relevant, so this activity is considered Taxonomy aligned.

Reporting principles

Based on Annex I and II as of 4 June 2021 and the Delegated Act of 27 June 2023 including Annex 1 and 2, Ependion has the following activities defined as sustainable pursuant to the Taxonomy Regulation:

3.19 Manufacture of rail constituents
3.20 Manufacture of electrical equipment for transmission and distribution
6.5 Transport by motorbikes, passenger cars and light commercial vehicles
6.14 Infrastructure for rail transport
6.15 Infrastructure enabling low-carbon road and public transport
7.6. Installation, maintenance and repair of renewable energy technologies

Because there is some overlap between the different documentation, Ependion has ensured that no activities have been duplicated.

Activities that are Taxonomy aligned

Each of the activities identified as Taxonomy eligible have been closely evaluated pursuant to the criteria of the Regulation documentation, and the share considered environmentally sustainable has been determined according to:

i) the activity significantly contributing to one or more environmental goals

ii) the activity doing no significant harm (DNSH) based on environmental goals

iii) the activity being conducted with minimum safeguards

Unassessed activities considered non-material

The activities 6.5 Transport by motorbikes, passenger cars and light commercial vehicles (included in CapEx) and 7.6 Installation, maintenance and repair of renewable energy technologies (in all three tables) are non-assessed activities considered non-material. These activities amount to 0.05% of the numerator for turnover, 5.05% of the numerator for CapEx and 0.02% of OpEx.

A. Turnover

Taxonomy-eligible activities

As in the previous year, the basis for judging the parts of Ependion's activities to be included this year are the technical review criteria specified in Annex I and Annex II of the European Parliament and Council Regulation (EU) 2020/852. The new Act for 2025 with amendments and further criteria has also been considered.

The various descriptions in these documents have been closely studied, then mapped against the turnover of Ependion's business entities in 2025, see Note 2. The approach of the Taxonomy Regulation is binary, i.e. activities are considered either environmentally sustainable or not, and the basis of this is the description in these documents. Accordingly, reporting does not state how environmentally sustainable the activities of Ependion are, but rather the share of these activities eligible for the Taxonomy. Ependion has a centralized sales database containing details of all group companies at order level. All the group's orders are coded in several dimensions, and this is the basis for mapping.

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B. CapEx

The base is all the group's investments excluding acquisitions, see notes 11-13. Accordingly, this includes capitalized research and development, other intangible investments and tangible investments, as well as leased investments pursuant to IFRS 16. Ependion then conducts a review and assessment of the share that relate to activities that are environmentally sustainable pursuant to the Taxonomy Regulation. For more information see point D.

C. OpEx

The Regulation offers an overall review of the OpEx items to be reported. From this review, Ependion has included the following: research and development expenses, expenses for maintenance and repair, and other direct expenses necessary for the efficient daily operation of property, plant and equipment. Ependion then conducts a review and assessment of the share that relate to activities that are environmentally sustainable pursuant to the Taxonomy Regulation. For more information see point D.

D. Allocation of CapEx and OpEx

Ependion has decided to allocate CapEx and OpEx in line with turnover because operations do not consist of specific products or projects that directly satisfy EU Taxonomy criteria, but general products and solutions that can be applied within Taxonomy-aligned activities. This means Ependion does not have a clear connection between individual investments or expenditure and the Taxonomy-aligned items, but rather, products are used widely in various segments and applications, some of which are Taxonomy aligned.

Because there is no direct relationship between individual CapEx and OpEx and Taxonomy-aligned activities, Ependion has adopted a proportional allocation method based on turnover. It considers that this method, applied by segment, is the fairest and most consistent, because turnover reflects the actual use of our products in Taxonomy-aligned contexts. The higher the share of turnover relating to Taxonomy-aligned activities in each segment, the greater the share of our resources that can be considered to support these activities. CapEx and OpEx are general and not product specific, which means that investments in production facilities, R&D or IT systems for example, benefit the whole product portfolio rather than specific products. Nor is there any significant difference in the resource allocation between products used in Taxonomy-aligned activities and other products. Accordingly, proportional allocation consistent with turnover is a reasonable and transparent method.
Accordingly, Ependion largely allocating based on turnover means that it considers this the most representative indicator for how resources support Taxonomy-aligned activities.

Criteria for substantial contribution

3.19 – Manufacture of rail rolling stock constituents

The technical screening criteria for substantial contributions to climate change mitigation cover the manufacture, installation and retrofitting of equipment, which affects the railway components reviewed in point 2.7 in Appendix 2 of Directive (EU) 2016/797, which includes monitoring and control systems for all rolling stock equipment. These components are material to environmental performance, operation and functionality of trains and passenger cars that have zero direct CO_2 emissions.

Ependion provides network solutions for monitoring and control systems for the train industry for the manufacture, installation and retrofitting of equipment for trains and passenger cars that have zero direct CO_2 emissions in accordance with point a).

3.20 – Manufacture, installation, and servicing of high, medium and low voltage electrical equipment for electrical transmission and distribution that result in or enable a substantial contribution to climate change mitigation

The technical screening criteria for substantial contributions to climate change mitigation cover the manufacture, installation or maintenance of electrical products, equipment, and low-voltage equipment and systems that improve control over electrical systems and help increase the share of renewable energy or improve energy efficiency, using connectable switch-gear or control-gear.

Ependion provides network solutions for digitalizing new and existing power grids. This digitalization enables control, improves energy efficiency and the potential to increase the share of renewable energy in power grids in accordance with point c).

6.14 – Infrastructure for rail transport

The technical screening criteria for substantial contributions to climate change mitigation cover all land and vehicle-based equipment necessary to ensure the safety, control and monitoring of rail traffic approved on the rail network.

Ependion provides equipment for infrastructure, traffic management and signaling to enable train traffic that has zero direct CO_2 emissions in accordance with point a).

6.15 – Infrastructure enabling low-carbon road transport and public transport

The technical screening criteria for substantial contributions to climate change mitigation cover infrastructure for electrical charging sites for vehicles with zero CO_2 emissions as exhaust.

Ependion provides components for equipment and solutions for the installation and operation of infrastructure enabling charging of electric vehicles in accordance with point a) in the technical screening criteria for this activity.

Assessment of the DNSH principle

Ependion assesses that the group satisfies DNSH requirements for the following environmental targets:

i) climate change mitigation and climate adaptation

ii) transition to a circular economy

iii) preservation of biodiversity and ecosystems, and

iv) sustainable use and conservation of water and marine resources.

This assessment is based on group-wide governance, risk processes and technical/product sheets from LCA/EPD where available, backed by qualitative analysis where quantitative LCA is not applicable. For polltion, additional documentation related to "other topics" remains: until then, Ependion cannot confirm full DNSH compliance. Methods and data precision for various topics are disclosed in each ESRS section.

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Welotec, acquired in June 2025, is not covered by this assessment and the group's satisfaction of the DNSH requirements. This is because the analysis of Welotec's processes and documentation is not yet complete, which means that at present, Ependion cannot verify that the company satisfies DNSH and minimum safeguard requirements.

Climate (mitigation and adaptation)

Climate transition: Ependion is conducting group-wide climate work consistent with the 1.5° target. The climate transition plan (adopted 2024, updated 2025) integrates targets, action plans and responsibilities in subsidiaries. The focus is on reducing emissions in scope 3, with the emphasis on the energy performance of the use phase.

Lifecycle perspective: for core products in the rail segment, LCA/EPD covers all life cycle stages and indicates where the main impact arises; these insights are used in product design and purchasing, for example. LCA insights are applied for power grid digitalization and solutions close to renewability, where available, and otherwise, a qualitative technical assessment is applied.

Climate adaptation: climate risks are identified and managed within the group's risk processes, with a particular focus on adapting operational strategies and working methods to ensure resilience against altered climate conditions.

Circular economy

Design and material selection: the group applies circular design principles and policies for sustainable material selection. Products have long useful lives (e.g. approx. 20 years for Viper and 7-10 years for HMI products) which can be serviced/upgraded to extend useful lives. Compliance and producer liability: compliance with product legislation is assured through companies using databases and other systems to monitor and document chemical content and materials data. Relevant technical documentation is available on company websites. Producer liability for electronics is satisfied using established systems (e.g. Elkretsen and Pronexa). Waste is sorted according to legislation, and product documentation states instructions for processing.

Pollution

Assessment: Ependion judges that its operational use of proprietary chemicals is very limited and the incidence of hazardous substances in components as low. Compliance processes cover relevant chemical regulations including RoHS and REACH.

Documentation status: at present, Ependion cannot confirm comprehensive documentation covering all topic categories and "other topics;" accordingly, full DNSH compliance for pollution cannot be confirmed despite no non-compliance being identified. Structured efforts are ongoing to close this documentation gap.

Biodiversity and ecosystems

Ependion is not active in conservation or ecologically sensitive areas. Its direct impact is considered very limited; indirect impact related to biodiversity is managed through climate work. If required, Ependion conducts Environmental Impact Assessments (EIAs) as prescribed by law.

Sustainable use and conservation of water and marine resources

Production is managed using ISO 14001-based systems, identified environmental aspects and procedures for legal compliance monitoring. Ependion's assessment is that activities do not contribute significantly to poorer water quality or negative impacts on marine ecosystems. When planning operations including new start-ups, Ependion complies with existing legislation and regulations including requirements to conduct EIAs. The group's largest production facility is located in Stora Sundby in the Municipality of Eskilstuna, Sweden, and is not subject to permits.

Minimum safeguards

The Ependion group considers that it satisfies minimum safeguards apart from Welotec. Because analysis of Welotec's procedures and documentation is not yet fully complete, Ependion cannot confirm that Welotec satisfies minimum safeguards overall at present. However, there is no indication that Welotec does not satisfy these standards.

Ependion manages operations consistent with OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the ILO's eight fundamental conventions and the UN Global Compact. These principles are integrated into the group's governance via the CoC, Human Rights and other Policies.

Risk management and due diligence are embedded in the group's governance model and ERM processes. Ependion has a whistleblower channel managed by a third party for anonymity. No breaches of OECD guidelines were observed in 2024-2025, and no incidents were reported.

Documentation and processes were improved in 2025 through a human rights framework identifying salient issues and action plans in subsidiaries. Anti-corruption processes and compliance with anti-trust and tax regulations are established.

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Key performance indicator	Total	Share of Taxonomy-eligible activities	Taxonomy-aligned activities	Share of Taxonomy-aligned activities	Breakdown by environmental objective for Taxonomy-aligned activities						Share of enabling activities	Share of transitional activities	Unassessed activities deemed not material	Taxonomy-aligned activities in the previous financial year 2024	Share of Taxonomy-aligned activities in the previous financial year 2024
					Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity					
	SEK 000	%	SEK 000	%	%	%	%	%	%	%	%	%	%	SEK 000	%
Turnover	2,231,753	49.4	42,480	1.9	1.9						100.0	0.0	0.05	814,866	36.1
CapEx	196,787	43.4	4,413	2.2	2.2						100.0	0.0	5.05	91,792	28.9
OpEx	176,708	63.6	1,635	0.9	0.9						100.0	0.0	0.02	71,272	48.0

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Economic activities	Code	Key performance indicators covered by the Taxonomy (share of turnover covered by the Taxonomy)	Key performance indicators aligned with the Taxonomy (monetary value of turnover)	Key performance indicators aligned with the Taxonomy (share of Taxonomy-aligned turnover)	Environmental objectives for Taxonomy-aligned activities						Enabling activities	Transitional activities	Taxonomy-aligned share of the Taxonomy-eligible share
					Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity			
		%	SEK 000	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%
Manufacture of parts for rail rolling stock	CCM 3.19	19.5	0										0.0
Manufacture of electrical equipment for transmission and distribution	CCM 3.20	21.3	0										0.0
Railway transport infrastructure	CCM 6.14	6.7	0										0.0
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	1.9	42,480	1.9	1.9						E		100.0
Total alignment by objective					**1.9**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**			
Key performance indicators total turnover		**49.4**	**42,480**	**1.9**	**1.9**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**100.0%**	**0.0%**	**3.9**

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Reported indicators CapEx
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Economic activities	Code	Key performance indicators covered by the Taxonomy (share of CapEx covered by the Taxonomy)	Key performance indicators aligned with the Taxonomy (monetary value of CapEx)	Key performance indicators aligned with the Taxonomy (monetary value of CapEx)	Environmental objectives for Taxonomy-aligned activities						Enabling activities	Transitional activities	Share of Taxonomy-aligned activities of the Taxonomy-eligible share
					Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity			
		%	SEK 000	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%
Manufacture of parts for railway rolling stock	CCM 3.19	16.9	0	0.0									0.0
Manufacture of electrical equipment for transmission and distribution	CCM 3.20	18.5	0	0.0									0.0
Railway transport infrastructure	CCM 6.14	5.8	0	0.0									0.0
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	2.2	4,413	2.2	2.2						E		100.0
Total alignment by objective					**2.2**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**			
Key performance indicators total CapEx		**43.4**	**4,413**	**2.2**	**2.2**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**100.0%**	**0.0%**	**5.2**

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Economic activities	Code	Key performance indicators covered by the Taxonomy (share of OpEx covered by the Taxonomy)	Key performance indicators aligned with the Taxonomy (monetary value of OpEx)	Key performance indicators aligned with the Taxonomy (share of taxonomy-aligned OpEx)	Environmental objectives for Taxonomy-aligned activities						Enabling activities	Transitional activities	Share of Taxonomy-aligned activities of the Taxonomy-eligible share
					Climate change mitigation	Climate change adaptation	Water	Circular economy	Pollution	Biodiversity			
		%	SEK 000	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%
Manufacture of parts for rail rolling stock	CCM 3.19	25.7	0	0.0									0.0
Manufacture of electrical equipment for transmission and distribution.	CCM 3.20	28.1	0	0.0									0.0
Railway transport infrastructure	CCM 6.14	8.8	0	0.0									0.0
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	0.9	1,635	0.9	0.9						E		100.0
Total alignment by objective					**0.9**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**			
Key performance indicators total OpEx		63.6	1,635	**0.9**	**0.9**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**100.0%**	**0.0%**	**1.5**