

Innokas

Sustainability Report 2024



Contents

About Innokas 3

Message from CEO Janne Kostamo 4

2024 Innokas key events at a glance 5

Value creation 6

Sustainability at Innokas – Our approach 7

Materiality assessment 9

Stakeholder engagement.....11

Our people.....12

Consumers and end-users17

Climate: Advancing our understanding of emissions.....18

Facilitating better choices in circular design.....20

Case: Innokas circular design playbook21

Resource usage and waste.....23

Responsible sourcing25

Business conduct.....27

Governance28



About Innokas

Innokas is growing Finnish contract design, development and manufacturing company, with 30 years of experience in highly demanding technology. We work with an exceptionally wide range of products, from Healthtech to other complex, intelligent devices and solutions. Our customers operate in high-tech industries, innovating new technological solutions that help improve the quality of people’s lives.

Innokas employs close to 200 people from different fields of expertise and provides its customers with services throughout their product’s lifecycle. The company serves its customers with two business lines:

- Design and development services, including project steering, software development, hardware and electronics engineering, and a full spectrum of quality and regulatory services.
- Manufacturing services specializing in complex electronics and electromechanical assemblies for safety- and quality-critical industries.

Innokas factories in Finland and Estonia are FDA registered and operate under an ISO 13485-certified quality management system. A team of 60 specialists in Espoo and Kempele provide our customers with versatile engineering as well as quality and regulatory services. Our main market areas reside in the Nordics and the Netherlands – the products we work together with our customers are sold and used around the globe.

Sustainability is built into our operations starting from our values and mission, and we aim to forge lasting partnerships with customers for mutual continuous improvement and sustainable business. We help our customers turn technological ideas into reality and innovations into meaningful, long-term success.



employs close to

200

people from different fields of expertise



Innokas has

3

ISO 13485 certified factories

Message from CEO Janne Kostamo

Welcome to Innokas sustainability report. Since our first report in 2024, we have continued our reflective journey towards our goals regarding our environmental, social and ethical impact on the world.

During 2024, we revisited the basic target setting in our sustainability roadmap. We re-evaluated whether we have made the right assumptions and if we have the right priorities in our sustainability work. The result: our key focus areas remain the same. We can make the biggest impact through our own operations and people, through our supply chain, and through the kinds of products we design and develop for our customers.

The year 2024 has been a year of global turbulence and a difficult market situation in the technology industry. While Innokas' service operations, including design, development, and consulting services, have kept growing on a steady trajectory, the general state of the market has been reflected directly in our manufacturing operations. I'm proud of the fact that we were able to advance well in many of our sustainability efforts, although the challenging year shows in slower advancement in some areas.

In 2025, our commitment continues. Innokas will persist in improving supply chain data gathering and focusing on close cooperation with our customers and suppliers to address the growing requests for accurate sustainability data. Responsible sourcing, emphasizing close partnerships for transparency and low risk, is key in the changing world scene. We will strive to embed circular economy principles into development processes and educate our customers on the related possibilities. Furthermore, we will continue refining our own internal systems to enable more efficient reporting practices and systematically implement sustainability even deeper into our culture. Our people's well-being and fostering a positive, development-driven mindset will be key focus areas at Innokas.

We are now setting our strategy for the next three years with a commitment to long-term plans that account for our sustainability goals through cooperation and open dialogue with stakeholders. Nobody can change the world alone. Let's do it together.

Janne Kostamo CEO, Innokas





2024 Innokas key events at a glance

Key figures:

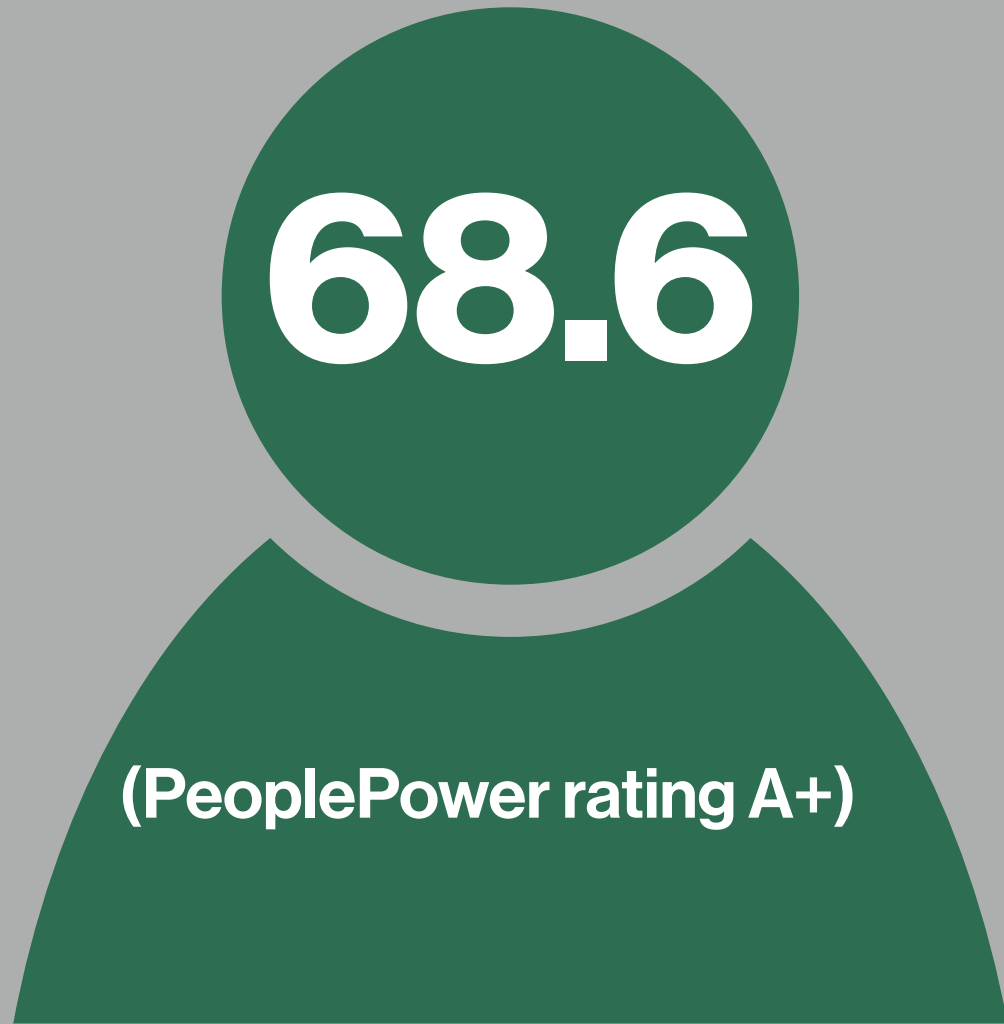
Turnover
EUR **28** million

Reliability of deliveries
92%

Scrapping
0.3%
(% of manufacturing turnover)

Customers' net promoter
score (NPS)
42

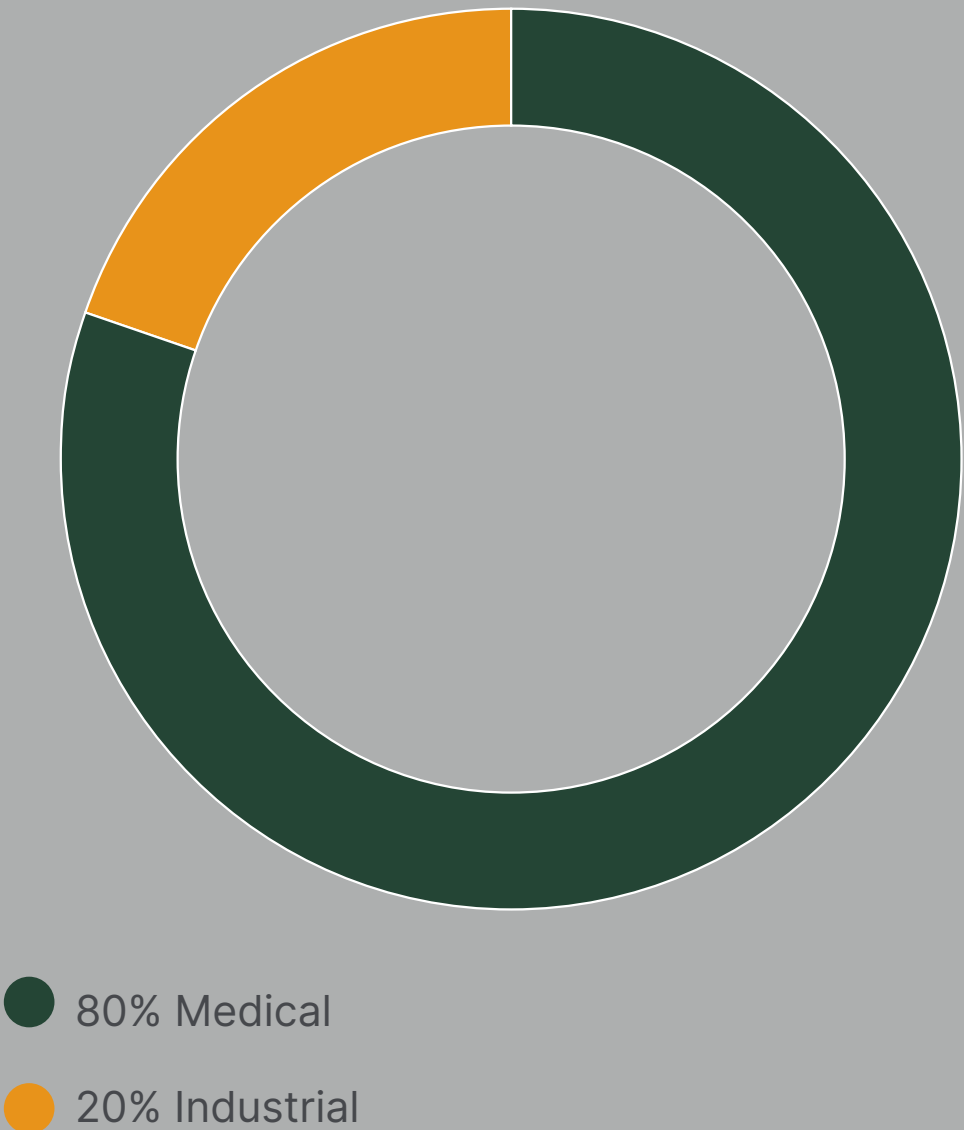
Job satisfaction:



Product conformity:

No withdrawals or incident reports were informed to Innokas of devices we manufactured

Business domain of all major customers in 2024:



On our second EcoVadis survey we gained a “Committed” -badge.



Innokas launched a Circular Design Playbook

Value creation



Sustainability at Innokas

– Our approach

At Innokas sustainability is more than a commitment – it’s built into our strategy as a foundational element of how we operate and create value. As a Contract Development and Manufacturing Organization (CDMO), we recognize our responsibility and unique opportunity to drive sustainable innovation both within our own operations and throughout the value chains we support.

Sustainability is embedded in our mission and core values. It shapes our decisions, and fuels our ambition to deliver profitable, long-term impact for our stakeholders and the environment.

To guide our efforts, we have developed and updated a sustainability roadmap centered around four key targets. These targets focus on enhancing our internal operations, improving resource efficiency, strengthening sustainability competencies across our teams, and fostering a culture of continuous improvement. Through these actions, we are building a more resilient and responsible organization.

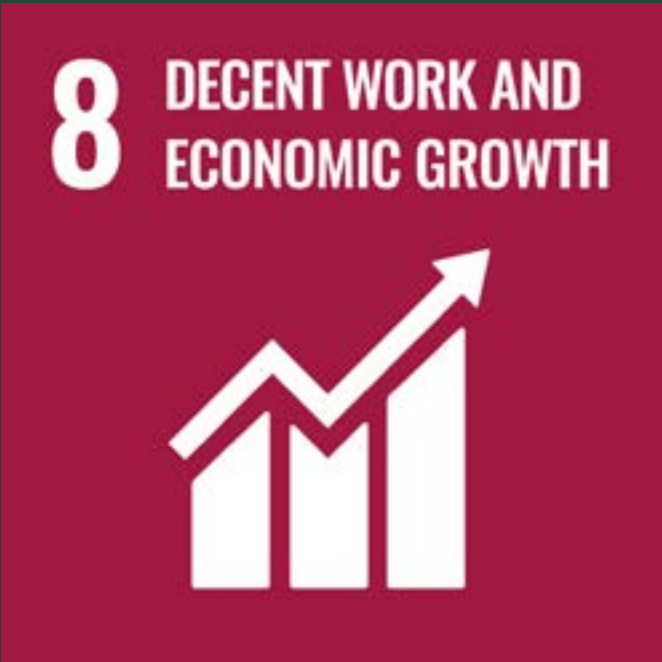
Beyond our own operations, we strive to actively support our customers in achieving their sustainability goals. From offering greater supply chain transparency to providing circular design services, we aim to deliver solutions that help our partners reduce environmental impact, increase lifecycle efficiency, and make informed, future-proof decisions.

As we continue to evolve, our aim remains clear: to grow responsibly and profitably, create shared value, and contribute to a more sustainable future – together with our customers, partners, and people.



UN Goals at Innokas

During 2024 Innokas employees were engaged in selecting the range of goals of the UN 17 SDGs that we consider most essential to Innokas operations and where Innokas as an organization can best make an impact. As a result, we selected four targets that are now tied to our roadmap target setting. A more in-depth update on our roadmap reflecting these targets is set to be started during the 2nd half of 2025. In this update we will initiate a more detailed long-term target setting, covering our climate goals among others.





Innokas sustainability goals



Sustainability 360° is our mindset

Our goal: sustainability isn't just a buzzword for us: it's a way of life. As people, employees and leaders, we embody sustainability in all aspects through our value chains with all our stakeholders. Sustainability guides our organization's decisions at all levels.

Examples of how we strive to reach this target:

- Developing our own capabilities by training, info sharing, and actively engaging our own people in our sustainability initiatives
- Continuously developing our own sustainability reporting, data accuracy and reporting transparently to all our stakeholders
- We ensure our own people's wellbeing across the organisation.



Sustainability requirements are met

Our goal: we ensure that all relevant sustainability laws and regulations as well as our internal guidelines and Group level sustainability guidance are followed accordingly. Our dedication to meeting these requirements demonstrates our commitment to responsible business practices.

Examples of how we strive to reach this target:

- We have a long-term target setting in place.
- We continuously improve our data collection and reporting.
- We place a high value on business conduct, work safety, and quality.

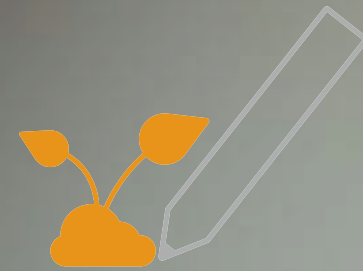


We are a sustainable contract manufacturing partner

Our goal: as a partner, we take pride in being leaders in sustainability. Our focus on ecological practices and ethical sourcing sets us apart as a reliable and sustainable choice.

Examples of how we strive to reach this target:

- Innokas helps increase access to essential healthcare by manufacturing products that contribute to patient health and safety.
- Our suppliers sign our SCoC or operate according to the defined standards and in compliance with laws and regulation.
- We actively follow our supplier's sustainability.
- We provide our customers with accurate sustainability data of the production of their products.



Design-for-sustainability is mastered in development

Our goal: sustainability is at the core of our product development process. We excel in creating products that have minimal negative impacts and maximal positive impact on environment people and society through their lifecycles.

Examples of how we strive to reach this target:

- We develop our own circular design expertise and participate in the Group wide circular design initiatives and development work.
- We embed circular design thinking into our design processes and provide our customers with circular design services.



Materiality assessment

Innokas’ first materiality assessment was initially carried out as part of Paree Group’s double materiality assessment work, conducted in spring 2023. The assessment was revisited in autumn 2024, and approved by Innokas leadership team with no need for changes.

The purpose of the double materiality assessment (DMA) is to ensure we focus on reporting on sustainability issues that are most relevant to us. The assessment covered the entire value chain, including our own activities and activities in the upstream and downstream value chains.

social, and business governance topic based on impacts on the medium-term horizon. The impact and financial materiality for each sustainability topic, including the evaluation of double materiality, were scored. The results and the entire process were documented, and Innokas’ leadership team reviewed and validated the findings and the thresholds to be used for materiality.

In 2024 all materiality topics were reviewed. No changes were made to the identified six materiality topics, which continue to guide our sustainability work in the future.

Impact assessment







The impact materiality assessment covered both negative and positive impacts, actual and potential. The financial materiality assessment covered business risks, opportunities, their likelihood of occurrence and the magnitude of potential financial effects. The project group assessed each environmental,

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The six materiality topics identified in 2023 continue to guide our sustainability work in the future.



The key drivers of materiality across the value chain

Impact materiality		Value chain phase driving impact			Key impact materiality drivers		Financial materiality	Value chain phase driving risks & opportunities			
		Upstream	Own operations	Downstream				Upstream	Own operations	Downstream	Key financial materiality drivers
<div>Climate change</div> <div></div>	Important	<div>✓</div>	<div>✓</div>	<div>✓</div>	Scope 3: manufacturing of electronical components Scope 1 & 2: energy use at own facilities	Important	<div>✓</div>			Supply chain disruptions arising from extreme weather conditions Changes in production capacity due to climate change mitigation	
<div>Resource use & circular economy</div> <div></div>	Critical	<div>✓</div>	<div>✓</div>	<div>✓</div>	Design for sustainability: product life-time optimization through maintenance and software updates	Important	<div>✓</div>	<div>✓</div>	<div>✓</div>	Availability and price of components for electronical equipment (linked to climate) Lifetime extension: maintenance and software updates	
<div>Own workforce</div> <div></div>	Significant		<div>✓</div>		Well-being and competence development	Critical		<div>✓</div>		Talent attraction and retention	
<div>Workers in the value chain</div> <div></div>	Important	<div>✓</div>			Potential workers' rights risks and impacts in tiers 2 and 3 Downstream value-chain workers' work efficiency (positive)	Informative			<div>✓</div>	Risks related to potential data security issues resulting in reputational damage or impacts on customer loyalty Opportunities in the quality and ease of use of products	
<div>Consumers & end-users</div> <div></div>	Critical			<div>✓</div>	Contribution to patient health and safety (positive)	Critical			<div>✓</div>	Opportunities driven by the ability to create safe, easy to use products contributing to patient health and safety Risks related to data security and personal data protection	
<div>Business conduct</div> <div></div>	Important	<div>✓</div>	<div>✓</div>	<div>✓</div>	Corporate governance Business conduct impacts from global value chain Transparent reporting	Important	<div>✓</div>	<div>✓</div>	<div>✓</div>	Economic / trade sanctions (geopolitics) Transparency and trust as a business partner	

Stakeholder engagement

Innokas maintains active and structured communication with its customers, suppliers, employees and other key stakeholders. Engagement practices are aligned with Innokas’ sales and marketing strategies and embedded in our core processes. Clear guidelines and instructions for stakeholder communication are outlined in the Innokas Quality Manual to ensure consistency and transparency.

The company is an active member of several clusters and ecosystems within the healthtech

sector. Through these networks, we contribute our expertise, support collaborative initiatives, and stay informed about emerging trends.

We believe that maintaining an open and ongoing dialogue with our internal and external stakeholders is essential. It enables us to learn from our stakeholder’s, better understand the evolving needs, anticipate market developments, and co-create solutions that are both innovative and responsible.

Stakeholder group	Key expectations	Interaction with stakeholders
Authorities and regulators	Compliance with laws and regulations	External audits and communications with authorities
Customers	Support to fulfill stakeholders’ sustainability requirements Operations following relevant laws and regulations Strategy and business model to match customer needs Safe and efficient products for patients and end-users	Regular customer feedback, customer letters, meetings, social media accounts, company web pages, events
End-users	Safe and efficient products for patients and end-users	Medical device reporting system
Industry associations	Sustainable member Active participation in sustainability initiatives	Information sharing on social media accounts, websites, event participation, newsletters, answers to inquiries
Landlords	Sustainable operations Compliance with laws and regulations	Discussions and communications, answers to inquiries
Owners	Management of sustainability risks and opportunities Sustainable operations Compliance with laws and regulations	Board of directors meetings, regular reporting
Personnel	The company operates in a sustainable manner Occupational health and safety Fairness, respect for others, equal treatment Personal and career development	Employee engagement survey, regular business unit, and team meetings and updates, companywide monthly info meetings, whistleblower channel, development plans and training
Society and local communities	Sustainable operations Compliance with laws and regulations	Discussions and communications, answers to inquiries
Subcontractors, suppliers and service providers	Sustainable partner Contractual issues Honesty and fairness	Sustainable operations Supplier assessments and audits, supplier meetings and surveys

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We believe that maintaining an open and ongoing dialogue with our internal and external stakeholders is essential.

Our people

Innokas is a team of close to 200 employees with people from various backgrounds and expertise areas working together on an exceptionally wide range of customer projects. As an expert organization, our employees are our greatest asset. Our social targets for 2024 and beyond align with our commitment to social sustainability. These targets encompass various aspects such as talent acquisition, performance management and compensation, leadership and culture, and competence development.

At Innokas, our Human Resources (HR) function is dedicated to fostering a work environment that prioritizes employee engagement, well-being and continuous development of highly competent and well-performing employees.

Our values

Our values define who we are and create a sense of shared identity within our organization. They influence the way we work with each other – and the way we serve our clients and engage with our communities. Our values are quality, responsibility, meaningfulness, and

expertise. We know that by working and taking responsibility together, everyone achieves more, contributing to the overall success of the company.

Sustainability culture

Sustainability in all levels of our operations and as a systematic basic principle in every Innokas employee's decision making is set as one of the four goals in our sustainability roadmap. During 2024, a basic communications plan was created for sustainability topics. We continued to provide basic sustainability training, and arranged info sessions for our employees. In the summer, 2024, every Innokas employee was engaged in sustainability planning by assigning our teams to select their preferred goals of the UN 17 SDGs that Innokas should adhere to. As a result of this work, four goals were selected and added to Innokas sustainability roadmap. Our goal is to continue to develop our competence in different areas of sustainability and to engage the Innokas team in company-wide sustainability initiatives. This includes continuing to create a development plan for the Innokas personnel and further defining our roles and responsibilities in our sustainability initiatives.





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The Engagement index is one of Innokas strengths and above the norm.

Competence development

Innokas’ commitment to competence development aligns with our overarching goals. The aim is to identify and cultivate the skills essential for implementing our strategy and achieving our annual targets. This systematic approach ensures that our personnel possess the necessary competencies for both the current and future responsibilities. One of our core values is expertise, and we at Innokas are committed to learning, developing our skills and sharing our expertise with others. Innokas supports diverse learning and continuous development, and each employee has their own Individual development plan.

Our dedication to equal opportunities for professional development is evident in various initiatives. Most of the learning at work happens during day-to-day activities, based on individual development needs, and it is our responsibility as a company to facilitate that. We also bring various groups of employees together for learning sessions like The Paree Leading for Future Reunion, facilitated by Henley Business School, for language studies, coaching trainings, and numerous info sessions and webinars on diverse topics throughout the year exemplifying our commitment to comprehensive and impactful learning experiences.

In addition, we have ongoing quality training, and many teams have their own learning targets

related to specific training. All these initiatives not only align with our competence development goals but also showcase our proactive approach to providing valuable skills to our employees.

Performance discussions

Performance management at Innokas is a strategic, annual and business-driven process geared toward enhancing individual and collective performance. This involves continuous dialogue throughout the year, encompassing performance reviews, target setting and discussions about the Individual Development Plan (IDP). The process focuses not only on what goals are achieved but also on how they are achieved, emphasizing value-based behaviors.

Target and development discussions take place systematically between supervisors and team

members during the first quarter of the year, with records stored in the HR system. Regular follow-ups, including a mid-year review, ensure alignment with objectives and offer additional support where needed.

Employee well-being and engagement

At Innokas, we invite our employees to participate in dialogue in various ways. It is important to us that everyone’s voice is heard. We have been actively gathering feedback from our employees for several years, utilizing an external partner to conduct an annual employee survey. The primary goal is to enhance employee engagement by leveraging insights from the survey and implementing development actions based on identified needs. This process aims to establish a foundation for improved employee experience and operational efficiency. The employee survey serves as a valuable tool for recognizing strengths and pinpointing areas for potential development within Innokas.

The survey provides management with real-time and accurate information to address any existing issues and fortify the organization’s strengths for the future. This, in turn, supports employees in their day-to-day activities and fosters long-term development and

Employee well-being and engagement

	2024*	2023
Wellbeing index	Innokas	Innokas (Cubist)
Employee survey response rate %	81	79.4
People Power Index	68.6	72.9
People Power rating	A+	AA

*2024 data includes only Innokas figures





engagement. The PeoplePower Index, which offers an overall rating of the survey results, indicates a solid performance for Innokas in November 2024, reaching level four (68.6/A+) on a seven-point scale. This was close to the Finnish norm. However, it was lower than the corresponding figure in 2023. The response rate was 81.0%. While experiencing a decrease compared to 2023 results, the Leadership and Engagement Indexes remained above the Finnish Norm. Despite its minor decrease compared to the year before, the Engagement index at the level of 78.1 is still one of Innokas' strengths and clearly above the norm*.

We also have other channels and practices in place to gather feedback from employees, such as different forums like our health and safety committee, cooperation committee, target and development discussions, one-on-one meetings, the whistleblower channel, Teams forums, surveys, and the employee suggestion system. We also acknowledge the importance of a psychologically safe environment where people feel encouraged to share ideas without fear.

Additionally, Innokas supports employee well-being through benefits like ePassi for sports, well-being, and cultural services, along with a bike benefit, encouraging a healthy and balanced lifestyle. Innokas also offers comprehensive occupational healthcare services, complemented with easy access to mental

health support. Additionally, we offer HeiaHeia, a social well-being app promoting activity and community engagement to all employees. At every site, we also have a team of our employees who organize various activities and promote well-being at work.

Occupational health and safety

Innokas maintains a systematic approach to occupational health and safety management, with management overseeing the definition, organization and enforcement of general guidelines. This ensures that occupational health and safety-related activities are well-organized and effective. Our organizational culture places a high value on safety, quality and continuous development. Workplace safety and near-miss figures are followed and communicated monthly to the personnel by management.

Supervisors play a crucial role in the day-to-day implementation of occupational health and safety measures. They are responsible for overseeing working conditions, facilities, machinery, equipment and the control of working methods. Employees are expected to adhere to regulations and actively contribute to promoting safe working practices, including the proper use of personal protective equipment.

Occupational health and safety

	2024*	2023
	Innokas	Innokas (Cubist)
Number of high consequence injuries	0	0
Number of lost time injuries	0	1
Number of total recordable injuries	1	4
Lost time injuries, frequency, LTIF	0	3.17
Total recordable injuries, frequency, TRIF	3.5	12.7
Working hours	286,015	315,063
Absence hours due to illness	6,420	10,688
Absence hours due to injuries	0	8
Absence rate, %	2.60	3.39
Near-miss cases, number of	6	7
Walkabout safety inspections, number of	5	10

*2024 data includes only Innokas figures

Regular safety training sessions are provided to keep employees informed and prepared.

Innokas also has an occupational Health and Safety Committee in place. It is a collaborative body between management and employees that monitors working conditions and initiates improvements. This committee oversees the implementation of the action plan and adheres to occupational health and safety guidelines. Accidents, near misses, grievances identified by the occupational health and safety commissioner, and risk assessments are all integrated into the action plan. Company management takes responsibility for assessing and implementing initiatives proposed by the Occupational Health and Safety Committee. This ensures a consistent and comprehensive



approach to occupational health and safety across our organization.

Risk identification and incident management

At Innokas, we conduct thorough hazard and risk assessments to ensure a safe work environment, covering various aspects such as accidental, chemical, and physical hazards. Best practices, including monitoring visits and forms from occupational health and safety authorities, are employed, with risk assessments updated at regular intervals. We are also a part of Vision Zero Forum, which is a network of workplaces that aims to motivate and encourage workplaces to strive for a high level of safety and well-being at work.

Employees are encouraged to contribute their ideas and concerns on workplace safety, health and related matters to their employer. All initiatives and feedback are integral components of building a systematic safety culture.

We record accidents and sick leaves, using statistics to refine occupational health and safety practices. For each accident, a report is generated and stored. In the event of a major incident, authorities are promptly notified, and thorough investigations follow.

Preventive safety measures, such as regular walkabout safety inspections and safety observations, are implemented. Safety observations identify potential issues in physical working conditions or work tasks, assessing risks to occupational safety or process safety events. Additionally, safety observations recognize positive practices in physical working conditions or work tasks.

Depending on local practices, employees have access to comprehensive occupational health services, covering entry health checks, periodic health checks, workplace surveys and medical care. Our comprehensive occupational health care contract supports employee health, emphasizing sick leave management and work ergonomics. Additionally, we provide comprehensive health insurance for all personnel.

Equality and diversity

Innokas is committed to promoting equality, preventing discrimination and cultivating an inclusive work environment. We systematically adhere to the obligations set by the Act on Equality between Women and Men and the Non-Discrimination Act. We raise employees' awareness of this subject area.

The Equality Plan serves as a strategic tool to support equality and nondiscrimination while

preventing direct and indirect discrimination and harassment within our work community. Prepared in accordance with the obligations imposed by the Equality Act, this plan outlines procedures that underscore our commitment to promoting diversity, equality, and inclusion in the workplace. Our operations align with our vision, strategy and values, emphasizing fairness and equality in how we treat our staff.

Guided by our values, Innokas strives to treat employees with equity and fairness, promoting equality in all aspects, including recruitment, employee development, support, career opportunities and the reconciliation of work and family life.

We are committed to fostering diversity and inclusion. As of December 2024, our workforce consists of 54% men and 46% women. In the manager group, 61% of the members were female.





Personnel demographics

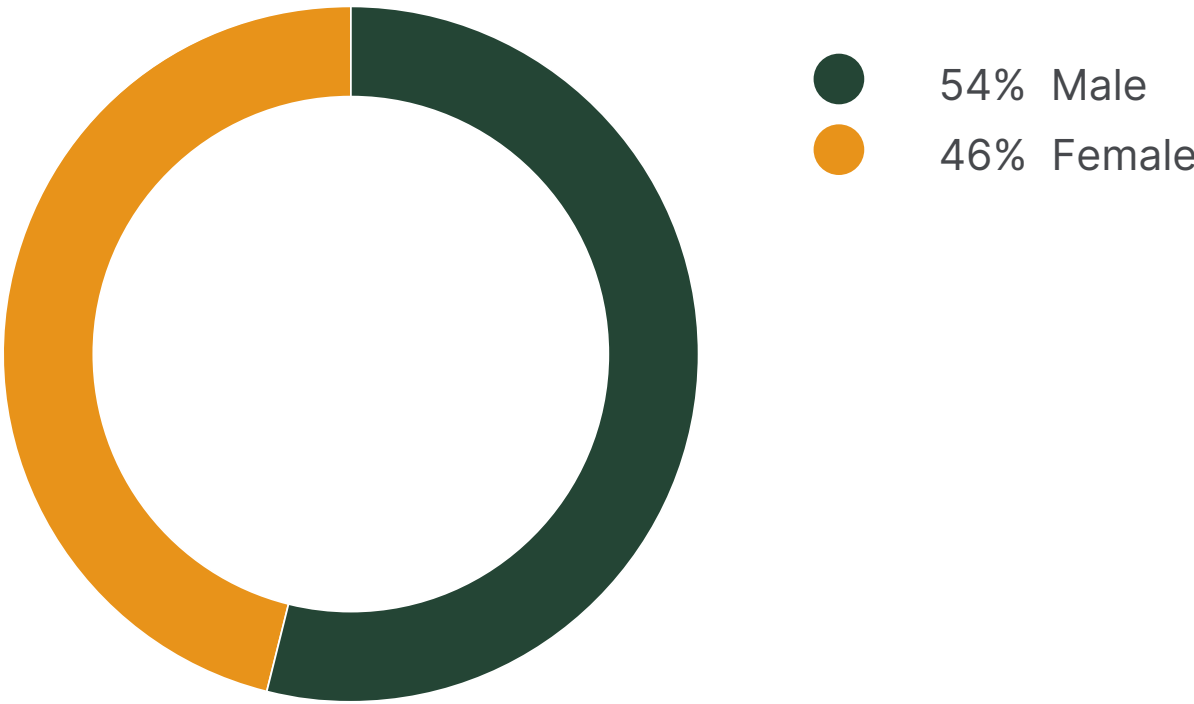
	2024*	2023
	Innokas	Innokas (Cubist)
Total number of employees 31 December 2023	171	233
Employees by personnel group		
White-collar	107 (63%)	156 (67%)
Blue-collar	64 (37%)	77 (33%)
External workforce	1	1
Employment contract type		
Permanent	171 (100%)	223 (96%)
Fixed-term	0	10 (4%)
Working time type		
Full-time	168 (98%)	218 (94%)
Part-time	3 (2%)	15 (6%)
Employees by age group		
Below 20 years, %	0	1 (1%)
20–29 years, %	10 (6%)	33 (14%)
30–39 years, %	37 (22%)	57 (24%)
40–49 years, %	64 (37%)	71 (30%)
50–59 years, %	47 (27%)	55 (24%)
Over 60 years, %	13 (8%)	16 (7%)
Average age of employees, years	45.9	43.3
Gender distribution		
Men	93 (54%)	133 (57%)
Women	78 (46%)	100 (43%)
Women in managerial positions		
Total in 31.12.2024	61%	
Board of directors		
Men	4	
Women	0	

*2024 data includes only Innokas figures



	2024*	2023
	Innokas	Innokas (Cubist)
Employee turnover		
Employees by personnel group		
Newcomers		
Total number of newcomers	4	46
White-collar	4 (100%)	22 (48%)
Blue-collar	0 (0%)	24 (52%)
Leavers		
Total number of leavers	29	29
White-collar	17 (59%)	21 (72%)
Blue-collar	12 (41%)	8 (28%)
Retirements		
Total number of retirements	1	0
Old age pension	1 (100%)	0
Other pension	0 (0%)	0
Average retirement age of employees	n/a	n/a
Attrition rate (12 months rolling)		
White-collar	7.1	12.4

Employees by gender



Consumers and end-users

As a Contract Development and Manufacturing Organization (CDMO), Innokas is typically not in direct contact with the end-users and consumers of the devices and solutions we design, develop, or manufacture for our customers. The end-users of these products and solutions vary widely depending on the product or service in question. While we do not directly serve end-users, we strive toward the same goals as our customers: creating and bringing to market products that contribute to improving people’s quality of life.



We recognize that we are uniquely positioned to empower our customers to create products and services that prioritize safety, efficiency and ease of use for their intended purpose. Working in the MedTech field, Innokas is accustomed to following strict quality demands and complying with regulations aiming to ensure patient and end user safety and efficiency in the product’s intended use. Moreover, Innokas follows the regulations concerning, for example, safety of electromechanical devices, such as electrical safety and the requirements of the REACH Regulation No 1907/2006 and RoHS Directive in material selections 2011/65/EU.

Quality is an integral part of all our processes, forming a sum of its parts. It encompasses state-of-the-art standards, product specifications, work instructions, statistics reporting, third-party inspections and customer satisfaction, forming a basis for all our operations. Especially in the context of medical device quality, safety, performance and a risk-based approach are paramount, guiding all our decisions and actions.

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We recognize that we are uniquely positioned to empower our customers to create products and services that prioritize safety, efficiency and ease of use for their intended purpose.

Climate: Advancing our understanding of emissions

At Innokas, we are committed to understanding and reducing our climate impact as a critical part of our sustainability journey. In 2024, we made significant strides in enhancing the transparency, accuracy, and scope of our greenhouse gas (GHG) emissions reporting, particularly in Scope 3 emissions, which represent the largest share of our carbon footprint.

Since 2022, we have been systematically measuring and reporting Scope 1 and Scope 2 emissions. In 2023, we expanded our reporting to include Scope 3 emissions, but the data coverage and quality were not yet sufficient to obtain reliable results for Scope 3. In 2024, our calculations covered categories 1 through 7 and 9, in line with the GHG Protocol. This marks an important step toward a more complete picture of our climate impact across the entire value chain.

Through this work, we identified several key insights. For a CDMO business like ours, Scope 3 categories 11 (use of sold products) and 12 (end-of-life treatment) are relevant and likely to have a significant impact. However, we found that accurate data for these categories

requires close collaboration with our customers. Product-specific usage patterns and end-of-life scenarios vary significantly, and understanding these in sufficient detail will be a major focus area for improvement in our 2025 calculations.

In our current assessment, the most substantial emissions source within Scope 3 was Category 1: Purchased goods and services. Most of these emissions were calculated using a spend-based approach. This underscores a clear need for broader cooperation across our value chain to improve data availability, foster sustainable practices, and raise overall maturity in climate reporting.

As we look ahead, our goals include refining the accuracy of reporting, especially of Scope 3 data, deepening collaboration with our stakeholders, and working to promote transparency and shared responsibility in decarbonization. The work to set clear climate goals for Innokas is targeted to start during the second half of 2025.





Innokas emission calculations

In total, Innokas emissions in 2024 including Scope 1,2 and 3 amounted to 3885 tCO₂e. We predict that categories 11 and 12 will likely have a large impact on this total in the next reporting periods.

Scope 1 and 2 amounted to 468 tCO₂e. Scope 1 emissions were 33 tCO₂e, of which all came from fuels used in leased cars and from the natural gas heating of our Tallinn factory.

In Scope 2, the emissions were 435 tCO₂e of which electricity amounted to 325 and heating 109 tCO₂e.

Scope 3 emissions accounted for the major part amounting to 3417 tCO₂e in total of which category 1 was 3001 tCO₂e.

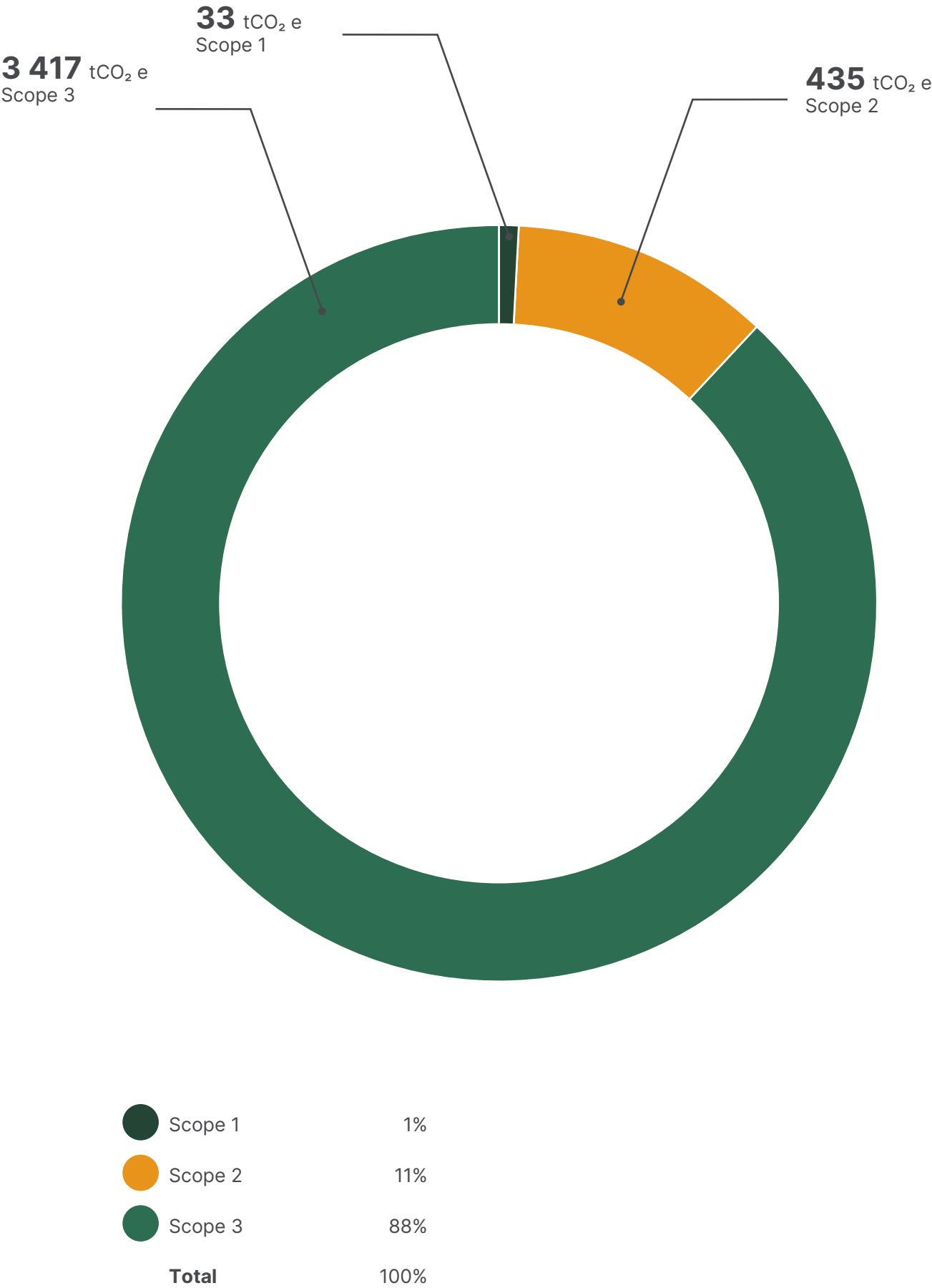
GHG emissions by Scope, tCO₂e

	2024	2023	2022
Scope 1	33	22	11
Scope 2	435	419	295
Scope 3*	3417	**	**

* categories 1-7 and 9 included

** not calculated

GHG emissions by Scope, tCO₂e





Facilitating better choices in circular design

Innokas is committed to reducing the use of virgin resources and work towards circular economy. According to Innokas’ Sustainability roadmap, sustainability is at the core of our product development process. We aim to excel at creating products that have minimal negative impacts and maximal positive impacts on the environment, people and society through their life cycles.

The goalposts we set for 2024 included initiating Design for Sustainability by deepening our understanding of its implications for product development and training our workforce accordingly.

Our first order of business was to integrate circular design principles into our daily processes, ensuring they are considered in all our projects. To achieve this, we prepared circular design principles to reflect on our product development and guide it towards better alignment with circular thinking in cooperation with third party sustainable business practices experts.

Currently, the most notable challenge has been synergizing these goals with our customers. The main reasons for this are resource

scarcity and the fact that many customers might not view sustainability as an urgent requirement for their products. Startups, in particular, might be hesitant to invest in sustainability, considering it might become relevant as late as during marketing when the design has been finalized. This makes it difficult to put theory into practice, even as we anticipate that upcoming regulations will raise the urgency for circular solutions in the near future.

Despite this challenge, we have been growing our understanding and practical knowledge on how to utilize circular design principles. We are working on carbon footprint calculations for a single product by training our personnel internally and sharing resources with our sister companies.

For 2025, we aim to further enhance our practical knowledge and integrate sustainability into our customers’ product development projects. We already have a steady foothold through our circular design playbook, which our developers continue to reflect on, making it a more tangible guideline for future product design. We will continue to strive to guide our customers through informed decision-making by justifying choices and providing relevant data.



The goalposts we set for 2024 included initiating Design for Sustainability by deepening our understanding of its implications for product development and training our workforce accordingly.



Case

Innokas has developed a playbook for circular economy principles in product development – “No such thing as starting too small”



Sustainability initiatives have been meticulously ongoing since Innokas’ first sustainability report in early 2024. The work is becoming an increasingly relevant, even in the demanding, safety-critical smart device market. As a partner in both design and manufacturing, Innokas wants to support customers in creating sustainable devices throughout the entire product life cycle, starting from the initial stages of the design process.

In August 2024, Innokas developed a practical playbook, created by experts, to guide product design projects with a focus on circular design principles. The playbook offers adaptable, realistic guidelines for implementing sustainable design in customer projects and serves as a tool to introduce customers to Innokas’ sustainability principles.

Concrete principles at the heart of development

The playbook project, launched in early August 2024, aimed to establish practical principles that needed to provide both concrete guidance and broad relevance across various product development projects. The principles were developed by closely reflecting a product developer’s work, using three product categories as examples: high-use, long-life products; single-use products; and purely software-based

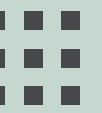
products. Guidance was sourced from practical use cases.

“The idea is that we as a company develop an understanding of what circular design is, and what principles help our customer achieve circular product design,” explains Antti Virtanen, Solution Architect at Innokas. “Key considerations include understanding how the product will be used, identifying its essential features, envisioning its life cycle as it moves from one user to the next, and how it can be recycled after use period.”

Circular economy principles through collaboration

The Innokas Circular Economy Playbook was developed in partnership with Impaktly, a company that helps companies apply sustainability into their products, services and customer experience development.

“In the health sector, the business’ impact on people’s wellbeing is already important,” notes Emma-Sofie Kukkonen, Design Practice Lead from Impaktly, who was part of the project team. The environmental responsibility in procurement and supply chains are new, but fast-moving development in the health sector. The implementation of sustainability targets begins with the largest purchases, including



smart devices Innokas designs and manufactures for their customers.

Recycling in health technology is often seen as challenging, largely due to the perceived need for virgin materials to ensure patient safety. “This is an idea that needs to be challenged,” says Emma. “We discovered in this project that by setting aside initial assumptions and systematically approaching projects from a fresh perspective, numerous opportunities for improvement can be found. Innokas has set out to tackle this challenge with an open mind.”

Project, challenges and outcome

Adapting traditional circular economy product development strategies in Innokas’ business context was the project’s main challenge. “We already have some principles in place from the Circular Design training course we attended in 2023. Our goal is to further extend product life cycles by minimizing the use of virgin materials to reduce emissions and positively impact production chains when selling equipment and sourcing parts,” says Antti.

Impaktly gained valuable insights from the Innokas team throughout the project. “While we’re not experts in medical devices, we are professionals in circular economy and design

principles. Combining these areas was truly rewarding for our team,” Emma reflects.

Ultimately, the playbook turned out practical and it provides clear guidance on essential elements for initiating environmentally conscious product development projects. While Innokas already had circular economy practices, the playbook streamlines and systematizes their implementation, as well as facilitates the onboarding of new team members. Additionally, the playbook helps customers grasp the significance of circular economy in health technology.

Three main principles

Three guiding principles were established to steer Innokas’ product development projects. These principles will be discussed with the customer in the early stages of the design process, focusing on the project requirements.

More with less - This principle emphasizes a radical reduction in resources used throughout a product’s life cycle, maximizing impact and material efficiency. In practice, this involves identifying redundant features and exploring capabilities that can be achieved through programming alone, minimizing the need for physical materials.

Extend the life cycle - The goal is to keep the finished product in use for as long as possible, maintaining its highest value and avoiding premature recycling. Key considerations include minimizing the number of spare parts required and reducing the need for travel during maintenance.

Design for recycling - When a product reaches the end of its use, it is designed with recyclability in mind to minimize environmental impact. This includes ensuring that materials are easily separable for recycling and reuse.

All three principles are something that Innokas can influence in the early stages of the product design life cycle, solidifying the circular design principles in the product’s life cycle from the very beginning.

Circular economy ensures the company’s future

The transition to a circular economy is becoming inevitable. Businesses should look boldly to the future and consider what will enable them to exist in ten years’ time and which actions will ensure competitiveness and survival of their products and services.

“Right now, implementing the circular economy demands pioneering efforts and experimenta-

tion. It’s not easy, but the only way to get started is to experiment and learn. Few companies have successfully adopted circular economy practices, but the trend is moving in that direction. Investors can be very critical of companies’ ability to improve material efficiency. At this stage, there is no such thing as starting too small,” Emma sums up.



Resource usage and waste

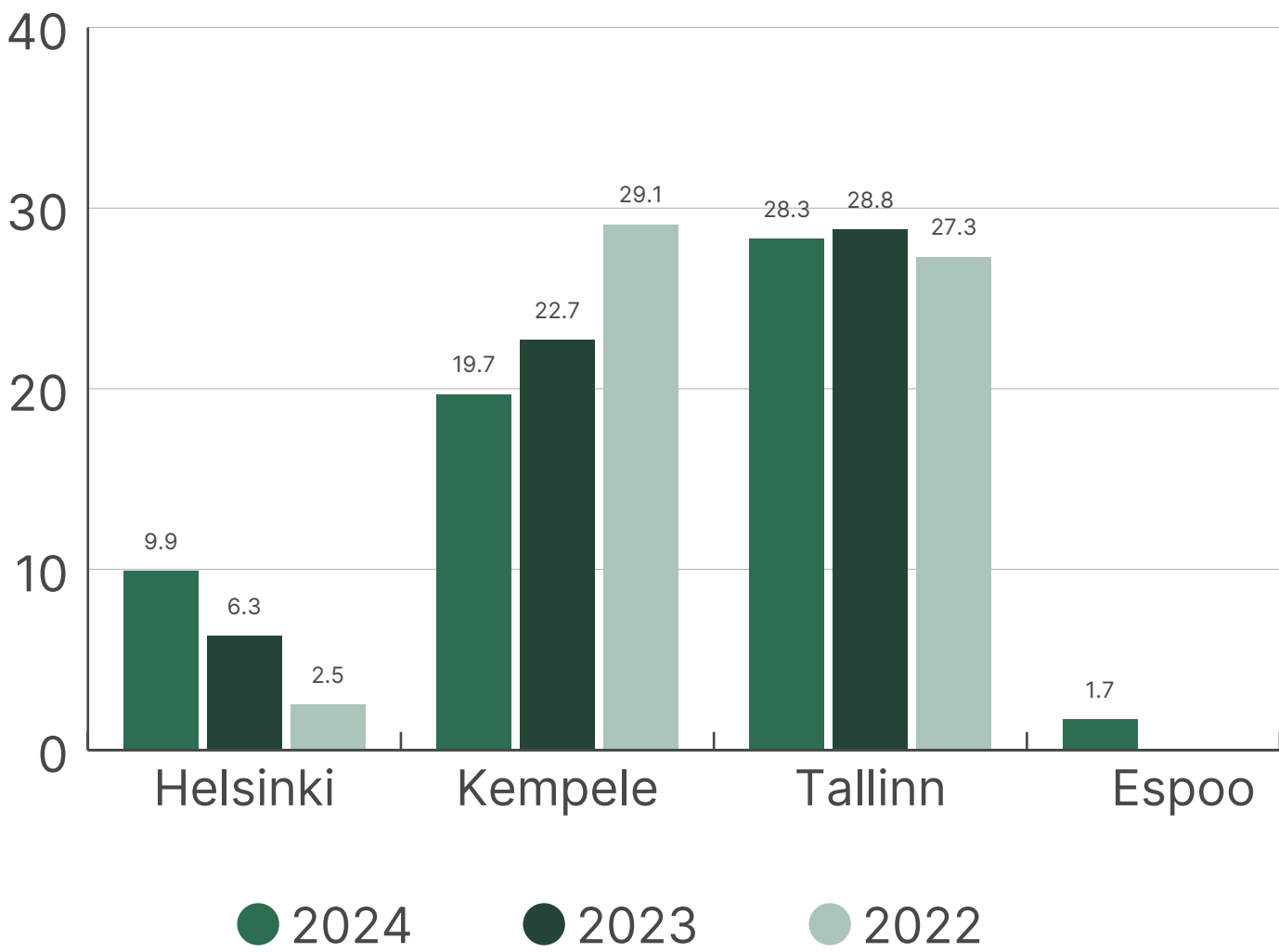
Innokas is committed to advancing sustainable practices throughout our operations. Innokas follows local waste legislations in recycling and handling different waste types.

In 2024, our focus was on increasing the awareness and skills of every Innokas employee to consider sustainability in our daily decision-making by providing training to our personnel on sustainability activities. In our own operations, efforts include monitoring waste management, energy and water use, employee commuting methods, and remote work options.

We systematically follow the scrapping rate. In 2024 scrapping amounted to 0.3% of the turnover of our manufacturing business and was below the set target of 0,4%.

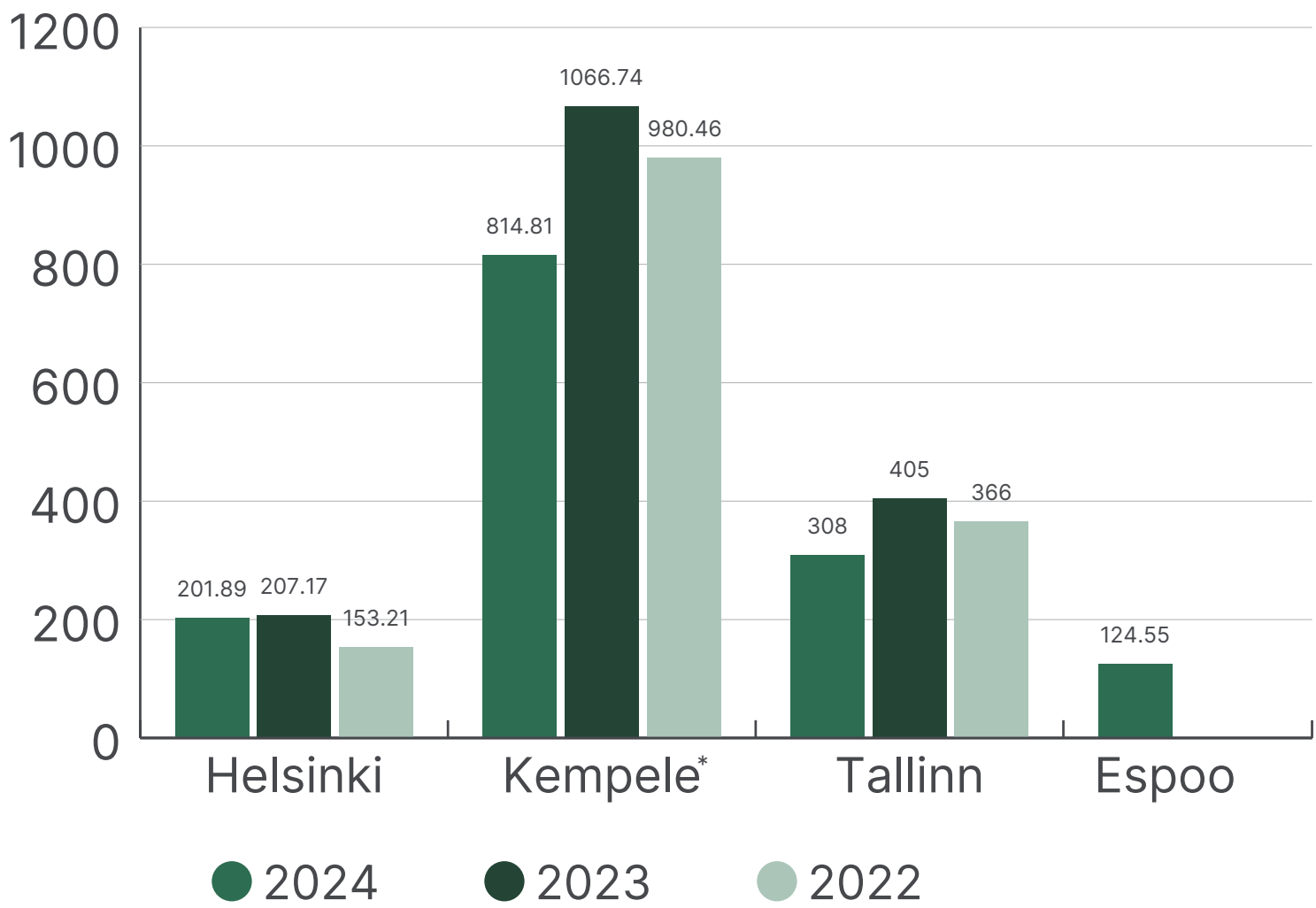
During 2025, information sharing and training amongst our own people continue and internal development initiatives are encouraged at ny level of organization. During the second half of 2025, we aim to set more detailed long-term goals considering, for example, our water and energy consumption and re-evaluate our waste handling practices as needed.

Amount of treated waste, t



2023 figures corrected 23.06.2025

Amount of treated waste water (m3)



*Calculated percentage of the consumption of the entire property



Waste

		2024		2023		2022	
Site	Waste type	Amount of waste (t)	Waste treatment method	Amount of waste (t)	Waste treatment method	Amount of waste (t)	Waste treatment method
Helsinki	Biowaste	1	Composted	0.98	Composted	0.86	Composted
	Pallets	6.93	R12B*	1.50	R12B	0.02	R12B
	Glass	0.10	R12B	0.09	R12B	0.05	R12B
	Metal	0.06	R12B	1.23	R12B	0.05	R12B
	Plastic	0.08	R12B	0.08	R12B	0.04	R12B
	Cardboard	0	R12B	0.56	R12B	0.42	R12B
	Mixed waste	1.63	Combustion	1.45	Combustion	0.94	Combustion
	Office paper	0.03	R12B	0.27	R12B	0.11	R12B
	Hazardous waste	0.07	Combustion or landfill	0.10	Combustion or landfill	0.01	Combustion or landfill
Kempele	Mixed (energy) waste	4.24	Combustion	3.94	Combustion	4.38	Combustion
	Plastic	0	R12B	0.12	R12B	-	-
	Mixed wood	5.39	Combustion	4.51	Combustion	4.86	Combustion
	Cardboard	6.43	R12B	6.77	R12B	7.22	R12B
	Data protection material	0.33	R12B	0.00	R12B	1.59	R12B
	Electronic waste	1.14	R12B	5.14	R12B	8.9	R12B
	Aluminium waste	0.24	R12B	1.12	R12B	0.48	R12B
	Other metal waste	1.85	R12B	1.01	R12B	1.36	R12B
	Hazardous waste	0.07	Combustion or landfill	0.06	Combustion or landfill	0.28	Combustion or landfill
Tallinn	Mixed (energy) waste	24.24	R12B	25.05	R12B	24.36	R12B

*R12B means recycling or re-use

		2024		2023		2022	
Site	Waste type	Amount of waste (t)	Waste treatment method	Amount of waste (t)	Waste treatment method	Amount of waste (t)	Waste treatment method
	Recyclable cardboard and paper waste	2.60	R12B	2.11	R12B	2.29	R12B
	Recyclable plastic packages	0.21	R12B	0.05	R12B	0.03	R12B
	Materials contaminated with dangerous chemicals	0.08	Combustion or landfill	0.02	Combustion or landfill	0.02	Combustion or landfill
	Single-use and rechargeable batteries	0.15	R12B	0.02	R12B	0.02	R12B
	Electronic waste	0.16	R12B	0.33	R12B	0.24	R12B
	Plastic	0.87	R12B	1.24	R12B	0.29	R12B
Espoo (Trio)	Cardboard	0.38	Recycling				
	Biowaste	0.14	Composting				
	Metal	0.06	Recycling				
	Energy waste	1.02	Combustion				
	Glass (estimated weight)	0.08	Recycling				
	Plastic (estimated weight)	0.04	Recycling				

Responsible sourcing

Paree Group and Innokas have committed to ethical behavior and expect the same from their respective partners. We at Innokas aim to select only those suppliers who share our social and environmental standards and who act in a way that is consistent with the principles and values of our Supplier Code of Conduct (SCoC).

We recognize the importance of responsible practices throughout our value chain, guided by material impacts, risks, and opportunities. Safety and compliance with EU regulations remain key criteria when selecting materials, ensuring both production and end-use safety. Quality and safety are non-negotiable.

We target to assess all suppliers against our sustainability criteria. When customers nominate their own suppliers, we support the evaluation process by providing guidance on evaluation and criteria. We also engage in dialogue with suppliers on topics such as return policies and reusable packaging.

To manage risks like material shortages or regulatory shifts, we maintain long-term partnerships with trusted suppliers, promote transparency through annual surveys, and diversify sourcing to avoid single-supplier

dependencies. These actions help us proactively address challenges and uphold the integrity of our operations across the value chain.

Supplier transparency

Innokas evaluates the sustainability of its suppliers annually. In 2024, Innokas launched a new kind of structured supplier sustainability evaluation to strengthen responsible sourcing practices and respond to growing expectations for corporate responsibility. The evaluation focused on key aspects of the UN Global Goals selected earlier in 2024 to support our sustainability work, with particular emphasis on Goal 8: Decent Work and Economic Growth. Human rights, forced labour, and child labour were prioritized in the assessment, reflecting our commitment to protecting people and communities across our supply chain.

To support this initiative, a new Standard Operating Procedure (LO00003) was introduced to guide sustainable sourcing practices. Additionally, Innokas promoted supplier engagement by offering access to free sustainability training through Paree.

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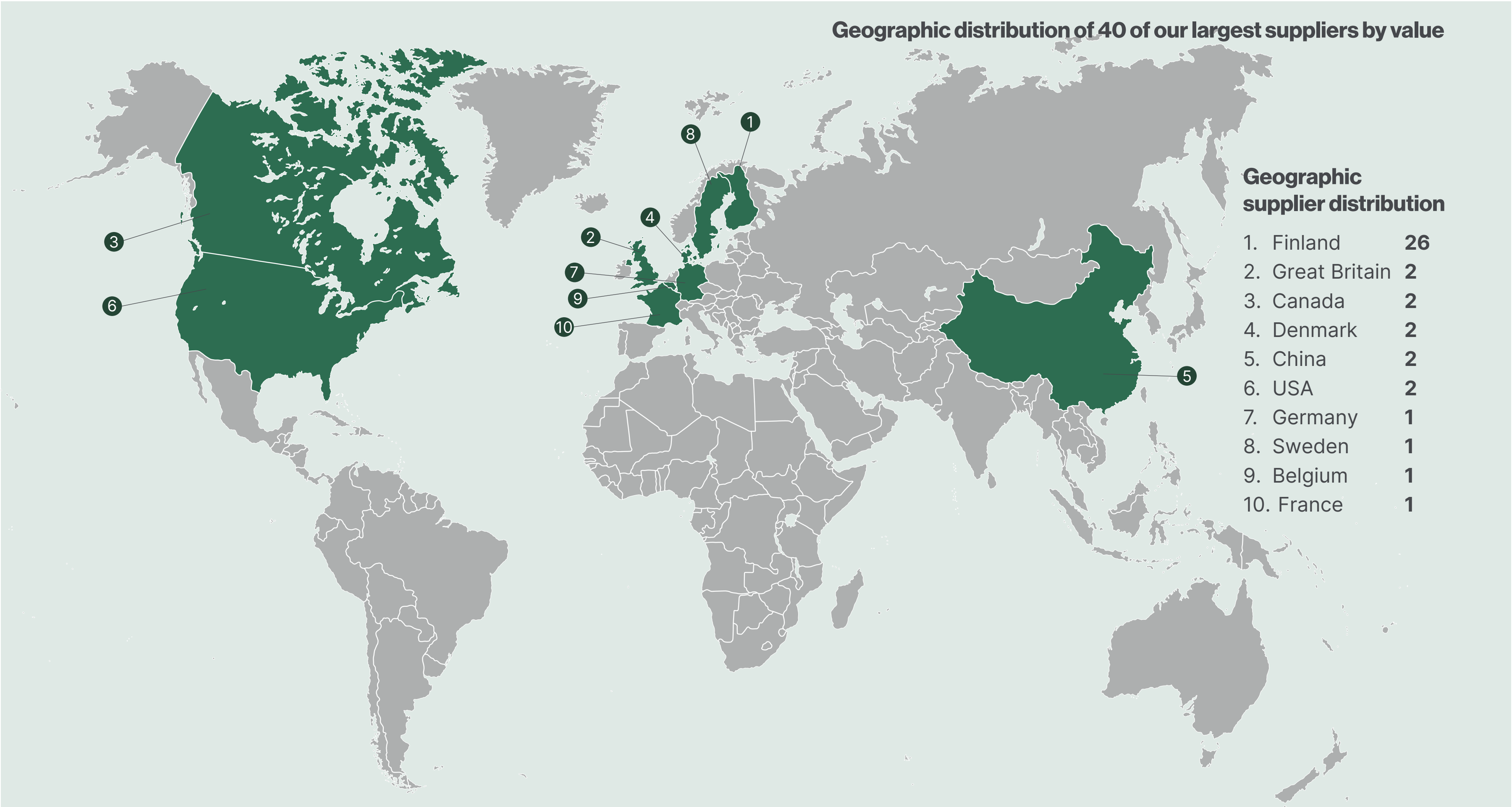
In 2024, Innokas launched a new kind of structured supplier sustainability evaluation to strengthen responsible sourcing practices and respond to growing expectations for corporate responsibility.



The evaluation covered 329 suppliers, categorized by purchase volume and country risk. A scoring model identified 48 high-impact suppliers (impact value > 1000). Of all of these suppliers:

- 19 suppliers (39.6%) were accepted based on verified EcoVadis ratings.
- 28 suppliers (58%) responded to our Supplier Self-Assessment Questionnaire (SSAQ) or other inquiries and were evaluated accordingly.
- 25 suppliers (52%) signed our Supplier Code of Conduct (SCoC) or submitted their own.
- 6 suppliers provided alternative sustainability documentation deemed sufficient.
- 2 suppliers were excluded from evaluation due to exceptional circumstances.

Overall, 35% of all suppliers responded to our information requests, and 9% held an EcoVadis rating. The evaluation revealed a wide range of maturity levels among suppliers, but also a willingness to engage when approached directly. Notably, some suppliers initially perceived as lacking sustainability credentials were found to have robust programs in place.



Looking ahead to 2025, Innokas will continue to develop its supplier evaluation process. Planned improvements include identifying customer-mandated suppliers at the outset and sharing evaluation results with customers

to support more informed sourcing decisions. The goal is to increase supplier participation, improve data quality, and further integrate sustainability into procurement practices.

This work reflects Innokas’ commitment to building a responsible and resilient supply chain – one that supports ethical practices, transparency, and long-term value creation.

Business conduct

At Innokas, and as a part of Paree Group, we consider responsibility a collective endeavor. Knowing and following applicable laws and regulations is a basic requirement for all of us. Paree Group's common Code of Conduct applies to everyone in our company, at every level, including employees, management and board members. Our Code of Conduct, launched in 2023, is a set of rules that outlines what we expect from our staff within the organization. It includes general level guidance on, for example, anti-corruption, environmental topics, human rights and harassment prevention. The Code of Conduct is supplemented with various policies, principles and guidelines, including our environmental policy.

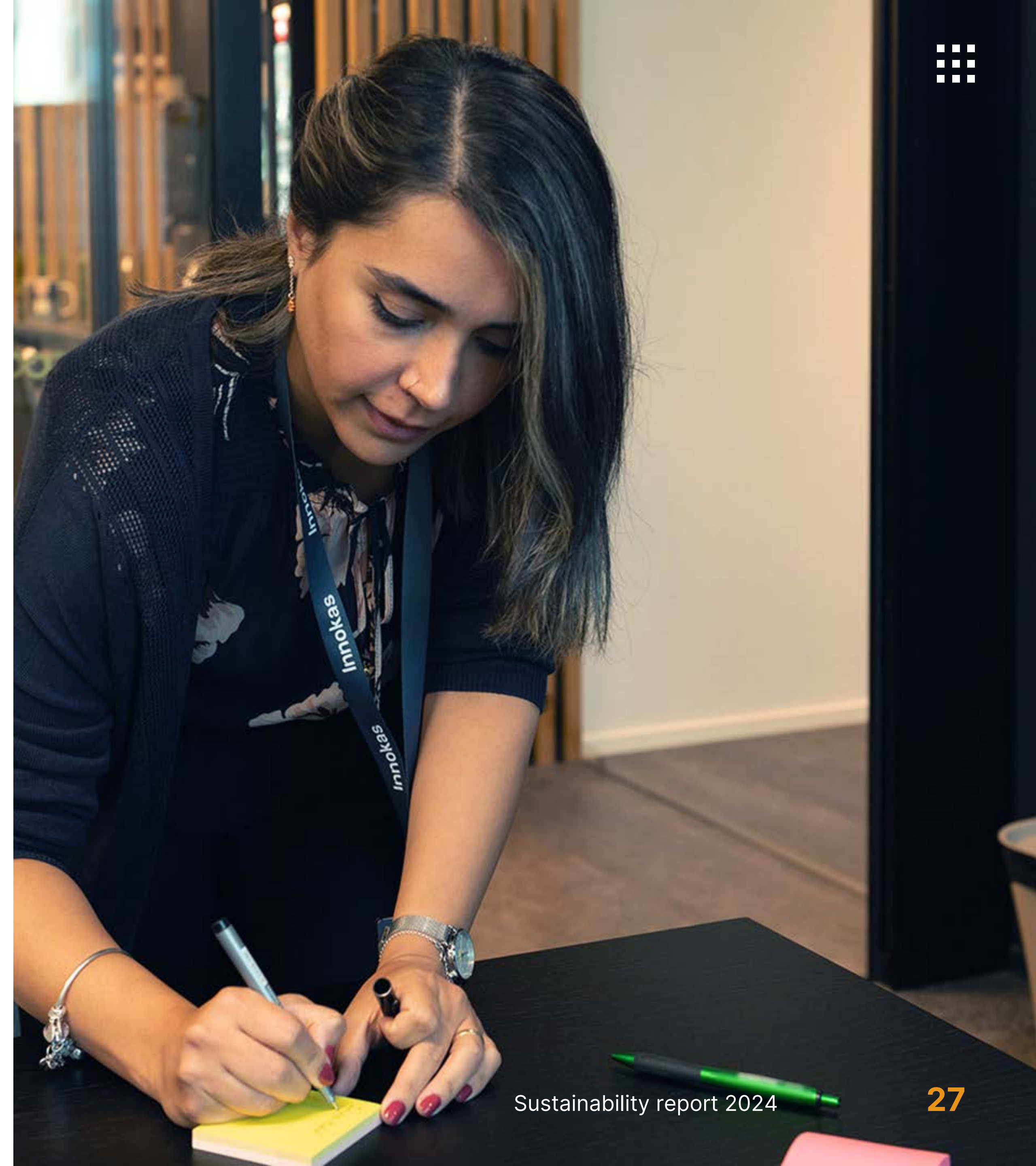
Everybody at Innokas must participate in the Code of Conduct training and testing. New employees are trained as part of their onboarding. Our eLearning platform is available in Finnish, English, Estonian and Russian for our white-collar workers. At the factories, the training was given face-to-face, with sessions in Estonian and Russian provided at the Tallinn facility.

Innokas is a part of Paree Groups whistleblowing channel. The channel is available for our internal and external stakeholders. All reported cases undergo a thorough investigation and follow-up. In 2024, one notification was sent through the channel.

Innokas did not make any political contributions in 2024. Any sharing of recommendations to policy makers is done via industry associations of which we are a member of.

Business partners

Innokas has a wide network of suppliers globally. A majority of our first-tier suppliers are located in Europe. Our goal is to select suppliers whose sustainability standards and commitments are in line with our own, and who act in a way that is consistent with the principles and values of our Supplier and Distributor Code of Conduct.



Governance

At Innokas, the leadership team is the owner of sustainability and therefore responsible for implementing the company’s sustainability roadmap and aligning it with our parent Paree Group’s targets.

Sustainability governance structure

The CEO bears the ultimate responsibility for the successful implementation of the strategy, including sustainability. Innokas’ board approves the company’s sustainability targets

and roadmap. Sustainability issues are regularly discussed at board meetings along with other business priorities. Innokas’ Head of Quality Management System is responsible for overseeing the targets and KPIs defined in Innokas’ roadmap, and that the reporting is done to track the outcome of the activities defined in the roadmap. Assessing sustainability risks and possibilities is integrated into the agenda of Innokas’ annual strategy review.



Innokas

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