

EWQ Environmental Policy

Corporate sustainability is part of EWQ's strategy and integrated into the company's operations. We are committed to reducing the adverse environmental impacts of our operations and to promoting sustainability in all our activities. Our promise is to be the only truly carbon neutral player in our market.

Principles

- We comply with all environmental legislation that applies to our activities and respect the laws and UN's standards.
- We are working to improve our performance in several areas, such as reducing energy consumption and greenhouse gas emissions, combating air pollution, recycling, and managing the lifecycle of our products.
- We encourage our employees to be sustainable by providing training on environmental responsibility and information on ways in which they can contribute to EWQ's environmental impact through their role.
- We promote the sustainable growth of our client companies and the resource efficiency of the circular economy through EWQ solutions by reducing paper consumption and the emissions and biodiversity loss caused by its production, as well as preventing waste.
- We invest in the development of digital services that reduce the need for new devices, utilize existing equipment, or combine multiple device functions into one.
- We reuse and recycle electronic equipment, reduce paper consumption and printing, and recycle other waste and scrap metal
- We require all our stakeholders to commit to policies that support EWQ's environmental policy
- We communicate transparently about our environmental impacts and actions.

Energy Consumption and Greenhouse Gas Emissions

We regularly monitor the energy consumption of our office, warehouse and production facilities (Chart 1). We use 100% renewable electricity, generated from a combination of hydro, wind, solar and bioenergy. These electricity generation methods do not contribute to the increase of carbon dioxide in the atmosphere. The origin of renewable energy is verified through the European Guarantee of Origin system. The Guarantee of Origin ensures that electricity is produced from renewable energy sources. We have improved energy efficiency by controlling the operating time of lighting, air conditioning and heating. We only use the latest technology tools to achieve the best possible energy efficiency.

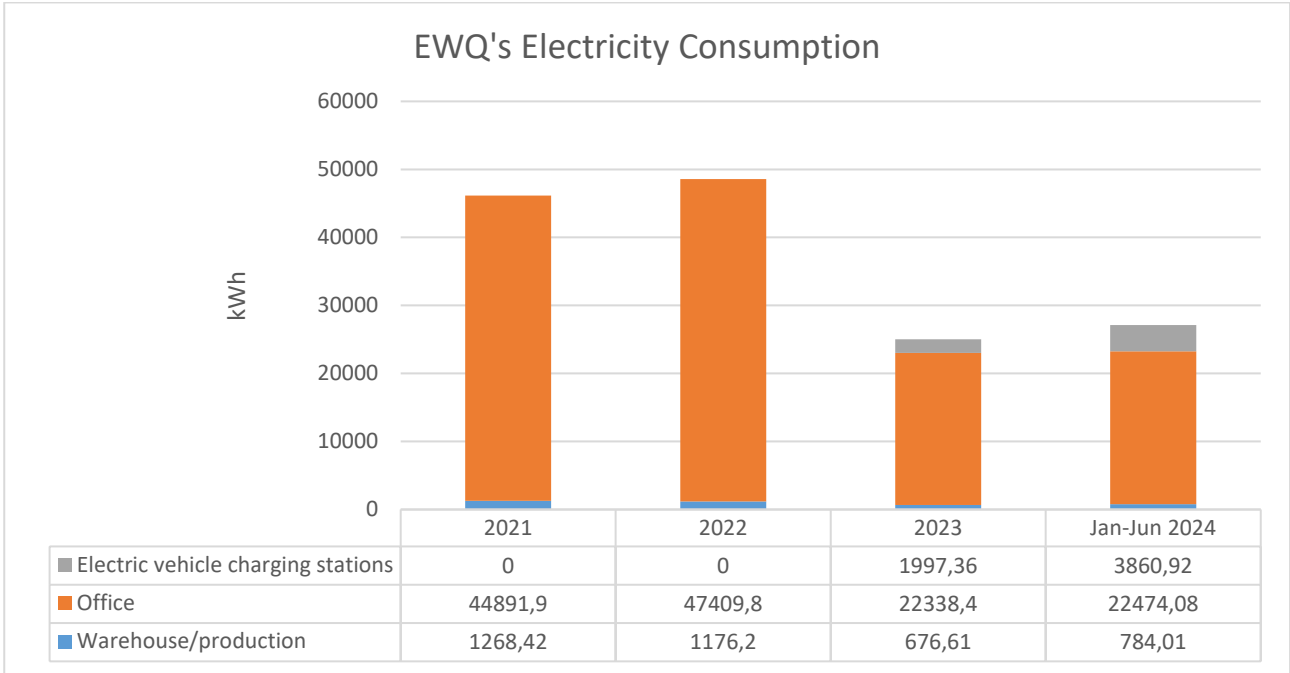


Chart 1. EWQ's electricity consumption

Globally, emissions from aircraft hangars are about one and a half times higher than from aviation. So, the level of energy efficiency of a data centre and the way in which the energy it uses is generated is not indifferent to the environment. The electricity used by the server modules of our data center provider in Finland is produced almost entirely by solar panels installed at the data center on sunny days. Additionally, renewable electricity guaranteed by certificates of origin is utilized. Cooling is a major electricity consumer in data centers, which is why they have switched to free cooling. This means that data centers are cooled with outdoor air for up to 280 days a year without electricity. The energy efficiency of our data center provider's data centers is top-notch. The PUE (Power Usage Effectiveness) ratio, which indicates the proportion of "waste energy" used in the data center relative to the energy consumption of the data center capacity, was 1.61 in August 2024, with the minimum being 1, meaning almost all energy consumption is used solely for data processing.

Our goal is to determine the climate-warming impacts, i.e., greenhouse gas emissions, caused directly by our operations and through our value chain (Chart 2). Through this calculation, we identify the most significant

emission-causing factors and activities related to our operations and can seek feasible measures to reduce emissions.

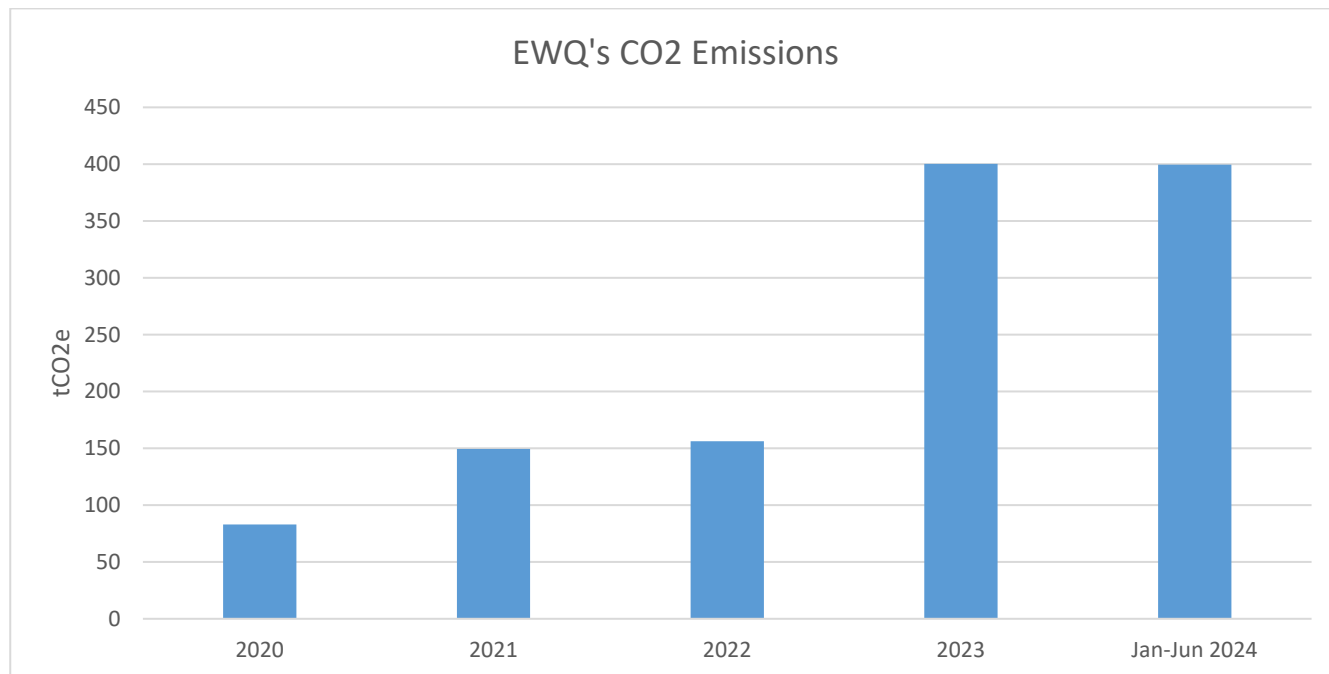


Chart 2. EWQ's CO2 emissions (Note! 2020-2022 are not comparable to the years 2023-2024)

We calculated our 2023 carbon footprint for the first time according to the global calculation standards of the Greenhouse Gas Protocol (GHG Protocol). The calculation included indirect emissions, such as purchased products, which explains the increase in the carbon footprint compared to previous years. For this reason, 2023 is not comparable to previous years.

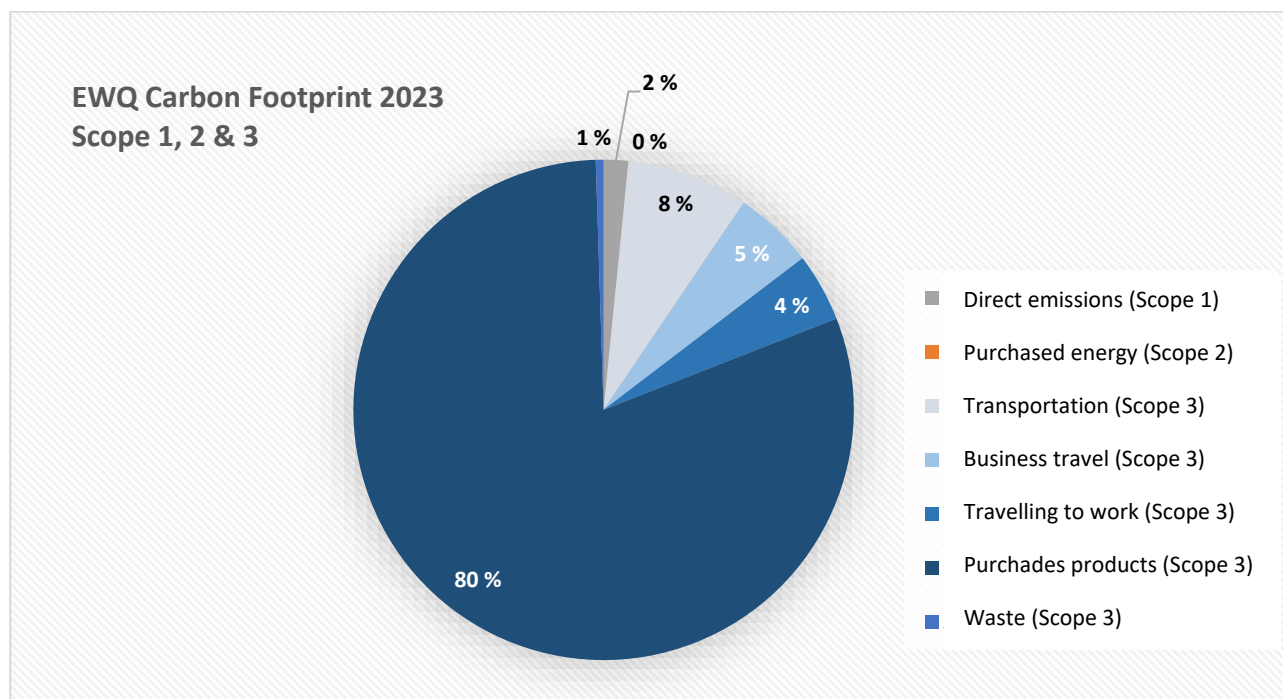
Our carbon footprint in 2023 was 400.24 tCO2e, valued at €28,288 in the EU Emissions Trading System. Approximately one cubic meter of wood sequesters one ton of carbon dioxide, so 442.5 cubic meters of wood would be needed to offset the emissions caused by our operations.

We have categorized the factors affecting emissions into three categories (Chart 3):

SCOPE 1. Direct emissions from the organization: Emissions from the company's own vehicles.

SCOPE 2. Indirect emissions from purchased energy: Emissions from the production of electricity purchased for the company's own use.

SCOPE 3. Other indirect emissions (upstream & downstream): All other value chain emissions indirectly caused by the production of our products and services, including business travel, transportation, purchased products (cradle-to-gate and cradle-to-grave), and waste.



Kaavio 3. EWQ Carbon Footprint 2023 Scope 1, 2 & 3

Scope 1, our direct emissions, come from our service vehicle, which we plan to replace with a zero-emission alternative as soon as possible. Scope 2, our indirect emissions from purchased energy, are minimal because we use 100% renewable electricity in our operations. The emissions from purchased energy come from district heating.

Our largest source of emissions is Scope 3, which includes purchased products; their production, distribution, use, and disposal. Calculating the emissions from purchased products is an ongoing process, and we continuously identify emission sources and engage our suppliers in the emission calculation. Our goal is to have all indirect emissions relevant to our operations or stakeholders' decision-making calculated by 2026.

Emission Reduction and Carbon Neutrality Goal

We have developed a Climate Roadmap that outlines our environmental and climate-related actions and goals for the years 2020-2035 (Figure 1). We take responsibility for the climate and aim to reduce climate emissions to net zero for both our operations and the entire value chain by 2035.



Figure 1 Climate Roadmap 2020-2035

We began calculating our CO₂ emissions and minimizing direct emissions in 2020. Each year, we offset the remaining small amount of emissions by planting carbon sinks in Finland, which remove carbon dioxide from the atmosphere. We collaborate with the Finnish 4H Association in the Taimiteko project for forest planting. Additionally, we have overcompensated, meaning we have removed more carbon from the atmosphere than we have produced, making us carbon negative in our operations since 2021.

In 2023, we transitioned to a more comprehensive emission calculation according to the GHG Protocol, which transparently shows the climate impacts of our entire value chain. This calculation helps us understand and manage the risks posed by greenhouse gases to our business. This includes managing the impacts of climate change and identifying opportunities for emission reductions and operational efficiency. Our largest sources of emissions are purchased products, which also have the greatest potential for emission reductions.

Between 2025 and 2029, we will calculate the product-specific carbon footprint and carbon handprint, which are the positive climate impacts produced by a product or service. We aim to minimize our shipping emissions and work more closely with our suppliers to choose lower-emission transportation methods and combine smaller orders into larger batches.

From 2030 to 2034, our key goal is to grow our revenue without increasing environmental impacts (decoupling). To achieve this, we will invest in sustainable technology, the circular economy, and improving energy efficiency in our solutions.

Since the largest source of our emissions is the production and use of purchased products, we continuously seek the latest technology options that are as energy-efficient as possible and have a long lifecycle, reducing emissions from use and extending the lifespan of the equipment, thereby reducing emissions from raw materials and manufacturing of new devices. This alone is not enough to achieve our goal of being carbon neutral. Our strategy is to increase the sales of digital services, aiming for over half of our revenue to come from service sales by 2030. In 2023, digital services accounted for 20% of our revenue. We invest in developing digital services that reduce the need for new devices by utilizing existing equipment or combining

multiple device functions into one. This significantly reduces emissions from purchased products. Our interim goal is to reduce our indirect carbon footprint from the 2023 level by 2030.

With these measures, our goal is to reduce our emissions across the entire value chain to a level where no further emission reduction measures are possible by 2035.

Our Products and Services

As a responsible operator, we offer our customers solutions that reduce their environmental impact, either directly or indirectly. Our services and products reduce our customers' energy consumption, waste, inventory management and the amount of work involved in e-commerce collection, resulting in a substantial reduction in our customers' carbon footprint while also reducing costs.

1. ESL and DS screens reduce paper consumption by up to 90% and the energy consumption and production costs of associated processes
2. Samsung LED displays consume up to 50-70% less electricity compared to older display models
3. Samsung QM series displays mainly use recycled plastic for its back cover and packaging
4. Samsung displays can be automated to close and open at specific times of day, days of the week and even on public holidays, which can reduce power consumption from an average of 106W to 0.5W
5. Product-specific emission reports are available for each EWQ digital display
6. ESL displays reduce food waste by using real-time price updates, inventory management and product timing to track the life cycle of perishable products and adjust prices according to the last selling days. Dynamic pricing drastically reduces the number of products that would otherwise have to be discarded
7. ESL displays have a battery life of up to 10 years, reducing toxic chemical waste. The batteries are also easily replaceable, allowing the ESL display to be used again and again
8. End-of-life ESL displays are safely recycled and disposed of, and parts are reused in new displays reducing the number of raw materials needed in the production process.
9. Our EWQ Zone service ensures the use of the device fleet until the end of its lifecycle. The service can be utilized as the device fleet is updated and vice versa; when we introduce new or updated technology, it is always compatible with the existing device fleet
10. We offer a recycling service to our customers. All decommissioned electronics delivered to EWQ are sent for further processing to a third party. Up to 98% of the devices are reused, and the rest are recycled

Recycling and Reuse

EWQ is committed to responsible recycling and reuse in its operations. Our goal is to continuously improve our recycling and reuse processes to reduce environmental impact and support the circular economy more effectively.

We always strive to recycle and reuse our products and packaging materials. When a customer purchases a new device to replace an old one, we properly recycle the old devices on behalf of the customer. Some decommissioned devices are also transferred to be loan devices, which can be borrowed or rented by customers as they are.

We utilize the R3stepIT service for further processing of decommissioned devices, which provides an end-of-life solution for the devices. Introduced in 2024, this service ensures that our decommissioned devices are properly handled and responsibly delivered for reuse, meeting the highest quality and regulatory standards. The service supports our circular economy goal of maintaining the value of materials for as long as possible. Up to 98% of the devices returned to R3stepIT are reused, and the remaining 2% are recycled. For example, just one reused laptop saves approximately 194 kg of CO2 emissions. R3stepIT has earned significant ISO standards, such as ISO 9001 for quality management, ISO 14001 for environmental management, and ISO 27001 for information security. In 2025, we will report more detailed recycling rates and emission reductions.

The scrap metal from our equipment is properly recycled. Our certified recycling partner delivers the materials for further processing to smelters, turning them into raw materials for new industrial products.

We use only recyclable materials in our packaging, such as cardboard, which is 100% either recycled fiber or sourced from certified forests. Our packaging plastic is made from recycled plastic, and we do not use PVC plastic.

In the summer of 2024, we introduced bio, plastic, and paper recycling in our office and production and warehouse facilities. Previously, we already recycled metal, electronics, cardboard, and hazardous waste (Chart 4).

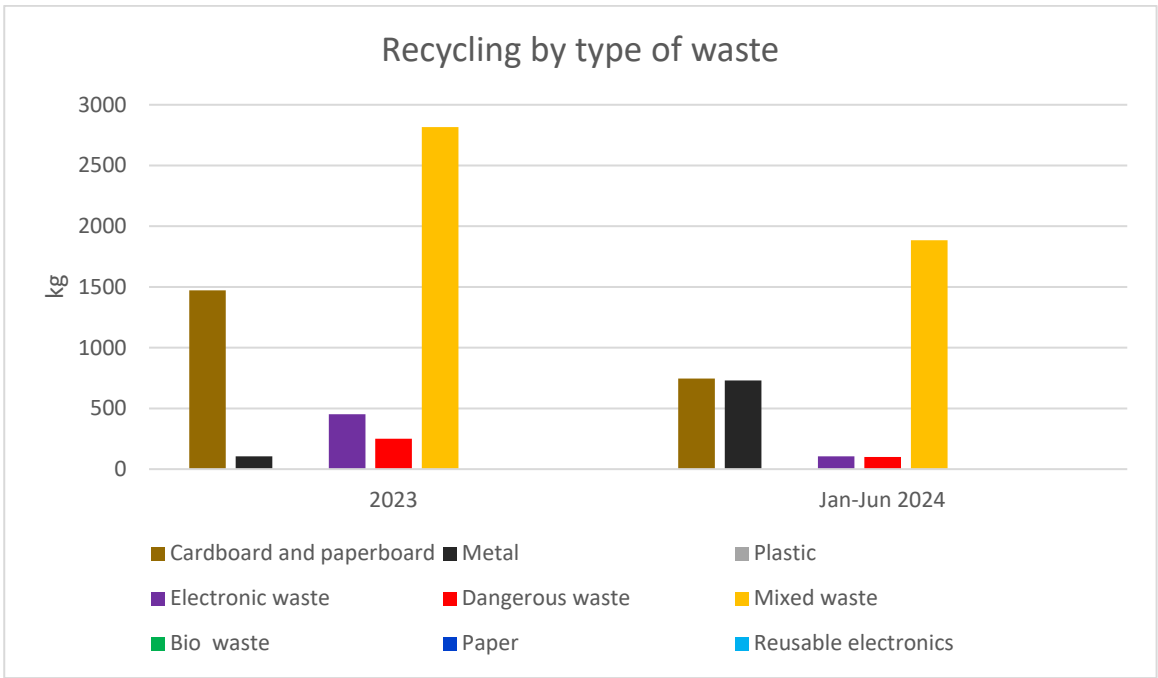


Chart 4. Recycling by type of waste 2023-2024

Increasing the recycling rate in our office was one of our environmental targets for 2023. Our waste management company is ISO 14001 certified and has been carbon neutral since 2021. With more extensive recycling, we will have an overall picture of our waste volumes and will be able to set recycling targets in 2025.

Objectives

1. We will achieve the ISO 14001 standard by 2025 (ongoing).
2. We will calculate our carbon footprint according to the GHG Protocol, covering Scope 1, 2, and 3 (upstream and downstream) comprehensively, and implement product-specific emission calculations by 2029.
3. We will calculate our carbon handprint by 2029.
4. Net Zero 2035, with an interim goal to reduce our indirect carbon footprint from the 2023 level (394.21 tCO₂e) by 2030.
5. Replacing our service vehicles with fully electric ones by 2026.
6. Continuously exploring the latest technology options that are as energy-efficient as possible and have a long lifecycle.
7. Reducing our customers' need for new devices as much as possible through our services.
8. Monitoring the reuse percentage of electronic devices and reporting the resulting emission reductions.
9. Selecting freight partners that offer the most emission-free freight services possible (e.g., renewable aviation fuel).

Responsibilities and Reviews

The responsibility of the Sustainability Department is to develop environmental policies and propose annual goals to the board. It must also define the best practices and tools that the company can use to achieve its commitments and objectives.

The CSR Coordinator is responsible for reviewing this policy at least once a year. The next update will take place in January 2025 or earlier if necessary. Any changes will be communicated to the relevant parties. It is important that you take the time to familiarize yourself with the latest version of this policy and contact your supervisor if you have any questions or feedback.

Policy Update History

Version	Change	Who	Date
1	Original	Sanni Siilin	2022-8-6
2	Updated address, carbon footprint, and electricity consumption	Sanni Siilin	2023-8-9
3	Updated carbon footprint, electricity consumption and objectives. Added Climate Roadmap.	Sanni Siilin	2024-9-20