

We do not feel defeated by the unfavorable economic times. Quite the contrary. We are setting up for future success.

The past year has shown that iLOQ has what it takes to renew, develop and grow in times of adversity and challenging market conditions. We have been busy building capabilities for the inevitable upturn.

[READ HERE](#)

Our focus has been on operational efficiency and compliance with business-critical ESG standards.

[READ HERE](#)



Heikki Hiltunen,
President and CEO, iLOQ



Active HR initiatives and new capabilities are centered around maintaining and developing the unique iLOQ spirit in a growing international organization.

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Financially stable with investments that are anticipated to start paying off in the near future.

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Establishing a strong and permanent presence in the US

iLOQ has ramped up American operations by registering its local sales company, recruiting locally, building a sales network and opening its first logistics center on the continent.

[READ HERE](#)



iLOQ 2024

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iLOQ 2024

Introducing iLOQ Oy

Our goal is to continue to develop innovative digital locking and mobile-access solutions that offer people, businesses and organizations freedom from the security risks, inflexibility and high lifecycle costs related to mechanical locks and keys.

Our battery-free solutions not only minimize maintenance costs, but also save four AA batteries each year in use. During its lifecycle, one battery-free solution saves up to 60 batteries, compared to a battery-powered solution.*

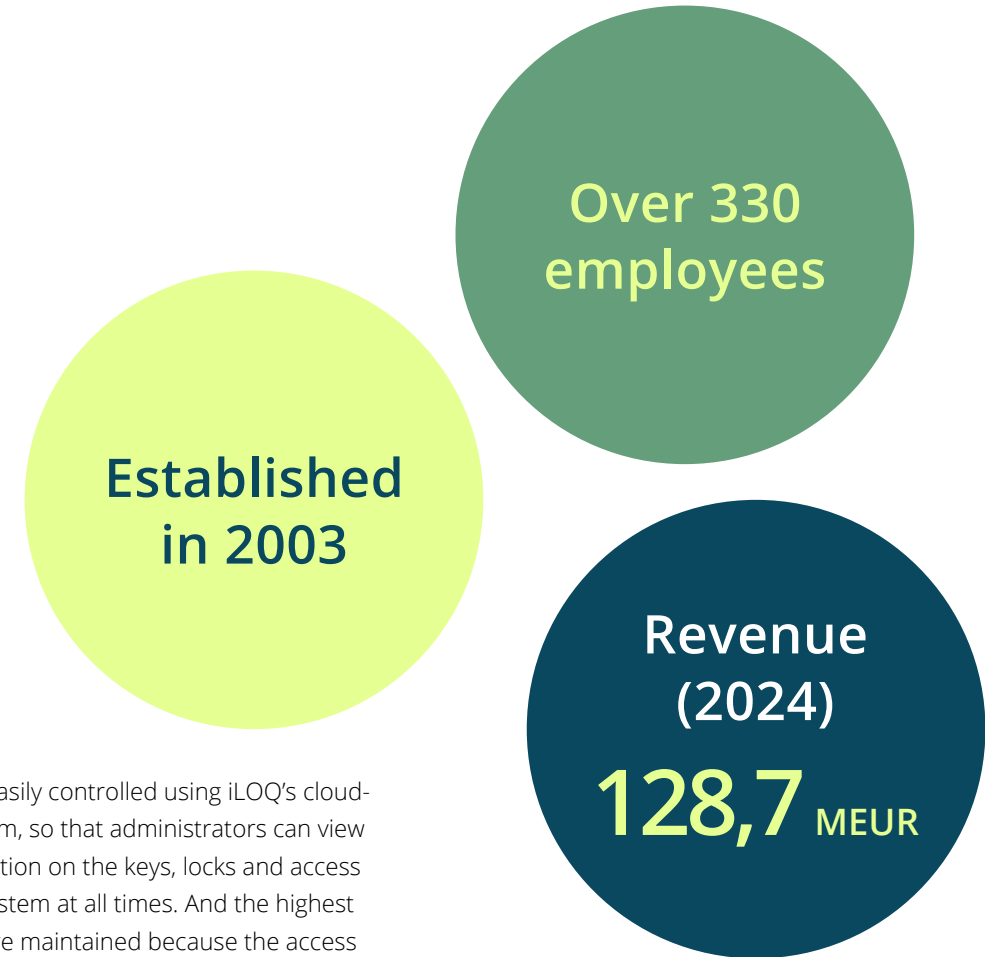
We want to claim a position not only as a commercial leader but also as a thought leader in everything related to modern accessibility.

This means taking a step away from being a traditional 'locking' company and towards being a technology- and data-driven company.

iLOQ's 'purpose' will remain Making life accessible, but our 'brand promise' will be Life made limitless. And we will fulfill this promise by providing technology, products, software and services that make living and working a smooth and seamless experience.

Access rights are easily controlled using iLOQ's cloud-based SaaS platform, so that administrators can view up-to-date information on the keys, locks and access rights within the system at all times. And the highest levels of security are maintained because the access rights of any lost, stolen or unreturned key can be quickly and easily cancelled.

* Annual savings based on the environmental impact caused by manufacturing, using and recycling batteries



iLOQ in brief

iLOQ Oy is a technology disruptor that has revolutionized the access-management industry to make life limitless. Cloud-based solutions developed and patented by the company provide multiple access possibilities without the need for batteries or cables. Resource-efficient digital and mobile technologies that maximize security while minimizing maintenance, administration and lifecycle costs provide safe, smart and sustainable living and working environments.

Read more about iLOQ as a company www.iloq.com

This Sustainability Report is part of the iLOQ Group Annual Report 2024. The Annual Report 2024 consists of the Board of Director's report (including NFI), the Financial Statements and the Auditor's report, the Corporate Governance Statement, the Remuneration Statement and the Sustainability Report. Sustainability aspects are also covered in the Non-Financial Reporting section in the Report by the Board of Directors, which is included in the Financial Statements.



Global presence



With headquarters in Oulu, Finland, the iLOQ Group has subsidiaries in Sweden, Denmark, Norway, Germany, Belgium, the Netherlands, France, Spain, the United Kingdom, Canada, the UAE, Poland, the USA, Australia and Singapore and operates in more than 30 countries.

iLOQ operates in the smart-locking industry, offering self-powered digital and mobile access-management solutions. The company's business model is asset light and focuses on value-add parts of the supply chain, such as R&D and sales. Production and retail distribution are outsourced to third-party providers. Our outsourced production facilities are located in Ukraine, Malaysia and Taiwan. We work closely also with our 2nd-tier suppliers, who provide us with components based on our requirements.

Year 2024

Although 2024 was a year of geopolitical uncertainty, which had commercial impacts on the industry, iLOQ was able to accelerate its R&D strategy to ensure long-term growth.



Exciting inroads in North America

North America remains one of the world's largest and most diverse markets, making it a strategic priority for iLOQ.

iLOQ brings new smart-locking software to ISC West

iLOQ introduced its latest smart-locking software at ISC West 2024 in the US together with a new B2B2C offering consisting of a solution which can be used and managed by the consumer.

Everest Infrastructure pioneers battery-free smart locks with iLOQ in the US telecommunications industry

Everest Infrastructure Partners and iLOQ signed an agreement to roll out battery-free smart locks at telecom towers throughout the U.S.



iLOQ joins forces with Carson to create smart and sustainable multifamily living

iLOQ announced that it is joining forces with Carson Living, a leader in the multifamily industry in the US, to integrate iLOQ's battery-free smart-locking solution with Carson Living's state-of-the-art app used daily by residents.

iLOQ's new distribution center in Dallas supports the company's strategic growth plan

Located in Dallas, Texas, the new partner-operated facility is the first distribution center for iLOQ in North America. It will enable the company to better manage deliveries to meet the demand of its customers throughout the USA and Canada.



iLOQ delivers smart access management to VodafoneZiggo

iLOQ's battery-free and keyless smart-locking solution has been chosen to enhance access management for VodafoneZiggo.

iLOQ creates customized mobile-key-based solution to provide secure access to DFMG's rooftop sites

iLOQ announced that it is creating a customized mobile-key-based solution to provide secure access to DFMG's rooftop sites. After the roll-out at the rooftop sites, DFMG will implement the intelligent, secure, and sustainable solutions from iLOQ for its radio towers in Germany.

Telia Towers Norway chooses iLOQ smart locks to enhance security

iLOQ has signed a ground-breaking agreement with Telia Towers Norway for the deployment of its innovative battery-free and keyless smart-locking system across the company's more than 1000 tower sites.

Heikki Hiltunen, President and CEO, iLOQ

Building stronger capabilities for the inevitable upturn

This year has afforded us the time to start placing ourselves in a strong position for when the markets begin to recover. Although, in terms of sales numbers alone, the year was as disappointing as anticipated knowing the general global economic and geopolitical situations, there have been many positive actions and indicators moving forward.

Turning to new markets for success

While our traditionally strong home markets of Finland and Sweden remained in an economic slump for much of the year, we were happy to see many of our newer Central European markets take the weight of carrying business onto their shoulders. For example, Germany and the Benelux region performed well under these current market conditions. In addition to the hard work of the local team, perhaps some of

the positive growth in Germany can be attributed to the astonishing success of Bayer Leverkusen with whom we continued our work in terms of both equipping the stadium with our solutions and our on-going marketing collaboration. Being associated with the team that took home the victory in both the Bundesliga and the domestic cup, securing Champion's League inclusion certainly didn't hurt. Congratulations to everyone involved!



When we get back to business as usual, you will find iLOQ taking a running start at the head of the pack.

Heikki Hiltunen,
CEO and President



Southeast Asia up and running

Last year, we spoke about the big leaps towards the East and the West. On the Eastern frontier, we successfully opened a branch in Singapore and ramped up operations in the Pacific region. In Australia in particular, we have been able to lay the foundations for several significant accounts and projects in the pipeline. In such a vast and desolate territory, our battery-free mobile-only technology is proving to provide a new level of reliability and user experience that serves operators in critical infrastructural sectors such as telecoms or transport networks. We have great expectations for our mobile-only smart-access platform in many of our international markets.

Strong US market entry

With new features in the pipeline for early 2025, our modern, self-powered, cloud-based solution with mobile keys replacing the traditional mechanical lock and key, has become the preferred offering for market entry outside of our home markets in Northern and Central Europe. Just as in the South Pacific, the case has been the same on the Western front.

Our market entry into the US has taken place without one single physical key. While the

upcoming new features will make us competitive in the American multi-family housing sector, we have already had a strong start in many critical infrastructure applications including water, energy and telecom towers.

All in all, the US market entry has to be seen as the best start for an iLOQ country organization in the company's history. Not only have we built up a distribution presence in more than 100 locations around the country in the span of just one year, but we have also recently made the first deliveries from our own distribution hub located in Dallas, Texas. Our technology continues to impress, and we see great potential for continued growth in both the USA and Canada. Current megatrends concerning environmental responsibility and cybersecurity will continue to forge the path for self-powered, battery-free, offline smart access management.

Expansion requires heavy investments

The investments related to making market entry into large new territories is not limited to startup costs, recruitment, logistics and such. While establishing and strengthening local sales organizations and the North American distribution hub were considerable economic

undertakings during the past year, there are also considerable R&D efforts needed each time.

Compliance with all local standards and certification requirements often requires adjustments to physical products and hardware in particular. But perhaps even more critical is the need to develop the user experience to match and exceed the norms and expectations of consumers and end users in vastly differing cultures and societies. Today, a large portion of R&D efforts and incurred cost come from software development focused on usability and the integration of new functionalities.

Building structures to support growth

To support our capabilities to operate in increasingly global markets in all four corners of the world, we have started restructuring our organization. We are shifting our business model to create regional operational and decision-making capabilities, which will help iLOQ become leaner and more responsive in all locations regardless of geographical location or time zone.

A big task for a company that is evolving as we are, is to ensure the quality of leadership across an increasingly international organization.

Throughout the year, we have continued to build and work on our leadership culture, redefining and updating our leadership principles. Our entire leadership team has gone through training that is leading us further down the path of value-based leadership. Strong and just leadership and a unified corporate culture are essential for a growth company like ours.

Responsibility work is the basis of iLOQ's strategy, and we will continue to build responsibility into a value generating foundation for our business. iLOQ is committed to managing its impacts across its entire value chain. We also promote and share the UNs sustainable development targets as a part of our Sustainability Programme. Developing responsible operations within our business is a long-term effort to which iLOQ's management and employees are committed.

Securing our leadership position

While 2024 may have been disappointing in terms of sales numbers and tough on our dedicated and highly motivated staff, it has shown us that, as a growth company in a challenging market situation, we can use this as an opportunity to learn, develop and position ourselves optimally for the inevitable upturn. We will continue to execute on our strategy whether the market is good or bad – because disruptive new technologies will always find a way into the hands of those who lead the locking revolution. We have seen that iLOQ has

what it takes to renew, develop and grow in unfavorable market conditions.

Our winning formula of unique and industry-leading technology and unrelenting entrepreneurial spirit continue to carry us through turbulence and towards the brighter future that we are already beginning to see some promising signs of. When the floodgates open and it is business as usual again, you will find iLOQ taking a running start at the head of the pack. Today, and in the future, we choose to lead rather than follow!



North American Report: Joni Lampinen

Building a solid foundation for business growth

Establishing a presence in North America is not something that can be achieved overnight. It has taken a lot of groundwork to get iLOQ into a position where we can truly start daily business operations stateside. We are now in a good position to serve North American customers and channel partners, and expectations are high for the coming years.

Diligently doing the groundwork

To give ourselves any kind of chance of success and meeting customer expectations, it became evident early on that we needed to build a physical presence in America to do business there. In 2023, we started to operate under the legal entity of iLOQ USA Inc and we have made key sales team recruitments for several regions around the country. We are now able to operate locally and do business as an American company.

We have also recently opened our very own distribution center in Dallas, Texas to ensure smooth and timely deliveries to our US-based customers and channel partners. Our US operations are showing the way forward for much of our global organization as we shift to a new regional business approach where decision-making is no longer dependent on whether it's during European business hours in our Finland HQ.



It has taken a lot of groundwork, but we are now in a good position moving forward with business in America.

Joni Lampinen,
CRO

Concentrating our efforts

In North America, we continue to concentrate on big cities and areas of dense population with our solutions for multifamily housing, student living and education. We also sell our solutions to critical infrastructure clients across the US and Canada. We now have a team of 11 serving the US with our own salespeople serving the metropolitan New York area, the Southeast (Atlanta and surrounding areas), Chicago, Texas and Southern California. We also have a dedicated team of four serving the Canadian market.

We anticipate growing the headcount of our sales team through recruitment and actively expanding our partner and distributor networks to broaden our reach even further. Our Dallas, Texas, hub can also already provide some local product and customer support and service. We will continue to build our operations to establish a solid presence in the US and Canadian markets according to our strategy.

Matching technologies to consumer markets

In terms of our technology, the US market entry forced us to change our approach from that which works in Europe. The American urban consumers are already accustomed to mobile access management and access sharing solutions, whereas their European counterparts still view it as something of a novelty.

The value proposition we lean on in the US is the unique battery-free, easy to retrofit, low total cost of ownership and offline aspect of the locking solution itself, making it more sustainable, efficient, secure and reliable. We needed to make sure the user experience was on par with the established competition. iLOQ announced the arrival of the iLOQ 5 Series+ at the ISC West trade show in Las Vegas, which delivers new features and user functionalities to our already competitive technology platform.

The focus has been on improving the user experience and 3rd-party integrations in particular. We expect the new developments to speed up business in the multifamily housing and built environment sector. There are approximately

50 small to mid-sized properties, including several student housing locations, currently either already using or testing our solutions. Converting these POC's into business will help open doors to more opportunities.

Securing critical infrastructure as always

At the same time, we have continued building our presence and pipeline in both commercial premises and the critical infrastructure sector. Success cases, such as the waterworks in Mount Pleasant, North Carolina, or the telecom tower network of Everest Infrastructure across the US are paving the way for many new customer projects and negotiations.

We are seeing interest from a wide range of industries and applications ranging from EV charging networks and logistics and distribution operators to mass transportation, with projects in progress with several potential new customers. In applications where long distances, harsh environments or high numbers of key users are at play, our solution is especially attractive in terms of usability, reliability and especially security.

Setting up for the future

It has taken some time to get iLOQ into the position where it has the capabilities and portfolio to really go after the North American market as a credible and formidable player. But the sheer size of the market, paired with its hyper-commercialized and fast-paced nature, means that there is a lot to be done and plenty of fast, on-the-run learning to do.

Smart and well-targeted marketing efforts will be needed to boost brand awareness and amplify our message. Also, networking and finding the right spokespersons is way more important in America. We will continue to push forward and, through new success stories, we anticipate the floodgates to eventually open. But before that happens, we need to be actively putting in the work and building our business through active sales efforts together with our channel partners.

Securing long-term financial stability



Sales Report 2024: Thomas Thörewik

Maintaining a positive outlook on the future

They say every cloud has a silver lining. The past year continued on the path of economic downturn we saw signs of already in 2023. But the upside to this has been the time and resources we have been able to dedicate towards building our overall competitiveness and positioning ourselves well for the inevitable upturn ahead. In the hour of darkness, the future looks brighter than ever for iLOQ.

Spreading the burden of success

The recession in our Nordic home markets – especially in the residential construction and renovation sectors – continues to easily overshadow the great progress achieved elsewhere. While we are starting to receive some encouraging signs of recovery from the Finnish market, with Sweden hopefully to follow suit, the past year has shown Central and Western Europe continue on a path of good growth momentum.

We have been able to continue growing in many markets despite similar market challenges. For example, we've seen Germany deliver some great results this year in the midst of all these challenging world events and market trends, helping take some of the pressure away from the traditional stronghold markets that have been struggling.



As we continue to expand internationally, we are constantly reminded of how different the world is depending on where you look at it from.

Thomas Thörewik,
CBO

It's a different world out there

As we continue to expand internationally, we are constantly reminded of how different the world is depending on where you look at it from. From the technological point of view alone, we see that mobile access sharing and management is still considered a novelty or gimmick across much of Europe, while it is already a part of normal everyday life in much of America. This is why R&D efforts were needed to meet market demands in North America while simultaneously being able to enter the market as the first battery-free self-powered solution to offer keyless mobile access solutions in multifamily housing.

Much of 2024 was spent in building up the backend capabilities to serve a large North American market smoothly and locally. Navigating the complexities and potential risks related to political decision-making, and being mindful of the possible implications an all-out tariff war could mean for a European business in the States, we have set up our local US company to work independently. We have established our own warehouse, assembly and logistics center shipping US orders straight out of Dallas, Texas, and invested in developing our offering to meet the technical- and user-experience-related expectations of the market.

Opportunities in every direction

While we have been speaking a lot about our expansion west, it is not the only direction we have set our sights on. During the past year, we have continued to expand eastwards as well. We started operations in Australia a little over a year ago. Taking on such a vast territory requires planning and smart decision-making.

We have made sure our Australian oval product development has been carried out diligently while simultaneously taking a strategic and structured approach to building a comprehensive partner network down under. With several large orders already from the critical infrastructure segment and a lengthy pipeline of potential new projects and partners, we are already seeing that Australia holds a lot of promise for iLOQ.

Also, less than a year ago we made the decision to establish a presence in Southeast Asia by setting up shop in Singapore. In this short time, we have been able to recruit a local team and start building a partner network. Again, obtaining all local and regional certifications for all relevant technologies has been a part of the process. We've been extremely happy to see the first sales coming in already with a healthy

pipeline for next year as well. It will take time and resources to establish a strong presence and brand recognition in these new markets, but we have taken several important steps in the right direction on the Eastern frontier as well.

We are better positioned to take over the world once the markets are revived than we have ever been before.

Becoming global means having a global presence

The past few years have shown us exactly what it takes to become a truly global player. With operations now spanning across almost all time zones, in both directions, we see that it is not just impractical, but virtually impossible to run

a centralized business from our remote Finnish HQ. Especially where, in the East, they simply can't wait a full business day for decisions while we in Europe get in our beauty sleep, it is important to start building the capabilities and competences needed for local and regional decision-making independent of our HQ functions.

This expansion has given rise to the development and restructuring of our organization. We have now started on a path of building regional competences and independence with many of the previously centralized functions becoming increasingly independent across the different geographies. As the responsibility is spread further across our organization, we have found it important to ensure that our management is held to an equal and high standard throughout as well. Leadership training has been an important part of this growth and development journey.

While we can't claim to be happy with where we are in terms of sales, we need to be proud of where we stand today as a company. We are better positioned to take over the world once the markets are revived than we have ever been before. We are eagerly awaiting the future and setting ourselves up for more big wins.

CFO's review: Timo Pirskanen

Maintaining financial stability through unstable times

When we look at finances after a year like 2024, it would be easy to talk only about disappointment and poor sales figures. For iLOQ, the year was not all bad. Sales revenue took a hit, but we are financially stable with many recent investments anticipated to start paying off in the immediate foreseeable future.

Europe provided little reason for excitement in 2024

The beginning of 2024 did not see the classic spillover effect from the end of the previous year, which has typically been the case. After a grim start, during Q2 we saw our home market of Finland reach rock bottom and start a slow upward trajectory. Our other stronghold of Sweden is still lagging somewhat behind, and Denmark has also been somewhat underwhelming. In the Nordics, Norway has performed in line with expectations.

In continental Europe, outside of the Nordics, we experienced quite a few positives during an overall challenging year. After years of maturing and establishing a solid presence, we've seen the German market finally meeting our current expectations. We are glad to see such a sizable market which we have also invested into heavily, start to provide positive results despite the general global slump we are in. Also, the Benelux has been a subtle success for us within an otherwise slightly underperforming Europe as a whole.



We anticipate a future where we are positioned for success thanks to our courage and foresight during this latest period of economical hardship.

Timo Pirskanen
CFO

Heavy investments into establishing American presence

Many of the heavy investments made in 2024 are yet to be reflected in sales numbers as we speak. The majority of investments have gone towards establishing iLOQ on the US market. The investments have included establishing an independent American business entity, R&D developments aimed at building up the competitiveness of our keyless portfolio on the American market and most recently the opening of our very own distribution center in Dallas, Texas.

We see great potential for iLOQ in USA. There have been many great discussions, with a number of big clients in the POC or negotiation phases with a long pipeline waiting to materialize into active business. We are quietly optimistic with such strong footwork done in the US and a string of new features and technical developments coming up. While we are looking to expand our presence in the residential sector, particularly in multifamily housing in big cities, we are already seeing the vast interest in our portfolio for the critical infrastructure market.

Promising outlook for critical infrastructure in major markets

The interesting developments in our critical infrastructure business are not just limited to the US. But the geographical size of America, just as is the case for Australia, lends itself to enjoying the benefits of our mobile access management solutions where the real-world location of service personnel or a bunch of physical keys are no longer an issue. We are seeing interest from new industrial applications such as EV-charging networks, transportation networks and logistics and distribution.

Other segments where our solutions are popular due to often remote locations and the need for sporadic access for a vast number of service and maintenance providers include telecom towers, energy storage facilities and data centers. To this day, iLOQ's offering for our industrial clientele is completely unique. But these projects obviously take longer to materialize, with long negotiations and POC or testing periods.

Building organizational competitiveness on a global scale

For iLOQ, being technologically ahead of the competition and also having the proof of ESG-compliance already in place, has allowed us to stay outside of any pricing wars and pressures to dish out discounts. In fact, our sales margins have remained good, and profit margins have even grown during these challenging years. And as with our bigger clients, ESG performance is already something that is expected and affects unit price directly, we have taken steps to be ahead of the curve in terms of CSRD reporting and recognized certifications such as ECOVADIS.

Organizational changes being implemented currently will also give our global organization better capabilities for making critical business and financial decisions locally and regionally. The three-region structure we are moving towards will provide both more freedom, but also more responsibility to the key geographical markets. Restructuring is being done to ensure that we become more competitive, not just as a company, but as a local player in every market we are invested in.

Solid financial state secured by resilience and strong investor trust

The year 2024, while sales was slower than usual, afforded us the time to clean out our closets. In addition to management training and organizational restructuring, we were also able to shed some of the financial burden that was weighing us down. The year saw us finally clearing out the abnormal stockpile born as a result of futureproofing done during the Covid period to alleviate the subsequent threat of component shortages. While at the time it secured availability, it also tied up capital into stock and affected our cashflow and working capital negatively.

And finally, to show the trust our investors have in our business going forward, in early 2024 we renewed the 55M€ bond with our owners, securing the continuity of our operations for the next five years ahead. We are moving forward with the strong support of our owners and the leadership of visionary management – Finnish Entrepreneur of the Year Award winners (Ernst and Young) into a future where we are positioned for success thanks to our courage and foresight during this latest period of economical hardship.

Consolidated statement of comprehensive income IFRS

EUR thousand	1.1.-31.12.2024	1.1.-31.12.2023
Other comprehensive income		
Items that may be subsequently reclassified to profit or loss		
Translation differences	-256	-26
Total comprehensive income	6,120	16,484

EUR thousand	1.1.-31.12.2024	1.1.-31.12.2023
Revenue	128,746	141,318
Other income	18	35
Materials and services	-53,951	-59,724
Employee benefit expenses	-28,930	-26,345
Depreciation and amortization	-7,920	-6,635
Other expenses	-26,168	-23,903
Operating profit	11,795	24,747
Finance income	509	278
Finance expenses	-1,108	-1,265
Net finance expenses	-599	-987
Profit (-loss) before taxes	11,197	23,760
Paid group contribution	-3,101	-3,016
Income taxes	-1,720	-4,234
Profit (-loss) for the financial year	6,376	16,510
Other comprehensive income		
Items that may be subsequently reclassified to profit or loss		
Translation differences	-256	-26
Total comprehensive income	6,120	16,484

Consolidated statement of financial position IFRS

Assets

EUR thousand	1.1.-31.12.2024	1.1.-31.12.2023
Non-current assets		
Intangible assets	32,993	27,268
Goodwill	600	796
Tangible assets	2,900	3,739
Right-of-use asset	3,583	3,249
Deferred tax assets	619	427
Total non-current assets	40,694	35,479
Current assets		
Inventories	23,064	24,477
Other receivables	32,110	37,710
Prepayments	3,454	1,253
Deferred tax assets	1,922	88
Cash and cash equivalents	9,006	7,371
Total current assets	69,556	70,898
TOTAL ASSETS	110,250	106,377

Equity and liabilities

EUR thousand	1.1.-31.12.2024	1.1.-31.12.2023
Share capital	1,000	1,000
Reserves	6,944	6,944
Translation difference	-222	33
Retained earnings	63,508	47,006
Profit and loss for the year	6,493	16,510
Total equity	77,722	71,494
LIABILITIES		
Non-current liabilities		
Long term loans	123	185
Long term Provisions	949	880
Non-current lease liabilities	1,833	1,716
Deferred tax liabilities	329	309
Total non-current liabilities	3,234	3,089

EUR thousand	1.1.-31.12.2024	1.1.-31.12.2023
Current liabilities		
Short term loans	62	5,062
Short-term interest-free liabilities	26,234	22,886
Current lease liabilities	1,842	1,597
Deferred taxes	45	1,864
Short term Provisions	1,113	386
Total current liabilities	29,295	31,794
Total liabilities	32,529	34,884
TOTAL EQUITY AND LIABILITIES	110,250	106,377

Consolidated statement of cash flow IFRS

EUR thousand	1.1.-31.12.2024	1.1.-31.12.2023
Cash flows from operating activities		
Profit (-loss) for the financial year	6,376	16,510
Adjustments:		
Depreciation and amortization	7,920	6,635
Unrealized exchange rate gains and losses	189	-306
Finance income	-509	-278
Finance expenses	1,108	1,265
Taxes	1,720	4,234
Other adjustments	3,101	3,016
Change in net working capital:		
Change in trade and other receivables	6,791	-7,711
Change in inventory	1,413	1,640
Change in trade and other payables	3,745	-2,016
Change in provisions	796	-12
Interest paid	-208	-334
Interest received	90	35
Income taxes paid	-5,220	-4,117
Other financial items	-88	-69
Net cash flows from operating activities (A)	27,225	18,492

EUR thousand	1.1.-31.12.2024	1.1.-31.12.2023
Cash flows from investing activities		
Proceeds from sale of tangible assets	0	18
Purchases of tangible fixed assets	-600	-259
Purchases of intangible fixed assets	-10,843	-12,736
Business acquisitions	0	0
Net cash flows from investing activities (B)	-11,443	-12,978
Cash flows from financing activities		
Repayment of loans and borrowings	-62	-62
Proceeds from short term liabilities	0	8,365
Payments of short term liabilities	-5,000	-3,365
Merger of business	0	0
Payments of lease liabilities	-2,277	-1,851
Paid Group contribution	-6,492	-4,810
Net cash flows from financing activities (C)	-13,831	-1,723
CHANGE IN CASH AND EQUIVALENTS (A+B+C)	1,949	3,790
Cash and cash equivalents, in the beginning of period	7,371	4,085
Net effect of exchange rate changes on cash and cash equivalents	-314	-504
Cash and cash equivalents, at the end of period	9,006	7,371

ESG Strategy

ESG-considerations continue to be an integral part of our overall strategy. We are heavily committed to responsibility and transparency in all operations.



Erja Sankari, Executive Vice President and COO, iLOQ

Efficient and organized we march forward

Building business capabilities and securing operations is a non-stop obligation for any commercial organization. When sales are down, business wins need to be found elsewhere. iLOQ has used its time wisely to develop operational efficiency and compliance with business-critical ESG standards.

Scalability through development of digitality

One of the core objectives over the past year and going forward is to build the scalability of iLOQ's business towards that of a tech company rather than that of the lock and key company we started out as. In 2024, this included key investments into IT development. Among those investments was

the recruitment of our new IT Director who will set the pace as we continuously work to advance the degree of automation and data generation in all our operations. Additionally, in 2024 we renewed iLOQ's backbone application for software ordering and subscription management to enable a growing global software business.



We are a small organization achieving big things. Every year we become more strategic, organized, efficient and responsible.

Erja Sankari,
COO

Traceability and transparency grow in importance

One key piece of data in terms of business and corporate responsibility is the traceability of each product and component all the way back to the source. This data is needed when calculating the environmental impact of our products; and, with likely new tariffs based on the origin of goods, this information is also likely to become important simply to allow us to do business in certain markets in the near future. I'm proud to say that in 2024 we took a big step ahead in traceability all the way to single component level in our products.

As mentioned, also risk management related to components in terms of quality, availability and factors related to country of origin is high on our list of priorities. We have duplicate production in place to ensure availability. A Double-sourcing principle is an important factor in risk resiliency. The origin of our microchips and processors being in Taiwan and Japan rather than China is also always a point of interest.

Efficiency and automation improve performance

iLOQ has also taken major strides forward when it comes to the automation of order handling. Following the development of needed systems and internal processes, the entire order handling process is now at least 85% automated, and includes most parts of the process between the automated order confirmation and final delivery.

To further improve the efficiency of processes from both a cost and environmental impact standpoint, we are launching and piloting developing options to deliver regionally without products and components needing to travel through a pair of hands in Oulu, Finland, where most many products are still assembled today. We successfully launched the logistics hub in Texas to serve the American market. Although the volumes are not significant enough to ramp up operations fully in either market yet, the readiness is there.

Sustainability is a shared driver across the supply chain

ESG factors continue to become a more central theme in business decision-making. Both big industrial clients and residential end users alike are heavily invested in sustainability. iLOQ has continued to take steps towards transparency and improved performance in this regard. With our double materiality analysis done, we have now achieved CSRD reporting readiness ahead of schedule. In addition, 2025 will see us file our EPD (Environmental Product Declaration) revealing the full lifecycle emissions of all our products with independent 3rd-party validation.

We have continued our planned work towards the decarbonization of our Scope 3 network of suppliers. This work has included annual supplier surveys and the implementation of our Supplier Code of Conduct across the board with all suppliers representing more than 80% of our GHG emissions, meaning 27 iLOQ key suppliers. After gaining the EcoVadis silver ranking for sustainability already back in 2022, we have continued to successfully urge our suppliers to strive for similar excellence.

Many reasons to be proud of iLOQ in 2024 and beyond

Despite difficult times in terms of the world economy, we have once again supplied the world with approximately 2.3 million pieces of iLOQ technology, driving the battery-free smart-locking revolution. Every year we also become more strategic, organized, efficient and responsible, which gives us many reasons to be proud. We are still today a relatively small organization achieving really big things. One step at a time.





iLOQ's sustainability strategy, objectives and commitments

Responsibility as part of business

Materiality assessment is the common thread of iLOQ's sustainability operations and development. Development activities are based on materiality assessments and the SDGs derived from them.



Ambition

We believe that sustainability is intrinsically linked to the thinking, action and attitude of all activities. We believe that our own sustainability-oriented actions can have a positive impact on our planet and its population. We understand that sustainable actions are carried out in cooperation with all our stakeholders.

We want to be proactive and impactful in this development, while at the same time making sustainable growth.

Sustainability is an integral part of our brand image, and we also believe that sustainable business will increase attraction in an ecosystem made up of our different stakeholders.

Sustainability is naturally linked to our core products and services. In the future, we want to make this sustainable customer benefit even more visible. We don't want to simply focus on minimizing significant environmental harm, but to increase the positive environmental benefits of our solutions compared to traditional locking solutions. Our strategy relies on the desire to break industry conventions, and we see that sustainability in this context offers new opportunities.

Success in our goals requires an active and proactive approach with our key partners and throughout the value chain in all our operations. For our part, we want to look for new, more sophisticated ways of achieving sustainability-related results, and we see our own role in this as significant. There is a need among our customers that we succeed in this respect, and we believe that we can also profile ourselves as pioneers.

To succeed in a market of positive impact requires a strategic capability related to sustainability, the focus of which is on iLOQ's community of skilled people. We are ready to invest in the wellbeing and sustainability experience of our people and create meaningful work to be done.

Our ESG objective for 2024–2025 is to seamlessly link company value to sustainability work. In practice, this means changing the way we do business, all the way from designing products with lower environmental impact, to ensuring responsible recycling of the end-of-life product. Labor and human rights are to be protected throughout the value chain.

Life made Limitless

Our goal is to develop smart digital locking and mobile-based access management solutions that free people, businesses, and organizations from the security risks, inflexibility, and high lifecycle costs associated with mechanical locks and keys. Our battery-free solutions reduce both maintenance costs and environmental impact.

Our Material Topics

In preparation for the upcoming CSRD requirements, we conducted a Double-Materiality Assessment in 2024.

The material topics, as defined by the GRI Standards, remained consistent with those identified in 2023. These material topics have been reviewed and formally approved by the Leadership Team in 2024 and Board of directors in 2025.

Double-materiality assessment needs to be reviewed annually. Gradually lowering thresholds will ensure an adequate focus on the most urgent topics.

The purpose of a double-materiality process is to define the significance of different sustainability matters. Financial materiality is broadened by assessing impacts with equal importance. Including stakeholder view and external data sources is important in coming to the right conclusions. Read more about our materiality assessment process on page 56.

Based on our assessment, we found 10 material sub-topics (ESRS). Reporting for 2024, following GRI guidelines is done based on the 2023 list of material topics. In 2024, the number of topics will be narrowed down, as reporting requirements are significantly higher. ESRS sub-topics assessed as material include all Climate change sub-topics. Related to our own workforce, material topics include working conditions and equal treatment and opportunity for all. From workers in the value chain topic, working conditions is material. Personal safety of consumers and/or end users, Corporate culture and Business Conduct, Management of relationships with suppliers and prevention and detection of corruption and bribery are the remaining topics selected.

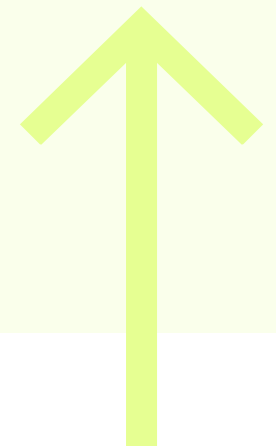
Based on the material topic list in 2023, our development, measurement, and reporting strategies are centered on five overarching topics, which represent the most significant impact categories. By prioritizing these major impact categories, we ensure a focused and strategic approach to sustainable development and transparent reporting.

iLOQ main material topics are:

- Climate impact
- Circularity
- Human Capital Development
- Diversity, equity and inclusion
- Privacy, security, safety

These topics include selected sub-topics, that impact the fulfillment of targets on the main level:

- Reducing emissions in the value chain
- Optimizing energy usage throughout the value chain
- Improving supplier environmental performance
- Control of material use
- Waste management practices
- Occupational health and safety
- Preventing discrimination
- End-customer safety
- Product compliance
- Data management
- Training and education
- Employment



Forming the pathway with Strategy

iLOQ's strategy includes ESG development topics. Strategic targets are defined annually and reviewed regularly. The annual targets are always derived from material topics. Other targets, for example those related to regulative requirements not material in the ESG framework, are managed through iLOQ's management system monitoring. 2024 strategic ESG priorities were based on material topics defined in 2023.

Climate action is vital for ensuring the protection of the planet for future generations. Our strategic approach to GHG reduction targets was to prepare and build the commitment of our supplier network to the decarbonization strategy. This included setting up an EcoVadis ESG assessment structure for our key suppliers. We were particularly interested in increasing GHG monitoring to help suppliers set a baseline in their own carbon inventory.

As the regulative landscape has highly developed as a response to a call for sustainable business

conduct, compliance with new regulations was stipulated as one strategic priority. We aimed to increase our reporting coverage and own results in ESG assessments. Similarly, we kicked off a project to start CSRD reporting preparations.

Employee experience is a basis for sustainable business. We set a target for specific DEI actions, including DEI training and quantitative targets. In 2024, we worked on increasing Leadership skills and the work continues in 2025. Our culture survey included employee opinion on the greatest advantages of our culture, but also revealed some challenges to be developed.

Privacy, security and safety are at the heart of our company. Our base is to design and distribute high-quality products to improve access management within society. We are committed to complying with a variety of requirements in the industry. Customer and end-user safety and security are in all cases to be prioritized.

At the core of our solutions, we aim to revolutionize the access management industry. Our technologies make the best out of software

products, combined with hardware systems eventually decoupling saved resources when needs, for instance for physical keys, are

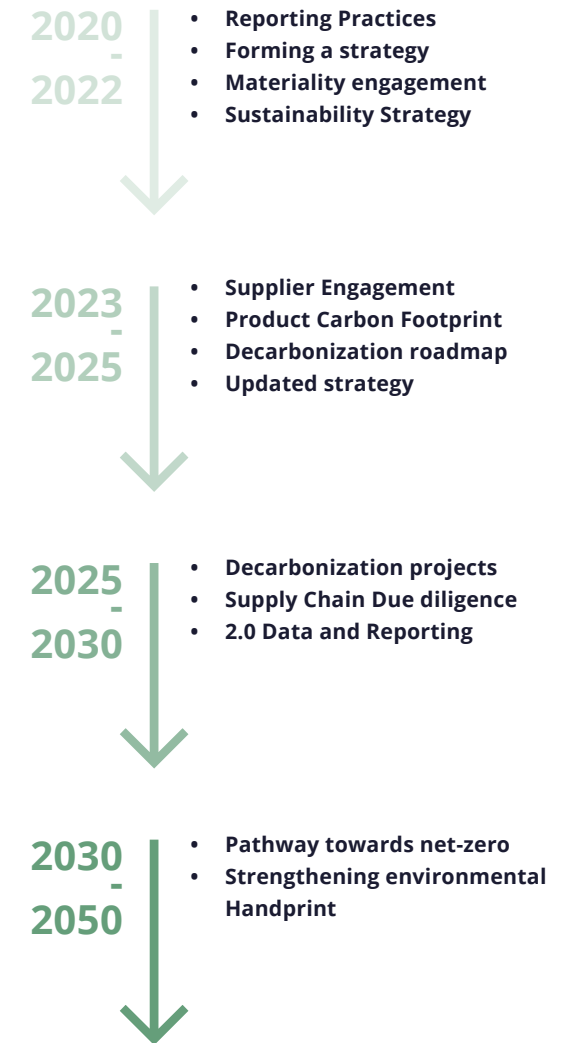
reduced. Finding ways to reduce the resource-use and environmental impacts of our products changes the way we think.

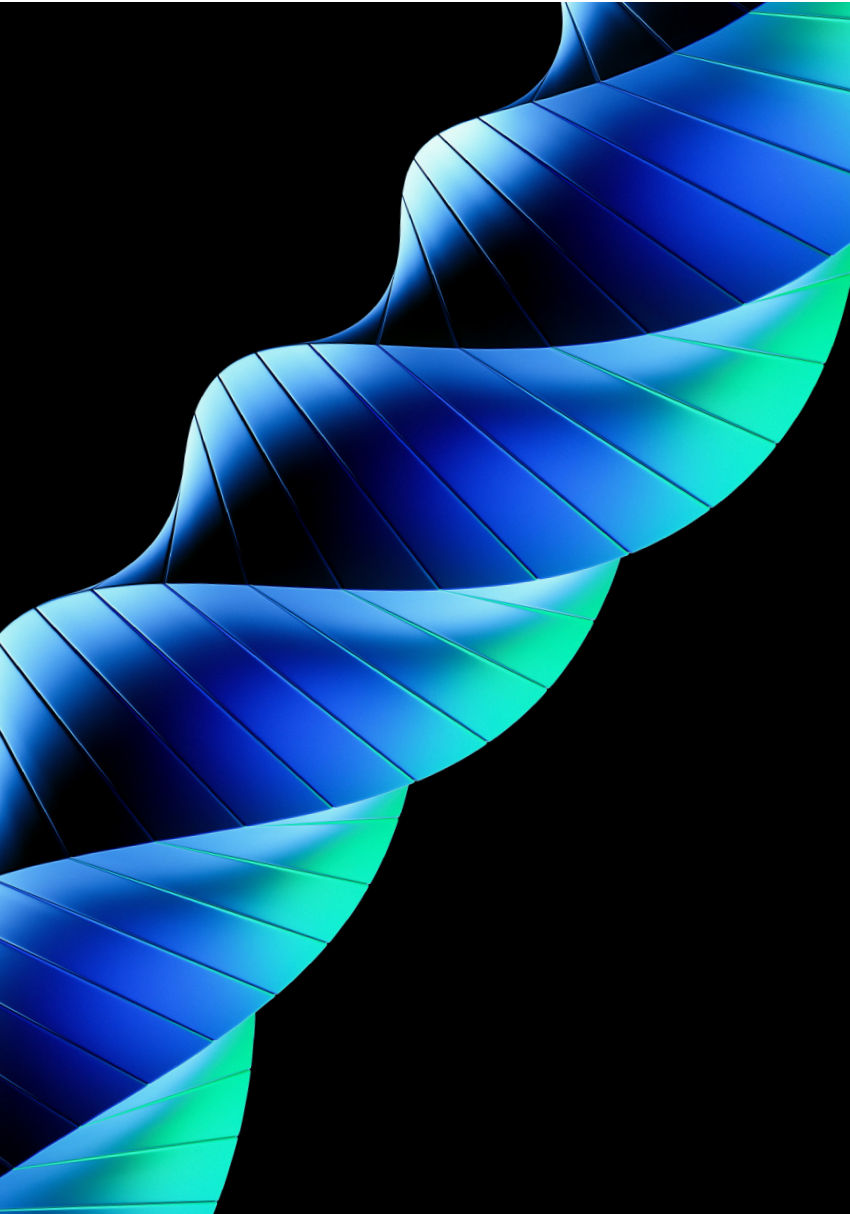
Climate Actions	Sustainable Business	Revolutionizing the access management industry	Privacy, Security, Safety
Reducing emissions	Diversity, equity, inclusion	Digitalization	Compliance
Materials	Human Capital Development	Industrial innovation	Data management
Energy consumption	Occupational health and safety	SaaS	End-user safety
Supplier engagement	Disclosure and transparency	Resource-savings	Operating Costs
Waste	Supply Chain Due Diligence		

Strengthening transparency through reporting

We received a bronze ranking from EcoVadis – the world’s largest and most acknowledged provider of business sustainability ratings last year. Our rating was lowered from silver to bronze, but we have the ambition to receive a silver rating once again in 2025. The EcoVadis assessment methodology is built on international sustainability standards, including the Global Reporting Initiative, the United Nations Global Compact, and ISO 26000.

We have participated in the Carbon Disclosure Project (CDP) since 2021. CDP is an international not-for-profit organization that runs a global disclosure system that enables companies, cities, states, and regions to measure and manage their environmental impacts. Our 2024 rating was C, increasing from the previous result of D in 2023.





Commitments

Sustainability is an integral part of our strategy. We are annually implementing key sustainability drivers in our strategy, which best support our ESG journey. The actions are monitored regularly during the year.

Our commitments are based on three key themes:

1.

Net-zero by 2050

We are carbon neutral in our own operations (Scope 1 and 2). The majority of our emissions come from Scope 3, especially Purchased goods and services. Setting our focus on reducing the emissions of our suppliers is needed to achieve net-zero.

2.

Promoting sustainability together with our key supply and distribution chain partners

Sustainability requires looking at the whole value chain with a circular economy approach. Sustainable use of natural resources requires close development work with our partners. In our own operations, we place particular emphasis on innovation and product development, constantly looking for positive effects on the environmental footprint in addition to the means to reduce environmental impacts towards carbon neutrality.

3.

Diversity strengthens the Human Experience

At iLOQ, we recognize diversity as a concept that encompasses both our people and our holistic approach to our practices and management. We focus on creating and sustaining a unique human experience at iLOQ, underpinned by our holistic understanding of people, their wellbeing, and the ways we lead them. We recognize that diversity is vital and ensures an exceptional positive employee experience for all through our diverse employee practices.

Sustainability in Supply Chain

Continuously maintaining a network of responsible suppliers

In 2024, the global supply chain remains beleaguered by a confluence of substantial obstacles, including geopolitical unrest, workforce deficits, evolving regulatory frameworks, and mounting environmental imperatives. Despite these challenges, there are opportunities for improvement through digital transformation, enhanced supply chain visibility, and a focus on sustainability.

At iLOQ, we rely on a supplier network. This means our biggest environmental impacts are from our supply chain and need our close attention. Both we and our suppliers operate in a strict business environment where responsible practices are key to maintaining our reputation, growth, and success.

iLOQ is committed to build a supplier network based on our business needs and values, which we expect all suppliers to share. The iLOQ Code of Conduct and the Code of Conduct for Suppliers ensure that everyone follows our ethical guidelines.

We expect suppliers to act responsibly, ethically, and legally at all times. They must follow all relevant laws and regulations and maintain an environmental management system, preferably ISO 14001.

Sourcing is vital to iLOQ's strategy for ensuring product quality, capability, and customer satisfaction. iLOQ sources goods, materials, and components from suppliers in Europe, Asia, and the US, with major suppliers in Malaysia and Ukraine.

Supplier collaboration is a key for sustainable development

iLOQ manages its supplier network using the iLOQ Sourcing strategy, which defines how we collaborate with each supplier. We use data-based metrics, developed with our suppliers, to monitor performance. As part of our long-term collaboration, we track suppliers' performance to control costs, ensure product capability, minimize risks, and seize opportunities to meet our requirements.

Supplier selection is intricately aligned with our Sourcing strategy, where the risk management process serves as an essential. We systematically identify, categorize, and mitigate supplier risks, encompassing ESG risks. This meticulous risk assessment directs our audit efforts towards the most critical areas, thereby enhancing the resilience of our supply chain.



As part of our Supplier evaluation and selection process, all new suppliers undergo audits. Onsite audits are preferred; however, when not feasible, self-assessment audits are conducted and later verified during scheduled visits.

Additionally, the iLOQ Supplier Requirements outline various criteria, including environmental and social standards, for potential suppliers. All new suppliers selected in 2024 have been assessed through this rigorous process.

Monitoring and Improving Supplier ESG performance

Organizations must comprehend the multifaceted impacts of their supply chains on people, the planet, and the economy, and proactively mitigate any adverse effects. To ensure compliance with ESG requirements, we systematically collect ESG data from suppliers and conduct regular audits.

In 2024, we conducted a Supplier ESG survey to understand the current capabilities and focus areas on Supplier Sustainable Development. The questionnaire included four sections: Governance, Ethics, Environment and Labor and Human rights. The survey was requested from suppliers contributing to 87% of iLOQs spend in Purchased Goods. The response rate was 51%.

During 2025, we will review assessment results, request corrective actions and when necessary, require reassessment. The assessment will act as a supplier ESG audit, as any evidence provided is analyzed by external experts.

Several of our suppliers have already set GHG reduction targets, which is a crucial step for us to reduce our Scope 3 emissions. To support our suppliers, we have started to screen some reduction opportunities, which can already be implemented in our Product Development Process. While innovating ways of reducing

Product Carbon Footprint (PCF), we work with our suppliers to get their own operations' emissions reduced.

iLOQ Code of Conduct for Suppliers

These principles describe how we expect iLOQ's suppliers to commit to act responsibly. By the end of 2024, we received commitment to the iLOQ Supplier Code of Conduct from 69% of our key suppliers. The Code of Conduct is implemented by default to all new supplier relationships.

We mandate that our suppliers adhere to all applicable laws and uphold human rights and anti-corruption regulations, including prohibitions on child and forced labor. The health and well-being of employees must be safeguarded. Our Code of Conduct for Suppliers also necessitates compliance with Information Security requirements, such as those outlined in ISO 27001.

Supplier Selection and Evaluation Process



Flow chart: Supplier evaluation and selection process

iLOQ expects its suppliers to demonstrate environmental responsibility. We strive to support them in making sustainable choices within their operations. We encourage our suppliers to better understand their environmental impact and find ways to minimize negative effects while enhancing positive outcomes.

Our transparent corporate culture ensures equal treatment for all current and potential suppliers. We avoid any cooperation that could jeopardize supplier independence. We uphold vigorous yet fair competition and firmly reject any form of corruption or bribery.

Governance

Good corporate citizenship requires responsible practices and compliance with regulatory requirements with no exceptions.



Sustainability management in iLOQ

Sustainability is an integral part of iLOQ's strategy and operations and the Board of Directors and iLOQ's Leadership Team regularly analyze its development. Management of the strategy is the responsibility of the CEO and the Leadership Team and monitoring its implementation takes place monthly as part of the normal management system. However, the highest decision-making related to sustainability and climate-related matters ultimately lies with the Board of Directors.

The Board of Directors discusses corporate responsibility objectives, action plans and sustainability issues twice a year in accordance with the Board's annual calendar and when approving the company's non-financial information statement as part of the parent company's financial statements. In this process, the Board of Directors evaluates the management of the organization's impact on the economy, environment and people. iLOQ's parent company Capnor Weasel Bidco Plc's non-financial information reporting obligation is based on Swedish law, due to the company's domicile,

but does not include EU taxonomy reporting as the company does not have more than 500 employees.

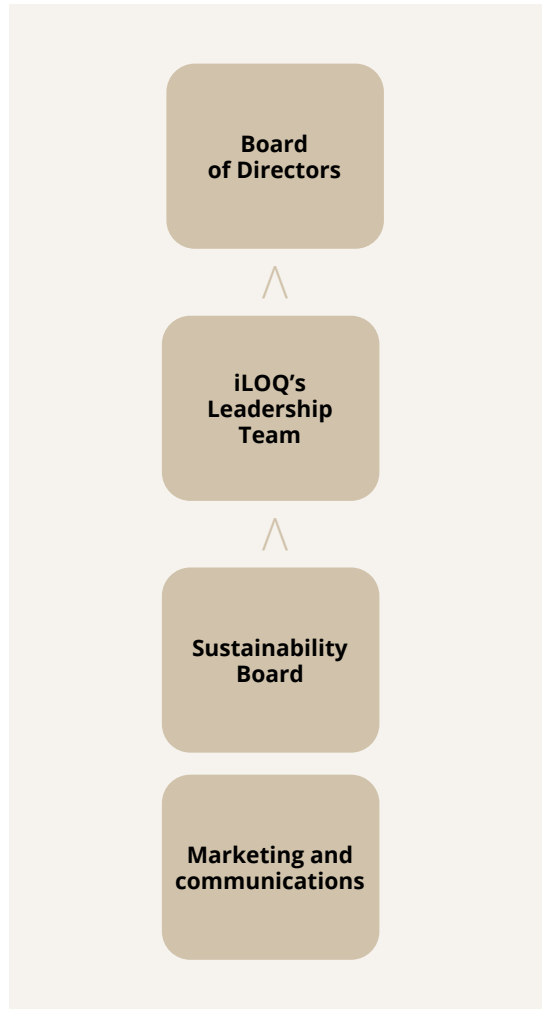
iLOQ has not established a specific Sustainability Committee for decision-making related to Environmental, Social and Governance (ESG) matters. The Financial and Audit Committee,

members of the iLOQ Leadership Team, and other senior executives support the Board of Directors in the decision-making in these matters. No specific sustainability-related education was provided to the Board of Directors in 2024. Starting from 2025, the Board of Directors will approve the Sustainability statement and results of materiality assessment.



Sustainability report assurance

iLOQ's sustainability report has been verified by an independent third-party assurance provider in accordance with the decision of iLOQ's board and senior executives to conduct voluntary external assurance in sustainability reporting. KPMG has provided a level of Limited Assurance with selected GRI disclosures. The external assurance report can be found at the end of this report.



ESG Team gaining commitment from stakeholders

At the core of our sustainable development is our decision-making board, the Sustainability Board, that oversees global processes and development actions across the field of Environment, Social and Governance. The team consists of leadership-team-level representatives, as well as function-specific key stakeholders. Meetings are arranged quarterly to review the initiatives taken during the quarter and the action plan for the following months.

The Sustainability Board is responsible for topics such as:

- Long-term sustainability strategy forming
- Short-term sustainability strategy follow-up
- Development roadmap
- ESG and reporting requirements
- ESG data and tools
- Materiality and goal setting
- KPI follow-up

Besides the above-mentioned actions, sustainability initiatives are carried out with functions mainly as development projects.

Direct economic value generated and distributed

Economic performance, EUR million	2024	2023	2022	2021
Customers				
Sales	128,746	141,318	132,948	102,921
Suppliers				
Operating costs	54,730	60,594	56,845	44,458
Employees				
Wages and benefits	30,468	27,569	25,066	21,391
Public sector				
Corporate income taxes	1,892	4,223	4,452	2,873
Shareholders				
Payments to providers of capital	0	0	0	0
Creditors				
Interest	932	1,157	0,978	0,591
Communities				
Sponsorship and donations				
Economic value retained	40,724	48,932	46,584	34,199



Managing the risks associated with sustainability and compliance with laws and regulations

Assessment of risks related to ESG matters is a continuous process in our activities. We update our ESG risk record quarterly and review mitigation actions. Risks and opportunities are identified across our value chain and product lifecycle. Our biggest opportunity to enhance company value is by strengthening ESG performance. The most significant ESG risks are within physical climate change risks and risk of compliance with emerging ESG requirements.

The assessment of risks related to projects and product design and manufacturing are integrated into the company's project management. Considering the nature of our industry, assessment of security risks in all our operations is a particular priority for us. In 2024, there were no incidents to report related to breaches of customer privacy or compliance with laws and regulations.



Suspected misconduct can be reported anonymously through internal or external reporting channels. iLOQ uses an external web-based reporting channel maintained by a third party. A link to the reporting channel is available on the iLOQ website and intranet. No cases of discrimination, corruption or bribery or human rights violations were detected or reported in iLOQ's own operations in 2024.

iLOQ follows laws, compliance and processes that come from stakeholders and from within the organization. Actual and potential impacts are assessed through our materiality assessments process. Materialized significant risks and impacts, requiring involvement of the crisis management team, initiates the Business Continuity Plan (BCP) process. We welcome feedback from our stakeholders regarding our grievance mechanism and its development. iLOQ tracks the effectiveness of its grievance mechanism through an annual management review process.

Taxation

The subsidiaries of the iLOQ Group are sales companies, except iLOQ USA Inc, which is a local distributor, whose transfer pricing for tax purposes is based on the arm's-length principle. In our transfer pricing documentation, we have explained the key elements of the transactions between our group companies and demonstrated that the terms and practices applied to our transactions meet the requirements of the arm's length principle. In 2024, the iLOQ Group paid EUR 1.9 million in taxes. The top five countries where iLOQ Group paid income taxes were Finland, Germany, France, Sweden and USA.

In line with iLOQ's tax policy, the company strives to comply with the highest tax administration standards in all jurisdictions in which it operates. The company is committed to conducting its tax affairs in accordance with the letter, spirit and intent of the law, with the goal of always paying the correct amount of tax and filing all tax returns in a timely and accurate manner.

This is supported by relevant practices and compliance processes in each jurisdiction in which the Group operates. The Group takes into account the changing tax environment, both regulatory and societal, and strives to ensure compliance with applicable tax laws and regulations.

iLOQ does not carry out independent tax planning activities. However, the company seeks to maximize value creation for its stakeholders and does not refrain from tax planning measures simply because there may be different interpretations of taxation or case law if the measures are motivated by a business purpose. However, the company will never engage in transactions or artificial arrangements that are considered aggressive. The company's tax decisions will always be guided by its commercial objectives, prudence, transparency and long-term sustainability.

iLOQ believes that inappropriate tax practices can erode trust in the group and in turn damage the company's reputation and potentially, in the long term, its ability to operate. iLOQ uses both internal and external tax professionals to operate effectively and manage tax-related risks. We act with integrity and accuracy in all tax matters in order to report our tax affairs to the company's owners and other stakeholders.



Compliance Program

The purpose of the iLOQ Corporate Compliance Program is to enhance the long-term value of a company for its stakeholders while considering all stakeholders. As a company, we emphasize transparency, accountability, responsibility and fairness. Good governance is important because of investor confidence, risk mitigation, sustainability, compliance, stakeholder trust and financial performance. Our compliance program consists of risk assessment, policies and internal routines, communication and trainings, monitoring and evaluation, continuous improvement and management participation.

Anti-corruption

Our policies include an Anti-Bribery manual. It is strictly forbidden to directly or indirectly offer, promise, grant, or authorize the giving of money or anything of value to someone to unduly influence the performance of the recipient's (or someone else's) professional duties or to obtain or retain an undue business advantage.

Extra care must be taken when interacting with representatives of the public sector and in relation to public procurement and governmental decision making. Benefits should never be offered to public sector representatives, their associates, or any other party with the intent of influencing an award of a bid or any other decision.

During 2024, we conducted a separate anti-corruption risk assessment for our operations. The identified risks are moved to our ESG risk record to be monitored with other risks. We included 80% of our operations to the risk assessment. The most significant risks were identified in our sales process non-dependent on the country. Risks were also identified within our sourcing process, especially outside Europe. Possible corruption types include bribery and conflicts of interest. No critical risks were identified. Risks were mapped against our Compliance Program to review all adequate control on all topics.

Violations of the policy and anti-bribery laws can result in substantial monetary penalties, imprisonment and severe reputational harm to the company. We conduct regular risk assessments to identify corruption risks within our operations, considering country-specific aspects. We obligate our employees, business partners and other stakeholders to report any suspect or observation of corruption in our Whistleblowing Channel.

Training on Compliance Program

Providing regular and function-specific training for employees is important in implementing the Compliance Program. Our mandatory trainings include an online training for anti-corruption. In addition, we trained functions with most risk for corruption, separately and with tailored training material.

Training percentage on anti-corruption by region and employee category

	Supervisors	Employees
Europe	84.3	94.8
North America	100	71.4
Asia-Pacific	100	75

Total personnel trained on anti-corruption during 2024: 298/342 (87.2%).
 Total personnel communicated on anti-corruption during 2024: 342/342 (100%).

Collective bargaining agreements

We support our employees' rights to freedom of association and collective bargaining. In 2024, a total of 68.1% (2023, 68.8%) of our employees were covered by collective bargaining agreements. Participation in collective bargaining agreements varies significantly between regions and the working conditions and terms of employment of those employees who are not covered by collective agreements are defined based on applicable labor legislation and company policy.

Planet

Minimized environmental impact has always been at the heart of our technology. It is also in focus across our entire value chain.



Contribution to Climate action

Forming the pathway towards net-zero

Climate change remains one of the top global challenges impacting the ecosystem, water security and human health. Tackling climate change is crucial for safeguarding the planet's ecosystems, preventing extreme weather events, and ensuring a sustainable future for generations to come.

During 2024, we started to outline the more detailed net-zero strategy. Our long-term target is to be net-zero by 2050, cutting emissions 90% from the base year 2022. Specific short-term goals were set to reduce emissions by 2030. Following the target-setting process of SMEs, we drafted an annual economic intensity reduction target starting from 2025. We continue to disclose our emissions through the CDP (Climate Disclosure Project).

	2023	2024	2025
CDP Climate Change	Climate Change: D Supplier Engagement: C	C	B
Ecovadis	Silver	Bronze	TBD



Emission reduction roadmap

Followed by setting the science-based target, we elevated our emission reduction roadmap. While setting the target, we followed the streamlined process for small and medium-sized enterprises. By the end of 2024, we aim to have category-specific reduction targets available in Scope 3.

The supply chain produces most of our emissions. Our products utilize materials heavy in carbon intensity, meaning reduction of the emission load is an industry-level effort. However, we are finding out initiatives contributing to the reduction of the carbon intensity of for instance, the steel industry.

Our approach to reducing Category 1 emissions is twofold. Firstly, we collaborate with our suppliers to optimize material use, investigate usability of recycled input materials and renewable energy and fuels. Secondly, we find solutions to reduce the used materials and their emission load already in our design work. A more detailed roadmap for both will be available in the upcoming two years.

Supplier Engagement	Energy consumption
	Delivery Optimization
	Reducing use of fossil fuels
	Optimizing material use
Product Lifecycle Approach	Less Carbon Intensive material
	Reducing material use
	Reducing hazardous material
	Enhancing circularity

Scope 3 category	2022 (t CO ₂ e)	2023 (t CO ₂ e)	2024 (t CO ₂ e)
1 - Purchased goods and services	49,900	41,690	32,314
2 - Capital Goods	1,600	10,240	1,155
3 - Fuel- and Energy-Related Activities			0.5
4 - Upstream transportation and distribution	2,100	2,860	1,238
5 - Waste generated in operations		1	0.2
6 - Business travel	300	13	793
7 - Employee commuting			270
8 - Upstream leased assets	220	322	768
9 - Downstream transportation and distribution	417	65	320
11 - Use of sold products	351	103	3,210
12 - End-of-life treatment of sold products	76	26	1
Total	54,960	55,320	40,071

Scope	2022 (t CO ₂ e)	2023 (t CO ₂ e)	2024 (t CO ₂ e)
Scope 1 emissions	0	0	0
Scope 2 location-based	N/A	185.6	0.926
Scope 2 market-based	0	0	0

Energy consumption (MWh)	Electricity	District Heating	Total
2024	829.98	695.93	1525.91
2023	1085	520.03**	1605.23**
2022	1065.43	1173.12	2238.55

*Calculation methodology has been significantly improved during 2024, resulting in changes in 2022-2023 data. Updates aren't done in this report, but will be done in the 2025 ESG report.

**Restatement of 2023 data done, as district heating consumption was calculated based on the whole building consumption, not based on leased area.

Responsibility with Circular Practices

Waste management

Our largest waste-related impacts are in the manufacturing phase, as well as in end-of-life recycling. In our own operations, our aim is to minimize landfill in the future. To extend this responsibility, we expect our supply chain partners to commit to reducing waste and implementing effective recycling programs.

We have effective waste management procedures in place for our own operations. In our Headquarters and Logistics Center, we have a partnership with L&T Ympäristöpalvelut Oy. In 2024, we set a target of reducing amounts of waste. Compared to 2023, we reduced waste production in our own operations by 28% (2024: 25.85 t, 2023: 35.74 t). The reduction was mainly achieved by recycling wooden pallets more efficiently. Weight of pallets treated as waste was reduced by 96% compared to 2023 (2024: 0.57 t, 2023: 12.6 t). To reduce the amount of mixed waste, we started a more efficient plastic waste program. Recycling plastic waste has resulted in a reduction of mixed waste by 12% from 2023 (2024 6.93 t, 2023: 8.87 t).

Waste amounts and recycling rates are monitored monthly within our management system. Our personnel are trained in waste management procedures, and it is a part of the new employee induction process.

Material management

We constantly monitor our compliance with applicable regulations and laws regarding material and substance requirements. We have procedures in place to follow-up compliance to e.g. the WEEE directive, REACH Regulation and RoHS directive. We manage the iLOQ Substance List, shared with our suppliers, to provide information about any restricted substances. Through a third-party service provider, we collect material data from our suppliers to verify fulfillment of the regulations on our part.

We follow iATA and ADR Dangerous Goods Regulation on deliveries. Deliveries containing hazardous substances are clearly labelled accordingly. All our applicable products are marked with a crossed-out bin symbol to guide customers about the recycling practices of electric waste. In the European Union, we have country-specific partnerships with authorized

partners, who are responsible for collecting used products for further recycling.

Other hazardous substances in our production are treated carefully according to work instructions and training. Any substances used in production are stored with special instructions to ensure the health and safety of employees. In our packaging solutions, we utilize packaging from recycled materials. We have removed the use of plastic on outer shipping boxes completely, including also fillings and tape. This ensures the product packaging and outer boxes are easily recyclable, with easy dismantling.

Environmental Impacts from Use of Product

From day one, our solutions have aimed to decrease resource use while bringing smart-locking elements to the end-user's benefit. Our digital access management solutions eliminate the need for batteries or cables to power the lock cylinders.

Not only do they decrease the need for production material, but also decrease the material used during the lifecycle. These

benefits are vital for reducing impacts caused by maintenance. All our self-powered locks are initially free from regular maintenance. Due to this and remote re-programmability of locks, maintenance travel distance is reduced to a minimum. To further reduce the use-phase environmental impacts, LCA studies were carried out in 2024 to identify impacts in different lifecycle phases. We carry producer responsibility in a part of our deliveries. For deliveries made within the EU, we have agreed take-back schemes with third-party service providers to comply with the WEEE directive. Our product end-of-life electronic waste is recycled by these partners.

Waste Generated	2024
Recycling Rate	60%
Hazardous waste	36 kg
Recycled Non-hazardous waste	15,450 kg
Incinerated Non-hazardous waste	9,560 kg

The internationally recognized proof of quality in operations and management

It is important for us to meet the requirements of recognized international standards. In many cases, compliance with the requirements of ISO standards can play a key role in influencing the customer's purchase decision. We have certified management systems for quality (ISO 9001:2015), environment (ISO 14001:2015) and information security (ISO 27001:2022). At the beginning of 2023, we had the re-certification of the quality and environmental systems. No deviations were found in this sampling-based audit by the certification body. It shows that We operate in accordance with the requirements of the management system standards that we have effective processes and procedures and that we are continuously improving our operations.

Our ISO 27001 certificate covers eleven iLOQ locations around the world. This information security management system is important to us as we operate in the field of digital access management. Security is important in our own operations, and it is also a necessity for our customers who use our solutions. In the beginning of 2024, new information security standard ISO 27001:2022 was certified in our organization. The standard's Statement of Applicability (SoA) has introduced numerous new controls and deepened previous controls related to the organization and our people, physical security and technologies.

In 2024, we started building a management system suitable for explosive atmospheres (Ex) ISO/IEC 80079-34:2020. The structure of standard is based on ISO 9001:2015. We nominated Ex authorized person e.g. controls all changes in Ex products. We specified competence requirements for employees who work on the Ex products. We defined Ex requirements for external providers related to e.g. competence, traceability, audits and documentation. This implementation affected iLOQ processes like Engineering change management (ECM), Field Quality and Customer Returns, Supplier selection and evaluation and Product design process.

We plan to adopt an Occupational Health and Safety management system (ISO 45001:2018) during 2025.

Certification	Site/location
ISO 9001:2015 Quality Management Systems (QMS)	Finland; Espoo, Oulu (Elektroniikkatie and Graniittitie)
ISO 14001:2015 Environmental Management System (EMS)	Finland; Espoo, Oulu (Elektroniikkatie and Graniittitie)
ISO 27001:2022 Information Security Management System (ISMS)	Finland; Espoo, Oulu (Elektroniikkatie ja Graniittitie), Sweden, Norway, Germany, The Netherlands, Denmark, France, Spain

Commitment of the whole organization

Maintaining management systems in international organizations requires ongoing work. In addition to the strong commitment of the leaders of the country organizations and the IT, R&D and HR departments, an important factor in the successful implementation has been the active attitude of the top management towards ensuring the adequacy of resources, internal communication and support. Adherence to strict standards and systematic risk management keep an internationally growing company like ours active.

Our Approach to Risk management

We manage and prioritize risks threatening the continuity of the business and initiate the necessary mitigation actions to reduce those risks. We also consider risks concerning our external service providers and suppliers.

Our top management is committed to fulfilling comprehensive risk management. The risk management process and the most significant risks are also on the Board's agenda every year, apart being an inherent part of management reviews.

Our different levels of risks and opportunities are identified and evaluated systematically and regularly. Compliance requirements are identified as part of risk management.

Company-level risks are handled in a cross-functional manner. The risk identification and assessment process includes evaluation of the probability, severity, effects and consequences of the risks. The impact on business continuity is also analyzed. Controls are defined for the risks, and, after that, it is evaluated whether the current controls are sufficient and whether additional measures are needed. Based on the risk profile, the company's most critical risks can be identified. Information security risks are taken into account in all functions and operations.

Sustainability risks and opportunities are analyzed and evaluated using a separate ESG Risk Tool, but it follows the same process as Company risk management. The tool evaluates the probability, severity and effects of risks related to ESG matters.



The identified environmental aspects and effects, including financial impacts, are analyzed, and possible emergency situations are also evaluated in the tool. The tool defines controls for risks and assesses the adequacy of current controls.

The impact on business continuity is also identified. The ESG risks are used in our Double-materiality assessment.

People

We are a company built on the dedication and skill of our people. We recognize their value and prioritize their well-being and access to continuous development.



Minna Tuomikoski, Chief Human Resources Officer, iLOQ

Strong support structures in place for future growth and expansion

We have faced turbulent times in business during the past few years. That's why it has been more important than ever to ensure the well-being and operational capabilities of our personnel around the globe. Also, maintaining our unique iLOQ culture through rapid growth has been a high priority.

Still growing in numbers

As iLOQ continues to grow, expand internationally and shift towards a more regionally led organization, it is important for HR to protect the integrity of the unique company culture that we typically call our iLOQ family. Again, during the past year, our overall headcount has grown by some tens of people and by the end of the financial year, our headcount amounted to 342 professionals around the world. In 2024, we also expanded our presence to Singapore and we grew the global HR team, now consisting of six professionals, to support our global organization.

Developing our sales and leadership

With the kind of growth we have seen over the past decade or so, even if the last two years have been somewhat slower, maintaining the quality of management and sales functions across a global corporation has remained on our radar. Especially with decision-making moving more and more into regional and local operations, ensuring the same high standards across the board is absolutely vital. In terms of sales, we made major adjustments to our sales incentive scheme to reflect the growing importance of software sales compared to the more traditional product-based sales of locking systems.



With growth and international expansion comes the need for unified management training and more rigid HR support structures.

Minna Tuomikoski,
CHRO

This past year also saw us continuing our comprehensive leadership training program with great engagement and encouraging results. The program had our participants critically evaluate themselves in terms of leadership competence, style and skillsets. We wanted to investigate how our value-based leadership principles are reflected in everyday work. The results were generally positive, and everyone had the chance to receive more detailed personal feedback and coaching. Additional peer-to-peer support was on the agenda when all our leaders had the chance to come together to meet their international counterparts as part of the training at Haikko Manor in Finland.

Unique culture stays strong

We also carried out an iLOQ culture survey, taking key findings into account in the leadership trainings mentioned previously, placing emphasis on transparency in communications and efficiency in cross-organizational collaboration to name a few. As we continue to grow and expand internationally, we must ensure that the unique culture that defines us is embedded consistently across our entire organization.

As we have seen most years, again in 2024 our unique iLOQ family spirit and open and encouraging working environment continued to receive praise internally. Face-to-face events such as the annual iLOQ Days in Oulu, Finland continue to provide us with the opportunity to deploy the iLOQ culture into our country organizations and give it the context it needs to thrive.

Strengthening supporting structures

With growth and international expansion also comes the need for more rigid support structures. In 2024, we took on the task of building a global HR platform for iLOQ. This strategic project involved the evaluation of modern global solution providers and selecting the right partner to support our international growth. During the end of 2024, we began the comprehensive implementation of the new global HR system to ensure a successful start to 2025 with its launch. The new global HR system is something that will grow and evolve hand-in-hand with our strategy, operations and process development.

Our modern HR solutions for all iLOQ employees include everything from recruitment processes to pre-boarding, on-boarding, employee engagement and even the ultimate off-boarding one day. They will smooth out the path for new employees, and provide tools and support for management and comprehensive data for decision making. In addition, to constantly build the employee experience at iLOQ, we want everyone to have the opportunity to provide feedback or raise important questions within our platforms. They are valuable channels where we can spread and maintain that famous iLOQ family spirit that comes up every year as a key topic in our staff discussions and surveys.

Status of the incidents and actions	2023	2024
Incidents reviewed by the organization;	0	0
Remediation plans being implemented;	0	0
Remediation plans that have been implemented, with results reviewed through routine internal management review processes;	0	0
Incidents no longer subject to action	0	0



Continuing to promote transparency

We continue to believe that diversity, equity, and inclusivity are fundamental pillars that enhance the human experience at iLOQ and we actively take steps to ensure development in these areas. During 2024, we continued with our quest for documented transparency and fairness across our organization. The HR-led project related to the transparency of our remuneration policy



continued as planned from 2023. The past year included a holistic compensation assessment in different functions across iLOQ and in comparison, to external benchmarking data. This data has allowed us to ensure that we are compensating our staff fairly across the organization and competitively enough against an industry average to ensure we stay desirable to our current staff and future recruits alike.

This is an on-going project that needs to be continued, maintained, developed and updated on a regular basis. Maintaining a fair and competitive compensation will help us maintain our desirability and edge in the future. During the next phase of the project, all data will be compiled and the findings communicated to the staff taking us one step further in remuneration transparency.

In addition to our various compensation elements, we offer different benefits to the personnel in order to promote healthy lifestyles, support comprehensive wellbeing and reward our personnel. Our offered benefits vary depending on location, but we do not distinguish between employment types in eligibility for benefits in our significant locations of operation due to applicable legislation and our commitment towards equality.

Ratio of basic salary and remuneration of women to men

	Supervisor	Employees
Ratio in %	79.4 (89.4)	91.2 (92.5)



Enabling employee growth in a global environment

We are committed to fostering a global work environment, culture, and community where all employees can grow, develop, and connect. Our learning and development initiatives are driven by our strategy, with individual growth recognized as vital to our collective success. As we continue to expand globally, we anticipate new challenges and emphasize continuous learning in daily work, encouraging a future-oriented mindset. Employees are supported through a variety of development opportunities, including career progression, role transitions, project involvement, peer learning, self-directed study, and formal training programs. We believe a significant share of learning occurs through on-the-job experiences, where employees tackle challenges collaboratively and exchange knowledge.

The growth and continuous development of our personnel are supported by our annual development discussions and performance reviews. These discussions provide a structured, company-wide framework to reflect on wellbeing, successes, feedback, development areas, and performance goals. Open to all employees regardless of location or role, development discussions are conducted annually in January–February and are followed up during the year. In 2024, 95.9% of our personnel participated in the development discussion process. In addition, we offer coaching as both a development tool and a transition support program, reinforcing our commitment to long-term professional growth and capability building.

Percentage of employees receiving regular performance and career development reviews

	Supervisors	Employees
Female	100% (100%)	95.6% (95.2%)
Male	100% (93.4%)	96.1% (97.7%)





Creating a safe workplace

Safety and wellbeing are fundamental to our operations and we are committed to building a safety-first culture and mitigating occupational health and safety risks across our operations and business relationships. We continuously strive to improve our health and safety performance to ensure high quality and safe activities in all our operation areas. In 2024, we began planning the implementation of a formal occupational health and safety management system, an important project that will continue on to 2025.

While we do not currently have a certified health and safety management system in place, we continuously improve our practices to minimize risks, prevent accidents, and safeguard our people according to recognized best practices and in compliance with relevant international guidelines, standards and legislative regulations. This includes providing relevant health and safety training for all employees and auditing suppliers to ensure equipment and material safety.

In 2024, we maintained a strong health and safety performance with zero accidents at the workplace and subsequently no lost time, continuing the positive trend from 2023 and meeting our goal of zero accidents at the workplace. Throughout the year, we conducted structured risk assessments, regular inspections, and internal audits, including checks on ergonomics and updated equipment to identify and manage potential hazards.

One identified work-related hazard continued to be the use of chemicals, which poses a risk of high-consequence injury. In 2024, no such injuries occurred. Preventive measures for the risk of high-consequence injury using chemicals included the use of approved chemicals, adherence to external obligations, safety data sheets, and regular exposure evaluations.

Work-related injuries

	2022	2023	2024
LTAf	0	0	0
Number of fatalities	0	0	0
Rate of fatalities	0	0	0
Number of high-consequence work-related injuries	0	0	0
Rate of high-consequence work-related injuries	0	0	0
Number of recordable work-related injuries	3	0	0
Rate of recordable work-related injuries*	1.2	0	0
The number of hours worked	500 000	550000	600000

Approach to stakeholder engagement

Stakeholder engagement is essential for our long-term success, ensuring that we align business objectives with the needs and expectations of those who influence and are impacted by our operations. By fostering open dialogue, collaboration, and responsible business practices, we strengthen trust, drive innovation, and enhance our sustainability performance.

We recognize stakeholders based on their influence on our business and the impact our operations have on them. Our key stakeholder groups are visible in the Stakeholder table.

We identify Impacts, Risks and Opportunities (IRO) and impacted stakeholders in our materiality assessment and annual reviews. Risks, opportunities and compliance obligations are studied within our regular management system processes. The purpose of stakeholder engagement is to decrease the negative impact of our business on the planet and society. With ESG matters, stakeholders are engaged through our HR processes, ESG management and management system approaches.



Stakeholders

Our stakeholders are an important part of our business. They are entities or individuals that have an impact on our business. We have identified the impacts, demands, needs and expectations of different stakeholders. We have also defined the stakeholders' selection and evaluation process by category. We have considered the risks and opportunities of interested parties as part of iLOQ's risk management process.

	Engagement approach	Actions and response 2024	ESG and information security impacts
Personnel/employees	We engage our employees comprehensively to retain, develop and build an inclusive, safe and positive workplace. We believe that employees who are engaged and satisfied support our ability to reach our business objectives together. Employees are our most valuable resource and driving factor.	Our employee engagement actions include: the iLOQ Culture survey, active internal communications and frequent leadership team meetings available to the entire staff, development discussions, internal and external trainings and our comprehensive onboarding process. These actions improved our culture, capabilities and processes and were valued by the employees.	DEI Human capital development Employee health and safety
Customers: partners and end users	We work closely and engage with our extensive global partner network consisting of over 1600 partner locations worldwide through our partner program, partner portal, e-learning platforms, events and regular partner days. We have industry-leading NPS scores with end customers and partners varying between 50 and 60.	We focused on end users and end user experience. This will appear especially in user interfaces and how services and support will be offered to our users. The better we handle this the less our partners need to spend time on that. Better usability, onboarding, analytics and self-help, and better management and coordination around the CX/UX issues.	End-user safety Customer Privacy Waste reduction Circularity ESG commitments Carbon neutrality
Manufacturing partners, component and material suppliers	We engage with our partners through a collaboration model based on created supplier levelling and supplier quality requirements. The supplier collaboration model includes regular meetings, continual monitoring and quality governance including supplier evaluation and handling of nonconformities.	Significant suppliers have committed to the Supplier quality requirements including environmental and ethical matters e.g. iLOQ Code of Conduct for suppliers. All updated requirements are linked via the supplier audit process and all new suppliers are audited with updated requirements; main suppliers are audited every third year.	Carbon neutrality Supplier ESG performance Energy usage
Indirect Service Providers: - IT and Business Infrastructure Service Providers (categories defined in Business Infrastructure) - R&D service providers	Indirect service providers closely contribute to iLOQ's business infrastructure, R&D and ICT capability and performance. Business-critical capabilities are kept and managed in-house and supported by engaging service providers.	Service provider management under a business infrastructure have been set up, a service provider portfolio has been created, the service provider owner role has been defined and each service provider has been appointed an owner by iLOQ. Service provider data management, evaluation and annual plan practices have been agreed. The service provider selection and evaluation process has been updated.	Information security Energy consumption Employee wellbeing
External staffing service providers, recruitment partners	We engage with our partners through a collaboration model based on created supplier levelling and supplier quality requirements. The supplier collaboration model includes regular meetings, continual monitoring and quality governance including supplier evaluation and handling of nonconformities.	Significant suppliers have committed the Supplier quality requirements including environmental and ethical matters e.g. iLOQ Code of Conduct for suppliers. All updated requirements are linked via the supplier audit process and all new suppliers are audited with updated requirements; main suppliers are audited every third year.	Information security Employee wellbeing Recruitment practices

	Engagement approach	Actions and response 2024	ESG and information security impacts
Shareholders and Financial partners e.g. investors, Business Finland, banks (e.g. Bond), insurance and pension companies, external finance services, collection agency and auditors	Financial, sustainability and other regulated and required external reporting	Four external quarterly reports published via the Swedish Stock Exchange together with the Sustainability report. All reports are also published on website.	Climate actions and targets Human rights Responsible supply chain Reporting and transparency
Environmental/Sustainability organizations (e.g. CDP, Ecovadis, WEEE, Zentek, FIBS)	iLOQ engagement includes partnerships, memberships and ongoing dialogue.	Participating and committing to the specific environmental reporting programs.	Reporting and transparency
Information security special interested groups (e.g. OWASP, Foundation, SANS Institute, Traficom)	iLOQ engagement includes partnerships, memberships and ongoing dialogue.	Participating and networking to the specific interested groups.	Information security
Other Business Management partners e.g. Law firms, Certification body of management systems, universities, VTT, Business Oulu, chamber of commerce, real estate providers, occupational health services and consultant services, cleaning services, SFS, The association of personnel management	We actively collaborate with different organizations e.g. universities through our product development.	Acting together with several associations and organisation participating to the seminars and events	
Society and authorities, e.g. complying with legal obligations	Compliance with laws and regulations, local standards, iLOQ's local ethical guidelines and Code of Conduct	Full compliance with laws and regulations and ethical guidelines, new Compliance Officer General Counsel appointed, internal compliance policies updated, internal Code of Conduct trainings, two reported Whistleblowing cases solved in accordance with the Whistleblowing policy.	Societal infrastructure Laws & regulation Human rights Digitalization
Media	We engage with media through specific press releases	Following iLOQ's communication policy, interviews and press releases published by iLOQ, social media channels. More communication on sustainability in https://www.iloq.com/en/sustainability/	Brand development

KPI Table

Climate Measures

Measure	Relevant SDG + GRI Disclosure	2024
Energy	SDG: 12 & 13 GRI: 302	1526 MWh
Energy from renewable sources	SDG: 13, GRI: 302	100%
GHG Total	SDG: 13, GRI: 305	40,071 t CO ₂ e
Ecovadis rating	SDG: 12	Bronze
GHG Emission intensity	GRI: 305	0.3112 kg CO ₂ e/EUR

Supplier Measures

Measure	Relevant SDG + GRI Disclosure	2024
Percentage of Supplier signing Code of Conduct	SDG: 12	69%
Percentage of Supplier spend responded to ESG survey	SDG: 12	51%
New suppliers screened with Social Criteria	SDG: 12, GRI: 414-1	0
New suppliers screened with Environmental Criteria	SDG: 12, GRI: 308-1	0

People KPIs

Measure	Relevant SDG + GRI Disclosure	2024
Increasing the ratio of women in the entire personnel to 25%	SDG 8, GRI 405-1	21.3% in 2024 20.2% in 2023 21.1% in 2022 19.2% in 2021
Performed employees' ESG mandatory trainings	SDG 8 & 13, GRI 404-2	ESG 80,2% Code of Conduct 85.8% Environmental 86.7%

Other KPIs

Measure	Relevant SDG + GRI Disclosure	2024
Incident reports (breaches of customer privacy or compliance with laws and regulations) from customers	GRI: 418-1	0

Waste Measures

Waste group (t = metric tonnes)	Relevant SDG + GRI Disclosures	Waste generated	Waste diverted from disposal
Bio	SDG: 12, GRI: 306-3, 4, 5	0.73 t	0.73 t
Plastic	SDG: 12, GRI: 306-3, 4, 5	0.53 t	0.53 t
Cardboard	SDG: 12, GRI: 306-3, 4, 5	11.75 t	11.75 t
Wood waste	SDG: 12, GRI: 306-3, 4, 5	0.57 t	0.57 t
Household waste	SDG: 12, GRI: 306-3, 4, 5	7.93 t	0
Electrical and Electronic Waste	SDG: 12, GRI: 306-3, 4, 5	0.74 t	0.74 t
Metal Waste	SDG: 12, GRI: 306-3, 4, 5	0.94 t	0.14 t
Hazardous waste	SDG: 12, GRI: 306-3, 4, 5	0.04 t	0
Information Security material	SDG: 12, GRI: 306-3, 4, 5	0.83 t	0.72 t
Paper waste	SDG: 12, GRI: 306-3, 4, 5	0.29 t	0.29 t
Construction waste	SDG: 12, GRI: 306-3, 4, 5	1.52 t	0
Total		25.87 t	15.47 t

Reporting principles

Materiality assessment

Materiality assessment was revisited in 2024 to prepare for the extensive requirements of CSRD. Background materials were updated, including market analysis, stakeholder surveys and expert reviews. Initial findings and background studies were discussed in a leadership workshop. Impacts, risks and opportunities (IRO) were identified based on the background study.

With the assistance of external support, IROs were rated and categorized as per the ESRS requirements. Thresholds were set separately for actual impacts, potential impacts and risks and opportunities. The results were mapped against the ESRS topics. End results were discussed in a leadership team workshop, concluding in the list of material topics. The assessment results will be reviewed and approved by the Board of Directors during 2025.

GRI as our guideline

Reporting covers iLOQ Group and its fully owned subsidiaries. There is no minority ownership within group companies and thus no minority interest. Please see more at <https://www.ilooq.com/releases/capnor-weasel-bidco-ojy-financial-statements-and-annual-report-1-january-2023-31-december-2023/>.

iLOQ's 2024 sustainability report has been carried out according to the Global Reporting Initiative (GRI 2021) standard. This sustainability report is carried out as in previous years and there are no major restatements done to the previous years' information. The Reporting period is a calendar year, and iLOQ publishes a GRI-compliant sustainability report once a year in connection with its annual report. The previous report was published in July 2023. The report has been prepared in accordance with the GRI standards, including material topic disclosures.

Reporting covers iLOQ Group as defined above. iLOQ's reported key figures cover the whole iLOQ Group.

Personnel reporting

Metrics and figures related to our workforce takes into account iLOQ Group's own personnel. The reporting data is compiled from our group-wide HR system – Bob and is handled by iLOQ's global HR function. The figures are reported based on the situation at the end of the year, 31 December 2024. The metrics have not been validated by any other external party.



Waste reporting

Waste reporting (GRI 306) is done for the iLOQ Headquarters (Oulu) and the iLOQ Logistics Center (Oulu), both of which have waste management operated by Lassila & Tikanoja. Other locations are excluded from reporting in 2024, due to irrelevance, as offices do not have product development, production or logistics activities in place. Offices outside of Oulu have only office activities and operate in a leased space. However, it is noted that office workers might contribute to some amount of electronic waste. Studies will be carried out to define the relevance of e-waste in offices.

iLOQ is the importer, and thus carries the producer responsibility in only a part of deliveries. Direct deliveries require us to arrange end-of-life recycling schemes in all EU countries. This is handled through third-party service providers.

GHG accounting

We maintain a GHG Handbook, where we store information on calculation methods, organizational boundary setting, accounting principles, used emission factors and roles and responsibilities related to emission data management.

The selected consolidation approach is Equity Share and includes our subsidiaries in the calculations. The organizational boundary is aligned with our financial reporting.

We Follow the Greenhouse Gas Protocol guidelines on measuring and reporting GHG emissions. GHG Protocol provides a framework for tracking and disclosing the GHG emissions produced by companies' operations and activities. Six greenhouse gases are addressed: Carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), sulfur hexafluoride (SF₆), hydrofluorocarbons (HFCs), and perfluorocarbons (PFCs).

Greenhouse gases are reported as CO₂ equivalents (CO₂e). The source of the Global Warming Potential is IPCC 5th assessment report.

We utilize a third-party emission calculation software to calculate all emissions. The software analyzes purchase invoices and other inputs and finds the corresponding emission factor from Exiobase3 and other relevant databases. The base year for calculations is 2022, as the first full GHG inventory was available. The GHG emission intensity is calculated based on Group level revenue in 2024.

Category-specific calculation methodologies:

iLOQ accounts energy consumption (electricity) for Espoo office in Scope 2. Energy consumption in other locations is in Category 8. In electricity consumption AIB database is used. District heating uses an emission factor sourced by our calculation software.

1. Purchased goods and services:

A third-party software solution is used to account for the category emissions. Selected calculation method is the spend-based method, which utilizes the economic value and secondary emission factors. The used emission factors are retrieved from Exiobase3 Database.

2. Capital Goods:

A third-party software solution is used to account for the category emissions. Selected calculation method is the spend-based method, which utilizes the economic value and secondary emission factors. The used emission factors are retrieved from Exiobase3 Database.

3. Fuel and energy related activities not included in Scope 1 and 2:

Emissions in this category are calculated based on Scope 2 data by our Emission calculation software provider.

4. Upstream transportation and distribution:

75% of emissions are calculated using primary GHG data obtained from a logistics partner. 14% of emissions are calculated using activity data received from another logistics partner. Remaining emissions are calculated using spend-based methodology. The distribution center in the USA is also accounted in this category. Rented area space was used as basis for calculating the emissions.

5. Waste generated in operations:

The used calculation method is waste-specific method. In 2024 reporting, waste produced in Oulu Headquarters and Rusko Logistics center is accounted for. Waste production of other sites isn't found material.

6. Business Travel:

A third-party software solution is used to account for the category emissions. Selected calculation method is the spend-based method, which utilizes the economic value and secondary emission factors. The used emission factors are found from Exiobase3 Database.

7. Employee Commuting:

A survey was carried with all employees out November 2024 to study employees' commuting practices. An extensive sample set was received. The data was then averaged and generalized to cover full employee base. External employees aren't included in the calculation. The third-party software completed the calculations, finding the correct emission factors.

8. Upstream leased assets:

Upstream leased assets contribute to iLOQ emissions in two ways; fuel consumption on company leased cars and energy consumption within leased office spaces. Emissions caused by energy consumption is calculated by iLOQ portion of office area (m²) of the whole building, multiplied by the total energy consumption rate of the building and the emission factor provided by leaser. Both, energy consumption and district heating are assessed. For the first time, in 2024 energy consumption data was requested from Subsidiary offices. When data wasn't available, an estimate on area leased was used.

Company leased car contracts are recorded in a specific data location. A survey was sent out to all car holders, to request data on distance driven and fuel type. The data was uploaded to third-party platform, where correct emission factors were picked. When data wasn't available from employees, data was extrapolated from other responses.

9. Downstream transportation and distribution:

Downstream transportation emissions are calculated 78% using GHG data from a logistics partner. Compared to 2023, 100% of emissions were calculated using activity data. In 2024, 22% was only calculated with distance-based method.

10. Processing of sold products:

Energy consumption required on product set-up is studied to be minimal, less than 1% of the emissions from Category 11.

11. Use of sold products:

Emissions associated with maintenance of sold products is excluded. The used calculation method is direct use-phase emissions. The energy consumption of two product categories in use-phase was studied. The results were used as factors for sold quantities for the products in selected categories. Other product categories do not consume electricity in use-phase. A restatement for 2022-2023 isn't done yet, but is required due to a calculation error with energy consumption factors.

12. End-of-life treatment of sold products:

iLOQ has done a material break-down of products and with the assistance of the local recycling partner analyzed the end-of-life treatment of each material in Finland.

13. Downstream leased assets:

No relevant leased assets

14. Franchises:

No franchises

15. Investments:

No relevant investments.



Number of employees by employment contract and gender

	Regular	Fixed term	Total
Female	66 (57)	7 (8)	73 (65)
Male	268 (252)	1 (4)	269 (256)
Total	334 (309)	8 (12)	342 (321)

Number of employees by employment contract and region

	Regular	Fixed term	Total
Europe	313 (294)	8 (12)	321 (306)
North America	15 (13)	0 (0)	15 (13)
Asia-Pacific	6 (2)	0 (0)	6 (2)
Total	334 (309)	8 (12)	342 (321)

Number of employees by work time and gender

	Regular	Fixed term	Total
Female	69 (57)	4 (8)	73 (65)
Male	268 (249)	1 (7)	269 (256)
Total	337 (306)	5(15)	342 (321)

Number of employees by work time and region

	Regular	Fixed term	Total
Europe	316 (292)	5 (14)	321 (306)
North America	15 (13)	0 (0)	15 (13)
Asia-Pacific	6 (2)	0 (0)	6 (2)
Total	337 (307)	5 (14)	342 (321)

In addition to our direct employees, we also manage the work of temporary external employees in R&D and Operations functions when specific expertise is required or there are temporary increases in workload. At the end of 2024, there were 21 external employees at iLOQ.

Total number and rate of new employees by age

	New hires	New hire rate, %
Under 30	4 (4)	9.1 (7.4)
30-50	25 (44)	56.8 (81.5)
Over 50	15 (6)	34.1 (11.1)
Total	44 (54)	100 (100)

Total number and rate of new employees by region

	New hires	New hire rate, %
Europe	34 (44)	77.3 (81.5)
North America	5 (9)	11.4 (16.7)
Asia-Pacific	5 (1)	11.4 (1.9)
Total	44 (54)	100 (100)

Total number and rate of employee turnover by gender

	New hires	Turnover rate, %
Female	2 (5)	22.2 (45.5)
Male	7 (6)	77.8 (54.5)
Total	9 (11)	100 (100)

Total number and rate of new employees by gender

	New hires	New hire rate, %
Female	10 (8)	22.7 (14.8)
Male	34 (46)	77.3 (85.2)
Total	44 (54)	100 (100)

Total number and rate of employee turnover by age

	New hires	Turnover rate, %
Under 30	0 (1)	0 (9.1)
30-50	6 (7)	66.7 (63.6)
Over 50	3 (3)	33.3 (27.3)
Total	9 (11)	100 (100)

Total number and rate of employee turnover by region

	New hires	Turnover rate, %
Europe	9 (10)	100 (90.9)
North America	0 (1)	0 (9.1)
Asia-Pacific	0 (0)	0 (0.0)
Total	9 (11)	100 (100)

Diversity of governance bodies and employees

Management team by gender and age in %

	Female	Male	Total
Under 30	0 (0)	0 (0)	0 (0)
30-50	11.1 (16.7)	22.2 (33.3)	33.3 (50.0)
Over 50	22.2 (33.3)	44.0 (17.0)	66.7 (50.0)
Total	33.3 (50.0)	66.7 (50.0)	100 (100)

Employees by employee group and gender in %

	Sales	Operative	R&D	Admin	Marketing	Total
Female	2.6 (1.9)	8.5 (8.7)	4.1 (4.4)	4.7 (4.0)	1.5 (1.2)	21.3 (20.2)
Male	40.1 (40.2)	13.2 (12.8)	23.1 (24.6)	1.2 (0.9)	1.2 (1.2)	78.7 (79.8)
Total	42.7 (42.1)	21.6 (21.5)	27.2 (29.0)	5.8 (5.0)	2.6 (2.5)	100 (100)

Board of Directors by gender and age in %

	Female	Male	Total
Under 30	0 (0)	0 (0)	0 (0)
30-50	20.0 (20.0)	20.0 (20.0)	40.0 (40.0)
Over 50	0 (0)	60.0 (60.0)	60.0 (60.0)
Total	20.0 (20.0)	80.0 (80.0)	100 (100)

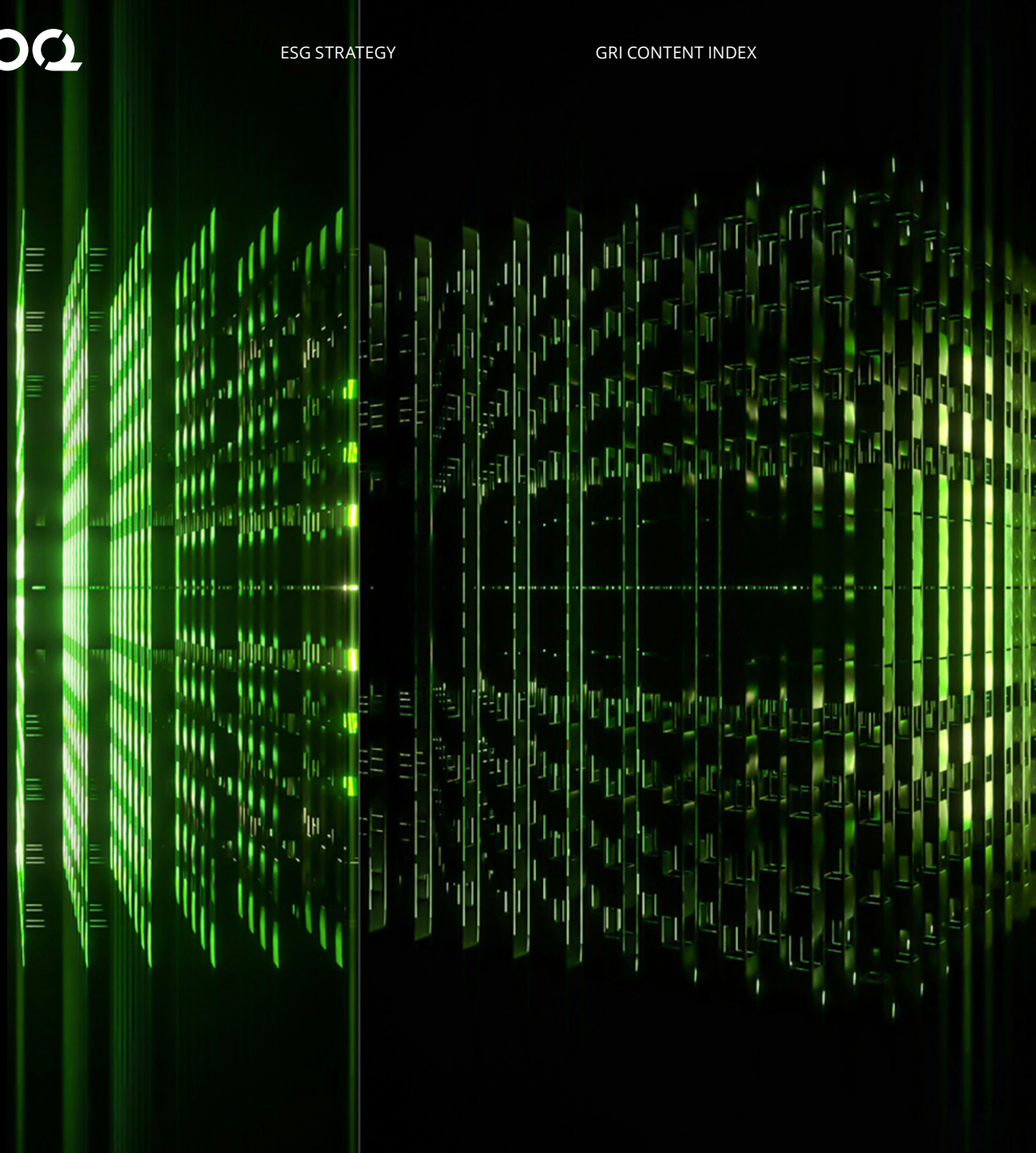
Supervisors by gender and age in %

	Female	Male	Total
Under 30	0 (0)	0 (2.1)	0 (2.1)
30-50	22.2 (18.8)	37.0 (37.5)	59.3 (56.3)
Over 50	5.6 (6.3)	35.0 (35.0)	40.7 (41.7)
Total	27.8 (25.0)	72.2 (75.0)	100 (100)

Employees by employee group and age in %

	Sales	Operative	R&D	Admin	Marketing	Total
Under 30	1.2 (2.5)	1.8 (3.4)	1.8 (2.2)	0.6 (1.2)	0.0 (0.3)	5.3 (9.7)
30-50	27.8 (27.7)	13.5 (11.8)	17.8 (20.9)	3.5 (2.8)	1.8 (1.2)	64.3 (64.5)
Over 50	13.7 (11.8)	6.4 (6.2)	7.6 (5.9)	1.8 (0.9)	0.9 (0.9)	30.4 (25.9)
Total	42.7 (42.1)	21.6 (21.5)	27.2 (29.0)	5.8 (5.0)	2.6 (2.5)	100 (100)

GRI Content Index General disclosures



	General disclosures	Location/ additional information	Omissions	Assured
Organizational profile	2-1 Organizational details	p. 3, 4, iLOQ Group, www.iloq.com , www.iloq.com/en/investors		
	2-2 Entities included in the organization's sustainability reporting	p. 25, 28		
	2-3 Reporting period, frequency and contact point	p. 4 , 55 iLOQ Oy headquarter is located in Oulu, Finland.		
	2-4 Restatements of information	p. 55		
	2-5 External assurance	p. 69		
	2-6 Activities, value chain and other business relationships	p. 5, 34,35		
	2-7 Employees	p. 45, 57, 58 b) iLOQ does not employ non-guaranteed hours employees. c) Headcount at the end of the reporting period.		
	2-8 Workers who are not employees	p. 57 b) Headcount at the end of the reporting period. c) There were no significant fluctuations in the number of workers who are not employees during the reporting period.	Information unavailable. Data does not include contract manufacturers' employees.	
	2-9 Governance structure and composition	p. 32, 33, 34, https://www.iloq.com/en/investors/governance/board-of-directors No representatives of under-represented social groups have been identified on iLOQ's Board of Directors. Nordic Capital, in its role as owner, selects board members according to its own criteria.		
	2-10 Nomination and selection of the highest governance body	https://www.iloq.com/en/investors/governance/board-of-directors		
2-11 Chair of the highest governance body	https://www.iloq.com/en/investors/governance/board-of-directors			

	General disclosures	Location/ additional information	Omissions	Assured
Organizational profile	2-12 Role of the highest governance body in overseeing the management of impacts	https://www.iloq.com/en/investors/governance/board-of-directors		
	2-13 Delegation of responsibility for managing impacts	https://www.iloq.com/en/investors/governance/board-of-directors		
	2-14 Role of the highest governance body in sustainability reporting	p. 34, 35		
	2-15 Conflicts of interest	https://www.iloq.com/en/investors/		
	2-16 Communication of critical concerns	p. 35, 46		
	2-17 Collective knowledge of the highest governance body	https://www.iloq.com/en/investors/governance/board-of-directors		
	2-18 Evaluation of the performance of the highest governance body	https://www.iloq.com/en/investors/governance/board-of-directors		
	2-19 Remuneration policies	https://www.iloq.com/en/investors/governance/		
	2-20 Process to determine remuneration	https://www.iloq.com/en/investors/governance/		
	2-21 Annual total compensation ratio	https://www.iloq.com/en/investors/governance/ b) 0 c) Based on annual base salary in EUR.		
	2-22 Statement on sustainable development strategy	p. 38		
	2-23 Policy commitments	https://www.iloq.com/en/investors/compliance/		
	2-24 Embedding policy commitments	https://www.iloq.com/en/investors/compliance/		
	2-25 Processes to remediate negative impacts	p. 35		
	2-26 Mechanisms for seeking advice and raising concerns	p. 35		
2-27 Compliance with laws and regulations	p. 35 d) Significant instances of non-compliance break our code of conduct or applicable policies.			

	General disclosures	Location/ additional information	Omissions	Assured
Organizational profile	2-28 Membership associations	iLOQ is member of Chamber of Commerce Oulu, Finnsecurity Ry, Ecovadis, CDP, Finnish Business & Society ry FIBS, HENRY – Finnish Association for Human Resource Management, Sesko electrotechnical standards in Finland, Pohjois-Suomen Kiinteistöyhdistys Association, Suomen Yrittäjät Association, SELT association, NFC Forum Inc., FinnSecurity Association, Technology Industries of Finland's, Project Management Professional Association, Finnish-British Trade Association, Helsinki Bourse Club Association, ERSI, Finnish-British Trade Association, Wireless Infrastructure Association, Thai-Finnish Chamber of Commerce, Keski-Uudenmaan Isännöitsijät Association, Lukkoseppämestarikilta Association and Suomen Turvaurakoitsijaliitto Association.		
	2-29 Approach to stakeholder engagement	p. 51-53		
	2-30 Collective bargaining agreements	p. 37		
Material topics	3-1 Process to Determine Material topics	p. 26,-27		
	3-2 List of material topics	p. 26,-27		
	3-3 Management of material topics	p. 26-27		
205 Anti-corruption	3-3 Management of material topics	p. 26-27, 36, iLOQ Code of conduct		
	205-1 Operations assessed for risks related to corruption	p. 37		
	205-2 Communication and training about anti-corruption policies and procedures	p. 37	c,d) Information unavailable. There is currently no capability and data to report on this but capability will be built for 2025 reporting	
	205-3 Confirmed incidents of corruption and actions taken	p. 37 a-d) 0		

	General disclosures	Location/ additional information	Omissions	Assured
302 Energy	3-3 Management of material topics	p. 39-40		
	302-1 Energy consumption within the organization	p. 39-40		
	302-2 Energy consumption outside of the organization	Energy consumption accounted only for Finland offices and distribution center.	302-2 Not calculated during the reporting period. Information unavailable.	
305 Emissions	3-3 Management of material topics	p. 39-40		
	305-1 Direct (Scope 1) GHG emissions	p. 39-40		x
	305-2 Energy indirect (Scope 2) GHG	p. 39-40		x
	305-3 Other indirect (Scope 3) GHG emissions	p. 39-40, 55-56	c) Information unavailable	x
	305-4 GHG emissions intensity	p. 53 GHG Emissions Intensity kg CO ₂ e/EUR Revenue, including Scope 1-3	Intensity covers scope 1-3 and is not disaggregated	
	305-5 Reduction of GHG emissions		305-5 Information unavailable; reduction accounting isn't prepared for 2024 reporting	
306 Waste	3-3 Management of material topics	p. 41, 53		
	306-1 Waste generation and significant waste-related impacts	p. 41, 53		
	306-2 Management of significant waste-related impacts	p. 41, 53		

	General disclosures	Location/ additional information	Omissions	Assured
	306-3 Waste generated	p. 41, 53		
	306-4 Waste diverted from disposal	p. 40, 53		
	306-5 Waste directed to disposal	p. 40, 53		
308 Supplier Environmental Assessment	3-3 Management of material topics	p. 26, 30-31		
	308-1 New suppliers that were screened using environmental criteria	p. 30-31 No new suppliers selected in 2024		
	308-2 Negative environmental impacts in the supply chain and actions taken	p. 31 e) 0%	b-d) Information unavailable	
401 Employment	3-3 Management of material topics	p. 26-27, 42		
	401-1 New employee hires and employee turnover	p. 58 a) Reporting on permanent contract employees only b) Reporting on voluntary turnover for permanent contract employees		
	401-2 Benefits provided to full-time employees that are not provided to temporary or parttime employees	p. 47 b) Significant location of operation: Finland		

	General disclosures	Location/ additional information	Omissions	Assured
403 Occupational health & safety	3-3 Management of material topics	p. 26-27, 49		
	403-1 Occupational health and safety management system	p. 49, https://www.iloq.com/en/investors/compliance/	No certified management system in place, will be revised in 2025	
	403-2 Hazard identification, risk assessment, and incident investigation	p. 49, https://www.iloq.com/en/investors/compliance/		
	403-3 Occupational health services	p. 49, https://www.iloq.com/en/investors/compliance/		
	403-4 Worker participation, consultation, and communication on occupational health and safety	p. 49, https://www.iloq.com/en/investors/compliance/		
	403-5 Worker training on occupational health and safety	p. 49, https://www.iloq.com/en/investors/compliance/		
	403-6 Promotion of worker health	p. 49, https://www.iloq.com/en/investors/compliance/		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	p. 49, https://www.iloq.com/en/investors/compliance/		

	General disclosures	Location/ additional information	Omissions	Assured
	403-9 Work-related injuries	p. 49 b) Reported jointly with section e) Rate per 200 000 hours worked f) Does not include independent contractors		
	403-10 Work-related ill health		Information unavailable. There is currently no capability to report on this accurately but capability will be built for 2025 reporting.	
404 Training & Education	3-3 Management of material topics	p. 26-27, 48		
	404-1 Average hours of training per year per employee		Information unavailable. There is currently no capability to report on this accurately but capability will be built for 2025 reporting.	
	404-2 Programs for upgrading employee skills and transition assistance programs	p. 48		
	404-3 Percentage of employees receiving regular performance and career development reviews	p. 48		

	General disclosures	Location/ additional information	Omissions	Assured
405 Diversity & Equal opportunity	3-3 Management of material topics	p. 26-27, 47		
	405-1 Diversity of governance bodies and employees	p. 59		
	405-2 Ratio of basic salary and remuneration of women to men	p. 47 a) Full time employees b) Significant location of operation: Finland		
406 Non-discrimination	3-3 Management of material topics	p. 26-27, 46		
	406-1 Incidents of discrimination and corrective actions taken	p. 46		
414 Supplier Social assessment	3-3 Management of material topics	p. 26-27, 31-32		
	414-1 New suppliers that were screened using social criteria	p. 31-32, 53		
	414-2 Negative social impacts in the supply chain and actions taken		a) Information unavailable. There is currently no capability and data to report on this but capability will be built for 2024 reporting	
418 Customer Privacy	3-3 Management of material topics	p. 26-.27, 36		
	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	p. 36, 53 No complaints		

Independent Practitioner's Assurance Report

To the Management of iLOQ Oy

We have been engaged by the management of iLOQ Oy (business ID 1842821-6) (hereafter "iLOQ") to provide limited assurance on selected greenhouse gas emissions information (hereafter "GHG Emissions Information") presented in iLOQ's Annual and Sustainability Report 2024 (Appendix 1) for the reporting period 1.1.–31.12.2024.

The GHG Emissions Information subject to the limited assurance consists of the following indicators:

- GRI 305-1 – "Scope 1 emissions" (t CO₂e) on page 40;
- GRI 305-2 – "Scope 2 location-based" (t CO₂e) on page 40;
- GRI 305-2 – "Scope 2 market-based" (t CO₂e) on page 40; and
- GRI 305-3 – "Scope 3 category" 1, 2, 3, 4, 5, 6, 7, 8, 9, 11, 12, 13 and total (t CO₂e) on page 40.

Management's Responsibilities

The management of iLOQ Oy is responsible for the preparation and presentation of the GHG Emissions Information in accordance with

the reporting criteria i.e. GRI Sustainability Reporting Standards and GHG Protocol. This responsibility includes designing, implementing and maintaining internal control, maintaining necessary documentation, as well as making estimates relevant to the preparation of the GHG Emissions Information that are free from material misstatement, whether due to fraud or error.

Independent Practitioner's Responsibilities

Our responsibility is to perform a limited assurance engagement and to provide an independent conclusion based on our engagement. We performed our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3410 "Assurance Engagements on Greenhouse Gas Statements". This Standard requires that we plan and perform the engagement to obtain limited assurance about whether the GHG Emissions Information is free from material misstatement. The nature, timing and scope of the limited assurance procedures are based on professional judgement, including an assessment of material misstatement due to fraud or error, and we

maintain professional skepticism throughout the engagement. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

We are independent of iLOQ in accordance with the ethical requirements that are applicable in Finland and are relevant to our engagement, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

KPMG Oy Ab applies International Standard on Quality Management ISQM 1, which requires the authorized audit firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of the Procedures That Have Been Performed

As the methods of obtaining evidence are more limited in a limited assurance than in a reasonable assurance, an assurance obtained is more limited than in a reasonable assurance. We have designed and performed procedures to obtain sufficient and appropriate evidence for limited assurance and to provide a basis for our conclusion, therefore we do not obtain all the evidence, which is required in reasonable assurance. While we consider the design of internal controls when determining the nature and scope of our assurance procedures, our limited assurance engagement is not included the testing of the operating effectiveness of internal controls.

Our procedures did not include control testing or performing procedures related to combining and calculating data within IT systems. The limited assurance engagement consists of inquiries of individuals who are responsible for preparing the GHG Emissions Information and related information, as well as for carrying out analytical and other procedures.

In the engagement, we have performed the following procedures, among others:

- We interviewed iLOQ's management and relevant personnel responsible for the preparation and gathering of the GHG Emissions Information.
- We assessed the application of the reporting principles of GRI Sustainability Reporting Standards and GHG Protocol in disclosing the GHG Emissions Information.
- We familiarized ourselves through interviews with the key data management processes, information systems and working methods used to collect and consolidate the GHG Emissions Information.
- We read the disclosed GHG Emissions Information and assessed its quality and definitions of reporting boundaries.
- We assessed the accuracy and completeness of the GHG Emissions Information through an inspection of the original documents and other records on a sample basis.

Inherent Limitations of the Engagement

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. Therefore fraud, error or non-compliance may occur and not be detected. Additionally, non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating and estimating such data.

Conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the GHG Emissions Information for the reporting period 1.1.-31.12.2024 subject to the limited assurance engagement is not prepared, in all material respects, in accordance with GRI Sustainability Reporting Standards and GHG Protocol.

Helsinki, 16 May 2025

KPMG OY AB

Juho Rautio

Authorised Public Accountant

We are the market and technology leader in digital access management.

iLOQ provides smart locking and secure access to buildings and spaces we use daily and caters to the needs of industry and the utility sector with mobile and digital solutions for efficient access sharing and management.

We are industry-leading innovators of battery-free solutions with a strong portfolio of safe and sustainable products that have been designed to make life easier.

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