

TCFD Scenario Analysis

Approved by
Marie Björklund

Date
2026-03-17

Table of contents

1	Background – climate-related risks and opportunities	3
2	Context, governance and strategy	4
2.1	Governance & strategy	4
2.1	Risk management	4
2.2	Metrics and targets	5
2.3	Actions and policies	5
3	Results and analysis	6
3.1	Scenarios	6
3.2	Climate related risks and opportunities	6
3.3	Summary of results	10
4	Appendices	11
4.1	Appendix A - Climate-related risks – Heat map	11
4.2	Appendix B - Classification of Climate-related Hazards	12

1 Background – climate-related risks and opportunities

Climate change has profound effects on both individuals and communities, and is an increasingly important factor for companies across their work processes, products, and operations. As climate change becomes inevitable, adaptation is essential for maintaining competitiveness and ensuring operations that are both resilient and contributing to a sustainable future. Environment and climate are key strategic focus areas within Knowit's broader strategy and articulated in the Group's Sustainability Policy and Code of Conduct. Knowit aims to integrate sustainability matters, risks, opportunities, and concerns in its strategy and in relevant business processes. As such, the Group actively manages its significant climate-related risks and opportunities within its current processes.

As a fundament to further its understanding of long-term climate related risks and opportunities within the context of a changing climate, Knowit reports in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) framework. This means disclosing its climate-related risks and opportunities, following the guidelines set by the TCFD. The analysis has been structured around TCFD's four pillars, and according to the guidelines stated in the European Sustainability Reporting Standard (ESRS), to meet the requirements of the Corporate Sustainability Reporting Directive (CSRD).

2 Context, governance and strategy

2.1 Governance & strategy

Knowit's Board of Directors oversees the strategy for the entire Group, including its subsidiaries. It receives regular updates about the business areas, including on sustainability, through continuous reports on Knowit's sustainability initiatives and progress towards emission reduction targets and strategic targets as well as risks and opportunities.

The CEO of Knowit holds the overall responsibility for the Group's climate-related issues with the support of the Head of Sustainability. The Group CFO and the Audit committee of the Board own all risks, including climate related ones. The Head of Sustainability and the Group Management team review the outcomes from the evaluations of climate-related risks and opportunities as part of their annual strategic process.

Knowit regards sustainability in general, and climate in particular, as a core part of its strategy, vision and mission. To embed sustainability across all operations, Knowit uses climate scenario analysis to further its understanding of how best to incorporate climate-related considerations into processes, ensure the procurement and development of eco-friendly products and solutions, reduce carbon emissions, and enhance resilience

2.1 Risk management

Knowit has evaluated the likelihood and impact of a wide range of climate-related issues, covering transition risks (including policy and legal, technology, and market risks) as well as physical risks and opportunities. From this analysis, Knowit incorporates its assessment of climate-related risks and opportunities into the Group's risk management process for broader strategic risks. This includes an integrated method across all business areas, to capture entity specific risks and opportunities and to continuously monitor developments.

The TCFD analysis has been integrated in Knowit's overarching risk management structure and due diligence processes since 2024. These are key parts in informing Knowit's annual process for assessing materiality from a double materiality process. The TCFD analysis is reviewed annually as part of the process for assessing material matters, by a dedicated team of environment and climate experts, led by the Head of Sustainability.

2.2 Metrics and targets

Knowit's carbon assessment is carried out in accordance with the Greenhouse Gas Protocol under the operational control approach. In 2020, Knowit set an emission reduction target aligned with and validated by the Science Based Targets initiative. The target covers companywide scope 1, 2 and 98 % of scope 3 emissions. It is set as an absolute reduction target in line with the 1,5-degree reduction trajectory. For this, Knowit has committed to decreasing the Group's absolute greenhouse gas emissions (for scope 1 and 2 grouped and scope 3 separately) by at least 50% by 2030 compared to the emissions in the base year 2019. For the reporting year 2025, Knowit has achieved a 45 % absolute reduction compared with emissions in the base year (2019).

Knowit continuously assesses its metrics and targets, ensuring they are effectively monitoring and enabling the management of Knowit's most significant climate-related risks and opportunities.

2.3 Actions and policies

Knowit's overarching approach to sustainability and climate mitigation and adaptation is governed by the Group's Code of Conduct and Sustainability Policy. Further, the Group and its subsidiaries determine annual actions based on the results of the yearly carbon assessment to ensure progress toward meeting the Science Based Target for 2030. This is part of the Group's Carbon Action Plan, which forms its transition plan.

3 Results and analysis

3.1 Scenarios

As part of the climate-related risk assessment conducted by Knowit, climate-related risks and opportunities were analysed under two scenarios. For transition risks and opportunities, SSP1-1.9 was applied, which is a pathway consistent with the Paris Agreement's 1,5°C target. For physical risk, SSP5-8.5 was applied, projecting a mean warming of 4.4°C or above by 2100. Both scenarios are drawn from the IPCC Sixth Assessment Report (AR6, 2021).

The following time horizons were applied when analysing the climate-related risks and opportunities.

Time Horizons	Start Year	End Year	Rationale
Short-term	2026	2027	Strategic reporting year
Medium-term	2026	2030	In line with Knowit's 5-year strategic plans
Long-term	2026	2045	Net-Zero target

3.2 Climate related risks and opportunities

The table below outlines the climate-related risks and opportunities that Knowit has identified as most critical to its operations, in the short, medium and long term based on the two scenarios. These are managed by the respective business units and overseen by the Group Management Team and respective risk owners.

As part of the 2026 update to Knowit's TCFD risk analysis, the transition risks and physical risks have been reviewed and updated to reflect current regulatory and market conditions. The first transition risk, concerning increased stakeholder demands for ESG data and the associated compliance burden, has been re-rated to reflect the regulatory adjustments introduced by the EU Omnibus Directive. These changes have introduced greater flexibility and a phased implementation for CSRD requirements, which moderates the near-term compliance pressure on Knowit. As a result, the magnitude of this risk has been adjusted downward, while the likelihood remains elevated due to continued scrutiny from investors and

clients. The second transition risk—failing to meet stakeholder expectations regarding sustainability performance —remains unchanged in both likelihood and magnitude, as reputation, client retention, and employer attractiveness continue to be strongly influenced by Knowit's climate-related performance. The physical risk, related to the increasing frequency of storms, floods, and disruptions to critical infrastructure, remains highly relevant. Although Knowit's operations do not depend on physical assets, indirect risks tied to non-functioning digital infrastructure, transportation, or public services pose a material threat to business continuity.

On the opportunity side, the green transition represents a significant and growing commercial prospect for Knowit. Increased client demand for sustainable digitalisation services — to facilitate the transition and build climate resilience — is identified as a Group-wide opportunity with potential to increase revenue across all markets in which Knowit operates. Knowit is actively positioning to capture this demand through a target that 80 percent of the Group's net sales shall contribute to at least one of the UN Sustainable Development Goals, alignment with the EU Taxonomy, the development of new services based on client demand, and the ongoing quantification of avoided emissions generated through Knowit's solutions. These measures reflect both a commercial strategy and a recognition that Knowit's core competencies in digitalisation are directly relevant to clients navigating the transition to a low-carbon economy.

These updates ensure that the risk register accurately reflects current climate-related exposure and opportunity, while aligning with ongoing regulatory developments and Knowit's strategic positioning.

Risk type/ opportunity	Risk/ opportunity	Description	Primary potential economic impact	Geography (Geospatial coordinates)	Affected assets/bus iness activities	Risk mitigation
Transition Risks	Potential negative impact of climate change on Knowit due to the transition to a low-carbon economy.	Increased stakeholder demands for high quality ESG data could impose additional compliance costs	Higher direct costs, reduced revenue	All operations	Group-wide effects	<ul style="list-style-type: none"> • Preparation for reporting according to CSRD • Continuous work to improve collection, efficiency and automation of sustainability data
		Failing to meet stakeholder expectations on sustainability could harm brand reputation and client retention, as well as attracting and/or retaining talents and competence.	Reduced revenue	All operations	Group-wide effects	<ul style="list-style-type: none"> • Commitment to SBTi with carbon reduction targets in scope 1+2 and scope 3 • Carbon action plan with concrete actions to reduce emissions in line with commitments

Risk type/ opportunity	Risk/ opportunity	Description	Primary potential economic impact	Geography (Geospatial coordinates)	Affected assets/ business activities	Risk mitigation / realisation of opportunities
Physical Risks	Potential negative impact of climate change on Knowit due to physical effects of climate change.	Increased frequency and severity of storms and floods could damage physical infrastructure, such as offices and data centres, leading to operational disruptions. Damage to transportation and other critical infrastructure like internet access.	Higher indirect costs	Nordics	Group-wide effects	<ul style="list-style-type: none"> • Monitoring of developments in the few years and development of mitigation strategy if more pertinent
Opportunities	Potential positive impact on an organization related to climate change.	Increased demand for sustainable digitalization services to facilitate the transition and increase resilience for Knowit's clients.	Increased revenue	All operations	Group-wide effects	<ul style="list-style-type: none"> • Target that 80 percent of Knowit's net sales shall contribute to at least one of the UN sustainable development goals • EU taxonomy • Quantification of avoided emissions • Development of new services based on customer demands

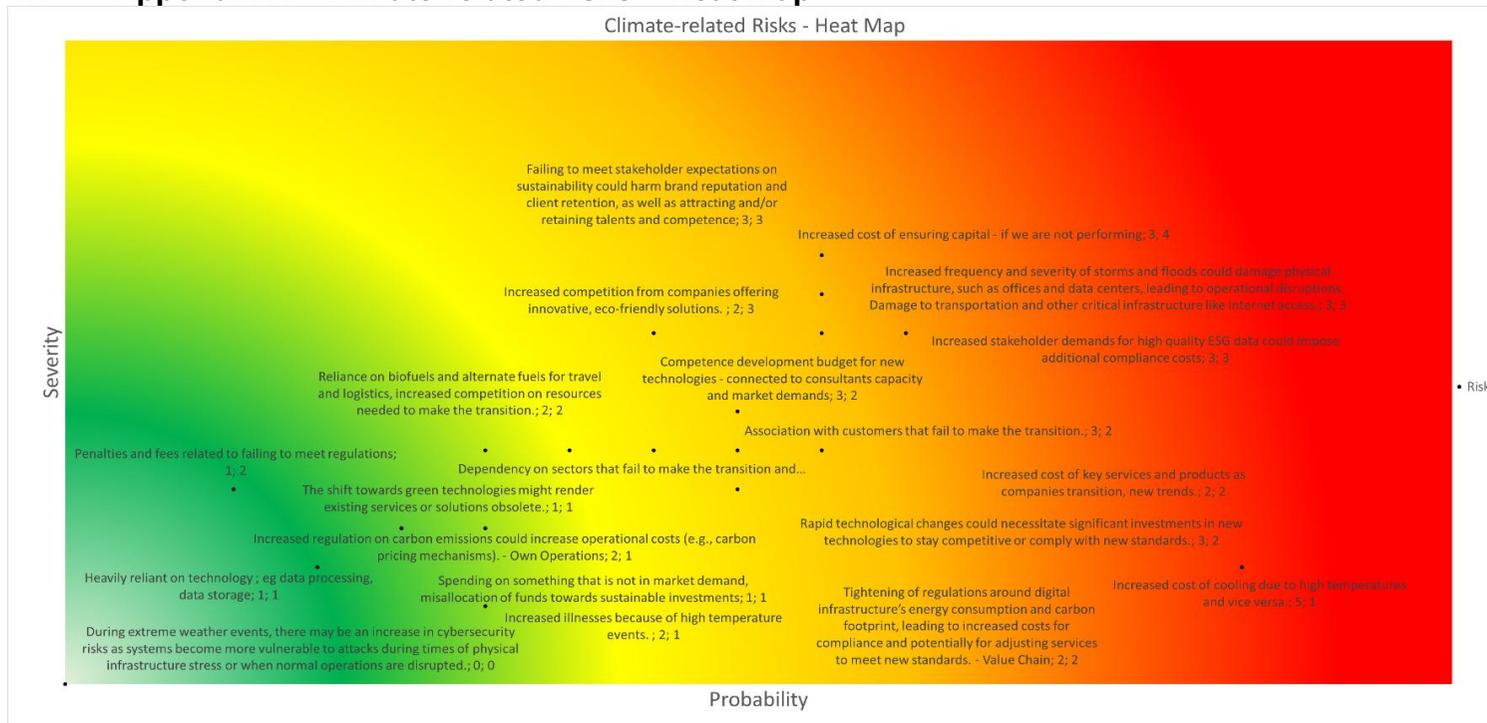
3.3 Summary of results

Knowit's assessment identifies material climate-related transition risks and opportunities, while physical climate risks remain limited given the nature of its operations. Key risks include rising compliance from evolving ESG regulation alongside stakeholder expectations for high-quality ESG data, reputational risks related to unmet sustainability expectations, and indirect operational vulnerabilities linked to more frequent storms and flood-related disruptions to public infrastructure. On the opportunity side, there is strong potential to grow and diversify Knowit's service portfolio in sustainable digitalization—positioning Knowit to benefit from increasing client demand for climate-aligned digital solutions.

These findings are being integrated into Knowit's annual risk management process and will be reviewed regularly. The identified risks and opportunities will be actively managed as part of a broader commitment to ensuring that Knowit's operations are sustainable, responsible, and aligned with the Group's long-term ambition to support clients in mitigating climate change and advancing progress toward the goals of the Paris Agreement.

4 Appendices

4.1 Appendix A - Climate-related risks – Heat map



4.2 Appendix B - Classification of Climate-related Hazards

	Temperature-related	Wind-related	Water-related	Solid mass-related
Chronic	Changing temperature (air, freshwater, marine water) (INCLUDED)	Changing wind patterns (NOT RELEVANT)	Changing precipitation patterns and types (rain, hail, snow/ice) (INCLUDED)	Coastal erosion (NOT RELEVANT)
	Heat stress (NOT RELEVANT)		Precipitation or hydrological variability (NOT RELEVANT)	Soil degradation (NOT RELEVANT)
	Temperature variability (INCLUDED)		Ocean acidification (NOT RELEVANT)	Soil erosion (NOT RELEVANT)
	Permafrost thawing (NOT RELEVANT)		Saline intrusion (NOT RELEVANT)	Solifluction (NOT RELEVANT)
			Sea level rise (INCLUDED)	
			Water stress (NOT RELEVANT)	
Acute	Heat wave (INCLUDED)	Cyclones, hurricanes, typhoons (INCLUDED)	Drought (NOT RELEVANT)	Avalanche (NOT RELEVANT)
	Cold wave/frost (INCLUDED)	Storms (including blizzards, dust, and sandstorms) (NOT RELEVANT)	Heavy precipitation (rain, hail, snow/ice) (NOT RELEVANT)	Landslide (NOT RELEVANT)
	Wildfire (NOT RELEVANT)	Tornado (NOT RELEVANT)	Flood (coastal, fluvial, pluvial, ground water) (INCLUDED)	Subsidence (NOT RELEVANT)
			Glacial lake outburst (NOT RELEVANT)	

Note: NOT RELEVANT in the table above means that the hazard is not relevant to include due to geographical location of assets.