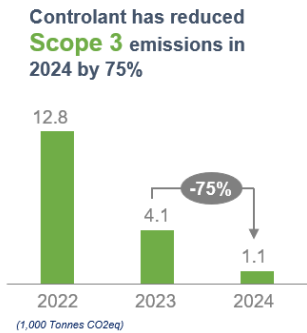
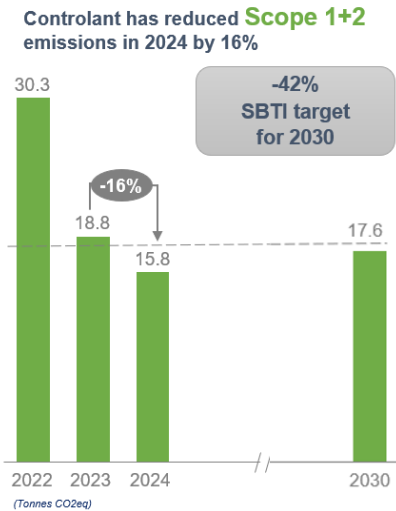


2024 Annual ESG Report

Unaudited

Controlant's Sustainability Highlights 2024

Controlant has further reduced total emissions in 2024 by 72%, which means it is on track to meet its 2030 science-based target.



Scope 1 and 2 absolute emission reduction

16%

(compared to 2023)

Measure and reduce scope 3 emissions

75%

(compared to 2023)

Carbon intensity to revenue lowered by

36%

Share of renewable energy

93%

2024 ESG highlights

20-74
Age range

36
Nationalities

41%
Female representation among total workforce

46%
People leaders' positions held by women

90%
Renewable electricity

Impact case study with Vodafone and the Carbon Trust

Signed up to the Sustainable Procurement Pledge

Improved ratings from EcoVadis & CDP

Launched employee training budget

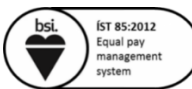
Volunteering Day launched

Child vaccination awareness campaign with UNICEF in Iceland

ISO 9001, ISO 27001, SOC 2 and Equal Pay certifications



SCIENCE
BASED
TARGETS



Non-Financial Information

Controlant hf. (the “Company”) is a global leader in the optimization of life sciences supply chains, with managed solutions comprising a validated visibility platform, real-time IoT devices, advanced analytics, and extensive customer services. Offering flexible and scalable business models, Controlant’s vision is to deliver zero-waste supply chains through real-time visibility and automation.

Leading pharmaceutical companies and logistics providers trust Controlant as a validated source of data for their systems of record, making their operations significantly more reliable, cost-effective, and sustainable. Ultimately, Controlant helps ensure the best outcomes for patients—keeping people safe and improving access to life-saving medicines.

Founded in 2007, Controlant had an average of 437 FTE employees representing 36 nationalities in 2024. With backing from a strong investor base, Controlant generated USD 81 million in revenues in 2024.

Minimum safeguards, code of conduct and policies

Corporate Governance is the framework that defines how companies are directed and controlled. Controlant acknowledges that strong governance is essential for generating long-term value for all stakeholders, including shareholders, employees, customers, and the broader community. Controlant’s commitment to a robust governance framework, respect for human rights, adherence to social and labor standards, anti-corruption measures, promotion of fair competition, and commitment to responsible taxation across all its activities serves as the cornerstone of its efforts to ensure compliance with minimum safeguard requirements. Furthermore, these minimum safeguards are reinforced through established company policies, code of conduct, mandatory employee training, and external audits conducted by Controlant’s customers and ISO bodies.

Controlant operates according to all relevant laws and regulations in Iceland. Its operations are guided by its Articles of Association as well as internal policies and procedures which take into consideration the guidelines on corporate governance, 6th edition, published by the Iceland Chamber of Commerce, S.A.- Confederation of Icelandic Enterprise and Nasdaq Iceland in 2021.

Controlant supports the Ten Principles of the United Nations Global Compact on human rights, labor, environment, and anti-corruption and is committed to making the UN Global Compact and its principles a part of the strategy, culture and day-to-day operations of the company. Controlant became a participant in the UN Global Compact in 2022. Recognizing the ongoing importance of minimum safeguards standards, Controlant remains committed to prioritizing these areas. The company aims to prevent, detect, and address such activities within the organization to protect Controlant’s reputation, values, and legal compliance – reflected in Controlant’s policies such as Controlant’s Anti-Bribery and Corruption Policy, Environmental Policy, Corporate Sustainability Policy, Health and Safety Policy, Procurement, Equality, Diversity, and Inclusion Policy, and Community Engagement Policy among others (available on Controlant.com and/or on request).

Controlant’s code of conduct applies to all its employees and suppliers who provide services and support to Controlant. The code of conduct outlines commitment to fair, compliant, transparent, and sustainable business practices and governance structure. Controlant strives to fulfill the laws and regulations of the countries where it operates and expects nothing less from its partners.

Controlant maintains technical and organizational controls as defined by industry best practices. During 2024 the risk management function was further strengthened, particularly around improved risk documentation and standard operating processes for conducting risk assessments. As part of the risk assessment, risks are identified, analyzed, evaluated, and mitigation controls are adopted to reduce the operational risks of Controlant. The purpose of risk treatment is to define systematic means of reducing or controlling such risks. Controlant has a certified quality and information security management system based on ISO9001 and ISO27001, certified by the British Standard Institute Iceland. Policies on environmental issues, social and employee matters, human rights, and actions against corruption and bribery are in place in the management system of Controlant and formally trained out to all employees.

In 2024 Controlant performed its second climate-related risk and opportunity assessment in line with the Task Force on Climate-Related Financial Disclosures (TCFD). Selected risk causes and opportunity triggers deemed most relevant for Controlant are summarized in the following table.

Risk type	Identifier	Main climate-related risk	Value chain stage where the risk occurs	Time horizon	Likelihood	Magnitude of impact		Likely potential financial impact	Primary response to risk
						1.5 °C scenario	2.5 °C scenario		
Transition risks	Policy	Changes to legislation such as ESG reporting, Renewable Energy Certificates, EU Green Claims Directive, VEE, EPR and Iceland's Paris Agreement carbon reduction target	Direct operations	Short-term	Very likely	High	Medium	Increased compliance costs	Greater compliance with regulatory requirements
	Emerging regulation	Carbon tax and Carbon Border Adjustment Mechanism regulation	Direct operations	Medium-term	Very likely	Medium	Medium	Increased operating/compliance costs	Sustainable procurement practices
	Technology	Increased cost for material substitution to low emission options	Upstream value chain	Short- to Medium-term	Very likely	High	Medium	Increased operating costs	Establish end-of-life infrastructure
	Technology	Plastic: Transition to lower emissions technology and products	Upstream value chain	Short-term	Very likely	Medium-high	Medium	Increased operating costs	Move from single-use plastic products/packaging towards reuse models
	Market	Consumer pressure for sustainability leadership and market competitiveness	Downstream value chain	Short- to Medium-term	Very likely	High	Medium	Increased operating costs and potential reduced profitability	Sustainability integration into business strategy and operations
Physical risks	Acute	Rising temperatures, shifts in wind patterns, floods, earthquakes, and volcanic eruptions	Direct operations	Short- to Medium-term	Very likely	Low	Medium	Increased operating costs	Business Continuity Planning
	Chronic	Sustained high temperatures and sea level rise	Upstream value chain	Long-term	Likely	Low	High	Increased operating costs	Supplier screening and supplier audits
Transition opportunities	Products and services	Development and/or expansion of low emission goods and services	Direct operations	Medium-term	Very likely	Medium	Medium	Likely increased revenues resulting from increased demand for products and services	Life-cycle assessment to understand the carbon footprint of Controlant's solutions
	Products and services	Development of new products or services through R&D and innovation	Downstream value chain	Medium-term	Likely	Medium	Medium	Returns on investment in low-emission technology	Incorporating circular design thinking into future solutions
	Resilience	Participation in renewable energy programs and adoption of energy-efficiency measures	Direct operations	Short-term	Very likely	Medium-low	Medium-low	Likely increased access to capital	Measuring and reporting share of renewable electricity and renewable energy
	Market	Access to new markets	Downstream value chain	Medium-term	Likely	Medium-high	Medium-high	Likely increased revenues resulting from increased demand for products and services	Integrating sustainability criteria into Controlant's portfolio management framework

Notes: Company information. Short-term <0-3 yrs, Medium-term 3-10 yrs, Long-term >10-30 yrs. Potential financial impact both positive and negative cannot be fully assessed and is likely to be integrated into Controlant's day-to-day operations. Mitigating actions are evaluated to align with Controlant's business strategy to minimize negative effects and maximize opportunities, where possible.

Sustainability initiatives in which Controlant takes part:

- Festa, Centre for Sustainability in Iceland
- Science Based Targets initiative (SBTi)
- UN Global Compact
- UN Sustainable Development Goals

Corporate social responsibility

Throughout 2024 Controlant continued on its path toward corporate sustainability leadership as set out in 2023. With the aim to balance environmental, social, and economic performance. In line with market needs and strategic initiatives, Controlant continued simplifying its operating model to create a leaner and more flexible organization, while improving efficiency and reducing costs. The company's workforce was reduced from an average FTE of 545 in 2023 to 295 FTEs in 2024, to improve the company's cost structure, agility, and customer-centric focus, supporting Controlant in achieving its long-term goal of sustainable growth. Post-restructuring, 240 employees remained across five operational hubs. It should be noted that workforce reductions executed in November are still included in the full time equivalent at the end of the financial year.

Controlant's vision is to unleash the power of people and technology to deliver zero-waste supply chains for its partners and the planet. By reducing waste in one of the world's most critical supply chains, the company is helping to shape the future of sustainable and responsible supply chains. Sustainability is a key value for Controlant and the company is committed to corporate sustainability leadership.

The global nature of pharma supply chains requires seamless connectivity and collaboration. Partnerships play a pivotal role in Controlant's ability to deliver exceptional solutions. By combining advanced technology with strategic partnerships, Controlant continues to redefine what's possible in pharmaceutical supply chain management, delivering meaningful benefits to both patients and the planet. Stakeholder engagement with Controlant's customers, employees, suppliers, investors and the communities in which it operates is key to improving performance and creating shared value. In 2024 Controlant collaborated with Vodafone on a case study conducted by the Carbon Trust, highlighting the transformative potential of real-time monitoring in pharmaceutical supply chains. Furthermore, Controlant announced a partnership with SmartCAE to transform lane risk assessment and thermal packaging in pharma; a strategic partnership with FDK Corporation to strengthen battery performance; and Nippon Express on end-to-end monitoring of cargo status.

Controlant reports transparently on its sustainability journey, key milestones achieved, and ESG performance metrics aligned with the Nasdaq ESG data reporting guide 2.0. Controlant reports its progress towards corporate sustainability leadership through the Communication on Progress (accessible on unglobalcompact.org), providing a transparent account of Controlant’s corporate sustainability activities and impacts aligned with the Ten Principles and the UN Sustainable Development Goals (UN SDG).

In 2024, Controlant participated for the second time in the UN SDG day, a united call for international cooperation to promote well-being and make the world a better place by 2030. Controlant prioritizes four of the UN SDGs. These goals are as follows:

- **Goal 9**, which focuses on building resilient infrastructure, promoting inclusive and sustainable industrialization, and fostering innovation.
- **Goal 3**, which centers around ensuring healthy lives and promoting well-being for all individuals, regardless of age.
- **Goal 4**, which aims to guarantee inclusive and equitable quality education, in addition to promoting lifelong learning opportunities for all.
- **Goal 13**, which emphasizes the urgent need to take action against climate change and its impacts

In 2024 Controlant launched an ESG Reporting Hub on Controlant.com/sustainability providing access to Controlant’s sustainability reports and metrics to all stakeholders.

Controlant continued to drive measurable progress to enable zero-waste pharmaceutical supply chains. The importance of formal environmental, social, and governance (ESG) ratings is required by most of Controlant’s customers in line with the industry’s decarbonization efforts. Through ESG ratings Controlant can demonstrate and maintain transparency about its sustainability performance while aligning with shareholder expectations for sustainable business practices. Increased adoption of Controlant’s sustainable solutions and encouraging feedback on our ESG ratings are indicators of successful stakeholder engagement, creating positive change.

As part of its commitment to environmental transparency, Controlant made its second annual environmental information submission to the Climate Disclosure Project (CDP), the global non-profit that runs the world’s leading environmental disclosure platform awarded Controlant with a B rating. The rating marks an improvement from prior year’s B- rating and highlights the company’s steadfast progress toward a low-carbon economy, especially as CDP constantly raises the bar for what qualifies as environmental leadership. On a scale from D- to A for environmental leadership and best practice, Controlant scored an A/A- in the categories of scope 3 disclosure, industry collaboration, emission reduction initiatives, and low carbon products, supported by lifecycle assessment. This year’s rating improvement was further supported by Controlant addressing environmental impact through policies, value chain engagement, and risk and governance processes.

Controlant has been rated Silver in its 2025 EcoVadis sustainability assessment, placing Controlant among the top 15% of over 150,000 rated companies across industries. EcoVadis is the world’s leading provider of business sustainability ratings. This marks the second consecutive year that Controlant has achieved a silver rating. In the 2025 assessment, Controlant earned their highest overall score to date of 72/100, further solidifying its position as a sustainability leader for the life-sciences ecosystem.

The following table reflects Controlant’s latest available ESG ratings as of March 2025.

	2024	2023	2022
CDP Climate	B	B-	-
EcoVadis	Silver (72/100)	Silver (66/100)	Bronze (50/100)

Environmental responsibility

Controlant achieved a 72% reduction in total emissions in 2024, staying firmly on track to meet its 2030 science-based target. In May 2023 Controlant had its science-based target validated and published by the Science Based Target initiative. Controlant commits to reducing absolute scope 1 and scope 2 greenhouse gas emissions by 42% by 2030 from a 2022 base year and committed to measuring and reducing its scope 3 emissions.

Combined emissions from scope 1 and 2 were lowered by 16% in 2024 compared to 2023 and reflect emission savings from the consolidation of various office spaces in Iceland and lower usage of the US service center in the fourth quarter. In Iceland, three office locations were consolidated into one office building, enhancing cross-functional collaboration and reducing the need for commuting between offices. This has however resulted in higher energy intensity for 2024, which we expect to reverse in 2025.

Emissions from scope 3 decreased by 75%, mainly due to purchased goods & services (category 1), less business travel (category 6), employee commuting (category 7), and lower emissions from downstream transportation and distribution (category 9) as highlighted in the Nasdaq ESG data table. By optimizing inventory management and shifting to greener logistics, Controlant cut emissions from purchased goods and services, Controlant's largest emission category, by 83% in 2024.

Carbon intensity to revenue decreased by 36% in 2024, reflecting the company's commitment to sustainable growth. In 2024, Controlant increased its renewable energy share to 93% (2023: 87%) which is aligned with Controlant's customers' goals on renewable energy sourcing.

A quantitative case study conducted by the London-based independent climate consultancy Carbon Trust, looked at the emissions avoided by using Controlant's real-time visibility solution to monitor global shipments of vaccines. The case study found that avoided emissions compared to the industry average was a reduction of 53 kg of CO₂e per box, which is approximately 15% of the full life cycle emission of a box of vaccines. Taken together, 16,700 tons of CO₂e were avoided for deliveries made in one year.

In 2024 Controlant signed up to the Sustainable Procurement Pledge and participated in the Pharma Chapter Best Practice Sharing Initiative, collaborating with its customers on demonstrating how Controlant's solutions create substantial life cycle Greenhouse Gas emission savings compared to the best performing alternative solution, thereby enabling Controlant's customers to deliver on their climate strategies.

In 2024 Controlant began creating end-of-life processes for its devices, enabling the reuse of components and the recycling of all plastic generated in its operations. These initiatives will contribute to minimizing plastic waste and enhancing sustainable supply chains.

Social responsibility

All employees of Controlant are employed in compliance with applicable labor laws and practices. Controlant does not use any forced labor or child labor in its operations. Controlant respects all rights of employees, including the right to associate freely, join or not join labor unions. Almost three-quarters of employees are covered under a collective bargaining agreement (2024: 74%). Employees can communicate openly with management regarding working conditions without threat of reprisal, intimidation, or harassment. Controlant provides its employees with a healthy working environment, all in compliance with applicable laws and regulations regarding the workplace. Discrimination of any kind is not tolerated.

Controlant aspires to become one of the best places to work for the most talented people. The Company's culture is built around creating the best possible work environment for its employees. Valuing equality, diversity, and inclusion in the workplace where its people feel safe, supported, and included. Controlant is proud to be certified as an equal-pay employer in Iceland.

In 2024 Controlant launched its volunteer day initiative, which allows every employee to dedicate one workday every year to volunteer activities of their own choice.

UNICEF in Iceland and Controlant are united in raising awareness about the importance of childhood vaccinations and, in March 2024, partnered with the Chief Epidemiologist in Iceland to launch a joint campaign to raise awareness for child vaccinations.

In the US, Controlant partners with Employment Horizons to offer employment opportunities to individuals with special needs through its service center in New Jersey.

Controlant's core values

- Creativity** We believe in fostering creativity and innovation.
- Transparency** We believe in transparency in our work and with our customers.
- Excellence** We believe in high quality and setting the standard for excellence.
- Fun** We believe in making work enjoyable; it keeps us coming back.

Nasdaq ESG indicator		Unit	2024	2023
Environmental indicators	E1. Total GHG Emissions	tonnes CO ₂ eq	1,142.6	4,075.0
	E1.1 Total amount, in CO2 equivalents, for Scope 1	tonnes CO ₂ eq	1.0	0.6
	E1.2 Total amount, in CO2 equivalents, for Scope 2 (location-based)	tonnes CO ₂ eq	32.9	37.0
	E1.2 Total amount, in CO2 equivalents, for Scope 2 (market-based)	tonnes CO ₂ eq	14.8	18.2
	Total amount, in CO2 equivalents, for Scope 1 and Scope 2 (market-based)	tonnes CO ₂ eq	15.8	18.8
	E1.3 Total amount, in CO2 equivalents, for Scope 3	tonnes CO ₂ eq	1,126.8	4,056.2
	of which is Cat. 1 - purchased goods & services	tonnes CO ₂ eq	489.5	2,881.5
	of which is Cat. 2 - capital goods	tonnes CO ₂ eq	0.0	3.1
	of which is Cat. 3 - fuel and energy-related activities	tonnes CO ₂ eq	7.6	7.9
	of which is Cat. 4 - upstream transportation	tonnes CO ₂ eq	0.2	14.0
	of which is Cat. 5 - waste generated in operations	tonnes CO ₂ eq	13.3	16.0
	of which is Cat. 6 - business travel	tonnes CO ₂ eq	449.6	670.8
	of which is Cat. 7 - employee commuting	tonnes CO ₂ eq	124.9	299.6
	of which is Cat. 8 - upstream leased assets	tonnes CO ₂ eq	38.3	40.6
	of which is Cat. 9 - downstream transportation and distribution	tonnes CO ₂ eq	3.6	122.9
	E2. Emissions Intensity			
	E2.1 Total GHG emissions relative to revenues	tonnes CO ₂ eq per USD 1m revenues	14.2	22.0
	E2.2 Total GHG emissions relative to employees	tonnes CO ₂ eq per FTE	4.9	7.2
	E2.3 Total GHG emissions relative to square meters	kg CO ₂ eq per m ²	137.8	446.1
	E3. Energy Consumption			
	E3.1 Total amount of energy directly consumed	MWh	2,860.3	1,968.5
	E3.2 Total amount of energy indirectly consumed	1,000 tonnes	-	-
	E4. Energy Intensity			
	E4.1 Total direct energy usage per output scaling factor	MWh per USD 1m revenues	35.5	10.6
	E5. Energy Mix			
	E5.1 Percentage: Electricity usage by generation type	% of renewable electricity	90.4	88.7
	E5.2 Percentage: Energy usage by generation type	% of renewable energy	92.6	86.9
	E6. Water Usage			
	E6.1 Total amount of water consumed	1,000 m ³	-	-
	E7. Environmental Operations			
	E7.1 Does your company follow a formal Environmental Policy?	Yes/No	Yes	Yes
	E7.2 Does your company follow specific waste, water, energy, and/or recycling policies?	Yes/No	Yes	Yes
	E7.3 Does your company use a recognized energy management system?	Yes/No	No	No
	E8. Climate Oversight / Board			
	Does your Board of Directors oversee and/or manage climate-related risks?	Yes/No	Yes	Yes
	E9. Climate Oversight / Management			
	Does your Senior Management Team oversee and/or manage climate-related risks?	Yes/No	Yes	Yes
	E10. Climate Risk Mitigation			
	Total amount invested in climate-related product development	% of revenue	26%	11%
Social indicators	S1. CEO Pay Ratio			
	S1.1 CEO total compensation to monthly median FTE total compensation	%	4.5:1	4.7:1
	S1.2 Does your company report this metric in regulatory filings?	Yes/No	No	No
	S2. Gender Pay Ratio			
	Gender pay gap in favor of men (Iceland only, conducted by auditor BSI)	%	2.5	0.7
	S3. Employee Turnover			
	S3.1 Year-over-year change for full-time employees	%	46	32
	S3.2 Voluntary turnover ratio	%	20	12
	S4. Gender Diversity			
	S4.1 Total enterprise headcount held by women and men	%	41/59	42/58
	S4.2 Executive-level positions held by women and men	%	23/77	38/62
	S4.3 Senior leadership (SVP, VP) positions held by women and men	%	39/61	44/56
	S4.4 People leaders (Managers) positions held by women and men	%	46/54	40/60
	S5. Temporary Worker Ratio			
	S5.1 Total enterprise headcount held by part-time employees	%	2.0	0.8
	S5.2 Total contingent workers	%	6.3	3.7*
	S6. Non-Discrimination			
	Does your company follow a sexual harassment and/or non-discrimination policy?	Yes/No	Yes	Yes
	S7. Injury Rate			
	Frequency of injury events relative to total workforce time	TRIR	0.7	0.9
	S8. Global Health & Safety			
	Does your company follow an occupational health and/or global health & safety policy?	Yes/No	Yes	Yes
	S9. Child & Forced Labor			
	S9.1 Does your company follow a child and/or forced labor policy?	Yes/No	Yes	Yes
	S9.2 If yes, does your child and/or forced labor policy cover suppliers and vendors?	Yes/No	Yes	Yes
	S10. Human Rights			
	S10.1 Does your company follow a human rights policy?	Yes/No	Yes	Yes
	S10.2 If yes, does your human rights policy cover suppliers and vendors?	Yes/No	Yes	Yes
Corporate governance indicators	G1. Board Diversity			
	G1.1 Total board seats occupied by women and men	%	40/60	40/60
	G1.2 Committee chairs occupied by women and men	%	-	-
	G2. Board Independence			
	G2.1 Does company prohibit CEO from serving as board chair?	Yes/No	Yes	Yes
	G2.2 Total board seats occupied by independents	%	80	100
	G3. Incentivized Pay			
	Are executives formally incentivized to perform on sustainability?	Yes/No	No	No
	G4. Collective Bargaining			
	Total enterprise headcount covered by collective bargaining agreement(s)	%	74	95
	G5. Supplier Code of Conduct			
	G5.1 Are your vendors or suppliers required to follow a Code of Conduct?	Yes/No	Yes	Yes
	G5.2 If yes, what percentage of your suppliers have formally certified their compliance with the code?	%	-	-
	G6. Ethics & Anti-Corruption			
	G6.1 Does your company follow an Ethics and/or Anti-Corruption policy?	Yes/No	Yes	Yes
	G6.2 If yes, what percentage of your workforce has formally certified its compliance with the policy?	%	93	76
	G7. Data Privacy			
	G7.1 Does your company follow a Data Privacy policy?	Yes/No	Yes	Yes
	G7.2 Has your company taken steps to comply with GDPR rules?	Yes/No	Yes	Yes
	G8. ESG Reporting			
	G8.1 Does your company publish a sustainability report?	Yes/No	Yes	Yes
	G8.2 Is sustainability data included in your regulatory filings?	Yes/No	Yes	Yes
	G9. Disclosure Practices			
	G9.1 Does your company provide sustainability data to sustainability reporting frameworks?	Yes/No	Yes	Yes
	G9.2 Does your company focus on specific UN Sustainable Development Goals?	Yes/No	Yes: 3, 4, 9, 13	Yes: 3, 4, 9, 13
	G9.3 Does your company set targets and report progress on the UN SDGs?	Yes/No	Yes	Yes
	G10. External Assurance			
	G10.1 Are your sustainability disclosures assured or validated by a third party?	Yes/No	No	No

* Restated figure due to better data availability

EU Taxonomy disclosure

This is the second EU Taxonomy disclosure by Controlant. The EU Taxonomy is a classification system to identify environmentally sustainable economic activities. Environmentally sustainable economic activities are described as those which make a substantial contribution to at least one of the EU's climate and environmental objectives, while at the same time not significantly harming any of these objectives and meeting minimum safeguards.

In accordance with Article 8 of Regulation 2020/852 of the European Parliament and the Council, and Delegated Regulation 2021/2178 of the European Commission, Controlant reports its contribution to the European Union's environmental objectives related to climate change mitigation and climate change adaptation.

The EU Taxonomy Regulation and the Delegated Acts issued thereunder contain wording and terms that are still subject to considerable interpretation and uncertainties. Starting from 2023, Controlant reports the shares of revenue, capital expenditure (capex), and operating expenditure (opex) that are aligned with the taxonomy, in addition to the shares that are eligible under the taxonomy.

Controlant applied the precautionary principle to determine applicable eligible activities and excluded activities not yet clearly defined in the EU Taxonomy. Controlant's reporting approach will be reviewed going forward and expanded accordingly, which may impact the taxonomy KPIs reported for earlier periods.

Approximately 29% of Controlant's economic activities from a revenue-, 100% from a capital expenditure-, and 47% from an operational expenditure perspective are taxonomy-eligible, while they do not meet the stringent taxonomy technical screening criteria, to be considered environmentally sustainable.

Controlant's process for determining taxonomy-eligible activities (the nominator of the taxonomy KPIs) has followed the following approach:

Defining the eligible activities and assessing for taxonomy alignment

Taxonomy-eligible economic activities are considered environmentally sustainable and aligned if they significantly contribute to one of the six EU environmental objectives, without causing significant harm to other environmental objectives known as the do-no-significant-harm criteria.

The six environmental objectives:

- Climate change mitigation
- Climate change adaptation
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

Eligibility does not determine whether an economic activity is sustainable, but rather whether Controlant's taxonomy eligible economic activities meet the technical requirements of the taxonomy, as summarized in the following table.

Controlant's Taxonomy-eligible activities

NACE	Sector	Activity Number	Contribution Type
J62, J63.11	Information and communication	8.2	Enabling
Description			Substantial contribution assessment
<p>Development or use of ICT solutions that are aimed at collecting, transmitting, storing data and at its modelling and use where those activities are predominantly aimed at the provision of data and analytics enabling GHG emission reductions. The economic activity covers computer programming, consultancy and related activities and data processing, hosting, and related activities.</p>			<p>Controlant's solutions are predominantly used for the provision of data and analytics enabling GHG emission reductions for its customers, fully in line with Controlant's zero-waste vision. Controlant's solution demonstrates substantial life-cycle GHG emission savings compared to the best performing alternative solution.</p> <p>In 2023 Controlant conducted an internal life-cycle assessment on the Saga Logger according to ISO14040 and 14044 standards, assessing a range of environmental impacts, from Global Warming Potential to Terrestrial Ecotoxicity, ensuring a holistic assessment. While not third party verified Controlant utilized the third-party ISO-standard modelling tool Ecochain and the Ecoinvent database to ensure data accuracy and credibility in its calculations. Controlant's product environmental report for the Saga Logger is publicly accessible. In 2024 Vodafone and Controlant worked together with independent consultancy the Carbon Trust on a case study on avoided emissions, with the results of the study publicly available on Controlant's and Vodafone's websites.</p> <p>As Controlant's life-cycle assessment is not third-party audited, the stringent technical screening criteria to be considered environmentally sustainable are not met.</p>

NACE	Sector	Activity Number	Contribution Type
C27	Services	5.5	Enabling
Description			Substantial contribution assessment
<p>Product-as-a-service and other circular use- and result-oriented service models.</p> <p>Providing customers with access to products through service models, which are either use-oriented services, where the product is still central, but its ownership remains with the provider and the product is rented; or result-oriented, where the payment is pre-defined and the agreed result (i.e., pay per service unit) is delivered. The economic activity covers products that are manufactured by economic activities classified under the NACE codes C27 Manufacture of electrical equipment.</p>			<p>Controlant's cold chain as a service model enables a circular economy. Controlant provides its customers with access to, and use of products, while the ownership remains with Controlant, providing this service. The contractual terms and conditions ensure that all the following sub-criteria are met: there is an obligation for Controlant to take back the used product at the end of the contractual agreement; there is an obligation for the customer to give back the used product at the end of the contractual agreement; Controlant remains owner of the product; the customer pays for access to and use of the product, or the result of access to and use of this product. Furthermore, the activity leads to an extended lifespan or increased use intensity of the product in practice.</p>

Classifying for no significant harm and meeting minimum safeguards

Moreover, Controlant assessed that its economic activity does 'no significant harm' (DNSH) to the remaining environmental objectives.

Controlant adheres to the necessary frameworks for minimum safeguards, encompassing respect for human rights, social and labor standards, anticorruption measures, fair competition, and taxation across all activities, and is built into the value chain. Controlant's internal controls, risk management framework, and employee training equip the organization to prevent, mitigate, and remediate adverse impacts.

Controlant supports the Ten Principles of the United Nations Global Compact on human rights, labor, environment, and anti-corruption and discloses through the annual Communication on Progress which is accessible to all our stakeholders (<https://unglobalcompact.org/what-is-gc/participants/151101-Controlant>). Those principles are embedded throughout the operation of the organization, from the code of conduct- to specific policies such as the procurement policy, to standard operating procedures, supplier assessments, and internal audits.

All employees receive regular mandatory training that includes topics such as anti-bribery and corruption. As described in Controlant's 2024 Corporate Governance Statement, the co-CEOs are responsible for overseeing the daily operations of the Company, ensuring alignment with the policies. Activities around anti-bribery and corruption, competition, and taxation are addressed in collaboration with Controlant's Legal and Finance teams. Oftentimes Controlant's customers address these safeguards through their code of conduct and business contracts with Controlant that the organization adheres to.

Controlant's governance framework and aligned global processes ensure that Controlant upholds and meets the requirements under the minimum safeguards. For further details please see Controlant's Nasdaq ESG disclosure (particularly S6, S8, S9, S10, G7, and G9 covering aspects of human rights; section G6 covering anti-bribery and corruption); Controlant's 2024 Corporate Governance Statement describing internal controls and responsibilities, and the notes to the 2024 Financial Statements on taxation.

Taxonomy KPI reporting

Controlant is disclosing the proportion of its turnover, capital and operating expenditures (CapEx and OpEx) for the combined economic activities that are taxonomy-eligible and taxonomy-aligned to avoid double counting.

The taxonomy KPIs have been calculated as follows:

- taxonomy revenue KPI = Eligible revenue/Total revenue
- taxonomy CAPEX KPI (additions) = Eligible CAPEX/Total CAPEX
- taxonomy OPEX KPI = Eligible OPEX/Total OPEX

EU Taxonomy tables

Revenue KPI

Financial year 2024				Substantial Contribution Criteria						DNSH criteria (Do No Significant Harm)									
Economic Activities	Codes	Turnover	Proportion of Turnover	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity and ecosystems	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Taxonomy aligned (A.1) or - eligible (A.2) proportion of total turnover, year 2023	Category (enabling activity)	Category (transition activity)
Text	USD	%		N, N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (taxonomy aligned)		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%		
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%	E	
Of which transitional		0	0%							N	N	N	N	N	N	N	0%		
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Product-as-a-service and other circular use- and result-oriented service models	5.5	23,443,116	29%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								45%		
Total (A.1+A.2)		23,443,116	29%	29%	0%	0%	0%	0%	0%								45%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		57,168,625	71%																
Total (A+B)		80,611,741	100%																
*Y - Yes, N - No, EL - eligible, N/EL - Non-eligible																			

*Y - Yes, N - No, EL - eligible, N/EL - Non-eligible

CapEx KPI

Financial year 2024				Substantial Contribution Criteria						DNSH criteria (Do No Significant Harm)											
Economic Activities	Codes	CapEx	Proportion of CapEx	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity and ecosystems	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Taxonomy aligned (A.1) or - eligible (A.2) proportion of total CapEx, year 2023	Category (enabling activity)	Category (transitional activity)		
Text	USD	%		Y/N	N/EL	N/EL	N/EL	N/EL	N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T		
A. TAXONOMY-ELIGIBLE ACTIVITIES																					
A.1. Environmentally sustainable activities (Taxonomy-aligned)																					
CapEx of environmentally sustainable activities (taxonomy aligned)		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%				
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%	E			
Of which transitional		0	0%							N	N	N	N	N	N	N	0%				
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%				
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																					
Data-driven solutions for GHG emissions reductions	8.2	30,571,086	100%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								100%				
Total (A.1+A.2)		30,571,086	100%	100%	0%	0%	0%	0%	0%								100%				
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																					
CapEx of Taxonomy-non-eligible activities		0	0%																		
Total (A+B)		30,571,086	100%																		
*Y - Yes, N - No, EL - eligible, N/EL - Non-eligible																					

*Y - Yes, N - No, EL - eligible, N/EL - Non-eligible

OpEx KPI

Financial year 2024				Substantial Contribution Criteria						DNSH criteria (Do No Significant Harm)						Taxonomy aligned (A.1) or - eligible (A.2) proportion of total OpEx, year 2023	Category (enabling activity)	Category (transitional activity)	
Economic Activities	Codes	OpEx	Proportion of OpEx	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity and ecosystems	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity				Minimum Safeguards
Text	USD	%	%	Y/N, N/EI/N, N/I/N, N/I/N, N/I/N, N/I/N, N/I/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (taxonomy aligned)		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%		
Of which enabling		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%	E	
Of which transitional		0	0%							N	N	N	N	N	N	N	0%		
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Data-driven solutions for GHG emissions reductions	8.2	29,034,536	47%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								63%		
Total (A.1+A.2)		29,034,536	47%	47%	0%	0%	0%	0%	0%								63%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		32,876,793	53%																
Total (A+B)		61,911,329	100%																

*Y - Yes, N - No, EL - eligible, N/EL - Non-eligible

Explanatory note

Reporting principles

Transparency is one of Controlant's core values. In 2024 Controlant launched an ESG Reporting Hub on Controlant.com/sustainability providing free access to Controlant's sustainability reports and metrics to stakeholders. By disclosing the company's ESG performance, Controlant steers towards sustainability leadership for the life sciences ecosystem, enabling its customers and business partners to meet their climate commitments, and for Controlant's shareholders to make more informed decisions.

We aim to give a fair representation of Controlant's sustainability activities and progress by following best-practice guidelines and internationally recognized ESG reporting standards, such as the Greenhouse Gas (GHG) Protocol, an international environmental accounting standard, and frameworks such as the UN Global Compact. The data is referenced to Nasdaq's ESG Reporting Guide 2.0 where applicable.

As a company that is going through different growth phases, ESG data from new locations is brought in as soon as the following two criteria are met: location needs to be in use, and a certain confidence level in data quality achieved; applying a grace period of no more than 12 months.

Controlant's ESG reporting reflects its ESG maturity profile and the company's financial calendar year, from January until December.

Operational control approach

Controlant's environmental information is prepared using the operational control methodology. The business activities performed across these locations are grouped into offices and service centers.

Environmental performance

Absolute CO₂ reduction

We report on absolute CO₂ emissions reductions, with 2022 as the base year, per the Science Based Targets initiative. Controlant commits to reducing absolute scope 1 and scope 2 GHG emissions by 42% by 2030, and to measure and reduce its scope 3 emissions.

Scope 1: Direct emissions from Controlant's activities, including fugitive emissions (refrigerants) and emissions from operating company cars with internal combustion engines.

Scope 2: Indirect emissions from Controlant's activities. In 2022, Controlant's reporting was limited to location-based carbon emissions due to the

unavailability of renewable energy certificates in Iceland. Energy attribute certificates in Iceland were introduced again in 2023, enabling Controlant to report market-based emissions.

Scope 3: Indirect emissions from Controlant's value chain, including the following nine categories:

Category 1: Purchased goods and services such as IT equipment, office furniture, IoT devices, and batteries for increased lifetime of the loggers.

Category 2: Capital goods such as cooling/calibration machines for Controlant's services centers.

Category 3: Fuel and energy-related activities such as indirect emissions from the production of fuels and energy purchased and consumed by Controlant, not included in Scope 1 and 2.

Category 4: Upstream transportation from shipping IoT devices to Controlant's service centers.

Category 5: Waste generated in own operations such as offices and service centers.

Category 6: Business travel includes emissions from business flights.

Category 7: Employee commute emissions calculated from a bi-annual employee survey.

Category 8: Upstream leased assets associated with the heating of Controlant's rented properties with no direct control over the energy usage.

Category 9: Downstream transportation and distribution of IoT devices from Controlant's service centers to customers.

Renewable energy

Includes hydro and geothermal in Iceland for electricity and heating, while a mix of hydro, solar, wind, and biomass in other European locations.

Social performance

Headcount

Defined as all employees with an employment contract with Controlant and on payroll at year-end. Excluded are employees on unpaid leave (except parental leave) and contractors.

FTE

Defined as full-time-equivalent employees at year-end excluding contractors.

Injury rate

Total recordable incident rate (TRIR) based on number of reported work-related accidents.