Sustainability Statement 2024

Bittium

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ESRS 2 - General Information

Basis for Preparation

General Basis for Preparation of the Sustainability Statements (BP-1)

The reporting period for Bittium's sustainability statement is consistent with the financial year January 1–December 31, 2024, and the sustainability statement has been prepared with the same scope of consolidation as the financial statements. The sustainability statement has been prepared in accordance with chapter 7 of the Finnish Accounting Act (1336/1997). The scope of reporting covers the operations of the entire Group and its subsidiaries, as well as the suppliers of goods and services that are material to Bittium's operations. Where material, the reporting includes information on the impacts, risks and opportunities arising in the upstream and downstream value chain. The upstream and downstream value chain includes both direct and indirect suppliers.

Bittium has not used the option to omit information corresponding to intellectual property, know-how, the results of innovation, impending developments or matters in the course of negotiation.

Disclosures in Relation to Specific Circumstances (BP-2)

This is Bittium's first sustainability statement prepared in accordance with the ESRS standards. Consequently, no comparative information in respect of previous reporting periods is reported. In its reporting, Bittium adopts the ESRS 1 definitions of short, medium and long term: short term is less than one year, medium term is 1–5 years, and long term is more than 5 years. The transitional provision has been applied in the descriptions of the anticipated financial effects for all of the topical standards.

With regard to the disclosure requirements under standards S2 and S4, the company decided to apply the transitional provision and report on the year 2024 in accordance with the minimum disclosure requirements stipulated by ESRS 1 Appendix C. Information related to the use of the transitional provision is provided under the topical standards. The reporting on the S2 and S4 standards for 2024 contains information on policies, targets, measures and metrics in accordance with the minimum disclosure requirements. Bittium will develop its data collection processes to further improve the quality of the collected and reported data and increase visibility throughout the value chain. These targets have also been incorporated into Bittium's sustainability strategy for 2025–2028.

The metrics in this sustainability statement have been validated only by the sustainability statement's assurance provider in accordance with the statement on the assurance of the sustainability statement, and no other external parties have been used.

The following sources of uncertainty related to the sources used, results and measurements have been identified in Bittium's reporting process:

- In the GHG emission calculations in section E1, the best available emission factors for each emission category at the time of calculation were used. Assumptions were made in the calculation of the in-use emissions of sold products. The general emissions factors are often averages that do not take into account variations in operations or circumstances, which may increase uncertainty in the calculations.
- The in-use emissions for products sold, reported under Scope 3 in section E1, were obtained by estimating the utilization rate of the devices based on publicly available research data. This is a source of uncertainty in the calculations.
- Emissions caused by transport, reported under Scope 3 in section E1, were calculated on the basis of emissions reports obtained. Emissions reports accounted for approximately 12% of all transports, and 88% of transports were calculated using values obtained from the emissions reports. This is a source of some uncertainty, as it is not possible to be certain that the modes of transport are completely the same.
- With regard to purchased materials under Scope 3 in section E1, performing the calculations using a reference product is a source of uncertainty.
- Under Scope 3 in section E1, the sector-specific estimates and the values derived from emission databases, for example, always involve calculation uncertainty as they do not provide precise data.
- In section E5, the accuracy of waste volume reports and the consistency of waste categorization between the waste reports of Bittium's various operating locations were identified as sources of uncertainty. With regard to the information mentioned above, more detailed calculation methods related to the calculations and the boundaries, estimates and assumptions applied are described in more

detail in connection with the information that is referred to in the reporting.

Transitional Provisions Used

ESRS standards	Disclosure requirement	Basis for the transitional provision
ESRS 1	Applies to all comparative information provided in the report	10.3 Transitional provision regarding section 7.1 on presentation of comparative information
ESRS 2	SMB-1 40 (b) and (c) (Strategy, business model and value chain)	ESRS 1 Appendix C: List of disclosure requirements to be phased in
ESRS 2	SMB-3 48 (e) (Material impacts, risks and opportunities and their interaction with the strategy and business model)	ESRS 1 Appendix C: List of disclosure requirements to be phased in
ESRS E1	E1-9 (Anticipated financial effects from material physical and transition risks and potential climate-related opportunities)	ESRS 1 Appendix C: List of disclosure requirements to be phased in
ESRS E5	E5-6 (Anticipated economic impacts of impacts, risks and opportunities related to resource use and the circular economy)	ESRS 1 Appendix C: List of disclosure requirements to be phased in
ESRS S2	All disclosure requirements	ESRS 1 Appendix C: List of disclosure requirements to be phased in (exception for average number of employees (750))
ESRS S4	All disclosure requirements	ESRS 1 Appendix C: List of disclosure requirements to be phased in (exception for average number of employees (750))

Governance

The Role of the Administrative, Management and Supervisory Bodies (GOV-1, G1 GOV-1)

Board of Directors and Audit Committee

The Board of Directors is responsible for the administration of the Group and the appropriate organization of its operations. The members of the Board of Directors are elected annually at the Annual General Meeting. During the financial year that ended on December 31, 2024, the Group's Board of Directors had six members. The Board of Directors assesses the independence of its members annually. Of the members of the Board of Directors, 83.33% are independent. Of the members, only Raimo Jyväsjärvi is non-independent of the company. This is due to his previous position as an advisor to the company.

Men account for 83.33% of the Board members, while women account for 16.67%. The Board of Directors' average gender ratio between women and men is 1/5: the members comprise one woman and five men. The Board of Directors' self-assessment discussions have concluded that the Board members are diverse enough in terms of their special expertise, background, age and gender that the Board of Directors as a whole has been able to effectively support Bittium's business and its development. The diversity of the Board of Directors is supported by the members' experience in the international operating environment and different cultures, as well as taking the age and gender distribution into consideration. Bittium's target is for both genders to be represented on the Board of Directors.

The company's Board of Directors is responsible for the administration of the company and the appropriate organization of its operations. The Board of Directors has approved the principles applied by the Group's with regard to internal control, risk management and internal auditing.

Bittium's Board of Directors appoints the Chairman and members of the Audit Committee. At least one of the members of the committee must have expertise in accounting or auditing.

The members of the committee are independent of both the company and its significant shareholders, and they have extensive experience in the management of business operations. In addition to the members of the committee, the meetings of the committee are regularly attended by the CEO, the CFO and the CLO, who serves as the secretary to the committee, and, optionally, by the company's auditors. In 2024, the focus areas of the Audit Committee were the near-term changes in sustainability reporting, the cash flow forecasting process and the development of working capital. The specification of tasks for the governance bodies or the Board of Directors' assignments have not specified how each body's responsibilities for impacts, risks and opportunities are taken into consideration.

The Board of Directors and the Audit Committee approve and review sustainability-related topics, commitments and targets annually. In 2024, the upcoming changes in sustainability reporting were one of the focus areas of the Audit Committee. The Audit Committee monitors the implementation of the company's strategy and compliance with sustainability requirements, and makes proposals to the Board of Directors for approval. The specification of tasks for the governance bodies or the Board of Directors' assignments have not specified how each body's responsibilities for impacts, risks and opportunities are taken into consideration.

Meetings of the Board of Directors are attended by the CEO, CFO and CLO. Other members of the company's senior management participate as necessary or when invited by the Board of Directors.

The members of Bittium's Board of Directors and Audit Committee are not employees of the company.

CEO and Management Group

The CEO is in charge of operational management in accordance with the Finnish Limited Liability Companies Act, the Articles of Association and the instructions and orders issued by the Board of Directors. The CEO is responsible for the preparation of Board meetings, the implementation of the Board's decisions, the legality of accounting and the reliability of asset management. The CEO is responsible for the preparation of the company's strategy, long-term plans, investments, mergers, acquisitions and divestments, and financing arrangements, and deciding on these to the extent that the decision-making power concerning the matter in question does not lie with the Board of Directors. The CEO is supported by the Management Group.

Bittium's Management Group is responsible for approving and evaluating the principles, commitments and targets related to sustainability. The Management Group is responsible for the implementation of plans and targets, as well as the integration of sustainability topics and corporate responsibility into the company's strategy. The Management Group is responsible for the realization of commitments and targets and monitors them on a monthly basis. The Management Group receives regular training on sustainability with regard to anti-corruption and

anti-bribery measures, for example. The Management Group has received training on the CSRD and ESRS standards.

With the exception of the CEO, the members of the Management Group are employees of the company. More information on the number of members of the Management Group and their gender distribution is provided in section S1-9.

Sustainability Working Group

Bittium has a separate sustainability working group, which develops, monitors, and assesses key sustainability indicators and the achievement of targets. The tasks of the working group include participating in the management and assessment of sustainability risks and the Group's sustainability reporting. The sustainability working group is led by the Vice President, Communications and Sustainability. The group has six (6) members: the CEO; Vice President, Communications and Sustainability; Chief Legal Officer; CFO; Director, Human Resources; and Head of Quality and Research. The sustainability working group is led by the Vice President, Communications and Sustainability. The sustainability working group meets on a regular basis.

Expertise with Regard to Sustainability Matters

The expertise of the Board of Directors and the Management Group with respect to good corporate governance and sustainability mainly consists of previous work experience in different companies and participation in training activities. For example, some of the Board members have participated in training related to business management, value chain management, financial management and board membership, which promotes good corporate governance. The members of the Board of Directors and the Management Group have also accumulated expertise from the company's internal anti-corruption and anti-bribery training activities, as well as seminars on the ESRS standards and the CSRD Directive aimed at board professionals.

The Board of Directors and the Audit Committee have discussed with the CEO and the Vice President, Communications and Sustainability in regular ESG reviews the need to ensure sufficient expertise in sustainability issues relevant to the company and have strengthened expertise where necessary, for example in relation to climate change adaptation.

Sustainability Management at Bittium

Information Provided to and Sustainability Matters Addressed by the Undertaking's Administrative, Management and Supervisory Bodies (GOV-2)

Bittium's Board of Directors approves sustainability reporting annually. Bittium's Management Group discusses sustainability issues, monitors the effectiveness of sustainability measures, and sets sustainability targets in its twice-yearly management review. The Management Group is also responsible for implementing sustainability plans and actions in day-to-day operations.

The Audit Committee of Bittium Corporation's Board of Directors discusses sustainability issues on a regular basis and as needed. The Audit Committee oversees the Group's sustainability reporting process and reporting. The committee monitors the company's sustainability reporting and the assurance thereof. The Board of Directors of Bittium Corporation addresses sustainability matters on the basis of the Management Group's proposals and approves the company's sustainability statement annually.

In 2024, Bittium reported to the administrative, management and supervisory bodies on material impacts, risks and opportunities in accordance with sustainability reporting in connection with the double materiality assessment. Bittium documented its due diligence process in accordance with the OECD guidelines in 2024, and the company will continue to establish related policies, actions, metrics and targets in 2025. Bittium will report on the results and effectiveness of the process to the administrative, management and supervisory bodies from 2025 onwards. As the impacts, risks and opportunities addressed in the manner described in this sustainability statement were established in 2024, they were not taken into account during 2024 in overseeing the strategy, decisions on major transactions and the risk management process. In the future, they will be taken into consideration on a regular basis as part of the Management Group's normal reporting.

A list of the material impacts, risks and opportunities addressed by the administrative, management and supervisory bodies, or their relevant committees, during the reporting period.

Impact, Risk and Opportunity (IRO)	Matters Addressed by the Administrative, Management and Supervisory Bodies
E1: Transitioning the company's own business premises to renewable energy and improving energy efficiency through ecological product design, which reduces the in-use emissions of products.	Expanding the emissions calculation process to include Scope 1–3 emissions categories under the GHG Protocol for the first time.
E1: Growing regulation increases the need to allocate resources to monitoring, interpretation, the implementation of changes, and reporting.	Monitoring the adequacy of sustainability reporting resources and related competence.
E1: The growing demand for products and solutions that support the green transition and are energy efficient will contribute to the reduction of the in-use emissions of products and the reduction of customers' emissions.	Monitoring and developing data collection for sustainability reporting. Creating a transition plan and monitoring its progress. Specifying the next steps of the plan for 2025.
E5: Engaging the commitment of manufacturing partners to production that is aligned with circular economy principles, material efficiency and regulatory compliance may reduce environmental impacts and improve stakeholder perceptions.	Monitoring the completion of sustainability reporting and the transition plan.
S1: Employee satisfaction improves the employer image, employee availability, retention and motivation, and contributes to the customer experience.	Monitoring of change negotiations concerning the personnel and the impacts of cultural change.
S4: Unclear or incomplete product information or labeling may affect customers' understanding of the use of products and indirectly affect their safety, as well as reduce customer satisfaction.	Reviewing customer feedback and approving measures.
S4: Negative impacts on customer satisfaction, customer and stakeholder perceptions and, consequently, direct financial effects if perceived quality does not correspond to customer requirements.	Approval of measures that are planned on the basis of customer feedback.
S4: A significant reputational risk if information security deficiencies were to be detected in the company's operations or products. Such deficiencies may also lead to legal consequences or the termination of customer relationships.	Regular monitoring of matters related to information security and data protection.
S4: The increase in information security threats and the tightening security climate increase the demand for secure products and lead to a situation where taking information security and data protection into consideration in product development is a key opportunity for Bittium in all of its businesses.	Assessing the company's resilience and topics related to the implementation of requirements stipulated by the NIS2 Directive.
G1: Ensuring the sustainability of the supply chain through supplier requirements, audits and surveys of materials, engaging the personnel's commitment to the principles of sustainable procurement, and also taking sustainability into account in the subcontracting of personnel.	Developing the quality of products and services.
G1: The potential to grow the business even in the short term due to the changed geopolitical climate and increased information security threats.	Assessing and understanding customer needs and integrating them even more closely into product strategies.

Integration of Sustainability-Related Performance in Incentive Schemes (GOV-3)

The principles of Bittium's remuneration policy guide the Group's incentive structure and performance criteria. Bittium's remuneration is designed to align the interests of employees and shareholders and to support remuneration based on the Group's performance. The purpose of Bittium's incentive schemes is to implement the Group's strategy and develop long-term sustainable growth in line with increasing shareholder value.

Bittium's remuneration policy does not include incentive and remuneration schemes linked to sustainability-related performance for the members of the administrative, management and supervisory bodies. Climate-related aspects are not taken into consideration in the remuneration of Bittium's administrative, management or supervisory bodies.

Statement on Due Diligence Process (GOV-4)

An overview of the information on the due diligence process provided in Bittium's sustainability statement:

Core Elements of Due Diligence	Core Elements of Due Diligence
Embedding due diligence in governance, strategy and business model	ESRS2 GOV-2, ESRS2 SBM-3
Engaging with affected stakeholders in all key steps of the due diligence	ESRS2 GOV-2, ESRS2 SBM-2, ESRS2 IRO-1, ESRS2 MDR-P (topical ESRS: reflecting the different stages and purposes of stakeholder engagement throughout the due diligence process)
Identifying and assessing adverse impacts	ESRS2 IRO-1, ESRS SBM-3
Taking actions to address those adverse impacts	ESRS2 MDR-A (topical ESRS: reflecting the range of actions, including transition plans, through which impacts are addressed)
Tracking and communicating the effectiveness of these efforts	ESRS MRD-M, ESRS MDR-T and topical ESRS regarding metrics and targets

Risk Management And Internal Controls Over Sustainability Reporting (GOV-5)

The aim of risk management is to secure the company's profit performance and ensure business continuity by implementing risk management cost-efficiently and systematically in different business segments and support functions. Risk management is part of Bittium's strategic and operational planning, the day-to-day decision-making process and internal control system. Risk management integrates business targets, risks and risk management measures into a single chain.

The company has a policy approved by the Board of Directors for risk management. Risk management covers all activities relating to target-setting, risk identification, measurement, evaluation, processing, reporting, monitoring, oversight and risk response.

Risks are assessed using a scale of severity and probability, which is used to calculate the risk level. The risk assessment framework places more emphasis on severity than probability. In addition, the risks are given a time dimension and the economic impact of the risk is assessed.

Bittium developed its risk management process during 2024. Criteria for identifying potential risks related to the environment, human rights and good corporate governance were added to the risk assessment. Bittium's sustainability working group develops, monitors, and assesses key sustainability metrics and the achievement of set targets. The working group is also responsible for tasks related to the management and assessment of the Group's sustainability risks and sustainability reporting.

The sustainability-related risks identified by Bittium consist of environmental, social and governance risks. The risks of environmental damage in office work are minor. The most material risks from an environmental perspective are related to climate change adaptation, such as the potential need to redesign products. Social risks include risks related to coping with the demands of work, which is caused by workload, as well as potential human rights violations in the value chain or risks related to health, safety or privacy with regard to consumers and end-users. Governance-related risks include risks related to the management of sustainability in the company's own operations and value chain, as well as reputational risk related to corruption and bribery, mainly with regard to the value chain.

The risks identified in the sustainability reporting process included the adequacy of resources, the schedule of reporting, and sufficient compliance-related expertise. To ensure the availability of high-quality information on a tight schedule, the company developed a systematic process and regularly monitored its implementation. The company also decided to use external experts to strengthen expertise and ease resource pressure. Risks were reported regularly to the Audit Committee and the Board of Directors.

The key aspects of targets and requirements related to sustainable operations, good corporate governance, internal control and risk management are specified in policies separately approved by the Board of Directors and the internal control framework, which includes instructions, guidelines and principles concerning internal control and risk management.

Compliance processes are in place at every organization level in order to ensure compliance with the applicable laws, regulations, internal guidelines, ethical values, and sustainable business practices. The company's management and businesses are responsible for monitoring the legislation and other regulation in their own areas and for communicating any changes to the organization. The company's Chief Legal Officer coordinates the appropriateness of, and adherence to, compliance processes.

Strategy and Business Model

Strategy, Business Model and Value Chain (SBM-1)

In line with its strategy in 2024, Bittium has three business segments: Medical, which focuses on the measurement and remote monitoring of biosignals; Defense & Security, which provides products and services for the defense and security markets; and Engineering Services, which provides product development services. In addition to the business segments, the company has Group Functions segment, which includes group administration, strategic projects, and stock market listing related functions, as well as the rental of premises owned by the Group. In addition to this, Group Functions produces common services for the business segments, which are reasonable to be managed centrally.

The customers of the Medical business segment include healthcare professionals, hospitals, health centers and service providers to whom Bittium offers healthcare products and services for biosignal measurement in the areas of cardiology, neurology and sleep apnea testing. At the end of 2024, the company announced that it would launch a device for muscle activation measurement. Products and services are offered globally, taking into account the regulatory approval processes for medical devices in each country.

The Engineering Services business segment focuses on product design, development and maintenance services implemented for customers. The business solutions offered by the contract customers include products and comprehensive solutions aimed at end-users. The services sold can largely be divided into the following categories: IoT/wireless communication, health services and mobile devices and systems. Bittium's customers are mainly in Europe and North America. The customer portfolio was expanded in 2024 with new customers in the transport, traffic and professional tool markets, among others.

The Defense & Security business segment's customer categories include the defense forces of different countries, governmental organizations and public authorities, and private mobile network providers. Products and services are offered globally. The products and services, and the tactical communication networks created with them, are managed by software products. In addition, the company sells various accessories that support the use of Bittium's products and systems. The services sold by Bittium include software and hardware development, product lifecycle services, i.e. maintenance services to support the use of Bittium's products and systems, as well as the expertise of the company's specialists in various R&D projects.

At the end of 2024, Bittium had a total of 511 employees in Finland, Germany and the United States. 99% of the company's employees are based in Finland. Most of the employees are R&D engineers. More information on the personnel is provided in section "S1 Own workforce" in this sustainability statement. Bittium's operations have impacts on various stakeholders. The most significant stakeholders are investors and shareholders, customers in the private and public sectors, the personnel, partners and other suppliers, and the public authorities.

There were no changes to Bittium's product portfolio during 2024. Bittium's products are designed to have long life cycles and to be repairable and recyclable which aims to improve material and energy efficiency. For many products for the defense industry, for example, it is necessary to guarantee operational reliability, delivery reliability and maintenance, including service and updates, for several decades. Material cycles are created in relation to product repairs or returns related to the product life cycle, for example. The information security risks associated with the products must also be taken into account in this context. Bittium disassembles decommissioned products, sorts the components and recycles them appropriately. In production activities, Bittium's operating practices include ensuring delivery capacity, preparing for the growth of delivery volumes by having access to adequate business premises, and forecasting the volumes of products to be delivered. In addition to reducing the environmental impacts of its own operations, Bittium seeks to actively reduce environmental impacts throughout the value chain. The updated sustainability strategy emphasizes material impacts, risks and opportunities on the basis of the materiality assessment.

Bittium's value chain extends to several countries. The most significant of the downstream value chain countries are the United States and several European countries. The business premises related to the impacts of Bittium's value chain consist of component suppliers' production plants, factories and offices, most of which are located in Asia. Bittium aims to improve transparency in its supply chains in the coming years by acquiring, among other things, a tool for supplier management. The Bittium head office is located in Oulu. In Finland, Bittium also has sites in Espoo, Kajaani, Kuopio and Tampere. All of the premises are mainly offices, in addition to which there are production activities at two of the sites. Most of the environmental impacts of the company's own operations

arise at the two sites with production activities. In line with its transition plan, Bittium aims to switch to renewable energy at all its locations by 2030.

The inputs in Bittium's business include labor, materials used in products, production and financing. The approach to workforce acquisition, development and retention includes recruitment, training, competitive pay, developing the meaningfulness of work tasks, and subcontracting. With regard to the materials used in products, the approach includes increasing independence from individual suppliers of materials. The approach to financing includes negotiating long maturities for loans, maintaining a sufficiently high equity ratio and adherence to the practices outlined in Bittium's treasury policy with regard to securing financing.

Bittium's health technology products deliver indirect benefits through improved quality of life. In addition, the products of Bittium's Defense & Security business segment deliver benefits through improved information security. Benefits also arise from the quality, safety and durability of Bittium's products.

Bittium's value chain includes suppliers, partners, public authorities, the company's own employees, shareholders and customers. Bittium operates in a highly regulated operating environment, which is why cooperation with the public authorities plays a significant role. Suppliers of goods in the upstream value chain are of central importance to Bittium's business operations. Most of them engage in the manufacturing of components required for production operations, their transport, or primary production activities that are indirectly linked to the components. Bittium's value chain also includes people working in outsourced services and seasonal additional workforce acquired through outsourced services, such as consultants. Bittium's downstream value chain includes customers, most of which are retailers that sell the products to end-users, as well as product suppliers.

Bittium's Value Chain

Interests and Views of Stakeholders (SBM-2, S1 SBM-2)

Bittium's operations affect a wide range of stakeholders. Understanding the views and expectations of stakeholders is important for the company's operations and success. Open dialogue with the stakeholders helps to develop Bittium's operations, products, and solutions, as well as a goal-driven approach to finding solutions to social challenges.

Bittium works in cooperation with national as well as international stakeholders. The major stakeholders include Bittium's employees, customers, various suppliers, cooperation partners, authorities and other parties regulating the operations, shareholders and investors, students and educational institutions, as well as various communities.

Bittium employs 511 specialists in its field, and investments in personnel well-being and competence development are seen as one component of the value creation model. Bittium's approach to taking human rights into consideration is discussed in section S1-1.

The double materiality assessment investigated stakeholder views concerning sustainability priorities. To determine the material topics, information was collected on a selective basis from customers, partners, investors, the personnel, the management, and other stakeholders. The materiality assessment process is described in more detail under disclosure requirement IRO-1.

After establishing the priorities of the identified material aspects, the final outcome of the analysis was a materiality matrix confirmed by the Management Group and the Board of Directors. The matrix outlines the views of the company's internal and external stakeholders regarding Bittium's material aspects of sustainability as well as the company's impacts and areas of development.

The views of stakeholders have been taken into account in Bittium's sustainability strategy through information obtained from the materiality assessment process Following the materiality assessment, a plan of measures has been drawn up for the years 2025-2030, the implementation of which will be monitored annually. Interaction with stakeholders is described in more detail in the table on the next page.

Bittium's stakeholder engagement is guided by good governance practice as well as the company's values and Code of Conduct. The Board of Directors reviews the investor relations strategy and the results of personnel surveys and customer satisfaction surveys once a year.

Affected Stakeholders

Personnel	The personnel expect Bittium to offer interesting and meaningful work, as well as opportunities for professional growth.	Bittium engages with its personnel on a continuous basis through various channels, including an annual personnel survey, a semi-annual pulse survey, an equality survey and a satisfaction survey concerning the orientation training process. Bittium also organizes many events for its personnel each year to provide opportunities for open dialogue and presenting questions directly to the company's management. Bittium surveys employee perceptions of the company before new recruits start their work, and after they have started work, by means of a separate survey. An exit interview is organized for people who resign from Bittium. Bittium's most recent equality survey was carried out in 2023. The next equality survey will take place in 2025.
Customers	Our customers value competitive and reliable products and services as well as our sustainable and real-time approach to our operations.	Customers feedback is received on a continuous basis, primarily by means of frequent communication and through various annual surveys. In 2024, surveys were conducted as online surveys. Feedback is collected from various levels of customer organizations, ranging from project personnel to senior management. Customers were invited to participate in the double materiality assessment conducted in 2024. Bittium's significant customers are leading international players in their respective fields, and they are also consulted in various meetings. Product and project reviews and approvals, in particular, are easier to carry out face-to-face.
Suppliers and partners	Suppliers and partners expect fair and sustainable operations and long-term cooperation from Bittium.	When it comes to our suppliers and other partners, we have often worked with them in close cooperation for a long time following established rules and ways of working. Bittium aims to verify the compliance of key suppliers as carefully as possible by means of supplier surveys, self-assessments, supplier visits and audits carried out by Bittium or a third party. Supplier cooperation will be developed further in 2025.
Local cooperation	Bittium is expected to participate in the work of educational institutions to enable students to familiarize themselves with the company (traineeships, thesis writing). Bittium is expected to actively cooperate and share its broad expertise in development projects that create common good.	Bittium regularly supports educational institutions and schools to provide young students – and teachers – to familiarize themselves with working life. This cooperation increases awareness of Bittium among students, which may attract them to work for Bittium after graduation. R&D cooperation with companies and research institutes supports the broadening and sharing of expertise in both directions, and it also enables the collaborative advancement of technological development, for example. Research cooperation is carried out in the national context through the Seamless and Secure Connectivity project, for example, which is a Leading Company project led by Bittium. Bittium is also involved in numerous international programs, and the company also engages in active cooperation locally with the City of Oulu, among other entities.
Shareholders and investors	Shareholders, investors and analysts expect that Bittium provides long-term value and acts in a sustainable manner.	The Annual General Meeting provides shareholders with the opportunity to meet the company's management and Board of Directors and have discussions with them. The company's representatives also participate in events organized for various institutional investors. Bittium meets regularly with analysts who follow the Group. Bittium is committed to engaging in discussions with retail investors on a moderated forum aimed at investors. The aim is to maintain open dialogue with private investors.
Authorities	The public authorities expect Bittium to comply with laws and regulations in a sustainable manner and to engage in effective cooperation.	Bittium maintains a regular line of communication with the authorities, for example, with regard to export control and information security issues. The Group monitors compliance with laws and regulations, and applying them to the Group's business operations requires open and ongoing interaction with various public authorities.

Material Impacts, Risks and Opportunities and Their Interaction with Strategy and Business Model (SBM-3)

Bittium's material impacts, risks and opportunities on the environment and people, as well as financial effects, were identified in the double materiality assessment. During the year under review, Bittium incorporated these into its strategy, business model and operations and updated its sustainability strategy to correspond to the identified topics.

In 2025, Bittium will continue to integrate impacts, risks and opportunities into its business strategies in accordance with the ESRS standards.

Bittium's double materiality assessment identified the following types of impacts, risks and opportunities within the scope of the ESRS:

- Environmental impacts, risks and opportunities mainly arise from procurement and production activities related to Bittium's business operations.
- Impacts, risks and opportunities related to Bittium's own workforce and consumers and end-users mainly arise from the company's own operations.
- Impacts, risks and opportunities related to value chain workers mainly arise through the procurement of components.
- Impacts, risks and opportunities related to governance mainly arise in Bittium's own operations through management and decision-making, as well as in the value chain through procurement activities.
- All of the impacts related to components and the supply chain are material through Bittium's business relationships. The impacts, risks and opportunities related to the Group's personnel are material through Bittium's own business operations.
- The impacts related to Bittium's downstream value chain and sold products are material through Bittium's own operations.

Bittium will develop its processes related to supplier requirements by increasing and specifying its requirements during 2025. Bittium aims to increase visibility to the value chain by developing the scale, scope and consistency of information, for example.

Bittium has incorporated the risks identified in the double materiality assessment to its risk management system and, during 2025 the company will incorporate metrics that are aligned with the material impacts, risks and opportunities into its business strategies.

Bittium has identified several risks and uncertainties related to business operations, markets and the economy. These risks and uncertainties may affect the level of sales and profit. Global geopolitical instability has caused various risks related to supply and demand, and it has increased uncertainty. In the Defense & Security business, geopolitical instability has had a positive impact on the growth of demand for communication solutions for defense forces. The general awareness of information security risks has increased the sales of information security solutions. The weaker development of product development services has been influenced by the cost pressures experienced by customers, which have resulted in cuts to new product development projects and the postponement of project starts. In the Medical business, growth in the sales of biosignal measurement devices has been slowed down by the long approval processes for medical devices.

Bittium has not identified any risks or opportunities that would have a direct financial impact on the company's financial position, results or cash flows. Bittium has also not identified any risks or opportunities that would involve a significant risk that a material adjustment would have to be made to the carrying amounts of assets and liabilities reported in the financial statements in the next financial year.

Preparing for disruptions to normal operating conditions is part of Bittium's continuity management. Risks to the company's business operations and their continuity are assessed on an ongoing basis. Bittium's guidelines that support continuity management include a continuity management plan, rescue plan, crisis communication instructions and recovery plans for information systems and premises. Members of the Bittium organization participate in exercises and drills focused on crisis response and recovery. Internal and external audits and related drills are carried out. Bittium has an ISO 27001 certified information security management system, which has continuity management as one of its components. The resilience of Bittium's business models and strategy was assessed in 2024 in relation to physical risks and transition risks related to climate change which is described in more detail in Chapter E1, Section ESRS 2 SMB-3.

Aside from the physical risks and transition risks related to climate change, Bittium's resilience has not been assessed relative to the impacts, risks and opportunities.

Material Impacts, Risks and Opportunities

E1. Climate Change

Sub-topic	Description and materiality	Negative/ Positive/ Risk/ Opportunity	Stage of the value chain affected	Time horizon	Impact in relation to strategy, business model, value chain and decision*
Climate change adaptation	Potential supply chain disruption due to extreme weather phenomena, which may affect component availability, for example, and thus lead to operational costs.	Actual financial risk	Upstream Own operations Downstream	All	Bittium's business operations are dependent on component suppliers, and disruptions in the supply chain have an impact on Bittium's ability to deliver products to customers. Due to the nature of the business, the availability of special components and the technologies used, ensuring both contract manufacturing and the component supply chain are critical for delivery capability.
	Climate change can cause costs and changes in, for example, the durability of devices and products under special circumstances, as well as increase energy consumption associated with the cooling of data centers, for instance.	Potential financial risk	Own operations Downstream	Medium- to long-term	To maintain competitiveness, it is essential to take into account the minimization of the energy consumption of Bittium's own operations and products.
	The growing demand for products and solutions that support the green transition and are energy efficient will contribute to the reduction of the in-use emissions of products and the reduction of customers' emissions.	Actual opportunity	Downstream	All	Energy efficiency reduces the manufacturing costs of products, and energy-efficient products support growth. Eco-friendliness is a source of competitive advantage and growth potential.
Climate change mitigation	Growing regulation increases the need to allocate resources to monitoring, interpretation, the implementation of changes, and reporting.	Actual financial risk	Upstream Own operations Downstream	Short- to medium-term	The cost effects of adapting to the physical and transition risks related to climate change may be larger in scope (all operations) and duration than the default estimates, and thus affect the profit performance and development of the business.
Energy	Transitioning the company's own business premises to renewable energy and improving energy efficiency through ecological product design, which reduces the in-use emissions of products.	Actual positive impact	Own operations Downstream	All	Energy efficiency reduces costs, and energy-efficient products offered by the company can support the growth targeted in the strategy.

E5. Circular Economy

Sub-topic	Description and materiality	Negative/ Positive/ Risk/ Opportunity	Stage of the value chain affected	Time horizon	Impact in relation to strategy, business model, value chain and decision*
Resources inflows, including resource use	Engaging the commitment of manufacturing partners to production that is aligned with circular economy principles, material efficiency and regulatory compliance may reduce environmental impacts and improve stakeholder perceptions.	Actual opportunity	Upstream Own operations	All	Strategic contract manufacturers and component suppliers play a key role in Bittium's business operations. Long product life cycles require long-term cooperation from partners and customers. Promoting material efficiency in the supply chain reduces costs and increases efficiency, which are strategic targets for Bittium.
Resources outflows related to products and services	Competition risk if competitors are able to respond to product development in a more agile manner, or if competitors have more sustainable products through sustainable design, such as longer functional life or repairability.	Potential financial risk	Own operations Downstream	Medium- to long-term	The redevelopment of products with long life cycles would require significant R&D investments. Failures in R&D projects increase costs and reduce competitiveness.
Waste	Extending the lifetime of products, ensuring serviceability and appropriate recycling instructions reduce the amount of waste.	Actual positive impact	Own operations Downstream	All	Sustainability has been taken into consideration as an enabler of business operations in Bittium's growth strategy. In the development and design of products and solutions, Bittium takes into account conformity with requirements throughout the entire life cycle of the solution, which improves the competitiveness of the products and increases demand for them.

*Includes both current and projected impacts

S1. Own Workforce

Sub-topic or/and sub-sub-topic	Description and materiality	Negative/ Positive/ Risk/ Opportunity	Stage of the value chain affected	Time horizon	Impact in relation to strategy, business model, value chain and decision*
Working conditions: Secure employment	Employee satisfaction improves the employer image, employee availability, retention and motivation, and contributes to the customer experience.	Actual positive impact	Own operations	All	Bittium's business is dependent on skilled and productive workforce. A workforce with a high level of well-being has a positive impact on the employer image and customer satisfaction by supporting the good quality of work.
Working conditions: Health and safety	Workload poses a risk to the well-being of employees and their ability to cope with the demands of work and, in a broader sense, the availability and retention of workers.	Actual financial risk	Own operations	All	Bittium's business is dependent on skilled and productive workforce. Problems related to working conditions would pose a significant risk to the commitment of the workforce and the recruitment of new employees. Potential sickness absences can have a negative impact on business operations. It can be difficult to quickly find replacements for critical specialists.
Equal treatment and equal opportunities for all: Training and skills development	The rapidly changing operating environment requires training and competence development, which also contributes to employee motivation, efficiency and competitiveness.	Actual positive impact	Own operations	All	In Bittium's strategy, competitiveness is based on high technological expertise, which requires continuous development to maintain the competitiveness of products, for example. Investing in the competence of the personnel and ensuring specialized expertise help to guarantee Bittium's position as a pioneer of technology. The competence of the personnel also contributes to efficiency and employee motivation, keeping the company's competitiveness at a good level.
Equal treatment and equal opportunities for all: Diversity	Active promotion of diversity, equality and non-discrimination and open communication can strengthen the external employer image and create a positive reputation, which can help to attract skilled workers and improve competitiveness.	Actual opportunity	Own operations	All	Bittium's business operations are dependent on the availability of skilled personnel, which is supported by a good employer image.

*Includes both current and projected impacts

S2. Workers in the Value Chain

Sub-topic or/and sub-sub-topic	Description and materiality	Negative/ Positive/ Risk/ Opportunity	Stage of the value chain affected	Time horizon	Impact in relation to strategy, business model, value chain and decision*
Other work-related rights: Forced labor	Potential human rights violations (child labor, forced labor, poor working conditions) in Bittium's value chain may lead to significant financial consequences and reputational damage to Bittium through changes in customer or supplier relationships, for example.	Actual financial risk and potential negative human rights impact	Upstream	All	Bittium operates in markets in which any negative issue or incident associated with reliability has a significant impact on the company's reputation and the development of business.

*Includes both current and projected impacts

S4. Consumers and End-Users

Sub-topic or/and sub-sub-topic	Description and materiality	Negative/ Positive/ Risk/ Opportunity	Stage of the value chain affected	Time horizon	Impact in relation to strategy, business model, value chain and decision*
Personal safety of consumers or end-users: Health and safety	Potential reputational risk if any deviations in product safety that cause hazardous incidents were to be detected.	Actual financial risk	Own operations Downstream	All	One of the cornerstones of Bittium's growth strategy is the commercialization of products and services, as well as customer orientation. Quality deviations could lead to a bad reputation and pose a negative risk to financial performance. Delivering high-quality and secure solutions to customers is essential for maintaining competitiveness.
	Negative impacts on customer satisfaction, customer and stakeholder perceptions and, consequently, direct financial effects if perceived quality does not correspond to customer requirements.	Actual financial risk	Own operations Downstream	All	
	Improving the health and safety of customers with Bittium's technology products that promote healthcare.	Actual opportunity	Own operations Downstream	All	Bittium's Medical business segment focuses on healthcare technology solutions in selected business areas. The aim is to promote people's health and access to appropriate care.
Information-related impacts on consumers and/or end-users: Privacy	A significant reputational risk if information security deficiencies were to be detected in the company's operations or products. Such deficiencies may also lead to legal consequences or the termination of customer relationships.	Actual financial risk	Own operations Downstream	All	Bittium operates in markets in which information security and data protection play a significant role as enablers of business operations.
	The increase in information security threats and the tightening security climate increase the demand for secure products and lead to a situation where taking information security and data protection into consideration in product development is a key opportunity for Bittium in all of its businesses.	Actual opportunity	Own operations Downstream	All	In the Defense & Security business segment, Bittium offers highly secure products and services. The company has extensive information security expertise, which is utilized in the offering of all of the business segments.
Information-related impacts on consumers and/or end-users: Availability of high-quality information	Unclear or incomplete product information or labeling may affect customers' understanding of the use of products and indirectly affect their safety, as well as reduce customer satisfaction.	Actual negative impact	Own operations Downstream	All	Providing high-quality and secure products to customers is essential for Bittium's business operations and maintaining competitiveness. Significant quality deviations would cause risks to Bittium's reputation and customer satisfaction and thus have a negative impact on the progress of the growth strategy.

*Includes both current and projected impacts

G1. Business Conduct

Sub-topic and/or sub-sub-topic	Description and materiality	Negative/ Positive/ Risk/ Opportunity	Stage of the value chain affected	Time horizon	Impact in relation to strategy, business model, value chain and decision
Corporate culture	Operational risk and reputational risk if the corporate culture or the management of sustainability risks does not take into account increasing stakeholder requirements or if the company does not react to changes in legislation and regulations quickly enough.	Actual financial risk	Own operations	All	The potential negative impacts of unethical corporate culture, such as reputational damage and the termination of cooperation relationships, would pose challenges to the progress of the growth strategy if they were to materialize.
	A potential competitive advantage through favorable customer and stakeholder perceptions and innovations, if sustainability can be linked to the strategy and thus exceed the minimum requirements.	Opportunity	Own operations Downstream	Medium	Improving sustainability-related factors in Bittium's products may provide the company with an increasing competitive advantage in the future as sustainability regulations affect customer needs. Promoting sustainability perspectives in design work carried out for customers can grow Bittium's business.
	R&D cooperation with partners increases innovation, expands the competence of Bittium's own personnel and promotes business opportunities by improving stakeholder perceptions.	Actual opportunity	Own operations	All	The provision of new innovations that have been promoted through development cooperation supports the implementation of Bittium's growth strategy.
Management of relationships with suppliers, including payment practices	Ensuring the sustainability of the supply chain through supplier requirements, audits and surveys of materials, engaging the personnel's commitment to the principles of sustainable procurement, and also taking sustainability into account in the subcontracting of personnel.	Actual positive impact	Upstream Own operations	All	Suppliers play a significant role in Bittium's business, and taking sustainability into account in procurement promotes positive impacts on people and the environment. Training the personnel and engaging their commitment to the principles of sustainable procurement strengthens the company's competitiveness as a provider of sustainable products and services.
	Potential reputational risk if there were to be sustainability-related violations in the supply chain, such as adverse environmental incidents or negative human rights impacts.	Actual financial risk and potential negative human rights impact	Upstream Own operations	All	Suppliers play a significant role in Bittium's business, and potential sustainability-related violations in the supply chain could cause significant reputational damage to Bittium and thus slow down the progress of the growth strategy.
Political influence and lobbying activities	The potential to grow the business even in the short term due to the changed geopolitical climate and increased information security threats.	Actual opportunity	Own operations Downstream	All	The products and services of Bittium's Defense & Security business segment are used by national governments and public authorities. Participation in large development projects that involve several operators creates opportunities to utilize the company's expertise for the general development of political security.
Corruption and bribery: Incidents	Potential reputational risk if violations related to corruption and bribery were to occur in the company's own operations or supply chain.	Actual financial risk	Upstream Own operations	All	In Bittium's business, corruption or other similar violations would affect the company's reputation and thus have an impact on the implementation of the growth strategy.

*Includes both current and projected impacts

The Targets of Bittium's Sustainability Strategy 2025-2030

Bittium updated its sustainability strategy for 2025–2030 in 2024 on the basis of the results of the double materiality assessment. In updating the strategy, Bittium took into account the impacts, risks and opportunities identified in the materiality assessment. The targets, measures and metrics shown in the table below are emphasized in the updated strategy. (48b) The table also provides results in line with future targets for 2024.

	Topic	Measure	Metric	Target	2024	Report
Responsibility for the environment	Reducing the carbon footprint	• Switching Bittium's leased cars to electric vehicles • Transitioning to renewable energy at all sites	Scope 1 and 2 emissions	2030: Net zero emissions Scope 1 and 2 (base year 2023)	Scope 1: 0% Scope 2: -19%	E1
	Reducing the carbon footprint	• Improving material efficiency and energy efficiency • Transport optimization and reducing emissions • Engaging the commitment of identified critical suppliers to the carbon neutrality target	Scope 3 emissions	2030: -42% reduction in Scope 3 emissions (base year 2023)	-0.1%	E1
Innovative and developing people	Personnel with a high level of well-being and commitment	• Development of personnel satisfaction	Bittium Employee Survey (BES) result	2025: BES result >3.8	3.8	S1
	Strong sustainability culture	• We will integrate sustainability more strongly into our corporate culture and day-to-day operations	New sustainability training	2027: 100% of the personnel have participated in the training	N/A	S1
	Diverse and competent personnel	• Strengthening the competence of the personnel through training • We will update our equality plan based on the results of the equality survey	Total training Gender distribution, %	2030: Amount of training completed: >5 days/employee 2030: Share of women among the personnel 20% 2030: Share of women among supervisors: 20%	1.4 days 15% 18%	S1
	Sustainable value chain	• Developing supplier audits	Audits of critical suppliers	2030: Total number of audited suppliers 100% of identified critical suppliers audited	12.5%	S4
Sustainable business conduct	A reliable partner	• We develop an even more open dialogue between different stakeholders	Customer recommendation index (NPS)	2030: Customer satisfaction NPS >45	48	G1
	Good governance	• We prevent corruption and improve our ethical operating models	Updated Code of Conduct and Anti-Corruption training	2025: 95% of the personnel 2026: 100% of the personnel	N/A	G1
	Information security	• We will improve the information security of our products and develop new technology for improving information security	Updated information security training	2025: Personnel training coverage 100%	N/A	G1

Impact, Risk and Opportunity Management

Description of the Processes to Identify and Assess Material Impacts, Risks and Opportunities (IRO-1, G1 IRO-1)

As part of the double materiality assessment, Bittium identified impacts, risks and opportunities, taking into account the Group's location, operations, sector and business structure. The assessment covers the Group's entire business operations, but not the operations of associated companies. The list of sustainability aspects covered by the subject-specific ESRS standards presented in ESRS 1 was used to identify impacts, risks and opportunities.

Bittium carried out a double materiality assessment in accordance with the ESRS standards in 2024 together with Bittium's management, the key personnel of the business segments and an external expert organization. External climate experts were utilized in the process of identifying transition risks and physical risks related to climate change.

In the double materiality assessment, Bittium's material sustainability matters were identified and prioritized from two perspectives: Bittium's impacts on people and the environment, and the financial risks and opportunities of the material sustainability matters in relation to Bittium. The risks and opportunities related to sustainability matters, and their likelihood, were taken into account in the assessment of the material impacts, risks and opportunities. The assessment of impacts also took into account different time horizons: short term (less than 1 year), medium term (1–5 years) and long term (more than 5 years).

In the double materiality assessment and the identification of Bittium's material impacts, risks and opportunities, the company utilized EFRAG guidelines, ESRS 1 standard, internal data and reports, publicly available materials, stakeholder interviews with Bittium's external stakeholders, the results of stakeholder surveys, and the results of meetings and workshops. The due diligence process was not taken into account at this stage of the assessment, as the extensive development of the process only began in the latter part of 2024. The material impacts, risks and opportunities were described, assigned scores and categorized into environmental, social and governance themes in accordance with the ESRS standards. In the process, impacts, risks and opportunities were identified throughout the entire value chain, including Bittium's most important suppliers, partners, regulatory authorities, customers, shareholders and personnel.

The views of the value chain participants were collected by means of external stakeholder interviews.

Views from the company's own personnel and operational activities were from internal key individuals in meetings and workshops and by means of an electronic survey aimed at the personnel. Based on interviews with value chain stakeholders and a survey commissioned for personnel, assumptions were made about the views of value chain stakeholders and personnel, as well as the material impacts, risks and opportunities affecting them. The assessment of impacts, risks and opportunities included the identification of the stage of the value chain in which the impact, risk or opportunity occurs.

Bittium's multidisciplinary working group assigned scores to the impacts, risks and opportunities in two workshops. The materiality of impacts was assessed on the basis of their severity and likelihood. Severity was based on the scale, scope and irremediable character of the impact. The scale, scope and likelihood of positive impacts was assessed. The impacts were also divided into actual and potential impacts. The assessment criteria were based on EFRAG guidelines.

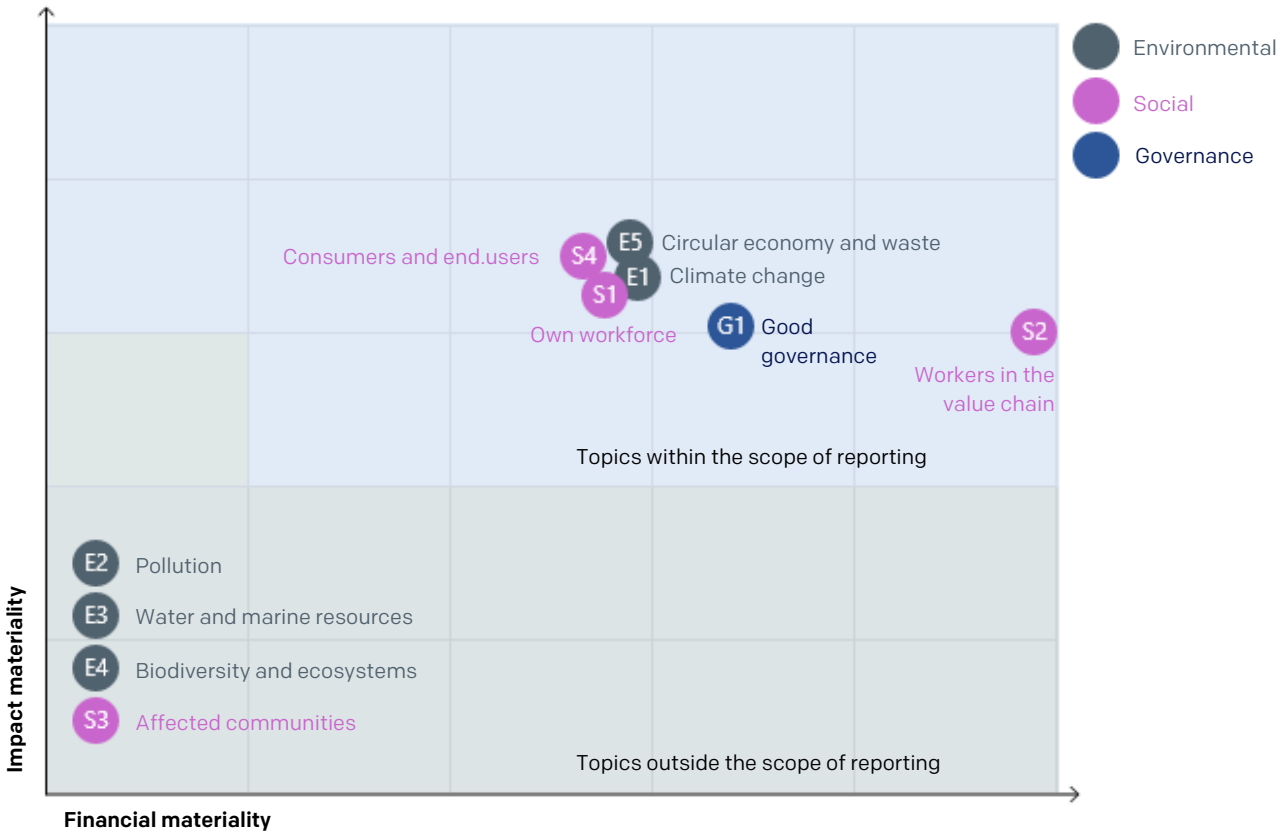
After the assessment rounds, the impacts, risks and opportunities were discussed and the results were visualized in matrices. (53 a,c) Materiality was assessed separately for impacts on people and the environment and financial effects. In both dimensions of the assessment, the highest values assigned for negative or positive impacts were taken into account in the assessment of materiality.

Factors that may increase the risk of adverse impacts were identified in the double materiality assessment process. These factors include low visibility into the procurement chain and human rights impacts, and potential conflict minerals, among other things. With regard to the material sustainability matters, the company assessed how the identified negative and positive impacts may affect the sustainability-related risks and opportunities. Material impacts and risks related to sustainability matters were identified on the basis of the assessment. Dependencies were typically assessed for different sustainability matters from different perspectives, i.e. there may be dependencies in terms of personnel, finances and nature, and they were taken into account in the risk assessment.

A sustainability matter was identified as financially material if it has, or could potentially have, a material financial effect on the company over some time horizon. The materiality of financial risks and opportunities was assessed according to

their magnitude, type and likelihood. The likelihood of each identified impact, risk and opportunity, and the severity of the potential impact, was assessed on a scale of 1–5. The materiality of each impact, risk and opportunity was determined to be either low, moderate, high or critical according to the combined materiality score. Impacts, risks and opportunities with high (or critical) significance emerged as material topics. The results of the double materiality assessment process were validated together with Bittium's key individuals and discussed by the Management Group, Audit Committee and Board of Directors. The results of the double materiality assessment were discussed and the assessment was further specified together with the company's key individuals again in late 2024, and the final results were approved by the company's Audit Committee and Board of Directors at the beginning of 2025. The threshold of financial materiality is described below.

Double Materiality Matrix



Bittium has a general risk management process into which the company has begun to incorporate the risks identified in the process of identifying, assessing and managing impacts and risks in accordance with sustainability reporting during 2024. The process will continue into 2025. Sustainability-related risks have thus far not been prioritized in relation to other risks. (53c iii.) Bittium's materiality assessment was approved by the Board of Directors and its results have been approved by the Audit Committee and the Board of Directors. Bittium's sustainability organization coordinates sustainability processes and their implementation in operations and processes. The process of identifying, assessing and managing opportunities has thus far not been integrated into Bittium's management process, but it will be integrated by 2027.

Description of the Processes to Identify and Assess Material Climate-Related Impacts, Risks and Opportunities (E1 IRO-1)

Adverse environmental impacts are identified in connection with the annually reviewed double materiality assessment and on an ongoing basis in accordance with Bittium's risk management process. This process of managing adverse

impacts is implemented at the management, control, product business and project levels, and in the supplier interface. In 2024, Bittium carried out a broader assessment of climate-related risks and a scenario analysis to assess the physical climate risks and transition risks related to its own operations and value chain.

Bittium reports on impacts over three time horizons: short term (0–1 years), medium term (1–5 years) and long term (more than 5 years). An applied approach was used in the assessment of physical risks by combining the short term and the medium term (comparison periods 2020–2040 and 1990–2020). Long-term changes were examined in the scenario for the period 2040–2060. The choice of the time horizon is based on the lifetime of Bittium's products, which is approximately 15 years at its longest. In terms of geography, the assessment was carried out in relation to the activities and the characteristics of the phenomenon causing the risk.

Bittium's climate risks have been assessed by calculating the Group's total carbon footprint in accordance with the GHG Protocol guidelines. The aim was to identify the most significant risks and climate-related impacts. Actual emissions have been calculated in accordance with the E1-6 disclosure requirements. Potential future GHG emissions have been estimated by taking into consideration the company's targeted annual growth in net sales. (20a, AR9a, b) Bittium's physical climate risks have been assessed in an RCP8.5 (Representative Concentration Pathway) compliant scenario that corresponds to global warming of four degrees. In this scenario, climate change is the strongest, which means it has the largest impact on Bittium's product design, covering the potential risks the best among the scenarios. The scenario was examined using the EU's Copernicus information service and the information service of the Intergovernmental Panel on Climate Change (IPCC) under the United Nations. Other applicable sources were also used in the analysis, including materials from NGFS (Network for Greening the Financial System), which is a global network of central banks and supervisors. Risk sensitivity and adaptability at the present time was assessed using Bittium's risk impact framework. Exposure was estimated on the basis of climate data by assessing the frequency and intensity of incidents and the magnitude of change as the climate warms.

Bittium's transition risks were assessed according to the time horizons specified above and for the long term, extending to 2060, in accordance with the scenarios. Regional differences were taken into account in the assessment at the continental level. Transition events were assessed in the Paris Agreement scenario (global warming of less than 2°C). In the scenario, transition risks consist of business activities that are not yet compatible with the transition to a climate-neutral economy. For Bittium's product development, the transition to climate-neutral production causes the greatest change and thus provides the broadest coverage of potential risks compared to other scenarios. Bittium's assessment of transition risks was based on the results of the latest scenario analyses created by institutions, such as the global network of central banks and supervisors. The results were categorized into transition risks and opportunities. Exposure assessment was carried out as a qualitative description, taking into account the duration of the transition event and the impact of the event on Bittium's operations. Highly unlikely events were excluded from the scenario analysis.

The transitional provision is applied in the assessment of the anticipated financial effects, and the financial effects will be reported for the first time in the second year of reporting. For the time being, the financial materiality of the risks was defined so that only a phenomenon or event that affects product design or has previously caused significant financial effects is considered to be material. A scenario analysis was carried out for the material risks, based on which the likelihood of the events causing risks and opportunities during the specified time horizons was determined. Events assessed to be highly unlikely were excluded. The assignment of scores to physical risks took into account the frequency of the phenomenon in the region in question. The impact was defined as the vulnerability of the activity to the phenomenon in question, and the likelihood corresponds to exposure to a given natural phenomenon. In the first year of reporting, the material physical risks were assigned scores solely on the basis of technical performance. Financial effects will be taken into consideration in subsequent assessments. Qualitative descriptions were also provided for the impacts of physical risks, including information on how the event could affect cash flow.

Determining the exact likelihood was impossible for transition risks and opportunities. All of the identified transition risks, excluding highly unlikely risks and opportunities, were considered to be material. In the first year of reporting, material transition risks were assessed only in terms of a qualitative description, including the effects on cash flow. The descriptions also took into account Bittium's dependencies on resources, such as natural resources and labor. The likelihood of the events for Bittium and the magnitude of the financial effects will be assessed in more detail in 2025–2026. The severity of material risks, i.e. the risk level, was determined by assigning scores according to the scoring methodology applied in Bittium's double materiality assessment, in which

the impact and likelihood were assessed on a scale of 1–5 and multiplied with each other.

Description on the Assessment of Non-Material Topics

The following topics were assessed as not material for Bittium: ESRS E2 Pollution, ESRS E3 Water and marine resources, ESRS E4 Biodiversity and ecosystems, and ESRS S3 Affected communities.

As part of the double materiality assessment, Bittium identified impacts, risks and opportunities, taking into account the Group's location, operations, sector and business structure. (E3 8a) Bittium operates globally. In Bittium's operations, components are sourced from suppliers and no significant amounts of water are used in Bittium's own production activities. Consequently, the company's own operations are not linked to significant water withdrawals or the deterioration of habitats through agriculture, forestry or construction. The partner used in connection with the materiality assessment organized two workshops in which Bittium's impacts on nature and society, and the risks and opportunities arising from these impacts, as well as risks and opportunities arising from nature and society, were identified and assessed (double materiality). Stakeholder interviews were also conducted. Based on these, a double materiality assessment was prepared, in which Bittium's key sustainability themes were identified. No specific stakeholder consultations have been organized for affected communities. During Bittium's reporting and assurance process, the E2 topical standard was identified as non-material due to the low amount of substances of concern.

Bittium's sites are located in Finland, mainly in urban areas, which are not classified as sensitive areas or protected areas for biodiversity, because the areas are areas zoned for office and commercial use and production facilities. During the planning phase, efforts are made to assess the natural values of the areas, and Bittium bases its scenarios on these studies commissioned by the planning authority. Bittium does not engage in activities related to construction, property development or agriculture and forestry. Impacts on water and marine resources and the deterioration of natural habitats and the habitats of species are possible in the upstream value chain, but Bittium is not aware of any significant environmental impacts related to the supply chain. The aforementioned impacts were assessed as minor in the materiality assessment, and it has not been considered necessary to implement any corrective biodiversity mitigation measures.

Description of the Processes to Identify and Assess Material Resource Use and Circular Economy-Related Impacts, Risks and Opportunities (E5 IRO-1)

Value chain participants' views concerning resource use and the circular economy were collected by means of external stakeholder interviews, the participants of which included Bittium's suppliers, customers, partners, the occupational healthcare service provider and a shareholder. Views from the company's own personnel and operational activities were collected by engaging the participation of internal key individuals in workshops and by organizing a sustainability survey aimed at the personnel. Impacts on resource inflows and outflows as well as waste were identified throughout the value chain, including Bittium's most significant suppliers, most important partners, customers, shareholders and personnel. During the mapping of impacts, risks and opportunities, a business model was developed by examining assumptions about where in the value chain actual and potential impacts, risks or opportunities occur.

Regarding the E5 circular economy theme, the mapping of impacts, risks and opportunities has specifically taken into account the impacts of the manufacturing, processing and transportation of the components and raw materials contained in Bittium's products from the supply chain. Regarding the impacts, risks and opportunities of the company's own operations and the end of the value chain, the sustainability, recyclability and end use of Bittium's products have been taken into account. The amount of waste generated by the company's own operations was measured as a special method. Regarding the company's own operations and the end of the value chain, the mapping has assumed that the products are used and disposed of in accordance with the instructions provided by Bittium.

Disclosure Requirements in ESRS Covered by the Undertaking's Sustainability Statement (IRO-2)

The double materiality analysis identified and prioritized the sustainability issues that are material to Bittium from two perspectives: Bittium's impacts on people and the environment, and the financial risks and opportunities of the sustainability issues in relation to Bittium. The assessment of material impacts, risks and opportunities took into account the risks and opportunities related to the sustainability issues and their probabilities. The probability of each identified impact, risk and opportunity and the severity of the potential impact have been assessed on a scale of 1–5. For each impact, risk and opportunity, an aggregate value has been obtained on the materiality significance scale of low, moderate, high and critical. The materiality threshold was high (and critical).

More information on the materiality assessment is provided under disclosure requirement IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities.

ESRS Content Index

The ESRS content index lists all ESRS disclosure requirements according to ESRS 2 as well as six subject-specific standards that are material to Bittium based on the double materiality assessment conducted in 2024. Bittium has excluded disclosure requirements according to standards E2, E3, E4 and S3 because they did not emerge as material topics for the company in the materiality assessment.

Disclosure Requirements		Section/Report
ESRS 2 General Information		
Basis of preparation	BP-1	General basis for preparation of the sustainability statements
Basis of preparation	BP-2	Disclosures in relation to specific circumstances
Governance	GOV-1, G1	The Role of the Administrative, Management and Supervisory Bodies
Governance	GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies
Governance	GOV-3, E1	Integration of sustainability-related performance in incentive schemes
Governance	GOV-4	Statement on Due Diligence Process
Governance	GOV-5	Risk management and internal controls over sustainability reporting
Strategy	SBM-1	Strategy, Business Model and Value Chain
Strategy	SBM-2, S1	Interests and views of stakeholders
Strategy	SBM-3	Material Impacts, Risks and Opportunities and Their Interaction with Strategy and Business Model
Managing impacts, risks and opportunities	IRO-1, G1, E1, E2, E3, E4, E5	Description of the processes to identify and assess material impacts, risks and opportunities
Managing impacts, risks and opportunities	IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement
E1 Climate Change		
Environmental Information	EU Taxonomy	EU Taxonomy
Environmental Information	E1-1	Transition plan for climate change mitigation
Environmental Information	ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model
Environmental Information	E1-2	Policies related to climate change mitigation and adaptation
Environmental Information	E1-3	Actions and resources in relation to climate change policies
Environmental Information	E1-4	Targets related to climate change mitigation and adaptation
Environmental Information	E1-5	Energy consumption and mix
Environmental Information	E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions
E5 Resource Use and Circular Economy		
Environmental Information	E5-1	Policies related to resource use and circular economy
Environmental Information	E5-2	Actions and resources related to resource use and circular economy
Environmental Information	E5-3	Targets related to resource use and circular economy
Environmental Information	E5-4	Resource inflows
Environmental Information	E5-5	Resource outflows
S1 Own Workforce		
Social Information	ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model
Social Information	S1-1	Policies related to own workforce
Social Information	S1-2	Processes for engaging with own workers and workers' representatives about impacts
Social Information	S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns

Disclosure Requirements		Section/Report
Social Information	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
Social Information	S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities
Social Information	S1-6	Characteristics of the undertaking's employees
Social Information	S1-7	Characteristics of non-employee workers in the undertaking's own workforce
Social Information	S1-9	Diversity metrics
Social Information	S1-11	Social protection
Social Information	S1-13	Training and skills development metrics
Social Information	S1-14	Health and safety metrics
Social Information	S1-16	Remuneration metrics
S2 Workers in the Value Chain		
Social Information	ESRS 2 BP-2-17	Use of transitional provisions according to ESRS 1 Appendix C
S4 Consumers and End-Users		
Social Information	ESRS 2 BP-2-17	Use of transitional provisions according to ESRS 1 Appendix C
G1 Governance Information		
Governance Information	G1-1	Business conduct policies and corporate culture
Governance Information	G1-2	Management of relationships with suppliers
Governance Information	G1-3	Prevention and detection of corruption and bribery
Governance Information	G1-4	Incidents of corruption or bribery
Governance Information	G1-5	Political influence and lobbying activities
Governance Information	G1-6	Payment practices

Data Points that Derive from other EU Legislation

Disclosure Requirement and Related Data Point	SFDR Reference	Pillar 3 Reference	Benchmark Regulation Reference	EU Climate Law Reference	Page Number
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/181612 , Annex II		5
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		5
ESRS 2 GOV-4 Statement of sustainability due diligence process paragraph 30	Indicator number 10 Table #3 of Annex 1				8
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/245313 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		N/A
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		N/A
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/181814 , Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		N/A
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegoidun asetuksen (EU) 2020/1818 12 artiklan 1 kohta, delegoidun asetuksen (EU) 2020/1816 liite II		N/A
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	42

Disclosure Requirement and Related Data Point	SFDR Reference	Pillar 3 Reference	Benchmark Regulation Reference	EU Climate Law Reference	Page Number
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		42
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		47
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				49
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				49
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				49
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		50
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		50
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	N/A

Disclosure Requirement and Related Data Point	SFDR Reference	Pillar 3 Reference	Benchmark Regulation Reference	EU Climate Law Reference	Page Number
ESRS E1-9 Exposure of the benchmark portfolio to climaterelated physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Transitional provision, not published 2024
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk			Transitional provision, not published 2024
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34;Template 2:Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			Transitional provision, not published 2024
ESRS E1-9 Degree of exposure of the portfolio to climate related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Transitional provision, not published 2024
ESRS E2-4 Amount of each pollutant listed in Annex II of the EPRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1, Indicator numbers 1, 2, 3 Table #2 of Annex 1				Not relevant
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				Not relevant
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				Not relevant
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				Not relevant

Disclosure Requirement and Related Data Point	SFDR Reference	Pillar 3 Reference	Benchmark Regulation Reference	EU Climate Law Reference	Page Number
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				Not relevant
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				Not relevant
ESRS 2- IRO 1 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				Not relevant
ESRS 2- IRO 1 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				Not relevant
ESRS 2- IRO 1 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				Not relevant
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				Not relevant
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				Not relevant
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				Not relevant
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				57
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				57
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				63
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				14
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				64

Disclosure Requirement and Related Data Point	SFDR Reference	Pillar 3 Reference	Benchmark Regulation Reference	EU Climate Law Reference	Page Number
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		64
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				64
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				64
ESRS S1-3 grievance/ complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				65
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		69
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				69
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex I		70
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				70
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				Not relevant
ESRS S1-17 Non respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		Not relevant
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				12
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				73

Disclosure Requirement and Related Data Point	SFDR Reference	Pillar 3 Reference	Benchmark Regulation Reference	EU Climate Law Reference	Page Number
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				73
ESRS S2- 1 Nonrespect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		73
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		73
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				72
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				Not relevant
ESRS S3-1 non respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not relevant
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				Not relevant
ESRS S4-1 Policies related to consumers and end users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				76
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		76

Disclosure Requirement and Related Data Point	SFDR Reference	Pillar 3 Reference	Benchmark Regulation Reference	EU Climate Law Reference	Page Number
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				78
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				82
ESRS G1-1 Protection of whistleblowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				82
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		87
ESRS G1-4 Standards of anticorruption and anti-bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				87

Environmental Information

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EU Taxonomy

The EU Taxonomy Regulation was published to support the achievement of the objective of the European Green Deal and the EU's climate and energy goals for 2030. The aim of the Taxonomy is to establish a classification system for economic activities based on their environmental sustainability. The Taxonomy Regulation specifies six environmental objectives and requires all companies falling within the scope of the EU's Corporate Sustainability Reporting Directive (CSRD) to report certain indicators detailing the extent to which their activities are sustainable according to the applicable objectives and criteria. EU Taxonomy reporting involves reporting the share of Taxonomy-eligible, Taxonomy-non-eligible and Taxonomy-aligned economic activities of turnover, capital expenditure and operating expenditure.

Bittium's Approach to Taxonomy Alignment and Taxonomy Eligibility

Bittium has determined the Taxonomy-eligible and Taxonomy-aligned economic activities by the following process:

- Identifying the NACE classification of Bittium's economic activities and processes (statistical classification of economic activities in the European Community).
- Evaluating whether the identified economic activities correspond to the descriptions of economic activities included in Annex I and II of the Climate Delegated Act. Activities that correspond to the descriptions are identified as Taxonomy-eligible activities.
- Assessing whether the identified Taxonomy-eligible activities meet the substantial contribution criteria and the Do No Significant Harm (DNSH) criteria, and determining compliance with the minimum safeguards.
- An activity is Taxonomy-aligned if it substantially contributes to at least one environmental objective and does not significantly harm the other environmental objectives established in the technical screening criteria. An economic activity can only be considered to be Taxonomy-aligned if there is sufficient evidence. In addition, the company must comply with the minimum safeguards.

The minimum safeguards have been assessed at the Group level. Bittium's operations comply with the company's Code of Conduct, which lays down principles concerning human rights, corruption and bribery, fair competition and taxation. No violations of the minimum safeguards have been observed. Bittium's approach to the minimum safeguards is described in more detail in the sustainability statement.

In Bittium's operations, the Taxonomy-eligible activities with regard to turnover have been identified as follows: under environmental objective 1 (Climate change mitigation), category 8.1 Data processing, server space rental and related activities, and under environmental objective 2 (Climate change adaptation), category 8.2 Software, consulting and related activities, and under environmental objective 4 (Circular economy), categories 1.2 Manufacture of electrical and electronic equipment, 4.1 Provision of IT/OT data-driven solutions, 5.1 Repair, refurbishment and manufacturing, and 5.2 Sale of spare parts. With regard to operating expenditure, Taxonomy-eligible activities were identified as category 1.2 Manufacture of electrical and electronic equipment and 4.1 Provision of IT/OT data-driven solutions, both of which fall under environmental objective 4 (Circular economy).

Bittium's solutions related to data processing services and server space rental are assessed against the description of category 8.1. Solutions which utilize Bittium's own data center match the description and are Taxonomy-eligible.

In addition to the design and development of Bittium's own products related to programming, Bittium offers versatile IT expertise and services. Such activities related to computer programming and consulting are assessed against the description of category 8.2 and identified as Taxonomy-eligible. Examples of such activities include software development, the development of connectivity solutions, research and consulting services.

Bittium manufactures several of its own electrical and electronic devices for measuring biosignals and remote monitoring as well as for the defense and security markets. These activities are assessed against the description of category 1.2, and they include Bittium's own electrical and electronic equipment, the design, development, manufacture and maintenance of accessories, and the maintenance of device software in addition to the maintenance of the device structure.

Bittium offers various software products and solutions related to information technology. Such activities are assessed against the description of category 4.1. Activities in which the following are manufactured, developed, installed, put into use, maintained or repaired, or expert services are provided, including technical consulting on the design or monitoring of the following are defined as Taxonomy-eligible. Among Bittium's activities, production and delivery of its own software products and solutions related to information technology,

maintenance, implementation services for software products in the customer's environments, customer training related to implementation, support services and expert services have been defined as Taxonomy-eligible.

As part of product sales, Bittium offers repair services, which include the sale of spare parts for certain products. The activities were assessed in more detail for the financial year under review, and the separately identifiable spare part sales in question were defined as Taxonomy-eligible. These activities are assessed against the description of category 5.1.

Bittium was unable to establish with sufficient evidence that any of the Taxonomy-eligible activities meet the requirements defined in the criteria for substantial contribution. Consequently, Taxonomy-aligned turnover, Taxonomy-aligned CapEx and Taxonomy-aligned OpEx are all reported as 0%.

Basis for Preparation Concerning the Financial Performance Indicator

Turnover

- Bittium has calculated turnover in accordance with the Taxonomy Disclosures Delegated Act. The basis for preparation is consistent with the accounting policies stipulated by IFRS 15. The denominator in the table is Bittium's total net sales, which is included in Note 2.
- For category 8.2 Computer programming, consultancy and related activities, which falls under environmental objective 2 (Climate change adaptation), the turnover was not considered Taxonomy-eligible or Taxonomy-aligned in accordance with Commission Notice C/2023/305.

Capital Expenditure

- Bittium has calculated CapEx in accordance with the Taxonomy Disclosures Delegated Act. At the same time, Bittium defined gross investments as absolute capital expenditure used in taxonomy reporting. CapEx (the denominator) includes the costs incurred from the acquisition of the Group's intangible and tangible assets and right-of-use assets during the financial year and is presented in Notes 11 and 12.
- According to the EU Taxonomy Regulation guidelines, Bittium's CapEx amounted to EUR 7.24 million in 2024. Bittium had no Taxonomy-eligible CapEx in 2024.

Operating Expenditure

- Bittium has calculated OpEx in accordance with the Taxonomy Disclosures Delegated Act. OpEx (the denominator) includes direct uncapitalized costs related to research and development, short-term leases (IFRS 16) and maintenance and repairs.
- The figures concerning OpEx include the costs included in Notes 4 and 7, even though the figures only include the share of costs that corresponds to the Taxonomy Regulation.
- The determination of OpEx was specified further during the financial year under review to correspond to the costs included in OpEx in the taxonomy, and the OpEx figures for the comparison period have been adjusted to correspond to the same accounting principles.

To avoid double counting in the reported figures, the figures have been allocated to activities in accordance with the company's reporting structure and subsequently reconciled with the Group's consolidated figures.

Bittium will continue to develop its taxonomy-related assessment and reporting practices in 2025. Bittium aims to increase the share of sustainable business practices. As the scope of reporting practices expands and the practices become clearer, we expect the share of Taxonomy-eligible and Taxonomy-aligned activities to increase in the future.

Sales Revenue

Economic activities	Codes	2024 Absolute turnover M€	2024 Proportion of turnover %	Substantial Contribution Criteria: 1. Climate change mitigation Y; N; N/EL	2. Climate change adaptation Y; N; N/EL	3. Water and marine resources Y; N; N/EL	4. Circular economy Y; N; N/EL	5. Pollution Y; N; N/EL	6. Biodiversity and ecosystems Y; N; N/EL	DNSH Criteria: 1. Climate change mitigation Y/N	2. Climate change adaptation Y/N	3. Water and marine resources Y/N	4. Circular economy Y/N	5. Pollution Y/N	6. Biodiversity and ecosystems Y/N	Minimum Safeguards Y/N	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover %	Category Enabling activities E	Category Transitional activities T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (taxonomy-aligned)																			
Turnover of environmentally sustainable activities (taxonomy-aligned) (A.1)		0.00	0.0														0%		
of which enabling		0.00	0.0	%	%	%	%	%	%								%		
of which transitional		0.00	0.0	%													%		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL;N/ EL(f)	EL;N/ EL(f)	EL;N/ EL(f)	EL;N/ EL(f)	EL;N/ EL(f)	EL;N/ EL(f)										
Data processing, hosting and related activities	CCM 8.1	0.34	0%	KEL															
Manufacture of electrical and electronic equipment	CE 1.2	42.20	50%				KEL										48%		
Provision of IT/OT data-driven solutions	CE 4.1	12.79	15%				KEL										16%		
Sale of spare parts	CE 5.2	0.87	1%				KEL												
Repair, refurbishment and remanufacturing	CE 5.1	4.38	5%				KEL												
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		60.59	71%	0.3%	0%	0%	71%	0%	0%								65%		
Total (A1 + A2)		**60.59**	**71%**	**0.3%**	**0%**	**0%**	**71%**	**0%**	**0%**								**65%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		24.57	29%																
Total (A + B)		**85.16**	**100%**																

Capital Expenditure

Economic activities	Codes	2024 Capital expenditure M€	2024 Share of capital expenditure %	Substantial Contribution Criteria: 1.Climate change mitigation Y; N; N/EL	2.Climate change adaptation Y; N; N/EL	3. Water and marine resources Y; N; N/EL	4. Circular economy Y; N; N/EL	5. Pollution Y; N; N/EL	6. Biodiversity and ecosystems Y; N; N/EL	DNSH Criteria: 1.Climate change mitigation Y/N	2.Climate change adaptation Y/N	3. Water and marine resources Y/N	4. Circular economy Y/N	5. Pollution Y/N	6. Biodiversity and ecosystems Y/N	Minimum Safeguards Y/N	Proportion of Taxonomy aligned (A.1) or eligible (A.2.) turnover %	Category Enabling activities E	Category Transitional activities T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (taxonomy-aligned)																			
CapEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		0.00	0.0																
of which enabling		0.00	0.0	%	%	%	%	%	%										
of which transitional		0.00	0.0	%															
A.2 Taxonomy-eligible but not environmentally sustainable activities																			
				EL;N/ EL(f)	EL;N/ EL(f)	EL;N/ EL(f)	EL;N/ EL(f)	EL;N/ EL(f)	EL;N/ EL(f)										
Manufacture of electrical and electronic equipment	CE 1.2	0.00	0%				KEL										3.0%		
CapEx of Taxonpmy-eligble but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.00	0%	0.0%	0.0%	0.0%	0	0.0%	0.0%								3.0%		
Total (A1 + A2)		**0.00**	**0%**	**0.0%**	**0.0%**	**0.0%**	**0**	**0.0%**	**0.0%**								**3.0%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		7.24	100%																
Total (A + B)		**7.24**	**100%**																

Operational Expenditure

Economic activities	Codes	2024 Operational expenditure M€	2024 Share of perational expenditure %	Substantial Contribution Criteria: 1.Climate change mitigation Y; N; N/EL	2.Climate change adaptation Y; N; N/EL	3. Water and marine resources Y; N; N/EL	4. Circular economy Y; N; N/EL	5. Pollution Y; N; N/EL	6. Biodiversity and ecosystems Y; N; N/EL	DNSH Criteria: 1.Climate change mitigation Y/N	2.Climate change adaptation Y/N	3. Water and marine resources Y/N	4. Circular economy Y/N	5. Pollution Y/N	6. Biodiversity and ecosystems Y/N	Minimum Safeguards Y/N	Proportion of Taxonomy aligned (A.1) or eligible (A.2.) turnover %	Category Enabling activities E	Category Transitional activities T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (taxonomy-aligned)																			
OpEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		0.00	0.0																
of which enabling		0.00	0.0	%	%	%	%	%	%								%		
of which transitional		0.00	0.0	%													%		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL;N/ EL(f)	EL;N/ EL(f)	EL;N/ EL(f)	EL;N/ EL(f)	EL;N/ EL(f)	EL;N/ EL(f)										
Manufacture of electrical and electronic equipment	CE 1.2	7.89	72%				EL										62%		
Provision of IT/OT data-driven solutions	CE 4.1	1.39	13%				EL										32%		
OpEx of Taxonpmy-eligble but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		9.28	85.0%	0%	0%	0%	85.0%	0%	0%								94%		
Total (A1 + A2)		**9.28**	**85%**	**0%**	**0%**	**0%**	**85%**	**0%**	**0%**								**94.0**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		1.66	15%																
Total (A + B)		**10.94**	**100%**																

Nuclear and Fossil Gas Related Activities

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

ESRS E1 – Climate Change

Material Impacts, Risks and Opportunities

E1. Climate Change

Sub-topic	Description (occurrence in the value chain)	Negative/ Positive/ Risk/ Opportunity	Stage of the value chain affected	Time horizon
Climate change adaptation	Potential supply chain disruption due to extreme weather phenomena, which may affect component availability and thus lead to operational costs.	Actual financial risk	Upstream Own operations Downstream	All
	Climate change can cause costs and changes in the durability of devices and products under special circumstances, as well as increase energy consumption associated with the cooling of data centers.	Potential financial risk	Own operations Downstream	Medium- to long-term
	The growing demand for products and solutions that support the green transition and are energy efficient will contribute to the reduction of the in-use emissions of products and the reduction of customers' emissions.	Actual opportunity	Downstream	All
Climate change mitigation	Growing regulation increases the need to allocate resources to monitoring, interpretation, the implementation of changes, and reporting.	Actual financial risk	Upstream Own operations Downstream	Short- to medium-term
Energy	Transitioning the company's own business premises to renewable energy and improving energy efficiency through ecological product design, which reduces the in-use emissions of products.	Actual positive impact	Own operations Downstream	All

Transition Plan for Climate Change Mitigation (E1-1)

Bittium updated its business strategy in 2023 and 2024. In 2024, Bittium also revised its sustainability strategy, basing it on the updated business strategy. In 2024, Bittium calculated the company's carbon footprint for the first time, covering all emissions under Scopes 1–3. The calculation identified Bittium's significant emission sources and yielded the values for the base year 2023, on the basis of which Bittium will specify its emission reduction measures. During the reporting year, Bittium began to develop a transition plan for the period 2025–2030. Operating expenditures related to the transition plan are described in section E1-3. Bittium aims to increase the share of sustainable business practices. As the scope of reporting practices expands and the practices become clearer, we expect the share of Taxonomy-eligible and Taxonomy-aligned activities to increase in the future.

The targets of Bittium's previous sustainability strategy were set for the period 2022–2025. The sustainability strategy emphasized environmental responsibility, such as climate change mitigation and the development of resource-efficient solutions. The strategy took into account alignment with the UN Sustainable Development Goals.

In 2024, the company defined targets and measures for emission reductions in its own operations. Bittium's target is net zero for Scope 1 and Scope 2 emissions by 2030. Bittium's leased vehicles are the largest source of Scope 1 emissions. Bittium will transition to fully electric vehicles by 2030. With regard to Scope 2 emissions, the target is for 100% of the energy purchased by Bittium to be renewable energy by 2030. Bittium defined Scope 3 categories, of which the largest sources of emissions are purchased products and services, transportation, upstream leased assets, and use of sold products. In 2024, the company defined the total emission reduction need for Scope 3 emissions, which will be incorporated into the transition plan. More information on emission reduction targets is provided in section E1-4.

Reducing emissions requires improving the energy and material efficiency of products, engaging suppliers' commitment to renewable energy, optimizing transport routes and transitioning to low-emission modes of transport. Bittium will define more detailed actions and time horizons for the defined Scope 3 categories in 2025. The baseline value calculated in 2024 was used to identify the largest sources of emissions and to determine the amount of emission reductions needed, which are in line with the Paris Agreement goal of limiting global warming to 1.5°C. The GHG emission reduction targets included in Bittium's transition plan comply with the minimum requirements set by the Science Based Targets initiative (SBTi). The targets have not been validated by the SBTi. Bittium did not identify any locked-in emissions in its operations.

In its sustainability strategy, Bittium has made a commitment to combating climate change by focusing on renewable energy in its energy procurement, reducing business travel and improving the recycling of waste from its own operations. The company monitors three key environmental impact indicators in its operations: GHG emissions (CO2eq) and the development of energy consumption (MWh), as well as the percentage of renewable energy of total energy consumption. In previous years, environmental responsibility metrics also included travel (flying and road transport) and the electricity consumption, heating and waste management of business premises. New policies and targets for 2025–2028 have been established in the updated sustainability strategy. With regard to climate change mitigation, the strategy sets targets for the adaptation of the entire business to lower emissions and the development of more energy-efficient products. The targets of the transition plan and the sustainability strategy are in alignment. The sustainability strategy will be updated as necessary once Bittium's transition plan has been specified further.

The targets of the transition plan are set for the medium term as defined by the ESRS standards (1–5 years). This means that the set targets will be achieved in 2030. The target is to start more detailed planning in 2025 to achieve emission reductions for products. The long lifetimes of the company's products and long product development times have been identified as risk factors, as they may delay the realization of the desired impacts in the product groups and products sold. The raw materials of the components, their availability and possibilities of influencing the selection of suppliers have also been identified as a risk factor in achieving emission reductions.

Bittium is not excluded from the EU Paris-aligned Benchmarks in accordance with the exclusion criteria stated in Commission Delegated Regulation (EU) 2020/1818. During 2024, Bittium did not yet produce quantitative estimates of the company's investments and financing to support the implementation of the transition plan. Bittium's Board of Directors approved the sustainability strategy on November 28, 2024, and the transition plan on December 20, 2024. Investments and financing will be determined in 2025.

Material Impacts, Risks and Opportunities and Their Interaction with Strategy and Business Model (ESRS 2 SBM-3)

Implementation of the Resilience Analysis

The resilience analysis is based on the material impacts, risks and opportunities related to climate change mitigation and adaptation, as well as energy, identified in Bittium's materiality assessment. During the process, it was observed that the list of impacts, risks and opportunities did not provide a sufficiently comprehensive picture of the climate risks related to Bittium's own operations and value chain. For this reason, Bittium carried out a climate risk assessment and scenario analysis in the fall of 2024, the scopes of which are consistent with each other. The relationships between the material impacts, risks and opportunities and the physical risks and transition risks identified in the climate risk assessment are examined in the table on the following page.

The resilience analysis was carried out in the fall of 2024. The time horizons (short-, medium- and long-term) are consistent with the ESRS 1 recommendations. The GHG emission reduction targets are in line with E1-4 and set to be implemented by 2030. With regard to information on disclosure requirement E1-9, Bittium applies the ESRS 1 Appendix C transitional provision concerning the information on the year 2024. Consequently, that information has not been taken into account.

The materiality of all potential risks was assessed. The scope of the analysis covers all of Bittium's own operations. This includes all sites and geographical regions with the exception of secret location data. The upstream analysis of physical risks extends to component suppliers and subcomponent manufacturers. For transition risks, raw materials have been taken into consideration in the analysis. The region of use of the products has been assessed in accordance with the targeted markets. The impacts of heatwaves on product design have been assessed for locations in accordance with the Military Standard (MIL) for the defense industry, and the impacts of heavy precipitation and storms have been assessed for seas and coastal areas relevant to Bittium's operations. The critical assumptions made on the basis of the scenario analysis with regard to the transition to a lower-carbon and more sustainable economy include potential increases in raw material prices, particularly for metals that play an integral part in the green transition, and potential future challenges in supplier selection. Rising logistics costs due to the elimination or reduction of emission reduction rights, particularly for air freight, was also identified as a market-related transition risk. Increases in the prices of fossil and green energy are also seen as a risk.

Results of the Resilience Analysis

In the low-warming scenario, Bittium's business strategy is adaptable, as the aspects that are most critical to Bittium's resilience in the short term are related to changing regulation and transition risks in supplier relationships. The impacts on product design, such as product durability and changes in physical conditions, are more moderate. Bittium's resilience with respect to transition risks has already been strengthened through measures to improve the transparency of the supply chain, developing the material and energy efficiency of products, and operating in accordance with the ISO 50001 and ISO 14001 requirements.

Physical changes related to climate change may cause disruptions to Bittium's component supply chain, particularly in the higher warming scenarios and in the medium and long term. Bittium's resilience is fairly good in this regard, as the company has identified supply chain disruption risks and begun to mitigate them. Bittium strengthens its resilience by diversifying component deliveries, among other things. These measures are likely to limit interruptions and financial effects on business operations.

In the medium and long term, and in scenarios of higher warming, physical climate-related risks are emphasized, particularly with regard to product design. Bittium's resilience is good in this respect, as the current products are designed in a manner that takes their long lifetime into account, and the selection of components takes into consideration the impacts of increasing heat, humidity or changes in wind conditions.

Bittium's resilience is at its weakest in terms of fluctuations in the prices of raw materials, rising logistics costs, changes in emission reduction rights and increases in the prices of fossil and green energy. Rising costs can have significant impacts on business. These unpredictable transition risks, which arise in all of the assessed time horizons and are emphasized in scenarios of higher warming, will be assessed at regular intervals and taken into account in Bittium's strategy work.

Changing market conditions, regulation and the impacts of various crises on suppliers require high resilience from supply chains. Bittium aims to protect its supply chains by ensuring, for example, the coverage of force majeure clauses in contracts and product development by selecting components and semiconductors in such a way that alternative suppliers can also be found for them. Supply chain management is implemented with the help of regular contract reviews. Market-related transition risks arise from the impacts of the green

transition and rising logistics and raw material costs, such as the price development of air freight and availability challenges associated with certain critical raw materials. Bittium will improve its resilience by building a control mechanism for the increase in raw material costs, carrying out competitive bidding processes for component suppliers in a manner that takes logistics costs into account, and by utilizing transports with carbon credits. Continuous improvement in building more ecologically sustainable business, the production of environmental information concerning Bittium's own operations and value chain, and transparency in reporting also support Bittium's ability to access financing on competitive terms from the market in the future.

Resilience with regard to responding to regulations, reporting obligations and customers' sustainability requirements can be strengthened by securing sufficient human and software resources, as well as competence related to the implementation of sustainability efforts and compliance with reporting requirements. Bittium processes customer feedback carefully and aims to communicate compliance-related perspectives, which mitigates transition risks related to stakeholder concerns and customer purchasing behavior. With regard to product development, Bittium ensures that sustainability actions do not have a detrimental effect on the performance and quality of products. If any harmful, prohibited or non-environmentally friendly substances or materials are observed, the alternatives for addressing such issues include changes in suppliers or product changes to ensure product safety, for example. Bittium aims to respond to supply chain transparency by investing in a supplier management tool and by increasing requirements concerning the provision of information for component suppliers during the contract negotiation stage. Changes in suppliers are also possible if suppliers fail to report the required information or prioritize green energy, for instance. There are challenges in this respect due to the special requirements associated with the production of defense and information security products, which limit the number of potential suppliers. In product development activities, low-emission solutions are actively sought.

The physical climate risks that are material to Bittium (particularly with regard to the impacts on the value chain) are shown in the table below. Product development and supply chain management also play a key role in resilience related to physical climate risks. With regard to climate risks, it is essential to select components in such a manner that there are multiple component suppliers, which reduces the impact of sudden climate events on supply chains. The impacts of increasing humidity and changes in wind conditions should also be taken into account in product design. Physical climate-related risks may have an impact on properties owned or leased by Bittium, as well as Bittium's personnel.

The scenario analysis involves uncertainties. The mitigation of emissions in accordance with the Paris Agreement may take place in many different ways in practice, but the common denominator is electrification and the related critical raw materials. Another fairly certain change is increasing regulation. Events related to stakeholder behavior are the most uncertain aspects of the analysis. The uncertainty of all transition events increases significantly in the long term when compared to the short and medium term. The scenarios are descriptive and it is not possible to establish exact timelines for events.

If the risks were to materialize, it could be necessary to move infrastructure away from at-risk areas or increase the cooling of the premises to mitigate the impacts of heatwaves. Bittium's resilience is strengthened by Bittium's environmental and quality systems, as well as sustainable development projects and networking with other companies (the environment and performance working group of Finnish Defence and Aerospace Industries PIA and the environmental working group of Kotel ry).

Active impact / risk	Physical / transition risk	Category	Climate risk	Opportunity / positive impact
Growing regulation increases the need to allocate resources to monitoring, interpretation, the implementation of changes, and reporting. (upstream, own operations, downstream, risk)	Transition risk	Policies and legislation	Increase in GHG emission prices	Transitioning the company's own business premises to renewable energy and improving energy efficiency through ecological product design, which reduces the in-use emissions of products. (own operations, downstream, positive impact)
		Technology	Replacing products and services with lower-emission alternatives	
			Costs incurred from switching to lower-emission technology	
	Transition risk	Policies and legislation	More comprehensive emissions reporting obligations	The growing demand for products and solutions that support the green transition and are energy efficient will contribute to the reduction of the in-use emissions of products and the reduction of customers' emissions. (downstream, opportunity)
			Assignments and regulation concerning existing products and services or production processes	
		Reputation	Negative feedback from stakeholders	
			Growing concern among stakeholders	
		Market / reputation	Changes in customer behavior	
Climate change can cause changes in, for example, the durability of devices and products under special circumstances (downstream, negative impact)	Transition risk	Technology	Failed investments in new technology	
		Market	Uncertainty of market signals	
Potential supply chain disruption due to extreme weather phenomena, which may affect component availability, for example, and thus lead to operational costs. (downstream, negative impact)	Transition risk	Market	Uncertainty of market signals	
		Market	Increased raw material costs	
		Market	Increased logistics costs	
	Physical risk	Temperature-related	Heat wave	
	Physical risk	Wind-related	Storm/hurricane/typhoon	
			Storms (including snow, dust, sand)	
		Water-related	Heavy rain (acute)	
			Sea level rise and flooding	

The table lists the identified material impacts, risks and opportunities and shows an explanation of whether the risk or opportunity is considered a climate change-related transition risk or physical risk.

Policies Related to Climate Change Mitigation and Adaptation (E1-2)

Bittium's sustainability actions are guided by the company's Code of Conduct, sustainability strategy, ESG Policy and Environmental and Energy Efficiency Policy. In its environmental policy, Bittium has made a commitment to reducing negative environmental impacts. The policy lays down the key targets, which are to reduce GHG emissions, improve energy efficiency, ensure a sustainable supply chain and reduce waste. Bittium's operations are also guided by the Environmental and Energy Efficiency Policy, which is aligned with the requirements of the environmental management system (ISO 14001) and the energy management standard (ISO 50001), specifies the commitment to energy efficiency, the metrics monitored by the company and the commitment of personnel and suppliers to environmental issues and energy efficiency, as well as compliance. Bittium's policies cover all of its own operations, personnel and management in Finland, Germany and the United States. Bittium's policies are also taken into account in the requirements related to value chain management, which means that they also cover all of the relevant geographical areas to that extent. Bittium's Management Group is the most senior level in the organization in charge of the policies, and their implementation is monitored by the sustainability working group. Policies are reviewed annually, also taking into account stakeholder requirements. Such requirements can include new customer requirements and changes in legislation, for example. Policies related to climate change mitigation, climate change adaptation, energy efficiency and the adoption of renewable energy are listed on the following page in the table "Policies related to climate change mitigation, climate change adaptation, energy efficiency and the adoption of renewable energy".

Actions and Resources in Relation to Climate Change Policies (E1-3)

In 2024, Bittium specified the time horizons defined in the 2024 materiality assessment and, with the help of an external party, defined its climate change-related physical and transition risks, carried out resilience and scenario analyses as part of the sustainability reporting and conducted its first more comprehensive emission calculations that include Scope 3 emissions. As a whole, the actions taken during the reporting year 2024 help establish a foundation for emission reduction actions in subsequent years. In the development of its sustainability strategy for 2025–2028, the company also developed its environmental targets to be more science-based and supportive of the targets of the transition plan.

Bittium's action plans related to the management of GHG emissions and GHG removals, and transition risks, have also been defined in the sustainability strategy for 2025–2028. Bittium's sustainability strategy establishes the strategic framework for Bittium's sustainability efforts in the coming years, and the environmental policy defines principles related to the management of environmental risks and environmental efforts related to Bittium's operations.

In 2025, Bittium plans to develop its emission calculation process, deploy an emission calculation tool and specify its transition plan for 2025–2030. Financial resources will be appropriately allocated to the deployment of the tool. Bittium also plans to take measures to improve Scope 3 information in 2025.

The targets of the transition plan prepared in 2024 have been set for 2030. Bittium will include the majority of its operational expenditure related to the transition plan, such as personnel expenses and software purchases, in its fixed operating expenses and processes, such as strategy work, product development and quality management. The most significant increases in operating expenditure are likely to be related to renewable energy, carbon-credited transport and the transition to greener transport, but these increases in operating expenditure were not realized during 2024. Bittium expanded the scope of its GHG calculations in 2024 to cover all of its sites and the company's value chain. In previous years, the company has not had emission reduction targets for the entire company and its value chain.

Bittium's policies and actions related to climate change mitigation, climate change adaptation, energy efficiency and the adoption of renewable energy are listed on the following page in the table "Policies related to climate change mitigation, climate change adaptation, energy efficiency and the adoption of renewable energy".

Bittium has an ISO 14001 certified environmental management system. The ISO 14001 standard sets out the resources, processes and methods by which an organization can meet its environmental targets and improve its level of environmental protection. Bittium also has an ISO 50001 certified energy management system.

Policies Related to Climate Change Mitigation, Climate Change Adaptation, Energy Efficiency and the Adoption of Renewable Energy

	Impact, risk or opportunity	Policy	Actions
Climate change mitigation	Growing regulation increases the need to allocate resources to monitoring, interpretation, the implementation of changes, and reporting.	Sustainability Policy, Environmental and Energy Efficiency Policy	• Sufficient resource allocation. • Maintenance of management systems in accordance with the ISO 14001 and ISO 50001 standards. • Implementation of the sustainability strategy and transition plan
Climate change adaptation	The growing demand for products and solutions that support the green transition and are energy efficient will contribute to the reduction of the in-use emissions of products and the reduction of customers' emissions.	Sustainability Policy, Environmental and Energy Efficiency Policy	• Improving the energy and material efficiency of products
Energy efficiency and adoption of renewable energy	Transitioning the company's own business premises to renewable energy and improving energy efficiency through ecological product design, which reduces the in-use emissions of products.	Sustainability Policy, Environmental and Energy Efficiency Policy	• Transitioning to renewable energy in own operations. • Improving the energy efficiency of products. • Developing the availability of product-specific emissions data

Targets Related to Climate Change Mitigation and Adaptation (E1-4)

Bittium is committed to combating climate change by setting targets concerning energy-efficient products and lower-emission business operations in accordance with its sustainability policy and environmental and energy efficiency policy. The policies are described in more detail in section E1-2. The energy efficiency metric is defined as the development of energy consumption (MWh) in the value chain, and the metric used for the company's own operations is the development of the share of renewable energy of total energy consumption (%). The implementation of the transition to lower-emission business operations is monitored in terms of the development of the organization's emissions annually compared to the target level and by examining the change in absolute emissions in relation to net revenue (tCO2eq/M€). The company uses a transition plan to guide its operations towards lower emissions.

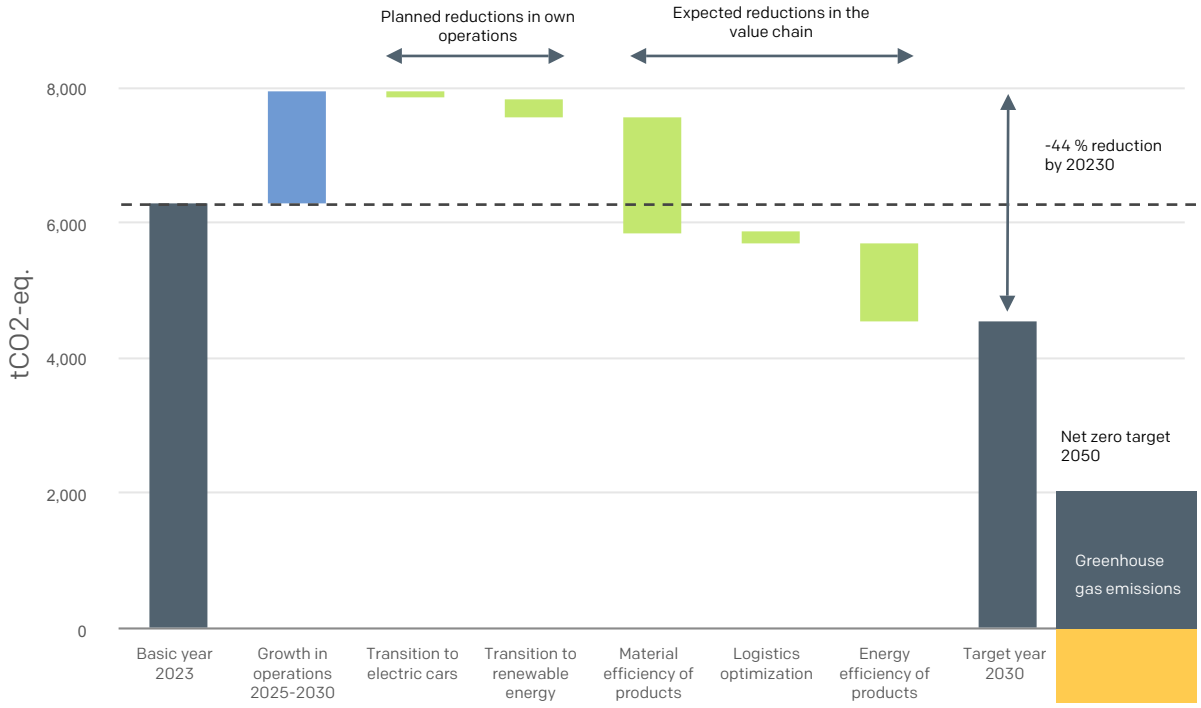
The base year for Bittium's transition plan is 2023. The emissions calculation for the base year 2023 was carried out in accordance with the E1-6 disclosure requirements, and it includes Bittium's material indirect Scope 3 emissions in the value chain. The emissions in the base year are listed in table E1-6.

The guidelines provided in the "Pathways to Net-zero - SBTi Technical Summary" document (version 1.0, October 2021) have been utilized in the setting of emission reduction targets. The Science Based Targets initiative takes into account the requirements concerning the limiting of global warming to 1.5°C. No sector-specific decarbonization guidelines were available at the time of reporting. The calculated emissions for the base year 2023, including Scope 1–3 emissions, amounted to 6510.7 tCO2eq.

Bittium's target is to achieve net zero in its own operations (Scope 1 and 2) by 2030. This target can be achieved by transitioning to district heating and electricity produced from 100% renewable and emission-free sources and by replacing leased vehicles under Bittium's control with fully electric vehicles by 2030. When examining the emission reduction measures, it should be noted that Scope 1 emissions represent approximately 0.4% of Bittium's total emissions, while Scope 2 emissions represent 4.8%. Market-based gross emissions have been used in setting the emission reduction targets. Bittium aims to reduce Scope 3 emissions by approximately 40% and total emissions by 44% by 2030. Scope 3 emission reductions will be allocated to the emission source categories identified as the most significant, namely purchased products and services, logistics and the energy and material efficiency of products. More detailed actions and time horizons will be specified in 2025.

Bittium engaged its personnel in the assessment of emission reduction measures by means of a survey. Emission reductions have been calculated as percentages relative to the 2030 targets. The company continuously monitors market developments, such as the adoption of new technologies and regulatory changes, to ensure that its emissions targets will be met and to remain competitive in climate action. No technologies related to the achievement of GHG emission reduction targets were adopted in 2024. Bittium's emission reduction target has been set to be achieved by 2030 and no milestones were set during the reporting year.

Transition Plan for Climate Change Mitigation



Energy Consumption

Energy Consumption and Mix (E1-5)

72% of the electricity purchased by Bittium in 2024 was produced from renewable and emission-free energy sources. In addition, Oulun Energia's solar panels installed on the roof of the Oulu property produced 82.51 MWh of solar energy. Of the district heating purchased from local providers, 6% was renewable energy in 2024. Part of the heating used by the Oulu site was produced with a diesel-powered backup generator. The consumption data for electricity and district heating at the Finnish sites was obtained from the energy suppliers' invoices. For sites in Germany and the USA, energy data was not available, and the methods used to estimate consumption are described in the GHG emission calculation principles at the end of this section. Bittium's total consumption of purchased electricity and district heating was 3,302.73 MWh in 2024.

Bittium vehicles include both diesel and hybrid vehicles. During the reporting year, Bittium had six vehicles under its control in Finland and two in Germany. There were no vehicles under Bittium's control in the United States. The amount of energy generated by the combustion of fuels in leased vehicles in Scope 1 was 103,8 MWh (petrol and hybrid). The fuel consumption data for leased vehicles was obtained from the leasing companies.

Energy consumption is measured in megawatt hours (MWh). High climate impact sectors are defined in NACE Sections A to H and Section L in accordance with Commission Delegated Regulation (EU) 2022/1288. Based on the definitions, Bittium's Medical business segment belongs to the high climate impact sector NACE: C26.6.0 Manufacture of irradiation, electromedical and electrotherapeutic equipment. The denominator in the table is the total revenue of the Medical business segment, which is included in the note 1 in financial statements.

Energy Consumption and Energy Mix	**2024**
(1) Fuel consumption from coal and coal products	14.03
(2) Consumption of crude oil and petroleum products for energy and heat production (MWh)	16.31
(2) Fuel consumption of crude oil and petroleum products (MWh)	111.18
(2) Consumption of self-produced non-renewable energy (MWh)	7.38
(3) Fuel consumption from natural gas	39.93
(4) Fuel consumption from other fossil sources	444.15
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	514.42
(6) Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)	625.60
Share of fossil sources in total energy consumption (%)	18%
(7) Consumption from nuclear sources (MWh)	1,296.17
Share of consumption from nuclear sources in total energy consumption (%)	37%
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	0.00
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	1,492.52
(10) The consumption of self-generated non-fuel renewable energy (MWh)	82.51
(11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	1,575.03
Share of renewable sources in total energy consumption (%)	45%
Total energy consumption (MWh) (calculated as the sum of lines 6, 7 and 11)	3,496.80

Energy intensity in relation to net revenue	**2024**
Total energy consumption from activities in high climate impact sectors (MWh / MEUR)	11.7

The relation between energy intensity based on turnover and financial statement data	**2024**
Net revenue (other) MEUR	19.3
Total net revenue (financial statement) MEUR	85.2

GHG emissions

Gross Scopes 1, 2, 3 and Total GHG emissions (E1-6)

Bittium's market-based Scope 1, 2 and 3 GHG emissions totaled 6328.51 tCO2eq in the reporting year 2024. Scope 1 emissions consist of a diesel-powered backup generator and the company's own vehicles. Scope 1 emissions totaled 28 tCO2eq, which is less than 1% of the company's total carbon footprint. Bittium's market-based Scope 2 emissions amounted to 259 tCO2eq, and they arose from the district heating and electricity consumption of the company's sites. Bittium uses electricity produced from renewable and emission-free energy sources at two sites. Scope 2 emissions account for 5% of the company's total carbon footprint.

The Scope 3 emissions caused by Bittium's value chain amounted to 6041.51 tCO2eq, which is 95% of the company's total emissions. There were no significant changes in Bittium's business operations between 2023 and 2024. All GHG emissions are broken down by emission source type in the emission table below.

The share of contractual instruments of Bittium's Scope 2 GHG emissions was 57% in 2024. The contractual instruments were certificates of origin for renewable energy.

GHG Emissions (E1-6 table)

	Retrospective					
	Base Year 2023	**2024**	**%N / N-1**	**2030**	**2050**	**Annual % Target / base year**
Scope 1 GHG Emissions						
Gross Scope 1 GHG emissions (tCO2eq)	28	28	0%	-100%	N/A	-17%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	N/A	N/A				
Scope 2 GHG Emissions						
Gross location-based Scope 2 GHG emissions (tCO2eq)	423	228			N/A	
Gross market-based Scope 2 GHG emissions (tCO2eq)	313	259	-17%	-100%	N/A	-17%
Significant scope 3 GHG emissions						
Total Gross indirect (Scope 3) GHG emissions (tCO2eq)	6,170	6,042	-2%		N/A	
1 Purchased goods and services	2,883	2,587	-10%		N/A	
3 Fuel and energy-related Activities (not included in Scope1 or Scope 2)	140	133	-5%		N/A	
4 Upstream transportation and distribution	176	187	7%		N/A	
5 Waste generated in operations	10	11	10%		N/A	
6 Business traveling	320	409	28%		N/A	
7 Employee commuting	87	79	-9%		N/A	
8 Upstream leased assets	940	1,196	27%		N/A	
9 Downstream transportation	64	55			N/A	
11 Use of sold products	1,390	1,235	-11%		N/A	
12 End-of-life treatment of sold products	6	7	24%		N/A	
15 Investments	155	142	-8%		N/A	
Quantitative Reconciliation						
Total GHG emissions location based (tCO2eq)	6,621	6,298			N/A	
Total GHG emissions market based (tCO2eq)	6,511	6,329	-3%		N/A	

Category	Description	Boundary	Calculation method
Scope 3.1.	Purchased goods and services	Included	The reported information has been combined with the best available emission factors
Scope 3.2.	Capital goods	Not applicable. Bittium does not have purchases of capital goods.	
Scope 3.3.	Fuel and energy-related Activities (not included in Scope1 or Scope 2)	Included	The reported information has been combined with the best available emission factors
Scope 3.4.	Upstream transportation and distribution	Included	The reported information has been combined with the best available emission factors
Scope 3.5.	Waste generated in operations	Included	The reported information has been combined with the best available emission factors
Scope 3.6.	Business travelling	Included	The reported information has been combined with the best available emission factors
Scope 3.7.	Employee commuting	Included	The reported information has been combined with the best available emission factors
Scope 3.8.	Upstream leased assets	Included	The reported information has been combined with the best available emission factors
Scope 3.9.	Downstream transportation	Included	The reported information has been combined with the best available emission factors
Scope 3.10.	Processing of sold products	Not applicable, the sold products are final products.	
Scope 3.11.	Use of sold products	Included	The reported information has been combined with the best available emission factors
Scope 3.12.	End-of-life treatment of sold products	Included	The reported information has been combined with the best available emission factors
Scope 3.13.	Downstream leased assets	Not applicable, Bittium does not have any downstream leased assets.	
Scope 3.14.	Franchising	Not applicable, Bittium does not engage in franchising activities.	
Scope 3.15.	Investments	Included	The reported information has been combined with the best available emission factors

Basis for Preparation

Scope 1 and 2 Calculation Principles

Bittium owns two business premises located in Oulu and Kuopio in Finland. The company rents business premises in Tampere, Espoo and Kajaani in Finland, as well as Dallas in the United States and Munich in Germany. Scope 1 and 2 emissions cover the direct emissions of Bittium's own operations and the indirect emissions of purchased energy. Scope 1 emissions were calculated on the basis of the motive power used by the vehicles under Bittium's control. For the vehicle used by the company's site in Germany, fuel consumption data was calculated based on kilometers driven. Bittium has petrol and hybrid cars under its control. The diesel consumption of the backup generator at Bittium's Oulu site was calculated on the basis of liters consumed. Fuel emissions were calculated using the emission factors of the Finnish Climate Panel. For the company's sites in Finland, energy consumption data was obtained from the energy suppliers. The emissions of purchased energy were calculated using the emission factors reported by the suppliers (Fortum, Oulun Energia, Oomi, Loistelämpö, Tampereen Energia). At Bittium's Oulu site, part of the electricity is obtained from solar panels installed on the roof. In 2024, the solar panels produced a total of 83 MWh. Precise energy consumption data was not available for the company's sites in Germany and the United States. Scope 2 emissions were calculated based on the floor area of the premises. The average value used in the calculations was 166 kWh/m2/year. (Clevair, 2021). For Germany, the energy mix was determined using the Ember report (Germany – Electricity transition, 2024). For the United States, data published by the

EIA was used. (U.S. Energy Information Administration, 2023). The share of the sites in Germany and the United States is much lower than Bittium's other sites, which is why the assessment method used was considered to be sufficient. The volume-weighted average emission factor of the electricity produced was used in the calculation of location-based emissions (Fingrid 2023: 38 gCO2eq/kWh). Factors published by Ember and the EIA were used in the location-based calculation of emissions in the United States and Germany. The emission factors used in the calculations do not distinguish the percentages of biogenic emissions.

Scope 3 Calculation Principles

All relevant emission categories were taken into account in the calculation of the Scope 3 emissions of Bittium's upstream and downstream value chain. The categories taken into consideration in GHG emission calculations are listed in table E1-6. Non-applicable categories include franchises, processing of sold products, capital goods and downstream leased assets. Primary emissions data on Scope 3 emissions was obtained for some transports. The primary emissions data obtained represented 0.4% of the company's total emissions. The emissions from purchased products and services include the component, product and service purchases made by the entire Group during 2024. The emissions of the Defense & Security business segment's products were calculated based on example products and on a component-specific basis using the Ecoinvent 3.10 database. For the Medical business segment, precise data based on the company's own calculations was not available, but the calculation was based on a product that represents 88% of the products sold by the Medical business segment. Part of the Medical business segment's products were calculated on a cost basis using emission factors obtained from the EXIOBASE database. Emissions from services were calculated by combining the reported data on volumes with an industry-appropriate emission factor from the EXIOBASE database.

The in-use emissions of products were calculated by estimating the full life-cycle energy consumption of the products and by calculating the raw material emissions of components required for maintenance, as well as the transport of products to and from the location where the maintenance service is provided. The life cycle of the products ranges from 3 to 15 years. The EPA (Environmental Protection Agency) emission factors for energy consumption in the United States and Europe were used to calculate the in-use emissions of the products. Maintenance operations take place in Finland, and the emissions from energy consumption in maintenance were calculated using the emission factor for electricity consumption in Finland reported by Fingrid. Emissions from upstream leased assets consist of computers in use during the reporting year. Their emissions were calculated by combining the number of leased computers and device-specific life cycle emission factors (HP, 2017; Fujitsu, 2020; HP, 2023). Bittium's carbon footprint consists mainly of Scope 3 purchased products and services, the in-use emissions of products, and upstream leased assets. The most significant sources of emissions also arise in Scope 3. Of these, the largest share of the company's GHG emissions consists of purchased products and services (48%), the use of sold products (22%) and upstream leased assets (15%). Combined, these three categories account for 86% of the company's carbon footprint.

Reporting Principles

Bittium's GHG emissions have been calculated in accordance with the GHG Protocol Corporate Accounting and Reporting standard and the Corporate Value Chain (Scope 3) Accounting and Reporting standard. (GHG Protocol, 2004; GHG Protocol, 2011). Bittium uses CO2eq emission factors whenever possible. The emission factors used in the calculations do not distinguish the percentages of biogenic emissions. The calculation period corresponds to the financial year 2024 (January 1, 2024–December 31, 2024). The calculation was carried out in Excel without separate calculation tools. All Scope 1–3 emissions were taken into account in the calculation. An operational control boundary was applied in the calculation, and the calculation was implemented at the level of the consolidated accounting group. The GHG calculations are for the same reporting undertaking as the financial statements in accordance with ESRS 1 62-27. Bittium's net sales in 2024 amounted to EUR 85.2 million. Bittium's calculated location-based GHG emissions amounted to 6298 tCO2eq for the reporting year. The location-based GHG intensity based on net revenue was 74 tCO2eq/M€. Bittium's calculated market-based emissions for the reporting year came to 6329 tCO2eq. The market-based GHG emissions intensity was 74 tCO2eq/M€. The denominator in the table is the total revenue of the Medical business segment, which is included in to the note 1 in financial statements.

GHG emissions were calculated by combining volume data collected by Bittium for each emission category with the best available emission factors at the time of the calculation. The sources of the emission factors for the most significant categories are presented in the table below. Assumptions were made in the calculation of the in-use emissions of sold products. The in-use emissions for products sold were obtained by estimating the utilization rate of the devices based on publicly available research data. Transports were calculated

based on emissions reports obtained from logistics partners (Kaukokiito, Posti, Matkahuolto, DHL, UPS, DSV, FedEx, NTG and DBS-Schenker). The emission reports accounted for approximately 12% of all transports. The remaining transports were calculated using values obtained from the emissions reports. This is a source of some uncertainty, as it is not possible to be certain that the modes of transport are completely the same. Emission calculation for upstream leased assets was based to total amount of leased products, which causes uncertainty. With regard to purchased materials, performing the calculations using a reference product is also a source of uncertainty. In addition, the sector-specific estimates and the values derived from emission databases, for example, always involve calculation insecurity as they do not provide precise data. Bittiumin aims to refine the calculation process during 2025.

GHG Intensity in Relation to Net Revenue	2024
Total net revenue (in financial statements)	85.2

Sources of Emission Factors Used in the Calculations

Category	Source
Purchased goods and services	Ecoinvent 3.10. GWP 100, EXIOBASE Bittiumin internal LifeCycle -analysis Bittium Tough Comnode (2024) EPA (2024), Link Fingrid (2024), Link
Leased assets	Leased assets. Link
Electricity	Mixed electricity, 2018. Saksa. Link ja Mixed electricity, 2018 USA. Link Fortum, 2023. Link ja Oomi, 2023. Link Clevair (2021), Link Ember (2024), Link EIA (2024), Link Fingrid (2024), Link
District heating	Oulun Energia, 2023. Linkja Loiste Lämpö, 2023. Link ja Tampereen Energia, 2023. Link ja Fortum, Link. Linkki ja Kuopion Energia, 2023. Link
Waste	Ecoinvnet 3.10. GWP 100, Päästötietokanta - OpenCO2.net Tilastokeskus, Link
Business travel	DEFRA , Link
Fuel for company cars	DEFRA, Link Autokalkulaattori, Link Ilmastopaneeli, Link
Use of sold products (reference products)	Cisco, Link, Link, Link Ericsson, Link, Cambium, Link Samsung, Link, Link Trimble, Link Goal Zero, Link Motorola, Link Hytera, Link CAT, Link

ESRS E5 – Resource Use and Circular Economy

Material Impacts, Risks and Opportunities

E5. Resource Use and Circular Economy

Sub-topic	Description	Negative/ Positive/ Risk/ Opportunity	Stage of the value chain affected	Time horizon
Resources inflows, including resource use	Engaging the commitment of manufacturing partners to production that is aligned with circular economy principles, material efficiency and regulatory compliance may reduce environmental impacts and improve stakeholder perceptions.	Actual opportunity	Upstream Own operations	All
Resources outflows related to products and services	Competition risk if competitors are able to respond to product development in a more agile manner, or if competitors have more sustainable products through sustainable design, such as longer functional life or repairability.	Potential financial risk	Own operations Downstream	Medium- to long-term
Waste	Extending the lifetime of products, ensuring serviceability and appropriate recycling instructions reduce the amount of waste.	Actual positive impact	Own operations Downstream	All

Policies Related to Resource Use and Circular Economy (E5-1)

Bittium's policies related to resource use and circular economy include the sustainability policy, environmental and energy efficiency, procurement policy and Supplier Manual. The Management Group is responsible for the implementation of these policies. As the majority of the customers who purchase Bittium's products and software require compliance with ISO standards, Bittium's environmental and energy efficiency policy is based on the ISO 14001 and ISO 50001 standards and the current legislation concerning the environment, energy efficiency and sustainability. Procurement plays a crucial role in Bittium's sustainability and success. The procurement policy sets out the basic principles, guidelines and procedures that guide Bittium's procurement and supply chain operations. The procurement policy covers 10 topics: an established procurement base, quality assurance in procurement, cost efficiency, risk management, ethics, sustainability, confidentiality and safety, local sourcing and diversity, compliance, governance and continuous improvement. Bittium Supplier Manual is a publicly available summary of the core requirements Bittium has for its suppliers, that has been established to enable the basis for transparent and productive collaboration with our suppliers. These requirements are applied to existing and new suppliers alike.

The sustainability policy, the environmental and energy efficiency policy and the procurement policy aim to minimize the environmental impacts of Bittium's operations, which arise throughout the value chain from products designed by Bittium. The aforementioned policies are available to stakeholders on Bittium's website. A description of Bittium's policies related to sustainable procurement and the use of counterfeit materials is described in the Supplier Manual, which is available for all Suppliers on Bittium's website. The procurement policy covers all of Bittium's operations and relevant geographical areas. The sustainability policy and the environmental and energy efficiency policy cover Bittium's own operations in all relevant geographical regions and the entire value chain. No direct stakeholder consultation procedure has been applied in the preparation of the policies, but the company aims to minimize social, health-related and pollution-related adverse impacts on stakeholders by means of operating guidelines related to topics such as primary production, the quality and origin of materials, component production methods, conditions and sustainable procurement, for example.

Bittium strives to minimize the environmental impacts of its operations and products. Bittium strives to identify, eliminate and reduce potentially hazardous substances used in products and production activities. Bittium Supplier Manual requires its identified critical suppliers to have an environmental management system that meets the requirements of the ISO 14001 standard. Supplier Manual includes requirements also for energy efficiency, the use of renewable resources, the avoidance of harmful substances and the minimization of emissions from production processes.

Bittium operates in a strongly regulated business environment. The company monitors the global environmental requirements for products related to the Group's operations as well as the country-specific regulations derived from the global requirements. Compliance with these requirements and regulations is also required of the Group's identified critical suppliers. Examples include the RoHS Directive (use of hazardous substances in electronic equipment) and the REACH Regulation (use of hazardous chemicals), for which compliance is a requirement in the EU market. The requirements of the WEEE Directive, which governs the recycling of electrical and electronic equipment, have been taken into account and applied in product design since 2002.

Bittium's policies do not address transitioning away from the use of primary resources, nor do they address the use of secondary resources. The environmental policy guides the company to seek and define more environmentally sustainable and energy-efficient solutions related to product development and manufacturing, but these topics are not specifically addressed under it. The use of renewable resources is specified as a supplier requirement in the Supplier Manual, but Bittium's policies do not set requirements for the sustainable procurement of renewable resources. The link between Bittium's policies and the material resource use and circular economy-related impacts, risks and opportunities is described in the E5 summary table at the end of this section.

Actions and Resources Related to Resource Use and Circular Economy (E5-2)

Bittium's actions related to resource use and circular economy in 2024 consisted of the implementation of continuous operating models for each reporting year. Product design activities, the procurement of parts and product maintenance activities, as well as appropriate recycling, are annual and regular processes that take into account the reduction of the environmental impacts of products over their entire life cycle.

Bittium's most significant continuous actions related to resource use and circular economy consist of sustainable product design, which includes designing products so that their lifespan is as long as possible, as well as the serviceability of products and their appropriate disposal or recycling. The

actions cover Bittium's suppliers, its own operations and maintenance and repair of delivered products in all relevant geographical areas. Bittium's products are designed for maintenance and repairability throughout the product life cycle. Maintenance and repairs are carried out either by Bittium's own maintenance and repair service or by the customer's organization. For products designed to be reparable, the aim is to make the structure modular and easily reparable in such a way that the product can be repaired at the component level. The same automatic testing equipment is used for repairs as in the product manufacturing process, which accelerates the repair process and makes it easier.

The product design takes into account potential future product features with regard to physical hardware and software products. For example, in product architecture design, the aim is to anticipate customer needs concerning different frequency variants of products and wireless and radio connectivity-related solutions, which extends the lifespan of the product family. Bittium extends the lifespan of certain critical product families and, consequently, the amount of waste through product lifecycle Mid Life Upgrade (MLU) programs, which enable customers to maintain their purchased systems by purchasing individual system components and thus avoid buying a new system.

The availability of the components used in the products is ensured by End of Life (EoL) purchases if necessary. This way, the potential withdrawal of a component from the market does not lead to unplanned changes in configuration for products in customer deliveries. EoL purchases also guarantee successful maintenance and spare parts deliveries in the long term, ensure long product lifetimes and reduce waste. At Bittium, reuse of technical solutions mainly takes place within product families, which means that selected sub-assemblies can be reused in several products sold as part of the product family in question. This reduces the number of component items used, which, in turn, increases material efficiency. Bittium also aims to implement the choices of materials for mechanical assemblies in such a way as to cover the technical specifications for as wide a product range as possible. For maintenance purposes, the company reserves components that enable the extension of the lifespan and life cycle of devices. As a rule, research and product development activities use the same components as Bittium's other products. The company also aims to utilize product sub-assemblies.

Products targeted at the defense market, in particular, are subject to strict requirements set by the defense industry. These requirements include durability and operability in varying temperature conditions, for example. The durability of Bittium's products meets demanding standards, such as the MIL-STD-810 series of standards and the MIL-STD-461 standard (U.S. Department of Defense Test Method Standard and U.S. Military Standard).

Bittium also has an ISO 13485 certified quality management system for medical devices that meets the requirements of the EU Medical Device Regulation (MDR) and is certified according to the Medical Device Single Audit Program (MDSAP).

Bittium requires its suppliers to comply with the national and international environmental legislation applicable to their operations and the products supplied to Bittium. Evidence of compliance with the requirements must be provided to Bittium upon request. The supplier must, at Bittium's request, be able to verify the implementation of environmental actions and report information that can be used to assess the carbon footprint of the product. The supplier must ensure that it is able to provide, upon request, information on the substances contained in materials. The supplier must have a control and monitoring system to ensure the traceability of the finished product or product batch to the factory and the traceability of the materials used to their source. The supplier must obtain acceptance and approval for processes and materials, and changes thereto, in accordance with internally documented quality procedures. Changes must be communicated to Bittium before they are implemented. In the component selection stage, regulatory compliance is determined by means of surveys sent to the component supplier. If necessary, compliance is confirmed by conducting tests on the materials.

Action plans and actions related to ecologically sustainable product and service design, recycling and compliance are part of Bittium's continuous business operations and the personnel, administrative and material expenses involved. The implementation of the action plans has not required significant separate capital expenditure or operating expenditure.

Actions related to resource use and circular economy during the reporting period are described in the E5 summary table at the end of this section.

Targets Related to Resource Use and Circular Economy (E5-3)

During the reporting year, Bittium did not set targets for resource use or circular economy in accordance with the ESRS standard. In spite of not having ESRS-compliant targets, Bittium monitors the effectiveness of the policies and actions relative to the material impacts, risks and opportunities with the help of targets and metrics that correspond to the

sustainability strategy and support the improvement of material efficiency and energy efficiency.

Bittium's recycling-related targets are based on compliance with the requirements set by current legislation. Bittium's operations are also influenced by producer responsibility and the related reporting obligations regarding packaging and electronic waste.

Bittium's recycling targets are linked to integrate circular economy principles into operational activities by 2027. For example, in packaging products, Bittium utilizes all suitable packaging waste collected from incoming deliveries. Some of the packaging material is also ordered directly to the contract manufacturer for use in Bittium's product deliveries all the way to the end customers.

Establishing targets related to resource inflows, resource outflows and waste in accordance with the ESRS standard, and metrics suitable for monitoring these targets, is part of a longer-term data collection and information management development effort, and Bittium has not yet set an exact schedule for the completion of this effort.

Resource Inflows (E5-4)

Bittium's resource inflows consist largely of components purchased for Bittium's production activities, as well as sub-assemblies and other parts used product manufacturing. The inflows do not include raw materials as such, but raw materials are contained in components. Bittium also purchases materials required for product packaging and protection, as well as equipment required in production. Bittium's processes do not involve significant water consumption. No biological materials are used in Bittium's operations.Property, plant and equipment used in Bittium's own operations and its value chain include buildings, machinery and equipment required for production processes.

With regard to the environmental impacts of the value chain, the production of raw materials – such as metals and plastics – is emphasized in component production. As Bittium does not engage in direct procurement of raw materials, instead purchasing raw materials as part of components and sub-assemblies, the company's opportunities to influence raw material production are realized through supplier agreements and procurement policies.

Resource Inflows	2024
Overall total weight of products and technical and biological materials used during the reporting period (tonnes)	23.97
Percentage of sustainably sourced biological materials (and biofuels used for non-energy purposes) used to produce products and services (including packaging)	0.0%
The absolute weight of secondary reused or recycled components, secondary intermediary products and secondary materials used to manufacture the undertaking's products and services (including packaging) (tonnes)	0.00
Percentage of secondary reused or recycled components, secondary intermediary products and secondary materials	0.0%

Resource inflows consist of metals, such as aluminum, steel and copper, as well as plastics and silicone seals, and electronics, such as resistors, capacitors, transistors, memory chips and batteries. The information provided does not include packaging materials, as exact information on packaging materials is not available and their quantity is relatively small.

Information on the European Union defined rare earth metals or critical elementals used by Bittium is not available. The systems used by Bittium do not allow for the separation of these substances from the weight data of the incoming materials.

Reporting on the inflow of materials is based on the total number of products sold. The information on the Medical business segment has been collected from a report extracted from the company's ERP system (L7), and missing weight data has been partially estimated by buyers. The Defense & Security business segment's weight data has been compiled on the basis of the product database (PLM) and the number of products sold. The Engineering Services business segment does not engage in material procurement of its own, nor does it sell any products. The segment's business model is based on intangible assets provided by product design and software development services, in which know-how is transferred instead of physical products.

Resource Outflows (E5-5)

Products and Materials

Bittium's resource outflows consist of products designed and manufactured by Bittium for the measurement and remote monitoring of biosignals, as well as wireless and embedded solutions for the defense and security markets, related parts and packaging materials used for product transport and protection. The key elements from the perspective of product durability and repairability are the selection of End of Life (EoL) components, taking serviceability and repairability into account, and long product life cycles.

In Bittium's business, principles of circular economy are illustrated in the durability, reusability, repairability, dismantling, refurbishment and recycling of products. The long lifespan requirements for products targeted at the defense equipment sector illustrates product durability very well. Typically, the intended lifespans of defense industry products can be up to decades. The products are not designed for remanufacturing but are recycled through waste management.

The instructions for the medical devices created by the Medical business segment's production process include disposal and recycling instructions. The use of recycled materials is not allowed in medical devices, as the devices must have an equivalent level of performance to that of a corresponding new device (Regulation MDR 2017/745/EU). The estimated durability is determined by the durability of the batteries used in the devices. The legislation governing medical devices requires that the lifetime of each device be estimated and that tests be conducted to demonstrate that the device maintains its performance and safety for the specified lifetime.

If a product must be disposed of, components that are sensitive with regard to information security, such as circuit boards and memory cards, are processed in a manner that is appropriate for each product and agreed upon with the customer. Some mechanical components may also require separate processing. If the product is disposed of by Bittium, a separate certificate of disposal is sent to the customer. The recycling of medical devices manufactured by Bittium is mainly carried out by the customers who purchased the product, in accordance with the recycling instructions provided on the product packaging.

Due to the purpose and customer base of the Defense & Security business segment's product families, these products cannot be sorted and recycled in the same manner as normal consumer electronics. Bittium is committed to receiving and recycling the products it manufactures through appropriate channels, as required by producer responsibility. However, due to requirements related to the products' information security and customer base, only few products used in the defense sector or healthcare are returned to Bittium for disposal. The entities that have purchased the devices prefer to recycle or dispose of the products through their own channels.

The lifetime of products in the Defense & Security business segment is extended by Mid Life Upgrade programs. Customers can maintain the systems they have acquired by purchasing individual system components instead of having to buy an entire new system. Product design also takes into account the modularity of products within product families, which improves material efficiency, increases repairability and reduces the potential amount of waste. Service agreements concluded with customers specify the level of service and maintenance. These agreements can be used to proactively estimate the amount of spare parts needed, which affects the amount of materials purchased. At present, the customer requirements do not allow for the use of recyclable materials in the products. Consequently, long lifespans and serviceability are the key circular principles for the Defense & Security business segment.

In 2024, Bittium further developed the life-cycle services and after-sales maintenance of its products.

The medical devices of the Medical business segment are designed and manufactured to be durable and reparable. Single-use accessories are used with reusable devices. Considering the safety requirements for medical devices (patient safety), a single-use device can be seen in some situations a better alternative in terms of durability than reusable devices that need to be cleaned using strong detergents. The aim of material choices is to minimize impacts on the environment and users. Bittium strives to dimension the availability of spare parts in such a way that serviceability for the intended lifespan can be ensured. Bittium offers a maintenance and repair service for some of its medical devices, in which the housing, battery and USB connector of the device are replaced.

The durability of Bittium's products has been calculated on the basis of the long service life of the product, including product maintenance and product support.

- Medical products: average life cycle 3 years/Bittium 3 years:
- Secure phones: average life cycle 4 years/Bittium 8 years.
- Tactical radios: average life cycle 25 years/Bittium 25 years.
- Field phones: average life cycle 25 years/Bittium 25 years

The information provided by Bittium on product durability and repairability is based on measurements, collected product lifecycle data and calculations. The information is not reported at a more precise level due to business and information security risks related to product information.

The metrics do not include the proportion of recyclable material in products or packaging. For products, the use of recyclable material is regulated either by specific regulations or by customer standard, and there is currently no precise data available for packaging to break down the information.

Waste

The waste generated by Bittium's production activities mainly consists of sorted packaging waste, which is recycled with the help of a selected waste management and recycling partner. The packaging waste consists mainly of cardboard, paperboard and various plastics, such as polystyrene and other plastic products used for product protection. Substances that are considered to be hazardous waste and used in production activities include various adhesives, pastes and epoxies. Waste volumes are monitored by waste category at the annual level.

Resource Outflows	2024
Total amount of waste in metric tonnes	36.84
Total amount of waste diverted from final treatment	36.55
Conventional waste	36.49
Preparation for reuse	0.02
Recycling	13.30
Other recovery options	23.17
Hazardous waste	0.06
Preparation for reuse	0.00
Recycling	0.00
Other recovery options	0.06
Total amount of waste sent for final disposal	0.29
Conventional waste	0.29
Incineration (without energy recovery)	0.00
Landfilling	0.29
Other disposal operations	0.00
Hazardous waste	0.00
Incineration (without energy recovery)	0.00
Landfilling	0.00
Other disposal operations*	0.00
Total amount of non-recycled waste in metric tons	23.54
Percentage of non-recycled waste	63.90%
Total amount of hazardous waste in metric tons	0.06
Total amount of radioactive waste in metric tons	0.00

The following calculation method has been used for all of the figures in the table above: Information on waste has been obtained from waste reports prepared by waste management partner. For Tampere and Espoo, waste data has been obtained for the entire property in which the premises are leased, and Bittium's share has been calculated on the basis of the the square footage of the rented space. For the business premises located in the United States and Germany the waste amounts have been calculated based on the total amount of waste per person in Finland and multiplied by the number of people working abroad.

Waste recovery types have been itemized in the reports received from different sites. The percentage of non-recycled waste has been calculated by dividing the amount of non-recycled waste by the total amount of waste. Other recovery operations for non-hazardous waste include the incineration of mixed waste as energy in waste-to-energy plants and biowaste from Bittium's Kajaani site, which is processed into biogas at a biogas plant. Of Bittium's waste, 0.02 metric tons of pallets are reused. Consequently, there is no overlap between recycling and reuse. Bittium's operations or products do not generate radioactive waste.

E5 Summary Table of the Relationships Between Impacts, Risks, Opportunities, Policies, Actions and Targets

Sub-topic	Related impacts, risks and opportunities	Related policy	Actions during the reporting period	Planned actions 2025
Waste	Extending the lifetime of products, ensuring serviceability and appropriate recycling instructions reduce the amount of waste. (Own operations, downstream, positive impact)	Procurement policy Environmental and energy efficiency policy Sustainability policy	Ecological design End of Life purchases Mid Life Upgrade programs	Improving material efficiency and energy efficiency • Circularity principles part of the operational activities by 2027 Preparing a waste management plan • Waste recycling rate 99% by 2030
Resources inflows, including resource use	Engaging the commitment of manufacturing partners to production that is aligned with circular economy principles, material efficiency and regulatory compliance may reduce environmental impacts and improve stakeholder perceptions. (Upstream, own operations, opportunity)			
Resources outflows related to products and services	Competition risk if competitors are able to respond to product development in a more agile manner, or if competitors have more sustainable products through sustainable design, such as longer functional life or repairability. (Own operations, downstream, risk)			

Social Information

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ESRS S1 – Own Workforce

Material Impacts, Risks and Opportunities

S1. Own Workforce

Sub-topic and sub-sub-topic	Description	Negative/ Positive/ Risk/ Opportunity	Stage of the value chain affected	Time horizon
Working conditions: Secure employment	Employee satisfaction improves the employer image, employee availability, retention and motivation, and contributes to the customer experience.	Actual positive impact	Own operations	All
Working conditions: Health and safety	Workload poses a risk to the well-being of employees and their ability to cope with the demands of work and, in a broader sense, the availability and retention of workers.	Actual financial risk	Own operations	All
Equal treatment and equal opportunities for all: Training and skills development	The rapidly changing operating environment requires training and competence development, which also contributes to employee motivation, efficiency and competitiveness.	Actual positive impact	Own operations	All
Equal treatment and equal opportunities for all: Training and skills development	Active promotion of diversity, equality and non-discrimination and open communication can strengthen the external employer image and create a positive reputation, which can help to attract skilled workers and improve competitiveness.	Actual opportunity	Own operations	All

Material Impacts, Risks and Opportunities and Their Interaction with Strategy and Business Model (ESRS 2 SBM-3)

At the end of 2024, Bittium published its updated growth strategy for 2025–2028. In order to enable profitable growth, the company focused on transforming from a product development organization to a customer-oriented, growth-driven operating model through segment organizations in 2024. The personnel-related targets of the strategy are implemented and guided in more detail by a separate personnel strategy (valid for the period 2024–2025).

The policies related to the company's own workforce are guided by plans that are updated and reviewed on a regular basis. (Bittium's personnel-related policies and their relationship with the strategy are described in more detail in section S1-1. The relationship between Bittium's strategy and business model and personnel-related risks and opportunities is also described in section ESRS 2 SBM-2.)

At the end of 2024, Bittium had a total of 511 employees in Finland, Germany and the United States. 99% of the personnel work in Finland. The scope of the information published in Bittium's sustainability reporting covers all of the company's own workforce as well as non-employee workers who perform duties for Bittium that correspond to the duties of the company's own workforce.

A description of non-employee workers is provided in section S1-7. Most of Bittium's personnel are full-time and permanent employees. Product development engineers are the largest employee group. The average age of the workforce is 47 years and the average number of years of employment at Bittium is over 10 years. The age structure is taken into account in the implementation of orientation training and competence development. The maintenance of the competence of experienced employees is supported by providing training opportunities to deepen competence. The transfer of tacit experience-based knowledge to newcomers to the field is one of the most important aspects of developing the workplace community – similarly, new professionals can offer new kinds of competence to their work community. The employer is committed to supporting long careers, and Bittium has introduced development discussions for older employees (aged 58 and over) in accordance with the career agreement.

In stakeholder interviews related to the double materiality assessment process, Bittium's external stakeholders were requested to assess Bittium's material topics related to the environment, social impacts and good governance. The material impacts on the company's own workforce have not arisen from transition plans, and no related potential impacts were identified in the materiality assessment. The following topics were assessed as material for Bittium:

Sub-topic	Sub-sub-topic	Impact, risk or opportunity
Working conditions	Secure employment	Employee satisfaction improves the employer image, employee availability, retention and motivation, and contributes to the customer experience. (Own operations, positive impact)
Working conditions	Health and safety	Workload poses a risk to the well-being of employees and their ability to cope with the demands of work and, in a broader sense, the availability and retention of workers. (Own operations, risk)
Working conditions	Diversity	Active promotion of diversity, equality and non-discrimination and open communication can strengthen the external employer image and create a positive reputation, which can help to attract skilled workers and improve competitiveness. (Own operations, opportunity)
Equal treatment and equal opportunities for all	Training and skills development	The rapidly changing operating environment requires training and competence development, which also contributes to employee motivation, efficiency and competitiveness. (Own operations, positive impact)

Bittium's high level of know-how and professionalism, particularly in information security matters, and the availability of labor and competence development, are integral aspects of Bittium's business operations. Investing in the competence of the personnel and ensuring specialized expertise help to guarantee Bittium's position as a pioneer of technology. Bittium's business is dependent on the company's own workforce and its availability. The importance of looking after the personnel's working conditions, diversity and well-being is also recognized at the strategic level. Investing in the personnel can attract skilled workers and improve competitiveness. Bittium's own workforce works in regions and a sector in which the risk of the use of forced labor or child labor is not material due to local legislation, industry-related competence requirements and the effective monitoring of working conditions.

All of the impacts, risks and opportunities described above are widespread in nature and cover almost all of the company's own workforce, or at least the majority of it. In some respects, the impacts concern particularly the following employee groups: employees who are young or have recently entered the industry, who need increased support in the early stages of their careers; older, more experienced employees who need special attention to deepen their skills; women, whose share in the male-dominated sector remains low. In these respects, the

groups that may be particularly vulnerable to the impacts are described separately in the descriptions of the impacts. The assessments are based on consulting the personnel and other stakeholders as part of the double materiality assessment process and on data obtained from personnel surveys. (Bittium's actions related to diversity and equality, training and competence development and the health and safety of Bittium's workforce are described in section S1-4 of this report.)

Policies Related to Own Workforce (S1-1)

At Bittium, all of the policies related to the company's own workforce cover the entire workforce in all geographical operating regions. The policies aim to strengthen the well-being, competence and commitment of the personnel to the company and its values. Bittium's most significant policy related to its own workforce is the Code of Conduct, which describes Bittium's corporate culture and was updated in late 2024. According to its Code of Conduct, Bittium is committed to conducting its business safely, sustainably, ethically and honestly, adhering to laws and respecting human rights and internationally recognized human rights initiatives, such as the UN Guiding Principles on Business and Human Rights. If human rights violations occur in Bittium's own operations or value chain, they are investigated and sanctions are imposed as necessary, or contractual partnerships are re-evaluated.

According to the Code of Conduct, Bittium values diversity and does not tolerate any form of discrimination, sexual harassment or offensive or otherwise inappropriate behavior or verbal expression. This applies to physical, verbal, and written actions in any form or channel. Bittium is politically and religiously neutral. The company respects all individuals, regardless of age, gender identity, disability, personal characteristics or expression regardless of race, religion, belief, gender, sexual orientation, marital status, pregnancy or parental status, or any other characteristic protected by law. According to Bittium's Code of Conduct, all forms of bullying, harassment and discrimination are prohibited and addressed promptly, and Bittium fosters equal opportunity and ensures equitable pay and compensation for employees. Bittium's employment decisions are based on business needs and comply with the applicable labor laws and regulations.

According to the Code of Conduct, employees have the right to organize, join associations and negotiate collectively with the company. Bittium upholds the freedom of association and the right to belong to a trade union. Bittium's employees can freely support legal community, charity, political and religious organizations of their choosing, provided they clarify that their views and actions are personal and not representative of Bittium. The Code of Conduct states that, as an employer, Bittium complies with the ILO Declaration on Fundamental Principles and Rights at Work, and that Bittium provides its employees with a healthy, safe and fair working environment. Bittium complies with international labor agreements and laws governing working hours, leave, wages and other terms of employment.

Bittium's personnel-related targets are guided in more detail by a separate personnel strategy, through which processes and actions for implementing and monitoring the relevant policies are defined (for 2024–2025). Bittium has confirmed policies on the prevention of workplace accidents and a related management system. Bittium does not have specific policy commitments related to inclusion or positive action for people from groups at particular risk of vulnerability in its own workforce. Bittium's Audit Committee and Board of Directors evaluate the policies, but the company has not observed a need to specifically examine them with regard to the areas of emphasis mentioned above. However, Bittium wants to increase the workplace community's awareness of diversity among the company's own personnel. Inspiring young women to enter the technology sector is also one of Bittium's actions to promote equality and diversity.

Bittium's policies related to the company's own workforce correspond to internationally recognized frameworks, including the UN Guiding Principles on Business and Human Rights. Bittium is also committed to the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises. (21) Bittium condemns all forms of forced labor and child labor and does not tolerate slavery, human trafficking, or any form of servitude in any circumstance, in any operating region or in any part of its supply chain. The aforementioned commitments are included in Bittium's Code of Conduct.

Bittium's Code of Conduct is publicly available on the company's website and intranet. The company aims to communicate its policies to stakeholders and the personnel in the company's strategy, personnel strategy and workplace community development plan. The Group CEO and Management Group is the most senior level in the organization in charge of the implementation of all of Bittium's personnel-related policies.

Processes for Engaging With Own Workers and Workers' Representatives About Impacts (S1-2)

Bittium organizes events for its personnel during the year as necessary to provide opportunities to ask questions and give feedback. Providing opportunities for open dialogue and presenting questions directly to the company's management have also been important aspects of the engagement of the personnel. To support the implementation of its strategy and new operating models, Bittium organized more personnel events and briefings in 2024 than usual.

In addition to giving feedback at personnel events, Bittium's personnel give feedback through the anonymous annual Bittium Employee Survey (BES). In addition to conducting the annual employee survey, the company also assessed personnel satisfaction by means of a pulse survey in 2024. The results of both surveys are available to the employees on the company's intranet.

The results of the survey are addressed by Bittium's Board of Directors and Management Group and at the business segment and team levels. The progress of the measures prepared on the basis of the results is reviewed in the business segments' quarterly briefings. KPIs and personnel-related indicators are reviewed on a monthly basis in the business segments' management teams, and they are reported to the Board of Directors. Themes related to diversity, discrimination and equality are evaluated by means of an equality survey when the equality plan is updated. The company's CEO has the highest operational responsibility for ensuring that engagement with the personnel takes place and that the results are taken into consideration in the company's operating practices.

Processes to Remediate Negative Impacts and Channels for Own Workers to Raise Concerns (S1-3)

The company's whistleblowing channel provides the opportunity to confidentially report suspected misconduct to the organization. The channel and whistleblowing instructions are available to everyone on the internal website. All whistleblower reports are processed according to a uniform model, regardless of who the whistleblower is. (Descriptions of the whistleblowing channel and the whistleblower protection process are provided in section G1-1 of this report.)

Bittium aims to communicate to employees openly and directly, especially in matters concerning the employees themselves. Development needs, potential concerns and wishes arising from the personnel are discussed in development discussions. Supervisors are responsible for monitoring the implementation of the agreed remedies and evaluating outcomes. The employer engages in cooperation with employee representatives in accordance with the Finnish Act on Co-operation within Undertakings. One form of cooperation is dialogue aimed at developing the company's operations and workplace community and increasing the personnel's opportunities to influence matters pertaining to opportunities or concerns related to the personnel. Employee representatives also have the opportunity to raise questions or concerns related to an individual person or personnel group in discussions with the employer's representative. The personnel also have a legal right to belong to a trade union and to contact their union in matters related to any problems that may arise at the workplace. No agreements were concluded with the personnel or their representatives in 2024.

An occupational safety organization and an occupational safety committee have been established at Bittium. The key target of occupational safety and health activities is to safeguard the occupational health and work ability of Bittium's personnel. Occupational safety risks and any changes made at the workplace that support work performance must be brought to the attention of all parties concerned and always also the occupational safety and health manager and occupational safety and health representative. Employees can raise concerns about work and the working environment by contacting the occupational safety and health officer so that their concerns are addressed by the company. Occupational safety and health is also subject to oversight and regulation at the national level by occupational safety and health authorities, whom the employees can also contact. (The occupational safety and health department of the Regional State Administrative Agency).

Bittium has built an early support model that describes how to act as a company and as individuals in situations where risks or changes in the well-being of personnel or individuals are observed. The early support model is supplemented by guidelines on referral to treatment in substance abuse cases and a model for the resolution of conflicts. The occupational healthcare provider serves as Bittium's partner regarding risks and problems related to health and work ability. Bittium has prepared guidelines entitled "Conflict prevention and resolution model". The employer must address inappropriate behavior at the workplace and strive to make consistent and fair decisions to investigate matters, remedy harm and, if necessary, impose sanctions. Bittium doesn't have any specific processes by which it evaluates staff trust or awareness of its channels.

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 (S1-4)

Personnel with a high level of competence and well-being has been identified as an opportunity and an important competitive factor for Bittium. Bittium's personnel-related plans are used to implement strategic targets that are guided in more detail by a separate personnel strategy (for the period 2024–2025). Personnel-related actions are guided by the equality plan, the workplace community development plan – the aim of which is to develop personnel systematically and with a long-term approach – and the occupational healthcare action plan. These plans are updated and reviewed on a regular basis. The workplace community development plan was most recently updated in 2024.

Most of the work performed at Bittium is product development. The employees primarily work in projects, in which schedules and workload may vary quickly depending on the business situation and needs. Work-related risks and stress factors are also surveyed in workplace surveys carried out by the occupational healthcare partner. These surveys highlighted psychosocial stress and static work postures as issues. In response to the results, Bittium has taken increased action with regard to ergonomics and working in an open-plan office, among other considerations. Reports are prepared on the basis of workplace surveys. The reports include recommended actions. In addition, the occupational safety and health guidelines describe methods for avoiding and managing work-related risks, and the internal website provides the personnel with instructions on what to do in the event of a workplace accident or commuting accident.

All Bittium sites have rescue plans in place to reduce occupational safety risks. The physical risks associated with work tasks at Bittium are generally fairly minor, but ensuring electrical work safety requires special attention. One of the targets of Bittium's occupational safety and health action plan for 2023–2024 was to increase personnel awareness of the internal channel for reporting close calls, develop its usability and, indirectly, to improve the safety of the personnel. No observations of close calls were reported via the channel in 2024. Bittium's HR management and OHS function examine occupational accidents at regular intervals and whenever particular risks emerge.

The principles concerning the diversity of Bittium's Board of Directors have been established as part of the company's Code of Conduct and the Corporate Governance Statement. Bittium also wants to present the technology industry as an attractive option for women, who are still under-represented in this field, and to non-binary persons. For the second consecutive year, Bittium participated in the Shaking Up Tech event, where Bittium's female employees talked to young people in general upper secondary education about their work as a product developer, test engineer or UI/UX designer, for example. The most material policies with respect to impacts related to a safe, diverse and equal workplace environment are laid down in Bittium's equality plan, which is based on the Finnish Non-Discrimination Act and the Finnish Act on Equality between Women and Men. The key measures under the equality plan are focused on equal pay and career opportunities, the openness of recruitment, and systematically supporting the careers of aging employees. As the most significant measure taken in 2024, special attention was paid to gender equality in the allocation of wage adjustments in accordance with the collective agreement. The equality plan is valid until January 2026.

Working conditions have been identified as an impact related to motivation and commitment in the materiality assessment. At Bittium, most employment contracts are permanent and the reason for the temporary employment is always specified in the employment contract. Bittium's HR function monitors the number and duration of temporary employment relationships and the number of hours worked, and addresses excessive workload issues at an early stage. Bittium strives to promote work-life balance by enabling flexible working time arrangements and hybrid work as applicable (approximately 75% of the personnel can take advantage of these). Bittium supports team spirit and cohesion-building activities by organizing recreational events and parties and by enabling various activities. Actions taken regarding impacts related to physical and mental well-being include a company bicycle benefit, lunch benefit and personnel discounts, as well as culture, sports, massage, dental care and commuting benefits offered via the E-passi employee benefit platform.

Bittium's actions to promote the well-being of the personnel include the provision of occupational healthcare services that exceed the legal requirements, as well as other personnel benefits. With regard to the impacts related to working conditions and the health and safety of employees, the company regularly identifies hazards and risks related to the health, safety and occupational well-being of its personnel as part of statutory occupational healthcare. The medical care provided by the occupational healthcare partner focuses on

occupational health, and aspects related to maintaining the employee's work ability are emphasized during appointments. The purpose of health examinations is to maintain and promote the employees' work ability and health. Health examinations are carried out at the start of the employment relationship if the employee so wishes, and always when an employee performs a task that poses a particular risk of illness. In addition, health monitoring examinations and health surveys are conducted on a targeted basis for certain age groups and workplace communities, for example. Follow-up examinations are also conducted for employees with a partial disability. Occupational healthcare participates in meetings of the occupational safety and health committee upon invitation. Workplace surveys are carried out in cooperation with the occupational safety and health organization at least once every five years and in connection with significant changes. No separate measures related to occupational healthcare were agreed upon by the occupational safety and health committee in 2024.

As targeted actions concerning impacts related to personnel competence development and training, Bittium organizes regular performance reviews various training activities and learning platforms, such as Pluralsight. Bittium also provides opportunities for professional growth through Bittium's training portal (Bittium Talent Academy), for example. Bittium's target is to maintain the competence of its personnel and ensure special competence. Bittium responds to changing information security requirements by training the personnel and by participating in Finnish and international information security development projects. Online training activities are an important part of the maintenance of the Group's common basic competencies related to processes, operating practices, systems and tools, for example. In the development of skills, examples of the current themes include topics related to information security, quality systems, programming languages, working in a cloud environment, and embedded systems. A Sales Excellence training program was introduced in 2024 for people working in sales. As part of the Sales Excellence program, the company also implemented training related to contract management and Key Account Management training.

Bittium assesses the necessity and appropriateness of various actions based on, for example, the results of personnel surveys and external audits. The adequacy of the actions and the need for additional actions are regularly assessed in connection with the updating of the occupational safety and health action plan and the workplace community development plan. The personnel are consulted on themes related to equality and non-discrimination as part of the equality and non-discrimination survey. The expenses of actions that affect the personnel are considered to be normal operating expenses and they do not require significant additional investments. All of the actions concerning the personnel cover Bittium's own personnel. For individual employees working in the United States and Germany, benefits and local measures are implemented as applicable.

Targets Related to Managing Material Negative Impacts, Advancing Positive Impacts, and Managing Material Risks and Opportunities (S1-5)

The company carried out a materiality assessment in 2024. As the targets for 2024 were set in 2023, there was no interaction with the materiality assessment carried out in 2024. No base year or baseline was defined for these targets. The quantitative targets set for 2024 as part of the strategy process were as follows:

Targets set in the personnel strategy:

- The number of hours worked will be higher than in 2023.
- Personnel turnover will remain below 8%.
- The sickness absence target is less than five days per year.
- The target level for personnel satisfaction is 3.8.

In 2024, the company redefined its sustainability-related targets based on the strategy and the materiality assessment carried out by the company (base year 2024). The targets set for 2025–2028 were based on the material impacts, risks and opportunities identified in the materiality assessment (base year 2025). A materiality assessment carried out in cooperation with key stakeholders has been utilized in setting targets for 2024 and the years 2025–2028, and the participation of the HR function, among others, has also been engaged. The targets apply to all of Bittium's personnel regardless of geographical regions. The strategy and the related targets and KPIs are addressed as part of statutory employer–employee cooperation, in dialogue events with employee representatives. The achievement of targets is reviewed on a monthly basis in the business segments' management teams and reported to the Board of Directors. In 2024, the KPI targets were achieved in all respects. Consequently, no significant operational improvement needs were identified.

For the period 2025–2028, Bittium has set the improvement of the well-being of its own workforce as a personnel-related target as part of its strategy work. The quantitative metrics defined for the target "Personnel with a high level of well-being

and commitment" are the development of the results of the personnel survey statement concerning personnel satisfaction and workload. The quantitative metrics defined for the target "Strong sustainability culture" are based on employee participation in sustainability training. The quantitative metrics defined for the target "Diverse and highly competent personnel" are the age distribution, gender distribution and amount of training completed.

Characteristics of the Undertaking's Employees (S1-6)

At the end of 2024, Bittium had 511 employees, of whom 77 (15%) were female and 434 (85%) were male. There were 486 employees in permanent employment relationships, of whom 73 were female (15%) and 413 were male (85%). The workforce decreased by 46 persons during the reporting period due to resignation, retirement or death. Eight employees were dismissed during the reporting period. Employee turnover during the reporting period was 8.0%.

There were 29 part-time employment contracts, corresponding to 4% of all employment contracts (17%female, 83% male). Full-time employment contracts represented 94% of all employment contracts (15% female, 85% male). In most cases, the reasons for the part-time employment contracts were the personnel's own wishes for flexible working time arrangements. The percentage of non-guaranteed hours employees was 1.6% (0.2% female, 1.4% male). There were 25 employees in temporary employment relationships, of whom 4 were female (16%) and 21 were male (84%).

The information covers all employees who work for an entity that is within the scope of the company's sustainability reporting, regardless of the geographical region. The information has been collected from the company's HR system and provided as the head count at the end of the reporting period. The number of employees reported in the financial statements at the end of the reporting period was 511.

Gender	Number of Employees (Head Count)
Male	434
Female	77
Other	0
Total Employees	511

1.1.–31.12.2024

Male	Female	Other	Not Reported	Total Employees
Number of employed employees (headcount)				
434	77	0	0	511
Number of permanent employees (number of people)				
413	73	0	0	486
Number of temporary employees (number of people)				
21	4	0	0	25
Number of employees with variable working hours (number of people)				
7	1			8
Number of full-time employees (number of people)				
410	72			482
Number of part-time employees (number of people)				
24	5			29

Characteristics of Non-Employee Workers in the Undertaking's Own Workforce (S1-7)

Bittium's workforce also includes non-employee workers. In addition to its own employees, Bittium has leased workers, who include people provided by undertakings primarily engaged in employment activities, subcontractors and self-employed people. Leased workers may work in assembly duties in production, subcontractors may perform design tasks in product development, and self-employed people may serve in advisory and consulting roles, for example.

Bittium had 32 non-employee workers in 2024. The information has been collected from the company's HR system and provided as the head count at the end of the reporting period.

Diversity Metrics (S1-9)

At the end of 2024, Bittium had a total of 511 employees in Finland, Germany and the United States. 99% of the company's employees are based in Finland. The age distribution of employees is as follows: under 30 years old, 39 persons (8.0%); 30–50 years old, 291 persons (57.0%); and over 50 years old, 180 persons (35.0%). Of the employees, 77 (15%) are female and 434 (85%) are male. Of supervisors, 9 (18%) are female and 40 (82% are male. The Management Group has 2 female members (29%) and 5 male members (71%). The Board of Directors has 1 female member (17%) and 5 male members (83%). The gender and age distribution of Bittium's employees and management is determined on the basis of information obtained from the HR system.

Social Protection (S1-11)

All of Bittium's employees in the Finnish companies are covered by social protection, through public programs and benefits, against loss of income due to any of the following major life events: sickness, unemployment starting from when the own worker is working for the undertaking, employment injury and acquired disability, parental leave, and retirement. In the United States, social security benefits are granted by the government based on eligibility for such programs. The company also has processes related to employee compensation, disability leave and return to work. In the United States, Bittium also offers employer-supported healthcare and pension schemes, sick leave and parental leave. All employees are eligible for benefits on the basis of legislation confirmed by governments or agencies and the plan documents of employer-supported schemes. Social security in Germany comprises five statutory areas: health insurance, long-term care insurance, pension insurance, accident insurance and unemployment insurance. EU legislation safeguards the right to take parental leave, carers' leave and holidays.

The information related to S1-11 is based on the background assumption that the level of social protection established by Finnish national legislation is sufficient to cover the needs of social protection arising from significant life events. For persons working outside Finland, the information has been obtained from the party responsible for the personnel in the United States and, for Germany, the information is based on material provided by the auditor and accounting firm.

Training and Skills Development Metrics (S1-13)

In 2024 the number of days of training was 750 which corresponds to an average of 1.5 days per worker. This includes both internal and external training as well as orientation training and independent study. Internal training may also involve on-the-job learning and the sharing of expertise, and external training may involve independent study.

Approximately 60 % of the personnel participated in training in 2024. Total participation in training amounted to 5,600 hours (11,0 hours per person on average). For women, training participation amounted to 1,600 hours (21.2 hours per person on average). For men, training participation amounted to 4000 hours (9.2 hours per person on average).

Performance reviews are conducted annually at Bittium. Of the personnel, 83% participated in regular performance reviews: 66% of women (51 persons) and 86% of men (372 persons, total 423 persons). Bittium employees' participation in training and performance reviews is documented and reported on the basis of the data obtained from the HR system.

Health and Safety Metrics (S1-14)

All Bittium employees in the Finnish companies (100%) are covered by an occupational health and safety management system that takes into account the requirements of the Finnish Occupational Health Care Act. All Bittium sites in Finland have appropriate safety plans in place. Employees can report potential safety-related observations and close calls via a reporting channel provided specifically for reporting close calls. No observations of close calls were reported via the channel in 2024. Bittium did not have any recordable work-related ill health among its employees or cases subject to legal restrictions on the collection of data.

The number of safety observations and close calls reported in Bittium's Finnish companies in 2024 was zero. There were 6 reported work-related accidents or commuting accidents, one of which resulted in temporary disability, but no liability for

compensation pursuant to the legislation governing work-related accidents and occupational diseases. The rate of recordable occupational accidents was 6.2 (calculated per million working hours). There were no work-related fatalities. For the company's employees, the number of days lost due to work-related injuries and work-related ill health was 28.

Remuneration Metrics (Pay Gap and Total Remuneration) (S1-16)

The gender pay gap for all Bittium Group employees in 2024 is 4.7%. The calculation is based on the employees' last day's salary, plus any external bonuses and bonuses paid during the year, as well as holiday pay. This includes all Bittium employees on the last day of the year from all countries including CEO of the company.

The annual total remuneration ratio between the highest-paid employee and the median salary is 5.7. This is calculated as the ratio of the highest-paid employee's base salary to the median base salary of all employees (excluding the highest-paid employee).

Bittium also analyses the implementation of pay equality according to the job's complexity and job profile.

ESRS S2 – Workers in the Value Chain

Material Impacts, Risks and Opportunities

S2. Workers in the Value Chain

Sub-topic and sub-sub-topic	Description	Negative/ Positive/Risk/ Opportunity	Stage of the value chain affected	Time horizon
Other work-related rights: Forced labor	Potential human rights violations (child labor, forced labor, poor working conditions) in Bittium's value chain may lead to significant financial consequences and reputational damage to Bittium through changes in customer or supplier relationships, for example.	Actual financial risk and potential negative human rights impact	Upstream	All

Use of Transitional Provisions According to ESRS 1 Appendix C

Bittium has decided to apply the transitional provision according to ESRS 1 Appendix C with regard to information under the S2 standard, and Bittium discloses that part of the sustainability topics under S2 have been assessed to be material on the basis of the company's materiality assessment. Bittium will provide a brief description of how the company's impacts related to these matters are taken into account in the business model and strategy. This reporting according to minimum disclosure requirements also includes a brief description of the following aspects of the matters in question: Bittium's time-bound targets and progress towards them; Bittium's policies and actions that have been taken to prevent, mitigate, remediate or eliminate the actual or potential adverse impacts; the results of such actions; and the metrics relevant to the matters in question.

Material Sustainability Matters Related to Workers in the Value Chain

The workers in Bittium's value chain consist of workers employed by suppliers of goods. Most of them engage in the manufacturing of components required for production operations, their transport, or primary production activities that are indirectly linked to the components. Bittium's value chain also includes people working in outsourced services, such as cleaning, occupational healthcare and transport services, and seasonal additional workforce acquired through outsourced services, such as consultants.

The following risk emerged as material in the process of identifying and assessing Bittium's material impacts, risks and opportunities:

Sub-topic	Sub-sub-topic	Impact, risk or opportunity
Other work-related rights	Forced labor	Potential human rights violations (such as child labor, forced labor, poor working conditions) in Bittium's value chain may lead to significant financial consequences and reputational damage to Bittium through changes in customer or supplier relationships, for example. (Upstream, risk)

The materiality assessment found that human rights violations could occur in Bittium's supply chain, especially if the minerals used in the products originated from conflict or high-risk areas. A significant proportion of the components purchased by Bittium originate from China, where human rights violations have been identified by international human rights organizations among many operators involved in primary production and further processing. The significance of monitoring is emphasized in high-risk areas, as insufficient visibility into the working conditions of value chain workers increases risks. Although information is required from suppliers, verifying its accuracy is challenging. (a more detailed description of the process to identify and assess material impacts, risks and opportunities is provided in section ESRS 2.)

The procurement of components is a key part of Bittium's business model. The large number of external suppliers and the significant number of procurements increase the risk of shortcomings in parts of the supply chain, such as human rights violations, even though Bittium's new supplier evaluation and continuous monitoring of previously approved suppliers includes the assessment of the suppliers' compliance with labor laws and regulations. Production volumes are expected to increase as Bittium's growth strategy is implemented, which may create a risk of increased work-related injuries or other health risks.

At the same time, pursuing more scalable production by investing in the automation of suppliers' production activities will lead to the streamlining of operations, which will presumably lead not only to productivity growth and the increased precision of work but also to reduced stress on workers and better working conditions. In the value chain, these impacts would apply to component production, and they would not affect operators in the downstream value chain, such as the employees of transport companies, to the same extent. With regard to the identified risk, the highlighted issues included taking human rights into account throughout the value chain, particularly through procurement, and the policies related to these. When Bittium ensures that workers in the supply chain are provided with training and instructions as appropriately as possible, the supply chain can become more flexible and adaptable to changes. Procurement-related policies are aimed at preventing the use of forced labor and child labor in the value chain and promote good working conditions. By seeing to the promotion of the well-being, working conditions and occupational safety of suppliers' workers, Bittium aims to enable the ethical operation of its supply chains, which may have positive impacts on the brand and Bittium's ability to attract customers.

Targets Related to the Material Sustainability Matters

Bittium did not have any time-bound or outcome-oriented targets related to value chain workers in 2024. In its sustainability strategy, the company has set targets for its sustainability efforts for the period 2025–2028. Bittium's

management and persons in charge of various functions have been engaged in the company's strategy work and target-setting. Bittium has set a long-term target of safeguarding the working conditions and rights of value chain workers. The development of supplier relationships from a sustainability perspective is among the company's planned measures for 2025. Bittium's goal is for the sustainability strategy to guide the procurement strategy and for sustainability to be integrated into procurement functions and processes.

Bittium's time-bound and outcome-oriented target is to implement regular sustainability assessments of the entire supply chain by 2027. Ensuring sustainability and ethics in supply chains even more effectively through the appropriate implementation of assessment processes is an action that is related to this target. For 2025, Bittium has set a continuing the identification of risks related to the working conditions of value chain workers and safeguarding their rights for the company's identified critical suppliers. The metric that will be used to assess this target is the number of audits conducted and the number of audited suppliers. All targets related to Bittium's value chain workers cover the company's own operations and value chain and the related relevant geographical regions. The year 2024 will be used as the base year for assessing progress. In setting the targets, Bittium utilized the impacts related to its value chain based on the challenges identified in the double materiality assessment relating to the transparency of value chain impacts and data collection, among other things.

Policies Related to the Material Sustainability Matters

Bittium is committed to operating in accordance with the policies and values described in its Code of Conduct. Identified critical suppliers of services and products are required to make a commitment to sustainable business practices and they must comply with Bittium's Code of Conduct as well as Bittium's supplier guidelines and the Bittium Supplier Manual. The guidelines include the key policies, practices, and requirements for Bittium's supply chain. The requirements laid down in the Code of Conduct and the Bittium Supplier Manual are related, among other things, to business practices, anti-corruption, the prohibition of child labor and forced labor, environmental issues, occupational safety and human rights, including material-specific requirements. The policies are part of Bittium's quality management, environmental management and information security management systems. The supplier's commitment to ethical conduct, compliance with the applicable national and international laws, and respecting human rights are prerequisites for supplier approval. Bittium's Code of Conduct includes a commitment to complying with the International Labour Organization (ILO) Convention and the UN Convention on the Rights of the Child and the Universal Declaration of Human Rights.

Bittium's Code of Conduct and contractual terms cover the upstream and downstream value chain participants and all geographical regions from which Bittium makes purchases. Bittium's Code of Conduct and Supplier Manual are publicly available to all stakeholders on the company's website. The CEO, the Board of Directors and the operational management of the business segments are in charge of the implementation of Bittium's policies, but the entire organization participates in putting the policies into action. Bittium has integrated ethical and social perspectives into its procurement process. The company strives to promote social responsibility, which is also required of the company's identified critical supplier partners. Bittium has comprehensive procurement-related guidelines (Bittium Procurement Policy) in place, which specify aspects related to the ethical and sustainable perspectives of procurement and supply chain risk management, among other topics. The documents that guide the selection of suppliers of goods and services and their quality control include various supplier checklists, evaluation lists, manuals and general terms of agreement.

Actions and Resources Related to the Material Sustainability Matters

Bittium has drawn up contractual terms for its identified critical suppliers of goods and services. The aim is to apply these contractual terms to purchase orders placed by Bittium. The degree of application depends on the degree of approval of the supplier's agreement. The general terms include, for example, terms pertaining to the avoidance of counterfeit materials, conflict minerals, certificates of conformity, the prevention of corruption and compliance with trade rules. In 2024, Bittium requested additional assurance from the identified critical suppliers to confirm that they do not use materials originating from Russia or Belarus in their production.

With regard to the material risks concerning Bittium's value chain workers and the management of these risks, the selection of identified critical suppliers plays a key role in ensuring that the selected suppliers are companies that operate sustainably and treat their workforce well, taking human rights perspectives into consideration. Bittium has a supplier selection process in place to support this. Supplier-related risks are monitored and managed on a continuous basis. As part of the continuous management of the supplier base, Bittium conducts audits mainly in response to identified

risks or performance deficiencies and whenever Bittium's needs or the supplier's offering and capabilities change. When it is deemed necessary, Bittium establishes a regular audit routine for a supplier.

To promote more effective management of the supplier base and supplier data, Bittium continued to develop its supplier management tool in 2024. Although the most significant human rights risks are concentrated in the upstream value chain, operators in the downstream value chain, such as transport service providers, are also required to provide reports on matters such as working conditions and safety. However, some requirements may not apply to all suppliers. In its supplier assessments, Bittium determines whether there are sector-specific requirements that cannot be applied due to the sector. Bittium was not informed of any human rights violations in its value chain in 2024.

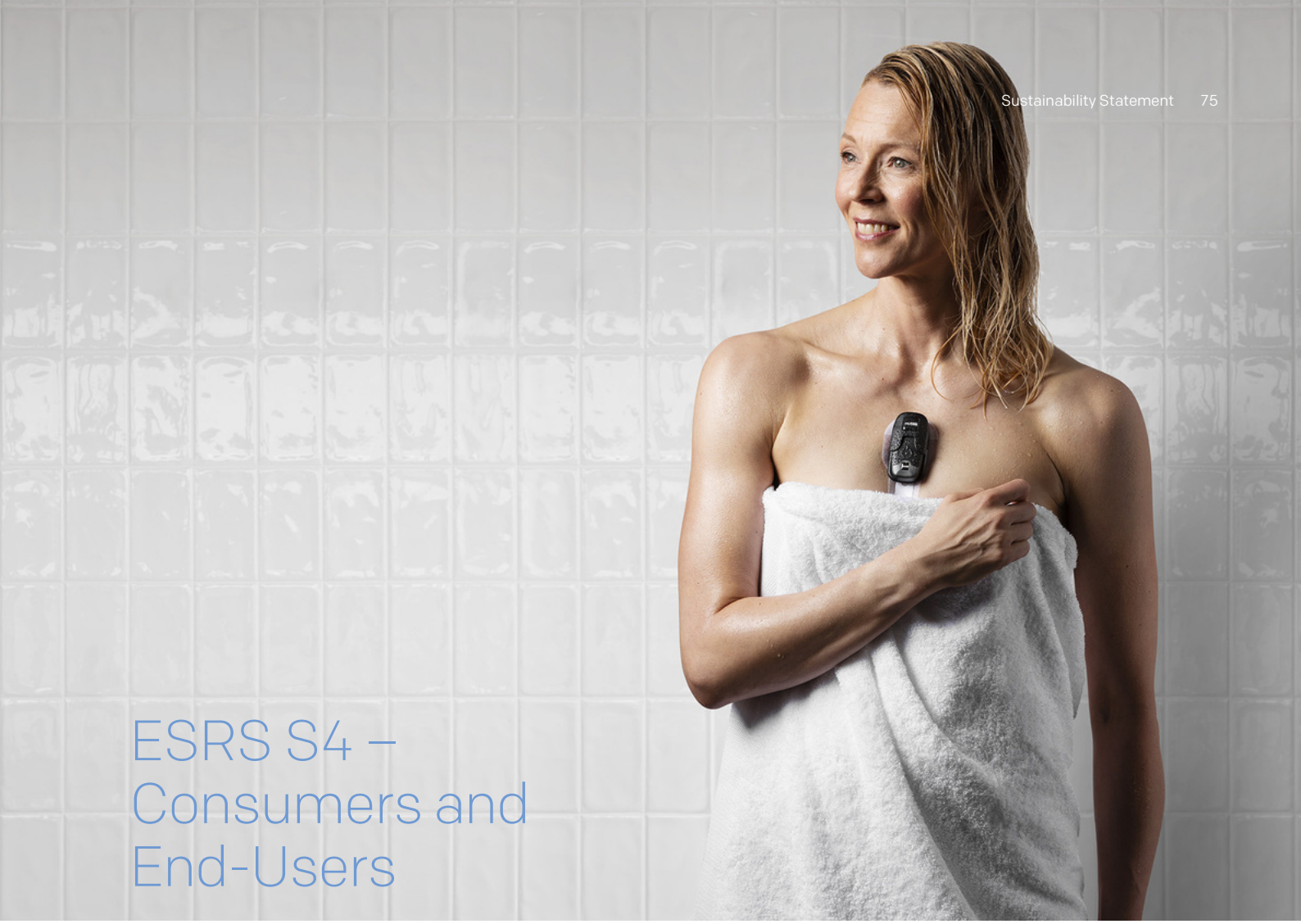
The supplier is required to have an up-to-date and documented risk management system that is used to ensure that risks are effectively identified, analyzed, managed, prevented and monitored. Bittium's critical suppliers are required to have documented occupational safety methods and practices, as well as documented and implemented safety principles that cover buildings, employees, functions, documents and information systems. Bittium requires its identified critical suppliers to have an up-to-date, documented quality management system to ensure efficient planning, management and control of quality. The quality management system must satisfy the requirements of the ISO 9001, AQAP 2110 or ISO 13485 standard or other internationally recognized standard or regulation applicable to Bittium's business, such as ISO 27001 or the Medical Device Regulation (MDR). Suppliers are required to have a documented internal audit program for their quality management system and operations. Matters related to suppliers' workers are documented in the General Purchase Agreement concluded with identified critical suppliers or a corresponding agreement, and compliance with the provisions in question is assessed and evaluated in connection with supplier visits and audits (using the Bittium Supplier Audit Assessment Checklist, for example). The audit is initially carried out as a self-assessment against Bittium's supplier requirements, followed by a review of additional clarifications with the supplier. If necessary, the supplier may be audited on-site by Bittium. A total of six supplier audits and six self-assessments were conducted in 2024.

Bittium's whistleblowing channel also provides value chain workers with the opportunity to report suspected misconduct to Bittium confidentially. In 2024, one whistleblowing report was made concerning the value chain, and it was addressed by taking appropriate measures. A more detailed description of the channel is provided in section G1.

Metrics Related to the Material Sustainability Matters

Bittium's supplier engagement takes place both during the supplier selection process and subsequently in connection with quality monitoring activities, such as audits. This makes it possible to identify and measure any experiences and improvements related to value chain workers that may have been gained as a result of the activities. Compliance with Bittium's guidelines related to suppliers was assessed in 2024 by means of supplier self-assessments and audits of critical suppliers. Bittium has not been informed of any incidents related to workers in the upstream or downstream value chain that would involve non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work or the OECD Guidelines for Multinational Enterprises. In 2024, no violations or non-conformities related to the use of child labor, forced labor, inappropriate disciplinary action, physical punishment, or health-related discriminatory practices were observed in Bittium's or its subcontractors' operations.

Bittium audits its identified critical production material suppliers on a regular basis in accordance with the annual Supplier Audit Plan. The well-being, working conditions and occupational safety of the suppliers' workers are also assessed in connection with the supplier audits (Bittium Supplier Audit Assessment Checklist). If any shortcomings are observed in the aforementioned areas, the supplier is urged to provide remedy and verification for it. The metric used is the number of observed shortcomings. Supplier compliance is verified by means of supplier surveys, requested supplier self-assessments and audits conducted by Bittium or a third party. Bittium may conduct a supplier audit, which covers the management system, technology, process or product and the safety management system. Bittium has set a long-term target of safeguarding the working conditions and rights of value chain workers. The metric that will be used to assess this target is the number of audits conducted and the number of audited suppliers. The company will continue to review these systematically in 2025.



ESRS S4 – Consumers and End-Users

Material Impacts, Risks and Opportunities

S4. Consumers and End-Users

Sub-topic and sub-sub-topic	Description	Negative/ Positive/ Risk/ Opportunity	Stage of the value chain affected	Time horizon
Personal safety of consumers or end-users: Health and safety	Potential reputational risk if any deviations in product safety that cause hazardous incidents were to be detected.	Actual financial risk	Own operations Downstream	All
	Negative impacts on customer satisfaction, customer and stakeholder perceptions and, consequently, direct financial effects if perceived quality does not correspond to customer requirements.	Actual financial risk	Own operations Downstream	All
	Improving the health and safety of customers with Bittium's technology products that promote healthcare.	Actual opportunity	Own operations Downstream	All
Information-related impacts on consumers and/or end-users: Privacy	A significant reputational risk if information security deficiencies were to be detected in the company's operations or products. Such deficiencies may also lead to legal consequences or the termination of customer relationships.	Actual financial risk	Own operations Downstream	All
	The increase in information security threats and the tightening security climate increase the demand for secure products and lead to a situation where taking information security and data protection into consideration in product development is a key opportunity for Bittium in all of its businesses.	Actual opportunity	Own operations Downstream	All
Information-related impacts on consumers and/or end-users: Availability of high-quality information	Unclear or incomplete product information or labeling may affect customers' understanding of the use of products and indirectly affect their safety, as well as reduce customer satisfaction.	Actual negative impact	Own operations Downstream	All

Use of Transitional Provisions According to ESRS 1 Appendix C

Bittium has decided to apply the transitional provision according to ESRS 1 Appendix C with regard to information under the S4 standard. In this reporting according to minimum disclosure requirements, Bittium will describe the sub-topics that have been assessed as material and provide a brief description of how the company's impacts related to these matters are taken into account in the company's business model and strategy. The reporting according to minimum disclosure requirements also includes a brief description of time-bound targets and Bittium's policies, actions and metrics related to the matters in question.

Material Sustainability Matters Related to Consumers and End-Users

In the double materiality assessment process carried out in spring 2024, S4 Consumers and end-users was identified as a material sustainability matter at the level of the following sub-topics: Personal safety of consumers and end-users and Information-related impacts on consumers and/or end-users. A more detailed description of the process to identify and assess material impacts, risks and opportunities is provided in section ESRS 2 IRO-1.

Sub-topic	Sub-sub-topic	Impact, risk or opportunity
Personal safety of consumers or end-users	Health and safety	Negative impacts on customer satisfaction, customer and stakeholder perceptions and, consequently, direct financial effects if perceived quality does not correspond to customer requirements. (Own operations, downstream, risk)
Personal safety of consumers or end-users	Health and safety	Potential reputational risk if any deviations in product safety that cause hazardous incidents were to be detected. (Own operations, downstream, risk)
Personal safety of consumers or end-users	Health and safety	Improving the health and safety of customers with Bittium's technology products that promote healthcare. (Own operations, downstream, opportunity)
Information-related impacts on consumers and/or end-users	Privacy	A significant reputational risk if information security deficiencies were to be detected in the company's operations or products. Such deficiencies may also lead to legal consequences or the termination of customer relationships. (Own operations, downstream, risk)
Information-related impacts on consumers and/or end-users	Privacy	The increase in information security threats and the tightening security climate increase the demand for secure products and lead to a situation where taking information security and data protection into consideration in product development is a key opportunity for Bittium in all of its businesses. (Own operations, downstream, opportunity)
Information-related impacts on consumers and/or end-users	Availability of high-quality information	Unclear or incomplete product information or labeling may affect customers' understanding of the use of products and indirectly affect their safety, as well as reduce customer satisfaction. (Own operations, downstream, negative impact)

Bittium has a broad customer base of consumers and end-users who use the defense industry products, communication and connectivity solutions and biosignal measurement and monitoring solutions developed by the company. Risks related to the health and safety of consumers and end-users are linked to Bittium's business through product quality and safety. At the same time, improving consumer and end-user health and safety with the help of Bittium's products that promote information security, communication solutions and healthcare create a business opportunity for the company. Bittium complies with product liability regulations in its operations, including requirements that are specific to the target markets of the products. The relationship of the impacts, risks and opportunities to the business model and strategy is described for individual impacts, risks and opportunities in section ESRS 2 SBM-3.

With regard to the Medical and Defense & Security business segments, the strategy emphasizes the continuous improvement of product competitiveness and productivity, the development of quality and the efficiency of operations, as well as the utilization of development cooperation between companies. High-quality product information is also an integral part of quality. The absence or lack of clarity of product information would have a negative impact on the customers' understanding of the use of the product and an indirect impact on customer safety. The absence of high-quality product information would reduce customer satisfaction.

The significant change in patient care that is under way in healthcare technology is highlighted in Bittium's strategy. The development of early-stage diagnostics and the increasing use of early discharge practices increase the efficiency of healthcare processes and improve the care experience. Bittium

can promote the personal health and safety of consumers and end-users by enabling accurate monitoring and measurement in home conditions through remote monitoring solutions.

The development of the information security of Bittium's own products and new technology has an impact on the privacy of customers and end-users through information security and data protection, contributing to the prevention of threats to data and national security. In product development service projects, information security and confidentiality are important considerations right from the start of the design stage. The company is known for its information security expertise, secure products for the defense and security industry, and medical devices. For this reason, Bittium would incur a significant reputational risk if information security deficiencies were to be detected in the company's operations or products. The increase in information security threats and the tightening security climate increase the demand for secure devices, which means that the secure products offered by Bittium create business opportunities and a competitive advantage relative to other operators in the industry.

Targets Related to the Material Sustainability Matters

Bittium's target is to maintain a high level of customer satisfaction. To achieve this target, Bittium continuously develops its processes and systems. Bittium is committed to comprehensive quality assurance to ensure that the company's products and related product information meet customer expectations and the requirements of the applicable regulations and standards. Confidential customer relationships and safety are part of Bittium's sustainability strategy, which has been updated for the period 2025–2028 and which aims to take into account the company's customers and health and safety.

Customer and project satisfaction are measured and monitored by means of customer satisfaction surveys and the project satisfaction NPS (Net Promoter Score). The achievement of targets and the agreed-upon development measures are monitored in quarterly personnel briefings for the company's entire personnel. The Board of Directors monitors the achievement of outcomes and targets annually. The NPS target for 2024 was set at 40, which is a very high customer satisfaction score. This target was achieved in both customer satisfaction and project satisfaction measurements. At Bittium, the most senior level in the organization that is responsible for the implementation of policies and processes related to customer satisfaction and customer cooperation is the company's CEO and the members of the Management Group.

Bittium did not have any time-bound targets for 2024 with regard to promoting the quality of services and products. Bittium began surveying the life-cycle data of the company's products for the digital product passport in 2024. This will increase transparency in the supply chain and contribute to the availability of high-quality product information. Progress towards this target was made with regard to one key product in the Defense & Security and Medical business segments. This work will continue in 2025 with the target of expanding the number of products for which life-cycle data is collected. Product information has also been improved by developing the management of material databases.

Bittium's target is to have secure products and to strengthen its role in the identification of information security threats and the utilization of data. Bittium does not have time-bound targets related to information security threats. Bittium has defined four themes for the process of monitoring non-time-bound targets related to information security threats: 1) compliance with information security certificates and the information security of operations, 2) situational awareness of information security and the capacity to detect deviations, 3) business continuity management, and 4) information security of the company's own products and new technologies. Progress towards these targets is monitored in the annual management review.

Maintaining the personnel's information security and data protection competence and increasing special expertise has been highlighted as one of Bittium's key targets. Bittium aims to strengthen its role in the recognition of information security threats and in the utilization of information together with its stakeholders, and the company also aims to participate in the information security development projects and key forums of the EU and other parties. Information security training for the personnel is part of mandatory recurring training. Bittium began updating the information security training in 2024 and will start the monitoring of the new training in 2025. With regard to the policy concerning risk management, Bittium set a target of fulfilling the requirements of the international ISO 27001 information security certificate in 2024. This target was accomplished, and the achievement of the target was verified by means of an external audit.

Policies Related to the Material Sustainability Matters

The policies that guide Bittium's operations in relation to consumers and end-users include the company's Code of

Conduct, sustainability policy, the Group's quality policy and the Medical business segment's own quality policy, which takes into account the specific needs of the sector in question. The Code of Conduct and the sustainability policy define Bittium's general principles for sustainable business conduct, such as respecting human rights, ensuring information security and data quality, as well as ensuring information security in the work environment and workplace atmosphere, environmental responsibility and the management of supplier relationships.

The target of Bittium's quality policy is to achieve customer satisfaction through the good quality of products and services. Bittium aims to ensure the successful implementation of its policies by means of certified management systems and the requirements established by them. According to the quality policy of the Medical business segment, Bittium complies with the Medical Devices Regulation (MDR (EU) 2017/745), which governs the design, development and production of medical devices as well as their life cycle management.

Bittium's key policies related to information security and data protection are the company's information security policy and its sub-policies. The policies define the company's approach to maintaining confidential customer relationships, manufacturing safe and secure products, and collecting, storing and using confidential or proprietary information. Bittium has drawn up business continuity plans to ensure that the company is able to continue its operations even during and after serious disruptions. The purpose of Bittium's Disaster Recovery Plan is to minimize the impacts of potential disasters and limit the duration of recovery in order to maintain business continuity.

Actions Related to the Material Sustainability Matters

Ensuring Product Safety

Bittium sees to the health and safety of consumers and end-users by ensuring the safety of the Bittium's products and, in product development, by systematically assessing the risks related to each product and its life-cycle, the safety of the materials and components used in the product and the information security aspects of the product. In Europe, Bittium's products are required to have CE marking and a related declaration of conformity. Actions related to consumers and end-users are assessed, reviewed or audited on a regular basis in accordance with internal practices as part of the internal requirements of Bittium's product development processes. Bittium trains its personnel on product liability.

All of Bittium's medical devices are designed with user safety (patient safety) in mind, and they comply with the requirements of either the EU Medical Device Regulation (MDR), which entered into force on May 26, 2021, or its predecessor, the Medical Device Directive (MDD), which is in force until 2028. In 2024, Bittium made progress as planned in obtaining product approvals for its products in accordance with the MDR. In 2024, Bittium focused on increasing its regulatory competence related to medical devices and began to systematically review and update product information as part of continuous quality management measures.

In order to ensure the information security of its product information, Bittium uses layered security methods that cover all areas of the infrastructure, from networks to terminal devices. Bittium monitors the availability and quality of product information through customer correspondence, an annual customer satisfaction survey and relevant quality and safety requirements.

Audits, Compliance Monitoring and Management Review

In relation to compliance in quality management, the company conducts a regular management review. Feedback obtained from the management review is used in the development of Bittium's operations and processes. The focus of the management review conducted in 2024 was on updated business processes and policies. The management review also covers internal or customer-related operations, products and services and their quality.

Bittium conducts extensive external and internal audits to ensure the quality of its products and processes. Annual internal audits are carried out at Bittium on the ISO 9001 and ISO 13485 standards. Bittium is also audited or assessed by customers and by means of annual external audits of management systems. Bittium's external management system audits include Group-level ISO 9001, ISO 14001, ISO 50001, ISO 27001, ISO 13485 and AQAP 2110 audits carried out by KIWA (Inspecta), and ISO 13485, MDR 2017/745, MDSAP and MDR-M 75 audits carried out by Eurofins. The external auditing activities carried out in 2024 identified not only numerous positive quality-related factors but also areas for development. In addition, a few deviations were detected in relation to the Medical business segment's processes. These deviations currently being addressed.

Training and Development Projects

In the development of customer service and customer cooperation skills, examples of the current themes include topics related to information security, quality management systems, programming languages, working in a cloud environment, and embedded systems. A Sales Excellence

training program was introduced in 2024 for people working in sales. In 2024, the company continued to use an online learning platform where employees can participate in high-quality mini webinars focused on information security and data protection. Bittium's target is to promote continuous on-the-job learning among its personnel with regard to the identification of information security threats and the utilization of information.

Strengthening Information Security and Data Protection

Bittium has a comprehensive range of data protection and information security measures and methods in place to protect the business secrets and professional secrets of Bittium and its customers, as well as the privacy of customers. Examples of these measures and methods include firewall and endpoint security software, the encryption of data communications, multi-factor authentication and access management, regular information security updates, vulnerability scanning, an SIEM system and SOC services. Bittium has access to the company's own VPN encryption product, which has quantum security capabilities, and a NATO-approved secure phone that the company can use to leverage material opportunities related to information security and data protection.

In 2024, Bittium took the following actions to manage negative and positive impacts related to information security and data protection:

- Transitioning to the updated version of the ISO 27001:22 standard.
- Complementing information security training by participating in the national TAISTO exercise.
- Publication of the Post-Quantum Cryptography (PQC) ML-KEM algorithm standardized by the U.S. National Institute of Standards and Technology (NIST) for the Bittium SafeMove® Mobile VPN software used for the encryption of communications.
- Updating information security risk management by combining it with the management of other business risks.
- Starting the technology upgrade of network infrastructure.
- Decision on joining the Hyöky service and its deployment. The Hyöky service is the Finnish National Cyber Security Centre's attack surface survey service. Joining the service promotes the achievement of the goals of the policy that relates to risk management.

Metrics Related to the Material Sustainability Matters

Bittium measures customer satisfaction by means of two different types of surveys: For customer satisfaction, the assessed areas are the smoothness of cooperation, Bittium's ability to understand the customer, and satisfaction with the quality of products and services. For project satisfaction, the key areas are the success of project management, the functioning and quality of technical solutions, and the outcome of the project. Both surveys provide information on deviations and product and service quality, which are measured by the number of severe defects in each business area. No severe quality defects were observed in 2024.

Bittium uses NPS (Net Promoter Score) to measure customer satisfaction. For 2024, the target NPS measured in both customer and project satisfaction surveys was set at 40, which is higher than the average NPS among technology companies. In 2024, the customer satisfaction survey NPS was 48 and the project satisfaction NPS was 73, which meant that the targets set for the year were exceeded.

Bittium's metrics related to consumer and end-user health and safety are based on monthly internal quality management reporting to the Quality Board. The realization of patient safety among Bittium's customers and end-users is measured by means of the quality and safety requirements of the ISO 13485 standard. Compliance with regard to the quality of product information is measured by means of various audits and other requirements. Feedback concerning the improvement of product information has also been obtained from the customer satisfaction survey and, in 2024, the company started updating product information to improve quality.

The privacy of consumers and end-users in terms of information security and data protection is measured by means of the ISO/IEC 27001:2013 information security certificate. A valid certificate demonstrates that the organization has adopted known best practices for securing its business operations and the information it processes and for managing information security risks. The validity of the certificate must be maintained on a continuous basis. The certificate also requires continuous and regular monitoring, measurement and analysis of data on information security, such as the number and nature of information security incidents, the effectiveness of risk management measures and the effectiveness of controls related to information security and data protection. No actual adverse information security incidents were identified in 2024.

Governance Information

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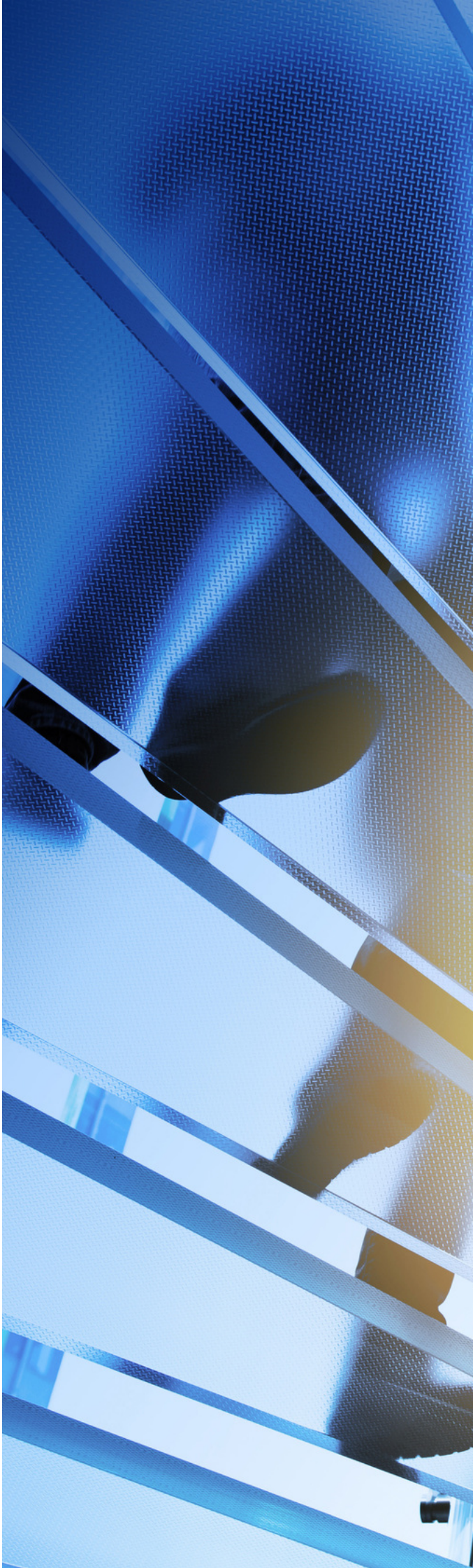

ESRS G1 – Governance Information

Material Impacts, Risks and Opportunities

G1. Business Conduct

Sub-topic and sub-sub-topic	Description	Negative/ Positive/Risk/ Opportunity	Stage of the value chain affected	Time horizon
Corporate culture	Operational risk and reputational risk if the corporate culture or the management of sustainability risks does not take into account increasing stakeholder requirements or if the company does not react to changes in legislation and regulations quickly enough.	Actual financial risk	Own operations	All
	A potential competitive advantage through favorable customer and stakeholder perceptions and innovations, if sustainability can be linked to the strategy and thus exceed the minimum requirements.	Opportunity	Own operations Downstream	Medium
	R&D cooperation with partners increases innovation, expands the competence of Bittium's own personnel and promotes business opportunities by improving stakeholder perceptions.	Actual opportunity	Own operations	All
Management of relationships with suppliers, including payment practices	Ensuring the sustainability of the supply chain through supplier requirements, audits and surveys of materials, engaging the personnel's commitment to the principles of sustainable procurement, and also taking sustainability into account in the subcontracting of personnel.	Actual positive impact	Upstream Own operations	All
	Potential reputational risk if there were to be sustainability-related violations in the supply chain, such as adverse environmental incidents or negative human rights impacts.	Actual financial risk and potential negative human rights impact	Upstream Own operations	All
Political influence and lobbying activities	The potential to grow the business even in the short term due to the changed geopolitical climate and increased information security threats.	Actual opportunity	Own operations Downstream	All
Corruption and bribery: Incidents	Potential reputational risk if violations related to corruption and bribery were to occur in the company's own operations or supply chain.	Actual financial risk	Upstream Own operations	All

Business Conduct Policies and Corporate Culture (G1-1)

In the double materiality assessment process carried out in spring 2024, a material corporate culture-related sustainability matter identified at the sub-topic level was the operational risk concerning the company's own operations and the reputational risk that would arise if the corporate culture or the management of sustainability risks did not take into account increasing stakeholder requirements or if the company did not react to changes in legislation and regulations quickly enough. As an opportunity related to corporate culture, Bittium identified R&D cooperation with partners, which increases innovation, expands the competence of Bittium's own personnel and promotes business opportunities by improving stakeholder perceptions. The opportunity applies to both Bittium's own operations and the upstream value chain. A potential competitive advantage was identified through favorable customer and stakeholder perceptions and innovations, if sustainability can be linked to the strategy and thus exceed the minimum requirements. This positive impact is realized in Bittium's own operations and the downstream value chain.

Bittium's guiding principles are divided into the company's strategy, values and Code of Conduct, as well as the mission and vision. Bittium's values are innovation, courage and trust. The company expects its personnel to act in accordance with its values. Customers and other stakeholders can also expect the company to act in accordance with its values. The extent to which the values are reflected in the company's operations is measured by means of annual personnel surveys and customer satisfaction surveys. Bittium's mission is to utilize world-class expertise and innovation to enable secure embedded technology for the benefit of people and societies. The company's vision is to become a global player in building embedded secure technology solutions within complex environments.

Good governance and ethical principles are the foundation of Bittium's operations and a prerequisite of business. It is vital for the company that its customers and other stakeholders have trust in Bittium, its product quality and sustainable development. Compliance has been taken into consideration at every level of the company's organization to ensure compliance with the applicable laws, regulations, internal guidelines, business sustainability requirements and ethical values. Bittium's corporate culture is developed regularly as part of the company's strategy work and evaluated as part of the monitoring of metrics related to the implementation of the strategy. The development of the corporate culture is the responsibility of the Board of Directors, the CEO, the Management Group and the management of the business segments.

Bittium sees to the competence of its personnel by means of orientation training, needs-driven training (e.g. sales training) and leadership training, and by supporting the individual competence development needs of the personnel. Competence development is also supported by diverse work, job rotation, mentoring and learning while working. The maintenance of competence also includes mandatory recurring training courses that are primarily completed in an online learning environment. The recurring training courses are related to information security, legal compliance, anti-corruption and product safety. The implementation of the training programs is monitored on a regular basis. Competence development needs are assessed from the perspective of business needs and the competence strategy. Funds are budgeted for training each year. Decisions on the use of training budgets are ultimately made by the management of the business segments. Training is organized for all personnel groups and organizational levels according to work tasks and roles. The content of orientation training and recurring training is the responsibility of the designated owner of the subject or the function concerned. The high-level responsibility for maintaining the training register and the orientation training process lies with the HR function. A training register with information on all completed training activities is accessible via the HR information management tool.

All of Bittium's policies presented in connection with the G1 standard cover the entire company's operations and the value chain to the extent that they have an impact on the value chain. Bittium's Board of Directors is the highest body in the organization that has approved all of the company's policies.

The Functions Within the Undertaking that Are Most at Risk in Respect of Corruption and Bribery

Bittium has a Group-wide management system that includes anti-corruption control methods applicable to all business segments, as well as anti-corruption guidelines that apply to the entire personnel. Bittium's anti-corruption policies are described in more detail in the following documents: Anti-Corruption Code of Conduct for Third Parties, which provides guidelines for value chain participants, such as suppliers of goods and services, and the Anti-Corruption Code of Conduct – Internal Use, which provides guidance to the company's own personnel with regard to the identification and prevention of corruption and bribery. The content of these policies is aligned with the UN Convention against Corruption. The personnel are required to complete a mandatory self-study module on this

subject (Legal - Anti-Bribery Training Self-Study). The company has a whistleblowing channel for reporting potential observations related to corruption or bribery.

Bittium recognizes that, due to its business strategy, the Defense & Security business segment is an attractive target for bribery attempts and, consequently, at risk of corruption or corporate espionage. The business segment provides the defense sector and government officials with communication systems and information security solutions, among other things. Stakeholders related to these products and services are also at risk in respect of corruption and bribery. According to the company's assessment, the assumed target of bribery attempts is business secrets related to Bittium's technical capabilities and, potentially, other confidential customer data or information on the public authorities that is in Bittium's possession. In Bittium's organization, the most significant personnel group at risk of bribery consists of those with access to technical know-how or other confidential information that provides a competitive advantage, such as executives, product managers, salespersons and possibly also system architects for security solutions and system administrators for IT services.

Corruption related to Bittium's procurement activities is considered unlikely. Procurement functions are well-controlled internally. In general, Bittium's risk of corruption and bribery related to products, services or technical solutions is considered to be low. A more significant likely risk is that familiar operators are unintentionally favored in cooperation with domestic stakeholders. Policies related to the prevention of corruption are described in more detail in section G1-3 of this report.

Research and Development Cooperation as Part of Corporate Culture

R&D cooperation with companies and research institutes is an integral part of Bittium's corporate culture and operations. R&D cooperation projects generate innovations related to information security or well-being, for example. They also contribute to the development of personnel competence and promote business opportunities. Bittium's participation in domestic, European and international information security development projects may have an impact on stakeholders and provide the company with access to diverse know-how. Through R&D cooperation, Bittium aims to promote innovation and improve the industry's overall competitiveness through high-quality products. Bittium's cooperation with educational institutions promotes awareness of information security among students and teachers and provides the company with the opportunity to contribute to building a sustainable society.

The policies applicable to R&D cooperation are Bittium's Code of Conduct and sustainability policy.

The R&D roadmaps for Bittium's R&D cooperation are created in connection with the preparation of the company's strategy and published as part of the company's strategy. Bittium evaluates the results of R&D activities and related costs on a monthly basis, and R&D support is evaluated in research reports submitted to the company's Board of Directors. Selected representatives of the business segments meet on a monthly basis in the Research Board to review the status of new and ongoing research projects and any changes to the R&D roadmaps. Bittium's research projects are connected to the businesses' future technology needs.

Bittium also participates in research cooperation forums either through projects or through their management team work, such as ITEA4 (Secure eHealth), the European Defence Fund (EDF) 2021 and 5G Compad.

Bittium is an active member of its communities by participating in numerous steering groups in the following research or cooperation forums, for example: Finnish Defence and Aerospace Industries (PIA), Digital Defence Ecosystem (DDE), Finnish Information Security Cluster (FISC), ITEA4, Business Finland, the Digital Native Finland mission and the Faculty Board of the University of Oulu's Faculty of Information Technology and Electrical Engineering.

Bittium participated in several research and development projects in 2024. The most significant of these was Seamless and Secure Connectivity, which is a Leading Company project funded by Business Finland. The project's goal is to enable reliable, secure and trouble-tolerant connectivity architectures and products for end-to-end connections in various operational areas, including lifecycle services for products and solutions. The four-year project led by Bittium will last until 2026. The company also has dozens of research projects under way that include national and international parts.

Bittium's target related to R&D activities is to achieve the objectives of R&D projects in terms of both content and schedule. The scope of research and development activities is its own operations and is carried out both in Finland and internationally, involving the stakeholders described above. At Bittium, research and development activities are part of continuous development and improvement, and Bittium does not set measurable result-oriented targets for them in accordance with the definition of sustainability reporting or monitor the effectiveness of its operating principles and actions in relation to material sustainability-related impacts, risks or opportunities.

The results of R&D activities are evaluated on a monthly basis, also based on costs and support received. According to Bittium's sustainability strategy, the company is committed to international and national stakeholder cooperation in the identification of information security threats and the utilization of related information. The implementation of the strategy and its impacts are monitored monthly by the company's Management Group, and regularly, at least once a year, by the Audit Committee and the Board of Directors.

Whistleblowing Channel and Whistleblower Protection

Bittium's personnel and external stakeholders have access to feedback and reporting channels and a whistleblowing channel reporting misconduct. Instructions on the use of the channels have been provided to the personnel on Bittium's intranet and as part of orientation training. The whistleblowing service can be used to raise concerns about risks of serious misconduct concerning people, the organization, society or the environment. The whistleblowing channel is administered by the external service provider WhistleB. All messages are encrypted. WhistleB safeguards the anonymity of the whistleblower by removing all metadata, including IP addresses. The anonymity of the whistleblower is maintained even in subsequent discussions with the persons responsible for processing the report.

The service can be used to report conduct that may be inconsistent with Bittium's Code of Conduct or laws and regulations. The whistleblowing channel can also be used to report misconduct that falls within the scope of the Finnish Whistleblower Protection Act, which is based on the EU's Whistleblower Protection Directive. This includes public procurement (except defense and security procurement), financial services, products and markets, as well as product safety and compliance. If the matter concerns dissatisfaction at the workplace or other similar personnel-related matters, employees are advised to contact their supervisor, as these matters cannot be investigated in connection with the whistleblowing process.

There are several ways to raise concerns: by reporting the matter to one's direct supervisor or another supervisor within the organization, by exchanging anonymous or confidential messages with the Whistleblowing Team via the whistleblowing channel or, if the concern falls within the scope of the Whistleblower Protection Act and the report has been made in accordance with said legislation, the whistleblower may have the right to report their concern via the centralized external reporting channel of the Office of the Chancellor of Justice, or directly to the competent authority.

Access to messages received via the whistleblowing channel is restricted to designated persons who are authorized to handle whistleblowing cases. Their actions are logged and the handling of cases is confidential. At Bittium, reports received via the whistleblowing channel are investigated by the Whistleblowing Team, which consists of the Chairman of the Audit Committee and Chief Legal Officer as the administrators of the channel, and selected members of Bittium's sustainability working group who oversee or conduct the investigations. If necessary, the participation of the company's own experts, external experts or the public authorities can be engaged in the conduct of investigations. The whistleblower will receive an acknowledgment of receipt of the report within seven days. Upon receiving a message, the Whistleblowing Team decides whether to accept or decline the report.

The whistleblowing team will not investigate the reported misconduct if the alleged conduct does not constitute reportable conduct under the whistleblowing guidelines, if the report has not been submitted in good faith or is malicious, if there is insufficient information to allow for further investigation, or if the matter in question has already been resolved. If the report is declined, the whistleblower will be provided with the reasons for the decision. If the report is accepted, appropriate investigation measures will be taken. All messages are treated seriously and in accordance with the whistleblowing guidelines. None of the members of the Whistleblowing Team or any other person taking part in the investigation process will attempt, nor are allowed to attempt, to identify an anonymous whistleblower in any way. The Whistleblowing Team can, if necessary, submit follow-up questions via the anonymous communication channel. Reports are not investigated by anyone who may be involved with, or connected to, the misconduct. Whistleblowing messages are handled in strict confidence by the parties involved. Within three months of acknowledging receipt of the report, the Whistleblowing Team will inform the whistleblower of what measures will be taken in response to the report.

Management of Relationships With Suppliers (G1-2)

In the double materiality assessment process carried out in spring 2024, ensuring the sustainability of the supply chain through supplier requirements, audits and surveys of materials, engaging the personnel's commitment to the principles of sustainable procurement, and also taking sustainability into account in the subcontracting of personnel was identified as a material sustainability matter at the sub-topic level as a positive impact pertaining to relationships with suppliers in the company's own operations and the upstream value chain. Also

identified was a potential reputational risk if there were to be sustainability-related violations in the supply chain, such as adverse environmental incidents or negative human rights impacts. The risk concerns the company's own operations and upstream value chain. Supplier management and cooperation with supplier partners is part of Bittium's continuous development and improvement. Bittium does not set measurable, result-oriented targets related to supplier management in accordance with the definition of sustainability reporting or monitor the effectiveness of its operating principles and actions in relation to material sustainability-related impacts, risks and opportunities.

When it comes to Bittium's suppliers and other partners, the company has, in many cases, worked with them in close cooperation for a long time, in accordance with established rules and operating practices. Continuous communication enables open dialogue. Suppliers and partners expect fair and sustainable operations and long-term cooperation from Bittium. For its part, Bittium expects that the business operations of its suppliers and partners are sustainable, and this is monitored on a regular basis. Bittium takes due diligence into account in its operations. Together with its supply chain partners and other stakeholders, Bittium strives to identify both actual and potential adverse impacts on the environment and people, including human rights impacts, throughout the value chain. As part of its sustainability management and operations, the company prevents and mitigates adverse impacts by monitoring the effectiveness of actions related to due diligence. Bittium's external and internal stakeholders have access to a whistleblowing procedure aimed at mitigating potential risks to the company.

Bittium regularly audits its identified strategically important or otherwise critical suppliers of production materials in accordance with the annual audit plan and pre-defined criteria. Audits are carried out either as a self-assessment based on the Bittium Supplier Manual or as an audit conducted by Bittium. In 2024, Bittium continued to deepen its cooperation with critical manufacturing partners and component suppliers to identify common development areas and thereby improve quality and cost efficiency. In connection with these activities, Bittium continued to develop a supplier management tool in 2024.

Bittium is committed to operating in accordance with the values documented in Bittium's policies and also expects its partners to adhere to them. Bittium has established policies as part of its quality management, environmental management and information security management systems. Bittium has established contractual terms for suppliers of goods and services. The aim is to apply these contractual terms to purchase orders placed by Bittium. The degree of application depends on the criticality of the supplier. The general terms include, for example, terms pertaining to the avoidance of counterfeit materials, conflict minerals, certificates of conformity, the prevention of corruption and compliance with trade rules. Bittium is committed to fulfilling its legal obligations and preventing, identifying and eliminating corrupt practices and cooperating with other parties to prevent bribery and corruption. Bittium also expects its suppliers and other external partners to take anti-bribery and anti-corruption measures as necessary. Bittium has issued an anti-corruption statement. As part of Bittium's general contractual terms, the supplier also undertakes to comply with the applicable anti-corruption laws and regulations. If terms other than Bittium's general contractual terms are applied, anti-corruption practices must not be compromised on.

Bittium has integrated ethical and social perspectives into its procurement policy. Procurement is carried out in accordance with the principles of legality and ethics. The same is required from Bittium's supplier partners. Bittium has procurement-related guidelines (Bittium Procurement Policy) in place, which specify aspects related to the ethical and sustainable perspectives of procurement and supply chain risk management, among other topics. The supplier's commitment to ethical conduct, compliance with the applicable national and international laws, respecting human rights and compliance with internationally recognized ethical standards, such as the SA8000 Social Accountability Standard, are applied as criteria for supplier approval.

Identified strategically significant or otherwise critical suppliers of services and products are required to make a commitment to sustainable business practices and they must comply with Bittium's Code of Conduct as well as Bittium's supplier guidelines and the Bittium Supplier Manual, the latest versions of which are available on Bittium's website. (MP-P) The Supplier Manual contains the key policies, practices and requirements for Bittium's supply chain. The requirements are related, among other things, to business practices, anti-corruption, the prohibition of child labor and forced labor, environmental issues, occupational safety and human rights, including material-specific requirements. The requirements also include assurances from suppliers that they do not engage in procurement from companies located in politically critical areas or subject to other national or international restrictions.

The documents that guide the selection of critical suppliers of goods and services and quality control are the Bittium Self-assessment Checklist, the Audit Assessment Checklist and the

General Purchase Agreement. Bittium must have access to evidence of compliance with the requirements, and the supplier of goods or services must be able to provide such evidence upon request. Engaging the entire personnel's commitment to the principles of sustainable procurement is an important part of ensuring the sustainability of the supply chain. Sustainable purchasing is a part of Bittium's mandatory environmental training, which employees complete through self-study. Bittium's Procurement Policy provides guidance on operating practices related to procurement and plays a key role in ensuring consistency, quality, cost-efficiency and compliance in the procurement process. Bittium does not systematically train persons working in the area of procurement in relation to the supplier requirements, but there are plans to increase this type of training in the coming years. (Policies related to payments and their impact on small and medium-sized undertakings in particular are described in more detail in section G1-6.)

Prevention and Detection of Corruption and Bribery (G1-3)

In the double materiality assessment process carried out in spring 2024, potential reputational risk if violations related to corruption and bribery were to occur in the company's own operations or supply chain was identified as a material sustainability matter at the sub-topic level in relation to corruption and bribery. The impacts of the risk concern the upstream value chain and the company's own operations.

Bittium has customers in both the public and the private sector. The business environment involves constant changes in legislation and regulation, as well as increasing requirements from the stakeholders concerning sustainable operations and risk management. Bittium is committed to compliance with laws, regulations and ethical business practices in all of its operations. Bittium has zero tolerance of bribery and corruption. The company aims to ensure ethical business practices and compliance with the corporate culture and increase awareness of sustainable business practices through training. Bittium's corporate culture is based on commitment to shared values and transparency. At Bittium, prevention of corruption and bribery is part of continuous development and improvement and Bittium does not set measurable result-oriented targets for it as defined in sustainability reporting or monitor the effectiveness of its operating principles and actions in relation to material sustainability-related impacts, risks and opportunities.

Bittium adheres to sustainable business conduct and also requires the same from its identified critical suppliers of goods and services. Bittium's Code of Conduct covers perspectives related to fair business conduct, including anti-corruption measures, good corporate citizenship, the protection of intellectual property rights, human rights and fairness, a safe workplace community, data protection and information security, insider rules, a sustainable future and ensuring ethics and transparency. Bittium's sustainability and anti-corruption and anti-bribery principles are communicated by keeping the material available on the external website (Anti-Corruption Statement, Code of Conduct, the Whistleblowing channel and its description) and by keeping material intended for the personnel up-to-date and available (Anti-Corruption Statement, Code of Conduct). Bittium expects its identified critical partners and suppliers of goods and services to comply with Bittium's Code of Conduct and Supplier Manual. The guidelines include the key policies, practices, and requirements for Bittium's supply chain. The requirements are related, among other things, to business practices, anti-corruption measures, environmental issues, occupational safety, and human rights, including material-specific requirements. The aforementioned guidelines and principles are publicly available on the company's website.

Mandatory anti-corruption training is organized for all of the company's personnel. The training includes a test that must be passed in order for the completion of the training to be entered in the training register. The training must be retaken at three-year intervals. The training is also part of the orientation training program for new employees. Of the new employees who started in 2024, 56% had completed the Legal Anti-Bribery Self-Study module included in orientation training by the end of 2024. The target of the training is to help the personnel understand corruption and bribery at a conceptual and practical level; grasp the threats and adverse impacts on society and business operations that result from corruption and bribery; recognize risks and situations related to corruption and bribery; and understand their responsibility as the organization's employee with regard to the prevention of corruption and bribery, the reporting of suspected incidents and reacting to concerns in a timely manner. All of Bittium's personnel, including those working in functions-at-risk and the company's senior executive management, are within the scope of the training. Anti-corruption and anti-bribery training is completed as a self-study module, and it covers 100% of the company's functions-at-risk.

Concerns related to corruption and bribery can be raised via the whistleblowing channel. At Bittium, reports received via the whistleblowing channel are investigated by the Whistleblowing Team, which consists of the Chairman of the Audit Committee and Chief Legal Officer as the administrators of the channel,

and selected members of Bittium's sustainability working group who oversee or conduct the investigations. If necessary, the participation of the company's own experts, external experts or the public authorities can be engaged in the conduct of investigations. Any party to whose actions or duties the whistleblower report relates to in some way cannot participate in the investigation of the matter. If the administrators of the whistleblowing channel receive a whistleblower report that mentions an administrator of the channel, a member of the sustainability working group, the CEO or a member of the Board of Directors, or if the link between the person who is the subject of the report and the aforementioned persons is indirectly implied in the whistleblower report, this may constitute a risk to an independent and objective investigation. In such a situation, the administrator who is the subject of the report will be excluded from the investigation and their right to use the whistleblower channel's case management tool will be suspended. If the CEO or a member of the Board of Directors were to be subject to a suspicion related to corruption or bribery, this would be communicated to all members of the Board of Directors via the digital work platform used by the Board of Directors. In other respects, the results are reported based on need and, depending on the severity of the reported issue, to the company's administrative, management and supervisory bodies. The whistleblowing channel and the process for handling reports received through it are described in more detail as part of disclosure requirement G1-1.

Incidents of Corruption or Bribery (G1-4)

No suspected or confirmed incidents of corruption were reported at Bittium in 2024. No investigations were opened regarding violations of legislation concerning corruption and bribery, and no convictions were handed down. There were also no pending cases, convictions or fines concerning actions taken in previous years.

Political Influence and Lobbying Activities (G1-5)

In the double materiality assessment process carried out in spring 2024, the potential to grow the business even in the short term due to the changed geopolitical climate and increased information security threats was identified as a material sustainability matter at the sub-topic level in the form of an opportunity related to political influence and lobbying activities. The opportunity concerns the company's own operations and downstream value chain.

Bittium does not have policies or guidelines directly related to political influence and lobbying activities, nor does the company have designated persons responsible for monitoring the implementation of political influence and lobbying. Bittium has an Anti-Corruption Statement and a Code of Conduct, which address the principles of good business conduct in general. In 2025, Bittium will develop guidelines concerning political influence and lobbying activities and organize the division of responsibilities for internal control related to these topics. In 2024, Bittium did not make political contributions or engage in party-political lobbying by participating in the campaigns of political parties or individual candidates by making financial or in-kind contributions.

Bittium is not legally obliged to be a member of a chamber of commerce or other organization that represents its interests. As part of local community engagement, Bittium is a member of the Oulu Chamber of Commerce. Chambers of commerce are organizations that promote business and economic freedom and engage in advocacy for the business sector. Chambers of commerce also provide legal advice and organize training activities. Chamber of commerce membership is voluntary for all companies in Finland. Bittium is a member of Technology Industries of Finland. Technology Industries of Finland is a Finnish advocacy organization for the technology industry. Technology Industries of Finland discloses its lobbying activities in accordance with the Transparency Register Act. Bittium is not registered in the EU Transparency Register or an equivalent transparency register in a Member State.

Bittium has identified material impacts related to political influence. During 2024, Bittium's representatives participated in various events, such as trade fairs relevant to the company's business, events organized by the Chamber of Commerce, and events related to the operations of the Finnish Defence Forces. Bittium's representatives also participated in two export promotion trips organized by Business Finland. The destinations were Korea, Japan and Italy. Political decision-makers and operators, such as the Minister of Defence and the Minister of Transport and Communications, representatives of the Finnish Defence Forces and the Ministry of Defence, the wellbeing services counties, official organizations, various municipalities and regional operators, as well as ambassadors from different countries, have also visited Bittium to familiarize themselves with the company's operations. Bittium's goal for these meetings is to create visibility for the company and increase awareness of Bittium's special expertise and products both in Finland and abroad. An important goal of the visits and discussions is to meet potential customers in the areas of information security and defense, and to build relationships with them. In the meetings, Bittium aims to express its view that official approval processes related to regulation and political decisions should move ahead swiftly so that slow

processes would not significantly hinder the development of the company's business. Bittium's material sustainability topics have not been significantly taken into account or promoted in events aimed at political influence or lobbying.

Of the members of Bittium's administrative, management and supervisory bodies, Raimo Jyväsjärvi worked in the public administration during the two years preceding his election to the Board of Directors, as Director General of the Resource Policy Department and National Armaments Director. His responsibilities in that role included the development of the resources of military national defense resources in the area of defense materiel policy, matters related to the steering of companies that provide services to the Defence Administration, and the export control of defence materiel.

Payment Practices (G1-6)

Approved purchase invoices submitted to Bittium are paid on Mondays and Thursdays. In accordance with Bittium's payment practices, invoices are always paid by the due date. This applies to companies of all sizes, including small and medium-sized undertakings and all supplier categories. 100% of payments have been made in accordance with the standard terms. On average, it takes 30 days from the date of the invoice to the due date. On average, it takes 32 days from the date of the invoice to the payment date. The calculation is based on a sample from the period 1.1.2024–31.12.2024. The calculation is based on extracting all purchase invoices paid during the year from the invoicing system. The total number of invoices and the number of days related to the term of payment have been taken into account in calculating the averages for the term of payment and the actual time of payment. There are no legal proceedings currently outstanding for late payments.

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