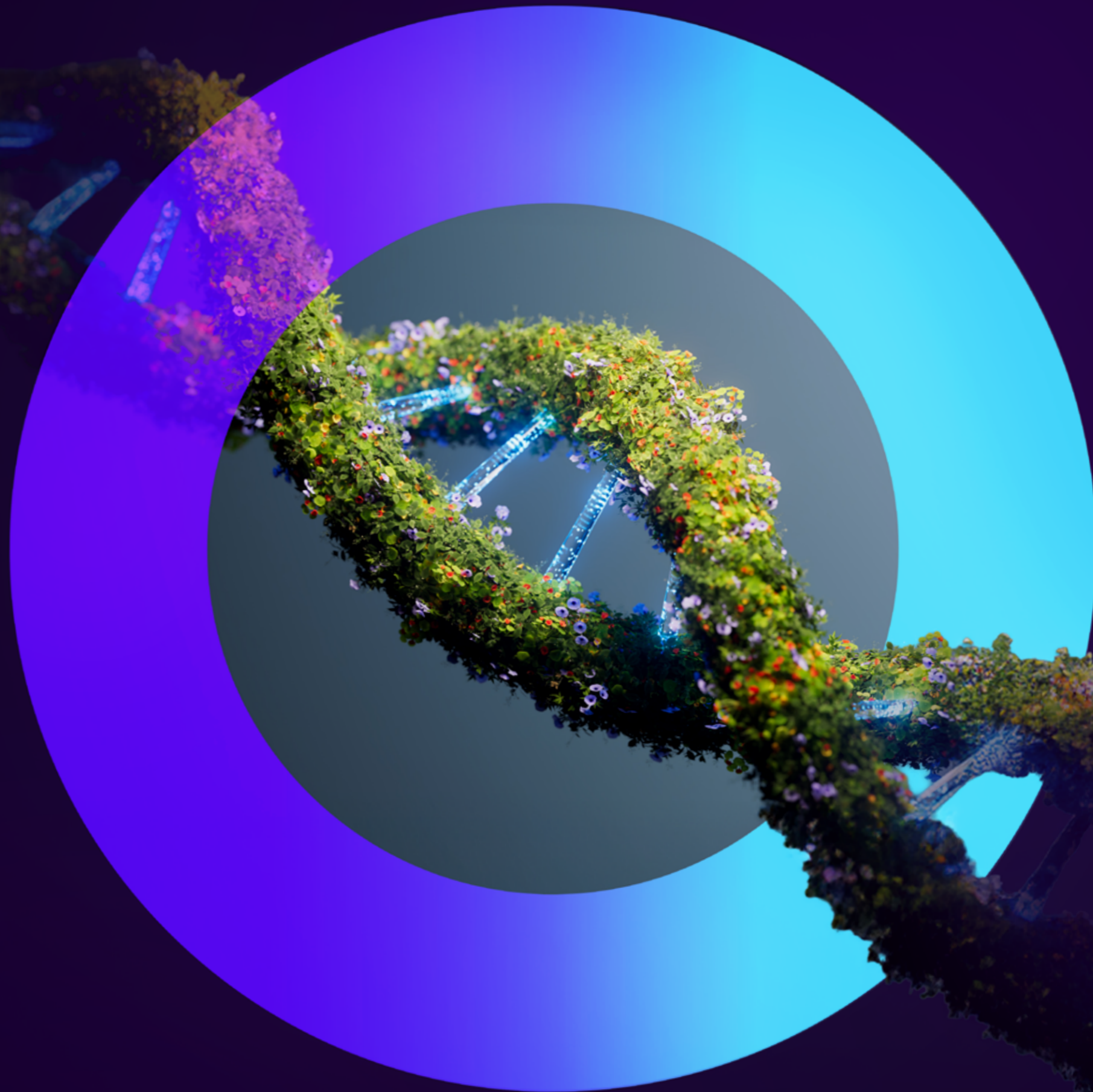


Sustainability
Report 2025



Sustainability Report 2025

About this report

This Sustainability Report reflects our commitment to transparency, detailing the commitments and investments enabled by our global team of 6500+ employees in more than 90 countries.

We report on sustainability annually on our website, Year in Review report, and Annual Report. The content of this report, including all information and data, have been internally reviewed and assessed by management.

The report is for the calendar year 2025 and is for the organization IFS AB and its subsidiaries, reported at the entity level of IGT Holding III AB, referred to as 'IFS', 'Group' or 'the company' throughout. Selected KPIs have been subject to a limited assurance review by IFS's Group auditors (EY).

For further information or queries about the report please contact sustainability@ifs.com

- Introduction
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- Environment
- Social
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Introduction



We recognize
our role in
**working
towards a
more
sustainable
world.**

Introduction

CEO Letter

The future we're building depends on the choices we make today. As technology accelerates and industries transform, our responsibility is clear: innovation must drive progress with purpose.

I'm proud to introduce the 2025 IFS Sustainability Report and the tangible progress we've made turning ambition into action.

At IFS, sustainability and profitability are not competing priorities; they are the same work. Decarbonization reveals inefficiency. Strong asset management reduces emissions and increases uptime. Optimized supply chains cut waste and improve margins. Our customers pursue sustainability because it makes them stronger, faster, and more resilient.

“As the Industrial AI company, we enable this transformation at scale. Sustainability is embedded in IFS Cloud, helping organizations move from intention to measurable impact.”

Mark Moffat
Chief Executive Officer, IFS



Introduction

As the Industrial AI company, we enable this transformation at scale. Sustainability is embedded in IFS Cloud, helping organizations move from intention to measurable impact. Our enhanced sustainability management, advanced emissions intelligence, and integration of International Sustainability Standards Board (ISSB) standards give customers the precision they need to meet their goals with confidence.

Every day, they see Industrial AI deliver real outcomes; from 37% reductions in field service travel and up to 47.6% lower Scope 2 emissions through AI driven scheduling, to extended asset life through predictive maintenance. We accelerate their progress because we are their system of record and their AI partner.

Internally, we hold ourselves to the same standard. We have maintained 100% renewable electricity across our sites for the fourth consecutive year, and our Green Facilities strategy continues to deliver over 60% reductions in cost and energy use: proof that sustainability drives business performance. With over a third of colleagues volunteering, triple the industry benchmark, we're building a culture where purpose fuels results.

The challenges ahead are significant, but so is the opportunity. Our 2029 Vision sets a clear direction: build a high performing team and harness Industrial AI to drive meaningful sustainability progress, within IFS and across every industry we serve.

Thank you to our colleagues, customers, partners, and investors. Together, we are turning innovation into impact, one decision, one action, one breakthrough at a time.

Mark Moffat
IFS CEO



CSO Reflection



As we work towards our 2029 vision, sustainability is embedded across everything we do. **It is not an afterthought – it must be built into how we work, innovate, and grow.** Our success in achieving our 2029 goals depends on being a great business to work for, work with, and invest in.

A strong focus on sustainability enables this through excellence in our own operations, by supporting customers in heavily regulated, hard-to-abate industries on their sustainability goals with Industrial AI, and by delivering broader positive impact in the communities where we operate. This year, we continued to advance our sustainability journey through close collaboration with our colleagues and partners, because sustainability is ultimately a team sport.”

Sophie Graham
Chief Sustainability Officer at IFS

Introduction

Leadership Reflections



“

Our commitment to sustainability is central to IFS’s long-term success and financial resilience.

In 2025, this meant continuing to integrate sustainability considerations into strategic decision-making—recognizing that climate, regulatory, and societal factors increasingly shape risk, opportunity, and value creation. By aligning sustainability with disciplined investment and long-term planning, we are strengthening the foundations of a resilient business built to perform today and endure tomorrow. Importantly, we also see sustainability as a catalyst for profitable growth—unlocking efficiencies, strengthening customer value, and enabling innovation that drives competitive advantage.”

Matthias Heiden
Chief Financial Officer



“

In my role as Chief People Officer, I see every day how powerfully culture shapes the impact we create, through the way we hire, develop talent and lead.

I strongly believe in building environments where people feel valued, included and empowered. In spaces where resilience and belonging are strong, sustainability shifts from strategic ambition to sustained performance. It becomes visible in how we collaborate, the decisions we make, and the way we support one another and our communities.

I am incredibly proud that more colleagues than ever are using their CSR Day to give back to the communities around them. What excites me even more is what that momentum represents. It reflects a deepening connection to our shared purpose and a growing willingness to step forward, contribute and make a meaningful difference together.”

Mihita Podobnik
Chief People Officer



“

IT continued to play a critical role in enabling sustainability by providing efficient, resilient, and secure digital foundations for the IFS business

Our focus remained on reducing the footprint of digital growth, through circular IT practices, smarter infrastructure choices, and stronger lifecycle management of technology assets.

At the same time, the rapid adoption of AI and cloud technologies reinforces the importance of responsible design, balancing innovation with energy awareness, governance, and cybersecurity.

By strengthening digital trust and operational efficiency, technology becomes a true enabler, turning sustainability ambition into reliable, scalable action across the organization.”

Robi Gone
Chief Information Officer



“

In 2025, we continued to bring Sustainability Embedded to life by combining AI and decision intelligence to help customers reduce impact while improving performance.

By embedding sustainability directly into core workflows - rather than treating it as a separate layer - we enable customers to turn insight into action at scale. This approach provides a strong foundation for tackling the immense challenges that ageing and under-invested industrial assets and infrastructure present.

As innovation accelerates, our responsibility is to ensure AI remains a force for long term value creation, supporting both business performance and the transition to more sustainable operations.”

Christian Pedersen
Chief Innovation Officer



“

In 2025, innovation and sustainability became even more inseparable. Customers want solutions that help them perform, grow, comply, and decarbonize at the same time.

I’m proud of the continued evolution of our sustainability-related product direction, including the way we are strengthening alignment with ISSB expectations and making sustainability management more actionable through data and decision intelligence.

This is not about adding another layer of reporting - we are enabling better decisions, smarter resource use, and stronger performance through embedded AI, agentic workflows, and operational data available in the systems our customers run every day.

As we build toward our long-term vision, innovation will remain a key lever for scaling impact, inside IFS and across the industries we serve.”

Cathie Hall
Chief Product and Customer Officer

Introduction

Key Highlights 2025

Excellence in Our Own Business



Strengthening Market Position for Talent: Secured “Great Place to Work” certification in France with **95% employee approval**; reinforcing our employer brand in a high-growth market to attract top-tier talent and reduce long-term recruitment costs



Optimizing Operational Expenditure: Delivered **>60% reduction in energy and facility costs** at new Paris and Dubai offices through our Green Facilities Strategy*



Building High-Performing Leadership: 33.7% of IFS managers are women, reflecting continued progress toward diverse, high-performing leadership teams balanced leadership team



Maintaining Digital Trust & Security: Sustained a 7-year track record of **zero reportable data breaches**, mitigating significant legal, financial, and reputational risk



Driving Sustainable Operational Efficiency: Secured **100% renewable electricity** globally, mitigating Scope 2 emissions while stabilizing energy overhead costs through green procurement**



Scaling Operational Excellence: Established a Sustainability **Center of Excellence (CoE)**, bringing together expertise across functions to collaborate on sustainability across global operations, develop best practice and accelerate execution



Strengthening Market Credibility & Customer Alignment: Achieved an 11% increase in our Group EcoVadis score, placing IFS in the top **16% of companies globally**; this ensures direct alignment with the sustainability benchmarks required by 75% of our Lighthouse customers***

Supporting Our Customers



Supporting Customer Regulatory Readiness: Launched **IFS Emissions Management** for Scope 1, 2 and select 3 and expanded the **IFS Sustainability Management Module** to ensure full alignment with **International Sustainability Standards Board (ISSB)** framework, securing our product’s relevance in a rapidly evolving global regulatory landscape



Deepening Strategic Partnerships: Established the CSO network **IFS Sustainability Innovators** to drive co-innovation with Tier 1 industrial leaders, positioning IFS as a thought leader and “partner of choice”



Scaling the Ecosystem for Growth: Expanded **strategic alliances** with MSFT, Climatiq and Deloitte to accelerate global sustainability delivery and go-to-market reach



Driving Customer Productivity through AI: Expanded the IFS Sustainability Management solution with **AI-enabled narrative generation capabilities** to automate qualitative disclosures across ISSB and CSRD frameworks



Achieving quantifiable Impact via Industrial AI: Delivered a **37% improvement** in field service efficiency, directly reducing customer Scope 3 footprints and fuel costs—positioning IFS as a critical partner in our customers’ sustainability and profitability roadmaps



Making a Broader Impact



Embedding Social Impact into Corporate Culture: Achieved triple the industry benchmark with **36.2%** employee participation in **CSR Volunteering Days**, strengthening corporate culture and social impact delivery



Unifying Teams Through Shared Purpose: Achieved exceptional sentiment scores with **99%** of participants recommending CSR Volunteering Days and **91%** expressing a commitment to future participation, reinforcing internal culture



Empowering the Next Generation: Collaborated with **165 educational institutions** through the IFS Education Program, providing students with critical digital skills and industry exposure to drive future economic opportunity



Scaling Social Impact & Community Trust: Together with its partner ecosystem, **IFS raised over \$250,000** in support of the IFS Foundation

2025 Awards



Winner - AI in Sustainability
The Global Sustainability & ESG Awards
September 2025



Winner - Responsible AI
The Sustainable IT Responsible AI Impact Award
June 2025



Winner - Sustainability Magazine
Sophie Graham, IFS CSO, was recognized as one of **the Top 10 Sustainability Leaders** in Europe
July 2025

*kWh consumption and cost per square meter was >60% smaller in the new facilities when compared to old facilities at these locations
**100% renewable electricity procured for all global leased offices via renewable electricity certificates (RECs)
***Please see our recognition page for further details and methodology information about our EcoVadis score



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Our Approach

IFS contributes to a more sustainable future, both through our own actions and by supporting our customers in asset-intensive, heavily regulated and hard-to-abate sectors that are at the forefront of the transition to a green, circular economy.

Our Approach

Basis for preparation

(ESRS 2 BP-1 & BP-2)

Introduction

We report on sustainability annually on our website, Year in Review report, and Annual Report. The content of this report, including all information and data, have been internally reviewed and assessed by management.

The sustainability matters presented in this report have been determined by the double materiality assessment conducted in 2025, undertaken to identify IFS's most significant sustainability impacts, risks, and opportunities (IROs). The outcomes of this assessment determine the scope and prioritization of topics addressed across the report. Further details on the assessment can be found on page 15.

Selected KPIs included in the Sustainability Report have been independently reviewed under limited assurance by IFS's Group auditor, EY. For more details on the scope of assurance please refer to the p.45.

Scope of Reporting

The report is for the calendar year 2025 and is for the organization IFS AB and its subsidiaries, reported at the entity level of IGT Holding III AB, referred to as 'IFS', 'Group' or 'the company' throughout.

The reporting scope and consolidation boundary are aligned with IFS's financial reporting perimeter. While IFS Poka and Ultimo are fully owned entities within the IFS Group, they operate under an arm's-length business model as determined by the IFS Board. Due to this governance structure, they are not fully integrated into several group-wide sustainability processes and internal reporting systems, such as Learning Management Systems. Consequently, selected sustainability KPIs exclude Poka and Ultimo from consolidated totals. All exclusions are transparently disclosed within the relevant sections of this report or referenced in footnotes.

Reporting Framework

The sustainability report has been prepared in partial alignment with the European Sustainability Reporting Standards (ESRS) as part of IFS's voluntary early adoption efforts. Although IFS is not required to report in full compliance with the Corporate Sustainability Reporting Directive (CSRD) before the FY2027 reporting cycle, we have chosen to begin partially aligning with ESRS requirements ahead of the mandatory timeline to build capabilities and enhance transparency.

As this is IFS's first year preparing disclosures in reference to CSRD and ESRS, best efforts have been made to translate the relevant qualitative and quantitative requirements into appropriate narrative descriptions and data points. Throughout the preparation process, IFS relied on implementation guidance published by the European Financial Reporting Advisory Group (EFRAG) to support interpretation and application of the standards.

In preparing CSRD-aligned disclosures, the 'ESRS-ISSB Interoperability Guidance' was used to identify areas of alignment with International Sustainability Standards Board (ISSB) requirements. Please refer to the dedicated index tables on p. 49-51 for further details. We also include Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB) index tables to bridge our impact-based reporting with industry-specific financial metrics as we transition towards full ESRS alignment by FY2027.

Reporting Principles & Assumptions

IFS transparently discloses the circumstances influencing the preparation of this sustainability statement in accordance with ESRS 2 BP-2. Where reporting deviates from standard ESRS time horizons, we define the applied intervals and their underlying rationale. For metrics involving value chain estimations or material measurement uncertainty, we specify the basis of estimation, the level of accuracy, and the assumptions used. We further outline planned actions to improve data quality over time and clearly explain any methodological changes or restatements of prior-period information to ensure longitudinal comparability.

Our Approach About IFS

Strategy, Business Model and Value Chain (ESRS 2 SBM-1)

As a global enterprise software provider, IFS delivers industry-focused solutions that enable organizations to manage, optimize, and transform their core business operations. Our purpose is to help customers become more resilient, efficient, and sustainable through technology, guided by the conviction that long-term performance is strengthened by responsible business practices.

Founded in 1983, IFS today serves customers worldwide through a global workforce and partner ecosystem, supporting organizations across asset-intensive and service-centric industries. IFS's strategy and business model are centered on the development and delivery of enterprise software solutions—including Enterprise Resource Planning (ERP), Enterprise Asset Management (EAM) and Enterprise Service Management (ESM) –that support mission-critical processes across the full asset and service lifecycle.

The company's business model is underpinned by continuous investment in research and development, leveraging modern cloud architectures, analytics, and automation to deliver scalable, configurable solutions tailored to industry needs. Upstream activities within the value chain include software development, cloud infrastructure provisioning, and collaboration with technology and implementation partners.

Downstream, IFS works directly with customers to deploy, operate, and support solutions that enhance operational efficiency, asset performance, and service outcomes. Through these outputs, IFS enables customers to extend asset lifecycles, improve resource utilization, and reduce operational risks. By integrating innovation, industry expertise, and long-term customer partnerships, IFS aims to create sustained value for customers, employees, and other stakeholders across its operations and value chain, while supporting the transition toward more efficient and sustainable business models.

Stakeholder engagement (ESRS 2 SBM-2)

As a global company, IFS relies on a broad network of stakeholders who play an essential role in helping us deliver on our long-term ambitions. Actively engaging with these stakeholders—and understanding their priorities, expectations, and evolving needs—is fundamental to executing our business strategy, strengthening our market position, and creating sustainable value.

IFS maintains structured processes that ensure regular and meaningful interaction with its stakeholders across markets and business areas. The insights we gather are systematically analysed and integrated into the ongoing development of our strategic direction, our customer-focused solutions, and the way we identify and manage sustainability-related Impacts, Risks, and Opportunities (IROs).



 **\$2.4T**
Critical assets are managed by customers using IFS.ai

 **5,500+**
Customers

Key stakeholders	Stakeholder engagement
Customers	<ul style="list-style-type: none"> ● Sales and relations meetings ● Customer service ● Claims handling ● Risk assessments ● Complaints handling ● Customer surveys
Suppliers	<ul style="list-style-type: none"> ● Supplier relations management ● Case-by-case management between suppliers and claims assessors sharing best and new practice ● Supplier self-assessment questionnaires ● Negotiations and agreements
Employees	<ul style="list-style-type: none"> ● Heartbeat engagement surveys ● Work committees ● Performance dialogues ● Development plan and training
Investors	<ul style="list-style-type: none"> ● Communication and meetings with analysts ● Roadshow meetings with investors ● Investor conferences ● Quarterly conference calls with analysts/investors ● Capital markets days ● Annual general meetings

Our Approach

Sustainability Governance

Industrial AI and Sustainability Embedded

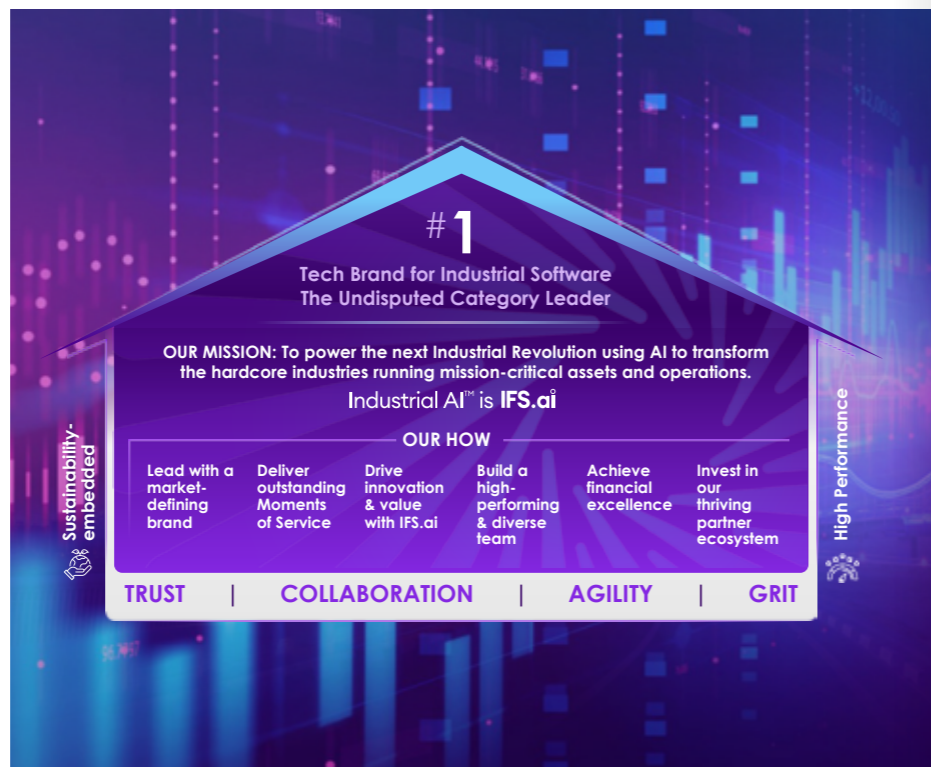
IFS 2029 Strategy

Over the past five years, IFS has established the foundations that enabled it to build—and now accelerate—its leadership in industrial software. In late 2024, CEO Mark Moffat introduced a refreshed five-year strategy for the company, supported by a bold new Vision and Mission.

Vision and Mission

Vision: To be the number one recognized technology brand in Industrial Software, the undisputed category leader.

Mission: To power the next Industrial Revolution using AI to transform the hardcore industries running mission-critical assets and operations. Industrial AI is IFS.ai.



IFS is committed to delivering a strategy that puts customers at the center, delivers value for shareholders, empowers employees and generates growth that consistently outperforms the market.



Three Acquisitions Defining IFS's Industrial AI Growth Strategy

To accelerate innovation and extend its leadership in Industrial AI, IFS pursues a strategically cohesive M&A approach, acquiring companies that deepen applied AI capabilities and deliver end-to-end value for customers.

In 2025, IFS completed three strategic acquisitions aligned to this strategy. **TheLoops** provides an agentic AI foundation for autonomous digital workers; **7bridges** optimizes supply-chain logistics by connecting planning and execution across operations; and **Softeon** delivers advanced warehouse intelligence, completing the production-to-distribution value chain.

Sustainability Strategy and Its Contribution to the Business Vision

Our commitment to embedding sustainability across our business plays a pivotal role in delivering our 2029 vision.

IFS contributes to a more sustainable future, both through our own actions and by supporting our customers in asset-intensive, heavily regulated and hard-to-abate sectors that are at the forefront of the transition to a green, circular economy.

We believe that sustainability is best achieved through collaboration, which is why we work closely with our customers to identify opportunities to assist them and continually evolve our offerings together with a growing partner network. Sustainability should never be a standalone effort; it becomes truly successful only when integrated into an organization's business strategy and daily operations. This is why **"Sustainability Embedded" is a central tenet of our strategy.**

In 2025, we continued advancing our mission to transform industries and improve lives through technology, while strengthening the integration of sustainability across the business. Our work was guided by three strategic pillars that define a clear and actionable mission: **'Excellence in Our Business', 'Supporting Our Customers', and 'Making a Broader Impact'.**



Excellence in our own business

- Percentage of IFS female managers of 30.5% by 2027
- <2 incidents of reportable cyber security and data breaches
- Science-based emissions reduction target (SBT) by 2030

Supporting our customers

- Sustainability Management for supporting customers with CSRD and ISSB
- Emissions management for Scope 1, 2 and select 3
- Sustainability embedded across our product suite

Making a broader impact

- IFS Education Program to reach 150 institutions in 2025*
- IFS CSR Volunteering Day > 25% employee use for 2025

*This target was achieved in 2024, with a new target to be set in 2026.

Sustainability Governance

Continued

Sustainability Governance (ESRS 2 GOV-1)

Sustainability at IFS is governed by a quarterly Sustainability Steering Committee (Sustainability SteerCo), chaired by the Chief Sustainability Officer. The SteerCo acts as the central governance body responsible for shaping, coordinating, and overseeing the execution of our sustainability strategy. This includes setting goals and targets, driving strategic decision-making, and ensuring strong alignment and collaboration across all functions.

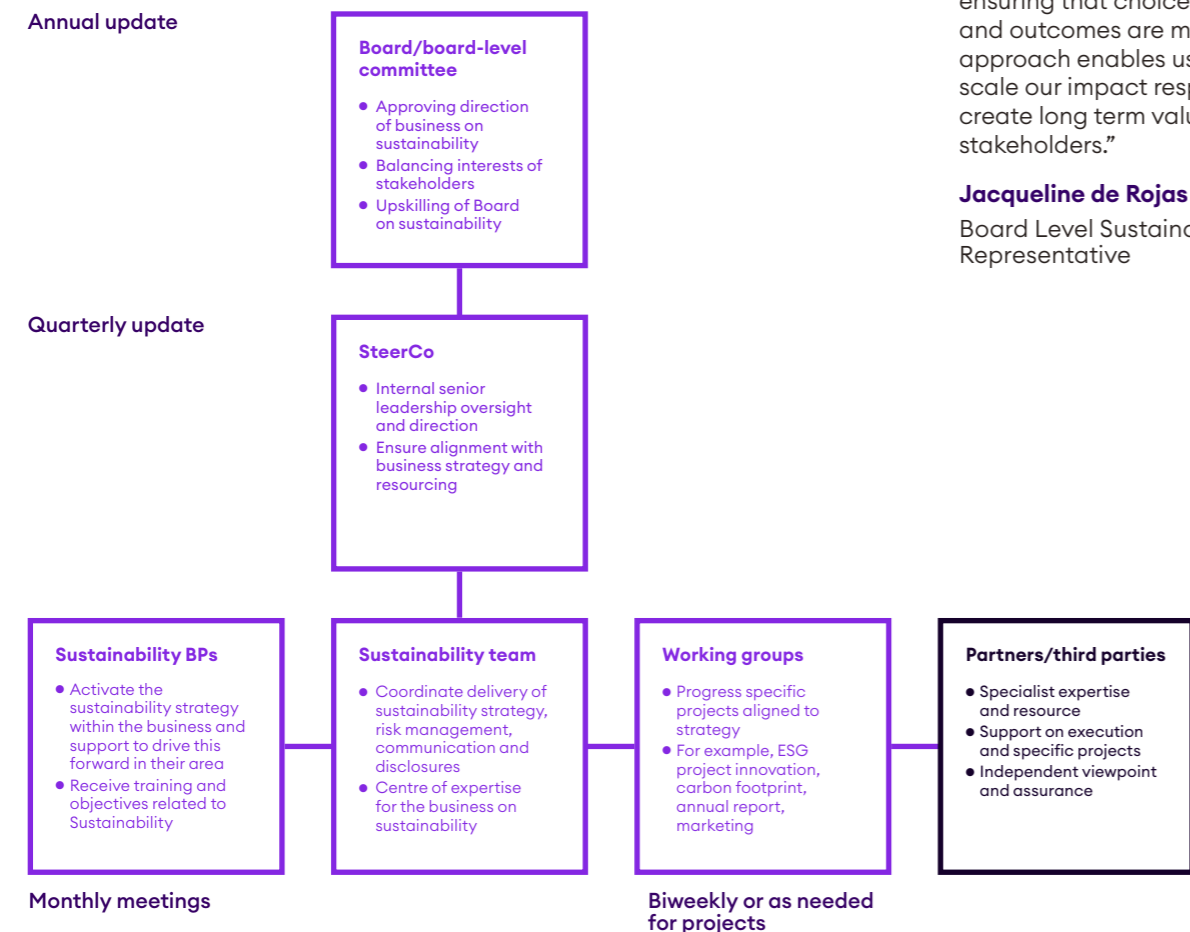
In 2025, the SteerCo's agenda focused on several priority areas, including CSRD alignment, our decarbonization strategy, AI integration, and sustainability-related product innovation. Each key area has a designated workstream lead who collaborates closely with the Chief Sustainability Officer to provide quarterly updates to a broader group.



At IFS, strong governance is not a compliance exercise but a **core driver of performance**. In 2025, we strengthened this further by deepening the Board's role in setting direction and holding the organization to account for its sustainability commitments. By **embedding sustainability directly into decision-making**, we have moved beyond intent to execution, ensuring that choices are values-led and outcomes are measurable. This approach enables us to remain agile, scale our impact responsibly, and create long term value for all stakeholders."

Jacqueline de Rojas
Board Level Sustainability Representative

Sustainability governance structure



Unlocking Climate Impact Through Industrial AI: Our Partnership with Generation Investment Management

In 2025, **Generation Investment Management joined IFS as a strategic investor, partnering closely with our teams to accelerate our sustainability ambition**. Together, we are enhancing our sustainability-focused product capabilities and strengthening how we measure, demonstrate, and communicate the value and impact we deliver for our customers.

Our joint analysis found that IFS solutions, including Industrial AI, have the potential to reduce approximately 2% of global CO₂e emissions, assuming full adoption across IFS's core industries. This finding underscores the **transformative role Industrial AI can play in helping organizations modernize operations, optimize asset performance, and scale climate-positive outcomes**.

As we partner together, we remain committed to unlocking new ways for AI-driven solutions to decarbonize hard-to-abate sectors – ensuring that sustainability drives both operational excellence and long-term resilience for the industries that power, service, and protect our world.



IFS represents exactly what we look for in a Sustainability Platform investment, a **business positioned to drive transformational change at industrial scale**. What excites us most is how IFS embeds sustainability directly into the core workflows of asset-heavy industries, enabling customers to simultaneously improve operational performance and reduce environmental impact. This isn't sustainability as an add-on. **It's sustainability as a fundamental driver of business value**. Our partnership with IFS demonstrates that the most impactful climate solutions often come from optimizing the industries we have today, not just building new ones."

Chris Ragona
Partner, Generation Investment Management
generation



2%
IFS solutions have the potential to reduce approximately 2% of global CO₂ emissions*

*Generation Investment Management analysis

Sustainability Governance

Continued

Sustainability Business Partners

The Sustainability Business Partners (SBP) network, launched in 2023, continued to mature and expand in 2025, strengthening its role as a **key enabler of integrating sustainability into day-to-day business practices**. Over the past year, the network welcomed new SBPs from PreSales, Product Marketing, and R&D, strengthening the network's reach and operational relevance.

SBPs deepen sustainability expertise within their functional areas, enabling them to address industry-specific challenges and support business units in **applying sustainability principles in their**

decisions and operations. This year, we also introduced **individual sustainability goals for SBPs** to strengthen accountability and drive measurable progress.

Building on its strong foundation, the **Sustainability Academy**—introduced in 2024—continued to support SBPs in 2025 by offering sessions focused on the evolving sustainability landscape. The academy provides both internal learning modules and access to external development opportunities, ensuring that SBPs remain equipped with the latest insights, regulatory knowledge, and best practices needed to drive impactful change across the organization.

Together, these efforts strengthened the SBP network's ability to translate strategic ambition into practical action—supporting sustainable product innovation, improving internal processes, and elevating the quality and consistency of sustainability engagement across IFS.

2025's Sustainability Academy sessions focused on:

- Circular Economy & Remanufacturing
- Green / Sustainable Software
- Regulation & Policy (CSRD, EU Taxonomy, ISSB)
- Customer-facing sustainability insights



“Sustainability can only succeed when it is truly embedded into how we work every day. The Sustainability Business Partners Network shows the **power of bringing diverse** functions together – because the expertise needed to drive meaningful environmental and social progress sits across our business. When we **create space for these voices in the room**, we not only strengthen our governance, but also ensure that sustainability becomes a natural, essential part of decision-making everywhere in IFS.”

Olga Jędrzejczak
Sustainability Manager



“Being part of the IFS Sustainability Partner Network is both a privilege and a responsibility. It reflects our shared commitment -- across R&D, industry strategy, marketing, legal, M&A, facilities management, and beyond -- to embed sustainability into everything we do. **At IFS, we believe that meaningful change happens when diverse perspectives come together with a common purpose.** I am proud to contribute to a company that not only prioritizes sustainability, but actively drives it with passion, integrity and long-term ambition.”

Maggie Slowik
Global Industry Director and SBP Partner



IFS Sustainability Center of Excellence

In 2025, IFS launched the Center of Excellence for Sustainability in our Colombo office, marking a major milestone in advancing our 2029 vision of embedding sustainability across everything we do. **The Center is designed to elevate Sri Lanka as a cornerstone of our global sustainability efforts, ensuring that sustainability is not treated as an afterthought but woven directly into how we work, innovate, and grow.**

By bringing together colleagues who embed sustainability into everyday decisions, projects, and operations, the Center helps scale best practices and accelerate progress across regions, functions, and product lines. It connects expertise from HR, Legal, Finance, R&D, and GCS—breaking down silos to strengthen collective impact and integrate sustainability across our business and customer solutions.

Sustainability Governance

Continued



Sustainability Innovators Network: Turning Collaboration into Outcomes

Launched in 2025, the IFS Sustainability Innovators Network has rapidly become one of our most dynamic and high-impact cross-industry initiatives. Built as **an invite-only peer forum for Chief Sustainability Officers and senior sustainability leaders from asset-intensive and hard-to-abate industries**, the network is designed to turn sustainability ambition into execution. It focuses on the real barriers leaders face today—fragmented data, limited Scope 3 visibility, increasing regulatory complexity, and the need for practical, AI-enabled solutions that deliver measurable impact.

The network was founded on a simple premise: no organization can accelerate sustainability transformation alone. By bringing together practitioners who share similar challenges, operating realities, and industry pressures. **Sustainability Innovators creates a safe, action-oriented environment to explore what works—and what doesn't—when delivering measurable sustainability results.**

Building the Network: Foundations Established in 2025

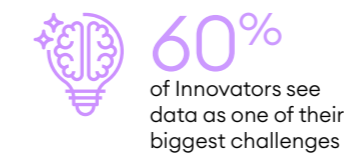
2025 marked the inaugural year of Sustainability Innovators, beginning with the **virtual kick-off in October**, where leaders across manufacturing, energy, aviation, logistics, and technology joined to shape the focus of the program. Early themes were clear:

- Data remains the single biggest blocker to sustainability progress across industries.
- AI and decision intelligence are seen as essential accelerators for impact.
- Leaders want peer-to-peer problem-solving, not traditional presentation-led sessions.

The **in-person Stockholm meeting in November 2025**, hosted around the theme of AI & Sustainability, deepened these insights. Participants highlighted:

- Appetite for understanding how AI is transforming emissions management, reporting efficiency and operational decarbonization.
- Interest in cross-industry case studies and shared experiments.
- Desire for an annual cadence of high-value convenings tied to major global moments.

These early engagements were instrumental in shaping the ambitious 2026 program.



What Makes the Network Different

The Sustainability Innovators Network is deliberately designed to:

- **Be practitioner-led** rather than content-led.
- Operate fully under the **Chatham House Rule** to promote open, candid discussion.
- Focus on **practical action**, supported by IFS's Industrial AI capabilities.
- Bring together peers from industries with complex operational demands and regulatory expectations.

Every convening blends curated content - guest speakers, case studies, regulatory insights - with **interactive working sessions**, where participants co-develop ideas and share real-world solutions.



Sustainability Governance

Continued

Risk Management & Internal Controls

(ESRS 2 GOV-4)

IFS employs a structured Enterprise Risk Management Framework to systematically identify, assess, and mitigate risks that impact the organization.

At its core is the enterprise risk register, a centralized repository for all material risks at the Group level. Risks and opportunities are identified, evaluated, and managed by local management teams in each region or business unit. They are responsible for recognizing and assessing risks and opportunities specific to their operations, ensuring that proactive mitigation strategies are in place. Each plan is assigned to an owner, with mitigation actions tracked against defined timelines to maintain accountability and ensure progress. The risk register is updated at least annually to reflect changes in the company's structure, operations, and material risk landscape.

External risks are also identified and assessed to establish the impact to the business, and material risks are escalated to the local management teams and Executive Management for deliberation and necessary action.

The IFS Global Risk Management Function oversees the annual risk assessment, ensuring adherence to the established Enterprise Risk Management Policy. Material business risks and incidents are reported to the Chief Financial Officer (CFO), who evaluates them

against mitigation strategies and action plans to assess their effectiveness in reducing residual risk levels. A comprehensive risk overview is then presented to the Chief Executive Officer (CEO), Audit Committee, and Board of Directors for informed decision-making.

By integrating risk management into its strategic planning, IFS maintains alignment with business objectives while ensuring accountability, adaptability, and resilience.

Sustainability topics including climate strategy, metrics and targets are also managed under the IFS Sustainability Governance framework. Last year, climate-related risk and opportunity management was fully integrated into our Enterprise Risk Management framework, aligning this with our broader risk management processes and ensuring sustainability topics are considered as part of daily operational and strategic planning.

Sustainability Frameworks

ISSB

As CSRD has a high degree of interoperability with the International Sustainability Standards Board (ISSB) framework, IFS also reports with reference to IFRS S1 and S2.

As of December 2025, 39 jurisdictions have decided to use or are taking steps to introduce ISSB Standards in their legal or regulatory frameworks, representing approximately:



IFRS S1 covers broad disclosure of sustainability-related financial information whereas IFRS S2 is focused specifically on climate-related disclosures and aligns closely to the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), which the ISSB took over from in 2023.

The **'ESRS-ISSB Interoperability Guidance'** was used to identify key overlapping areas during preparation of this report. For further details on our ISSB disclosures, please refer to the dedicated ISSB Index Table on page 49.

UN Global Compact Signatory

We are proud to be a signatory to the UN Global Compact, which acts as a framework and guidance for all businesses and companies to support in defining sustainability strategy and provides a universal language for corporate responsibility. For more information on the Compact please refer to unglobalcompact.org.

UN Sustainable Development Goals

IFS is committed to supporting the achievement of the UN's Sustainable Development Goals (SDGs). Adopted worldwide, the SDGs represent a universal call to end poverty, protect the planet, and ensure that by 2030, all people enjoy peace and prosperity. We have identified five key SDGs that are most relevant to our business and sector, based on our sphere of influence and the material impact on our key stakeholders.

Science Based Targets initiative (SBTi)

IFS holds a validated 2030 (near-term) Science Based Target committing us to greenhouse gas emissions reductions across Scope 1, 2 and 3, in alignment with the Paris Agreement. More details are disclosed in our dedicated Environmental section.

CSRD

This year, we continued our efforts in expanding our CSRD alignment. This report has been prepared in partial alignment with the ESRS as part of IFS's voluntary early adoption efforts. Although IFS is not required to report in full compliance with the CSRD before the FY2027 reporting cycle, we have chosen to begin partially aligning with ESRS requirements ahead of the mandatory timeline to build capabilities and enhance transparency.



Year-Over-Year Progress Table

Target	2024 Status	2025 Status
Female managers	33%	34%
Number of reportable data breaches	0	0
Number of educational institutions engaged (cumulative)	156	165
CSR Volunteering Days taken by	25.5%	36.2%
Near-term 2030 Science Based Target (GHG emissions performance vs baseline year)	+16% vs 2022	+33% vs 2022



Our Approach

Double Materiality

Approach to Double Materiality

(ESRS-2 IRO-1)

We conducted our first double materiality assessment (DMA) for IFS in 2024 to identify, assess, and prioritize sustainability-related impacts, risks, and opportunities (IROs). In line with ESRS guidance, the process involved the Sustainability core team along with multiple business functions across the organization.

This year, we strengthened our CSRD alignment by updating how we identify our most important sustainability topics.

After establishing the foundational layer in 2024, we focused on enhancing the process and integrating the latest AI capabilities offered by our third-party provider, Datamaran. This year's IRO assessment delivered a **more automated and comprehensive analysis, helping us identify key focus areas with greater clarity.**

By leveraging these tools, this year the Sustainability team achieved significant efficiency gains, including **a 75% increase in productivity in sustainability reporting analysis and IRO assessment.**



Material impacts, risks and opportunities

(ESRS-2 IRO-2)

As part of the 2025 DMA process, our IRO assessment identified approximately 150 actual and potential IROs across our key business areas and across short-, medium-, and long-term horizons.

Each IRO—positive or negative—was evaluated for materiality to determine reporting relevance.

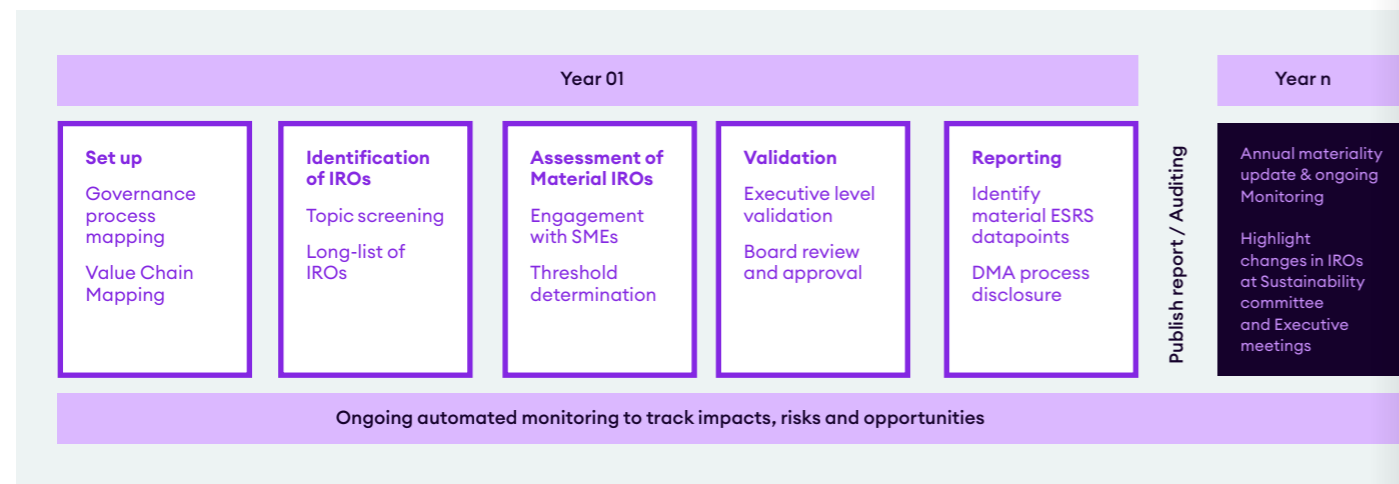
Internal subject-matter experts rated the scale, scope, and irremediability of impacts on a 1–5 scale, helping to assess both severity and likelihood.

IROs meeting either impact materiality or financial materiality thresholds were consolidated into the final list of material IROs required for disclosure. This list then informed the specific disclosure requirements and data points in line with ESRS 1, paragraphs 31 and 33–35.

The final set of material topics and impacts was reviewed with internal subject-matter experts, and signed off by the Board Audit Committee and Sustainability SteerCo.

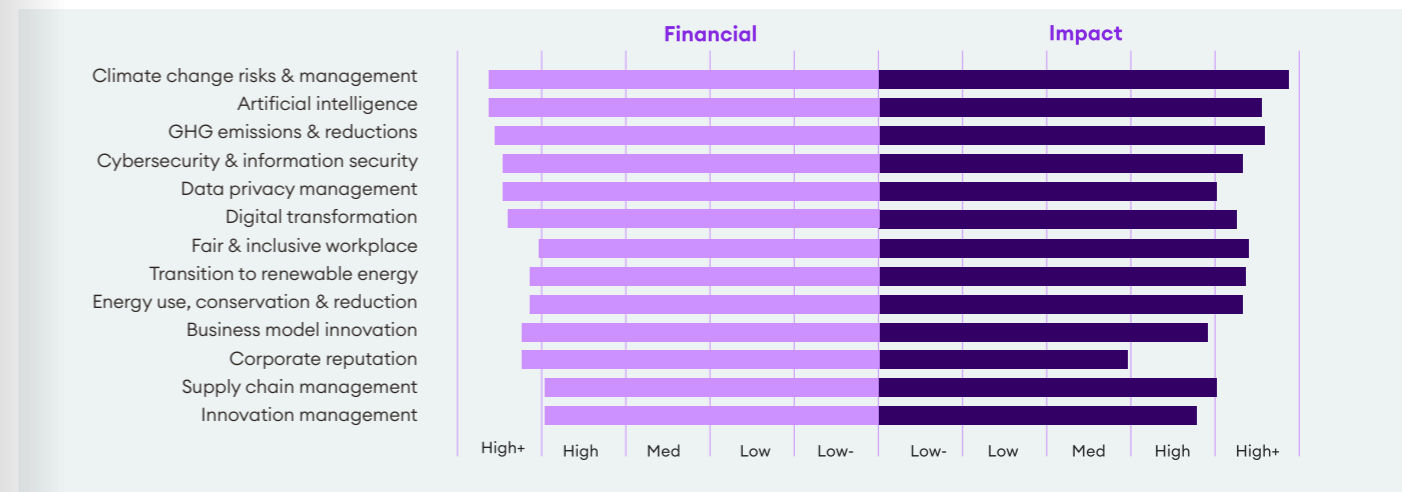
The full list of IROs is provided in the Index on page 46.

Our approach: Double Materiality Process



EFRAG Materiality Assessment Implementation Guidance, Paragraph 161: While it is possible to perform an annual update focused on the consequences of the identified changes, the materiality assessment is a dynamic process subject to the inherent evolution of the undertaking and needs to be updated on an ongoing basis.

Material Topics based on 2025's DMA analysis



Impacts, Risks and Opportunities

IFS - Heatmap 2025

Topic (I0)	Financial				Impact			
	Core operations	Upstream 1	Downstream 1	Total	Core operations	Upstream 1	Downstream 1	Total
Environmental (12 IROs) Topic (10)								
E1. Climate change	0	2	3	5	3	0	4	7
Social (14 IROs)								
S4. Consumers and end users	4	2	0	6	1	1	2	4
S1. Own workforce	1	0	0	1	3	0	0	3
Governance (5 IROs)								
G1. Business conduct	3	0	2	5	0	0	0	0
Entity specific (26 IROs)								
Artificial intelligence	1	2	1	4	1	2	2	5
Business model innovation	0	1	1	2	0	0	0	0
Corporate reputation	1	2	1	4	0	2	0	2
Cybersecurity & info security	1	2	0	3	0	1	1	2
Digital transformation	0	0	1	1	0	1	0	1
Innovation management	2	0	0	2	0	0	0	0
Total (57 IROs)	13	11	9	33	8	7	9	24



Environment

At IFS, we are committed to reducing our environmental impact while continuing to achieve world-class business performance. This commitment is reflected in our direct efforts to reduce our own operational footprint, as well as impacts across our wider value chain through engagement and collaboration with value chain partners.

Environment

Environmental impact

Our primary environmental focus is climate change mitigation and adaptation through reduction of greenhouse gas emissions (GHG) as reflected in our double materiality assessment.

Our 2030 Science Based Target is our main climate commitment; this covers our direct operations as well as our wider value chain.

In addition to our value chain decarbonisation strategy we also invest in a portfolio of high-integrity carbon credit projects to support the necessary scaling of global carbon removal markets to meet planetary net zero goals.

We manage our GHG inventory using our own software, IFS Cloud Emissions Management, which provides robust, transparent reporting and analytics to enable identification of emissions hotspots and helps drive targeted decarbonization actions.



2030 Science Based Target (ESRS E1-4)

The Science Based Targets initiative (SBTi) is a globally recognized standard for corporate emissions-reduction commitments, with over 10,000 participating companies now holding validated targets. Recent research by the SBTi highlighted the vital connection between environmental commitments and financial performance, with 9 in 10 companies reporting improved stakeholder confidence and financial resilience from setting a Science Based Target.

IFS holds a validated 2030 near-term Science Based Target which encompasses both direct operations (Scope 1 and 2 emissions) as well as our broader value chain (Scope 3 emissions):



42%
Scope 1 and 2

IFS commits to reduce absolute Scope 1 and 2 GHG emissions by **42% by 2030, using 2022 as the base year***.



25%
Scope 3

IFS also commits to reduce absolute Scope 3 GHG emissions from **purchased goods and services, business travel, and employee commuting by 25%** within the same timeframe.

*2022 was selected as our baseline year as the first year we developed a robust, complete carbon footprint. Our Scope 1 and 2 target aligns to a 1.5°C warming pathway and our Scope 3 target to a well below 2°C warming pathway.

Decarbonization

(ESRS E1-3)

Our decarbonization strategy of “**Reduce, Replace and Engage**” drives absolute emissions reductions in our own operations and value chain.

Reduce

emissions generated from business activities

- Migrating to greener facilities to minimize office environmental impact
- Optimising procurement of goods & services for cost and emissions
- Minimising business travel emissions through cost optimization initiatives
- Reviewing software and data architecture for cost and energy efficiency through FinOps initiatives and new Green Software Working Group

Replace

high-carbon energy sources with lower-carbon alternatives

- Procuring renewable electricity certificates for all of our leased global offices
- Installation of electrical vehicle (EV) chargers, showers and bike racks at selected offices to encourage greener commutes

Engage

with customers and suppliers to reduce value chain emissions

- Supporting customers to progress towards their sustainability goals through our sustainability solutions
- Providing business travel emissions data at point-of-sale via our business travel provider to enable users to make more informed, lower-carbon business travel decisions
- Implementing supplier standard terms and conditions with sustainability requirements
- Engaging with IT end-of-life providers to increase the share of reuse and recycling of IT equipment to reduce environmental impact and improve circularity
- Partnering with Microsoft for cloud hosting services to reduce cloud emissions and water usage compared to on-premise installations

Environmental Impact

Continued

We plan, design, implement, and track decarbonization initiatives on an ongoing basis. Our corporate carbon footprint is reported quarterly to our Sustainability SteerCo and published annually in our sustainability report. In the following section we describe 2025 highlights and cross-functional sustainability initiatives.

In 2025, we:

- Procured 100% renewable electricity across all our global offices*
- Migrated three offices to more sustainable premises** as part of our Green Facilities Strategy
- Invested in a portfolio of high-quality, brand-aligned carbon credits projects through a multi-year offtake agreement with partner, Patch
- Improved data accuracy by reducing the proportion of estimated Scope 1 and 2 emission data vs 2024
- Migrated to own tooling, IFS Cloud Emissions Management

* delivered through a combination of bundled and unbundled RECs, includes all offices over which IFS has operational control, including all leased offices and excluding serviced offices
 ** buildings with sustainability features and recognized certifications, such as LEED and BREEAM or equivalent

Green Facility Strategy (ESRS E1-2 and ESRS E1-3)

Our strategy seeks to leverage more sustainable facilities that include strong EPC ratings, as well as other globally recognized building certifications like LEED and BREEAM. Where possible we will migrate from older offices to newer, more sustainable, and climate-resilient facilities.

Under this strategy we benefitted from cost and energy savings of over 60%* following migration to new facilities at Paris and Dubai office locations.

We continue to procure 100% renewable electricity across all of our leased offices, and review our office footprint on an ongoing basis to ensure it meets our business requirements whilst minimising size, cost and environmental impact where practical.

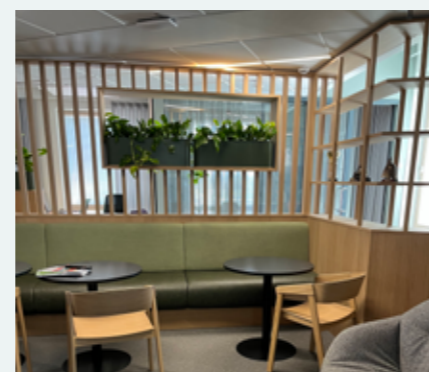
*When comparing energy consumption (kWh) and cost per square meter of office space over a 6-12 month period before and after the migration.

CASE STUDY

Expanding Our Global Network of Green Offices

In 2025, we expanded our portfolio of green offices, including the opening of a new workspace in Turku, Finland. The office features a modern, flexible layout with hot desks, a conference room, focus rooms, meeting pods, and a well-equipped kitchen. The building reflects IFS's strong sustainability commitment, holding a **BREEAM Excellent certification and incorporating solar panels, a smart geothermal heating and cooling system that adjusts temperature** based on real-time need, and automated air-conditioning to maintain healthy oxygen levels.

All building materials meet the low-emission M1 standard, ensuring a healthier indoor environment.



Improved Waste Management



Waste reporting now covers a wider set of sites, with increased landlord engagement in waste initiatives.

53%

At the Copenhagen office, 53% of waste is recycled and 47% is converted to energy-from-waste (EfW).



The Staines office continued to make strong progress in improving recycling rates, and our Melbourne office was recognised by its landlord for exemplary recycling performance.



These achievements reflect positive momentum in our waste-management efforts. However, we acknowledge that further improvement is needed, and strengthening waste management will remain a priority going forward.

Expanded Use of Renewable Electricity Certificates (RECs)

100%

Renewable electricity

Additional locations now operating on locally procured 100% renewable electricity include:

Denmark
Copenhagen

Finland
Espoo

Sweden
Gothenburg
Stockholm

Migration to Highly Sustainable Facilities

2X

Two new office locations opened through relocations in:

Finland
Turku

Poland
Warsaw

Consolidation of Office Footprint

12%

footprint reduction (square feet)

Achieved a 12% reduction in global real estate size (square feet) across IFS portfolios in 2025.

Total space reduction for the year: 59,379 sq. ft.

Portfolio changes included:

- 2 office downsizes
- 6 office closures
- 1 co-location



Environmental Impact

Continued

Sustainable IT

(ESRS E1-3)

The IT sector contributes roughly **2-4%*** of global emissions, but that share is expected to rise quickly. This year, the real-world impacts of the rapid proliferation of compute-intensive technologies such as AI were increasingly in the spotlight of global debate. Addressing the expected increases in energy and water consumption from increased use of AI and realizing the benefits of Industrial AI applied, at scale, to global decarbonization challenges will continue to be key priorities for businesses and governments in 2026.

In 2025, IFS joined SustainableIT, a prominent network of CIOs and CSOs working collectively to drive sustainable IT initiatives across the industry, including the “IT Toolkit for Responsible and Sustainable AI” which aims to provide leaders with a strategic framework and practical guidance to drive and scale transformative AI responsibly and sustainably.

We also collaborated with PwC UK** to publish a whitepaper on Industrial AI’s critical role in decarbonization, see callout in “Supporting Our Customers” section of report for more information.

Internally, we recognise our responsibility to reduce environmental impacts across the entire product lifecycle - from the design stage, where we have the greatest control over software efficiency, through to the use stage, where we work closely with our cloud partners to understand the energy and water consumed in the data centers hosting IFS solutions. We design our solutions to run as efficiently as possible, with an increasing share of our software now operating on next-generation architecture that scale down to near-zero utilization when not in use.

This year, we established the **Green Software Working Group** to embed green software principles across our R&D and IT operations. This group engages cross-functionally to drive awareness of core principles of carbon efficiency in software development, energy efficiency in operation, and carbon awareness in design.

Our partnership with **Microsoft for cloud hosting** forms an important part of our sustainable IT strategy. In 2025 they **matched 100% of their annual global electricity consumption with renewable energy**

and have pledged to **reduce water intensity of data centres by 40% by 2030** through innovations such as closed-loop data centre designs.

We recognise the critical importance of building and maintaining trust and transparency with our customers and employees who use our technology solutions. To that end we have implemented a holistic and robust responsible AI and ethics governance framework, reinforcing our commitment to transparency, accountability, and ethical standards in AI development and usage. See the Governance section of this report for more information.

*Source: SustainableIT.org

** Where “PwC” is referenced, it relates specifically to the collaboration with IFS and PwC UK, the UK member firm, part of the PwC network. Each member firm is a separate legal entity.



Sustainable Procurement

(ESRS E1-2 and E1-3)

We recognize our supply chain as a key contributor towards our overall environmental and social footprint. Our sustainable procurement approach focuses on risk based supplier due diligence, controlled supplier spend, clear contractual requirements, and the integration of ESG criteria into sourcing.

Supplier Due Diligence

We continue to strengthen supplier onboarding and assessment processes, improving coverage, risk scoring, and noncompliance monitoring. All suppliers must comply with the IFS Supplier Standards, covering ethical conduct, legal compliance, information security, data protection, environmental responsibility, and modern slavery prevention. This approach supports early identification and mitigation of ESG risks across our supply base.

Supplier Categorization and Spend Control

Procurement applies supplier categorization and spend management practices to optimize sourcing. Concentrating spend with approved suppliers and reducing unnecessary supplier proliferation supports operational efficiency and lowers indirect environmental impacts.

Supplier Terms & Conditions

Sustainability requirements are embedded in standard contractual frameworks. All suppliers must comply with IFS’s Standard Purchase Order Terms, Supplier Code of Conduct, Supplier Sustainability and Environment Policy, Modern Slavery Statement, and relevant information security and data protection agreements. These set clear expectations for responsible conduct and environmental stewardship.



Systems and Processes with Environmental Impact

We are enhancing procurement systems and controls to better manage third-party risk. Updates to third-party noncompliance (TNC) processes and reporting improve visibility of supplier risks and support timely remediation, strengthening supply chain resilience.

RFx Tooling and ESG Criteria

Sustainability considerations are increasingly integrated into sourcing and RFx activities. ESG-related questions are included in evaluations where relevant, covering ethical practices, sustainable operations, DE&I, and supplier maturity. This ensures sustainability performance is assessed alongside cost, quality, and delivery.

Travel (ESRS E1-2 and E1-3)

In 2025, we provided guidelines to further limit avoidable business travel (e.g. for routine internal meetings), reinforced the requirement to choose economy class by default when travelling by air, and introduced additional compliance checks. We also enhanced our analytics capabilities through a new air travel dashboard, delivering improved visibility into emissions by cabin class, route, function, and trip type, as well as better tracking of policy compliance.

Environmental Impact

Continued

Energy Consumption

(ESRS E1-5)

Energy Source	2025 (MWh)	2024* (MWh)
Petrol	436	504
Diesel	554	804
Natural Gas	911	1,929
Purchased Cooling	120	134
Purchased Heating	340	394
Total Fossil Energy	2,361	3,765
Share of fossil sources in total energy consumption (%)	29%	34%
Electricity	5,659	7,225
Total Renewable Energy	5,659	7,225
Share of renewable sources in total energy consumption (%)	71%	66%
Grand Total Energy Consumption	8,020	10,990

*Reported numbers have been restated to improve comparability and accuracy, see Appendix for details. Totals in table may not sum due to rounding.

Renewable Electricity

(ESRS E1-5)

This year we again procured 100% renewable electricity* across our global offices, matching 100% of our grid electricity volumes, through certified renewable electricity certificates (RECs). Of these, 88% were unbundled regional RECs, and 12% were bundled, locally contracted RECs.



*Renewable electricity (RE) is generated from renewable resources, which are naturally replenished on a human timescale, such as sunlight, wind, rain, tides, waves, and geothermal heat. IFS purchases only verified types of Energy Attribute Certificates (EACs) including Guarantees of Origin (GOs and REGOs) and Renewable Energy Certificates (RECs and I-RECs) to cover its grid electricity consumption across all global facilities under operational control. 1 EAC represents 1 MWh of verified 100% RE generated by a provider, purchasing EACs therefore enables IFS to support an increased volume of renewable production across the grids it operates in.

Non-renewable electricity is electricity generated from non-renewable sources including fossil fuels. For reporting purposes, we conservatively assume that grid electricity comes from 100% fossil sources given the absence of reliable, granular, grid mix data. IFS consumes energy from nuclear sources only in certain locations where nuclear forms part of local electricity grid mix. This is not reported separately due to current data availability. IFS does not produce nor consume self-generated electricity.

Greenhouse Gas Inventory

(ESRS E1-6)

We report our corporate GHG inventory annually in alignment with the GHG Protocol standards. Every year, we seek ways to improve the accuracy and completeness of our GHG data in line with GHG Protocol and Science Based Targets initiative guidelines, including providing restatements where required.

IFS Cloud Emissions Management

In 2025, we migrated to our proprietary emissions management software, IFS Cloud Emissions Management, to calculate and manage our carbon footprint data. This solution provides robust data management and reporting capabilities, combined with access to one of the world's largest and most up to date libraries of scientifically vetted emissions factors through a seamless integration with our strategic partner, Climatiq.



- 160k+** scientifically-vetted emission factors covering spend- and activity-based emission calculations
- 300+** global regions ranging from countries to local regions and cities
- 120+** datasets sourced from a trusted network of over 30 governmental and scientific organizations, including UK DESNZ, US EPA and IEA
- 16** economic sectors incl. energy, transport, supply chain, infrastructure, waste, and IT

Scope 1-3 GHG Emissions

(ESRS E1-6)

In 2025, our overall carbon footprint grew by 14% compared with 2024. This was driven by Scope 3 emissions which increased 16%, whilst Scope 1 emissions fell 37% and Scope 2 (market-based) decreased 13%.

- Scope 1 and 2 emissions decreased as energy use across offices and fleet fell, driven by migrations to several newer, more energy-efficient facilities, and targeted downsizing of our fleet and office portfolio..
- Scope 3 emissions rose, driven primarily by increased procurement of goods and services.

The table below provides an overview of our carbon footprint, further details are available in the Appendix of this report.

Emissions Category	2025 (tCO2e)	2024* (tCO2e)	2022* [Baseline] (tCO2e)	Change vs prior year (%)	Change vs baseline (%)
Total Scope 1**	444	700	620	-37%	-28%
Total Scope 2 (Market-based)	33	38	1,092	-13%	-97%
Total Scope 2 (Location-based)	1,946	2,275	2,378	-14%	-18%
3.1 Purchased goods & services	18,432	13,460	12,490	37%	48%
3.2 Capital goods	647	1,210	993	-47%	-35%
3.3 Fuel & energy-related activities	592	724	729	-18%	-19%
3.4 Upstream transport	0	0	0	0%	0%
3.5 Waste generated in operations	1	3	2	-67%	-50%
3.6 Business travel	10,889	11,167	7,233	-2%	51%
3.7 Employee commuting	3,141	2,855	3,205	10%	-2%
3.8 Upstream leased assets	0	0	0	0%	0%
3.9 Downstream transport	0	0	0	0%	0%
3.10 Processing of sold products	0	0	0	0%	0%
3.11 Use of sold products	0	0	0	0%	0%
3.12 End-of-life treatment of sold products	0	0	0	0%	0%
3.13 Downstream leased assets	0	0	0	0%	0%
3.14 Franchises	0	0	0	0%	0%
3.15 Investments	2,095	1,522	831	38%	152%
Total Scope 3	35,797	30,942	25,482	16%	40%
Grand Total (Market-based)	36,274	31,681	27,194	14%	33%
Grand Total (Location-based)	38,187	33,917	28,480	13%	34%

*Reported numbers have been restated to improve comparability and accuracy, see Appendix for details. Totals in table may not sum due to rounding.
 **IFS Scope 1 emissions are not part of any regulated emission trading schemes.



Environmental Impact

Continued

Carbon Credit Strategy: Beyond-Value-Chain Mitigation (ESRS E1-7)

Alongside decarbonization initiatives focused on our own operations and value chain, we also invest in high-quality carbon projects beyond our value chain. This contributes to the necessary scaling of global carbon removal markets to meet planetary net zero goals whilst delivering strong benefits for our business.

Carbon Investment Principles

IFS has invested in a five-year offtake agreement with Patch to secure high-quality* carbon credits from a diverse portfolio of project developers. When selecting projects we aim for:

- **Brand & customer industry alignment** – we seek to invest in projects that align with our customer industries and deliver brand recognition.
- **Employee engagement** – we aim to select relevant carbon projects to raise awareness and engage our employees on sustainability topics through webinars, and internal and external communications.



CASE STUDY

Artisanal Biochar Project in India

IFS selected this project for its low-risk rating, high permanence, and the strong local economic and community benefits.

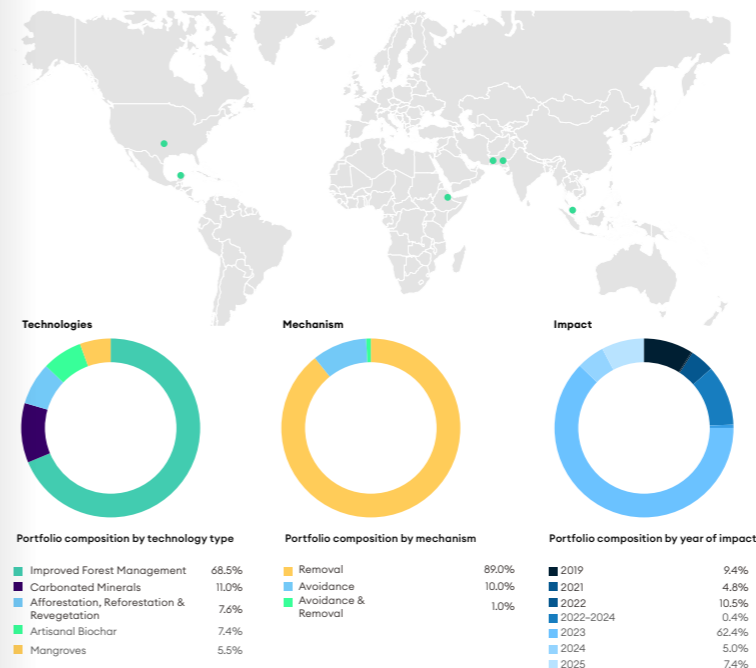
This project tackles the invasive *Prosopis juliflora* that had overtaken indigenous grass species and disrupted local biodiversity. Before the project, the shrub spread largely unchecked and was also logged illegally for fuel, adding to greenhouse gas emissions. The project converts invasive *Prosopis juliflora* and cotton stalk residues into biochar using Kon-Tiki flame-curtain kilns, with feedstocks sourced across multiple Indian states where these materials are abundant.

The project's approach centers on producing biochar, a stable form of carbon that can persist in soils for up to 1,000 years. Biochar is applied as a soil amendment, to enhance soil fertility, improve water retention, and support the regeneration of native grasses. The project developer provides comprehensive training, covers on-ground costs, and distributes the majority of produced biochar free of cost to nearby farmers.



Carbon Credit Portfolio

In 2025, we retired 5000 tCO₂e of carbon credits from a portfolio of 7 projects, including new investment into an artisanal biochar project that addresses a critical environmental challenge while creating sustainable economic opportunities for local communities.



Negativity

The projects result in a net negative reduction in atmospheric carbon dioxide



Real and verifiable

The project uses scientifically rigorous methods for monitoring and verification



Additionality

The impact would not have occurred without this project



Leakage

Avoiding an unintended increase in emissions or shift of emissions from one place to another



Permanence/ Durability

How long the carbon will be sequestered for



*All of our projects meet the five quality criteria laid out above and are certified by an International Carbon Reduction and Offset Alliance (ICROA)-endorsed organization.

Environment

Climate-Related Risks and Opportunities

Climate-related risks and opportunities (ESRS E1-9)

Given the importance of climate change in our double materiality assessment and IRO analysis, we specifically address climate-related risks and opportunities below. The identification and ongoing management of these risks is governed by the global risk team and our enterprise risk management framework.

In 2024, a list of material climate risks and opportunities was identified and managed through our Enterprise Risk Management process. Please refer to the Risk Management & Internal Controls section and our 2024 Sustainability Report for more details.

In 2025, we determined through our Double Materiality assessment that these issues remain consistent with those identified in 2024. See table for more details.

In addition, this year we again conducted a more detailed climate resilience analysis considering potential impacts and business response to physical climate hazards at our global office locations, which is outlined in more detail in the next section.

Risk	Business Impact	Mitigation Response
<p>Compliance costs due to additional sustainability reporting obligations</p> <p>Value Chain Location Operations</p> <p>Time Horizon* Medium: 3-10 Years</p> <p>Type Transition</p>	<p>Drivers:</p> <ul style="list-style-type: none"> Increased reporting obligations from regulations and frameworks (e.g. CSRD, SBTi) Stakeholder pressure for broader sustainability disclosures <p>Risks:</p> <ul style="list-style-type: none"> Financial penalties & reputational damage from non-compliance Decreased investor trust if disclosures are limited Costs for new systems, headcount, and third-party assurance 	<p>Systems & Monitoring:</p> <ul style="list-style-type: none"> Continuous Monitoring: Global regulatory tracking via the Sustainability Team CSRD Alignment: AI-enhanced double materiality and IRO assessment to identify and target material topics IFS Cloud Integration: Using IFS own solutions for data management and CSRD-compliant reporting
<p>Reputational damage from unsubstantiated sustainability claims</p> <p>Value Chain Location Operations</p> <p>Time Horizon* Short Term: 1-3 Years</p> <p>Type Transition</p>	<p>Drivers:</p> <ul style="list-style-type: none"> Anti-greenwashing legislation (e.g. EU Green Claims Directive) Increased public and customer scrutiny over “green” sustainability marketing claims <p>Risks:</p> <ul style="list-style-type: none"> Reputational damage from misleading or unsubstantiated “green” claims Financial penalties from non-compliance 	<p>Governance & Training:</p> <ul style="list-style-type: none"> Executive Oversight: SteerCo governance framework. Marketing Alignment: Cross-functional review of all sustainability content prior to publishing. Internal Education: Training on the characteristics of successful, substantiated claims.
<p>Investments in Value Chain Decarbonization</p> <p>Value Chain Location All</p> <p>Time Horizon* Medium: 3-10 Years</p> <p>Type Transition</p>	<p>Drivers:</p> <ul style="list-style-type: none"> Limited influence over upstream/downstream partners. Complex cross-functional working groups required to deliver emissions reductions Granular activity and emissions data required to enable accurate measurement of emissions reductions <p>Risks:</p> <ul style="list-style-type: none"> Failure to meet public emission targets Reputational damage and erosion of customer trust Increased operational costs 	<p>Strategy: Reduce, Replace, Engage</p> <ul style="list-style-type: none"> Energy: 100% renewable electricity for global offices since 2022. Supply Chain: New standard terms for suppliers including sustainability criteria. Travel: policies to minimise avoidable internal and business class travel. Product: Encouraging customer cloud migration (lower footprint than on-premise).
<p>Infrastructure Disruption</p> <p>Value Chain Location Operations, Downstream</p> <p>Time Horizon* Medium: 3-10 Years</p> <p>Type Physical</p>	<p>Drivers:</p> <ul style="list-style-type: none"> Extreme weather (e.g. floods, cyclones) and rising temperatures. <p>Risks:</p> <ul style="list-style-type: none"> Revenue loss from workforce and IT infrastructure downtime Increased operational costs from facilities under heat stress 	<p>Business Continuity Strategy:</p> <ul style="list-style-type: none"> Agile Workforce: Tooling for remote work to maintain client services during disruptions. Facility & IT Provider Standards: Selection of energy-efficient, climate-resilient buildings and IT infrastructure providers. Climate Analysis: analysis of facility risk profile to inform real estate strategy

Opportunity	Business Impact	Mitigation Response
<p>Revenue from Sustainability Solutions</p> <p>Value Chain Location Operations</p> <p>Time Horizon* Short Term: 1-3 Years</p> <p>Type Transition</p>	<p>Drivers:</p> <ul style="list-style-type: none"> IFS solutions drive operational gains and financial returns for customers Meet growing customer need for high-quality sustainability data to drive operational efficiencies, transform business models and meet reporting obligations <p>Benefits</p> <ul style="list-style-type: none"> Increased revenue from cloud-based solutions Enhanced brand recognition Abatement of significant customer carbon emissions via IFS software 	<p>Product & Messaging Strategy:</p> <ul style="list-style-type: none"> “Sustainability Embedded”: Threaded sustainability messaging across all customer solutions. Dedicated Sustainability Tools: IFS Cloud Sustainability Management and IFS Cloud Emission Management for audit-grade sustainability data management Investment: Growing headcount in Product teams specifically focused on sustainability

*IFS has defined time horizons for the classification of risks and strategic opportunities as per our Enterprise Risk Management framework: Short Term: 1-3 Years, Medium Term: 3-10 Years, Long Term: 10+ Years.



Climate-Related Risks and Opportunities

Continued



Climate resilience assessment

(ESRS E1-1 & ESRS E1-9)

In 2025 we determined that both the physical and transition climate risks identified were managed effectively through our ERM framework and the specific initiatives described in the table on previous page. These initiatives were supported by sufficient resources to achieve their risk mitigation goals and helped strengthen the overall resilience of our business to climate-related risks.

Risk Scenario Analysis

(ESRS E1-9)*

Global offices were assessed against 11 physical climate hazards and three different climate scenarios using Spectra, a proprietary digital platform developed by Climate X. We considered the results of the physical climate risk analysis in our strategic real estate assessment and decisions, including during potential lease renewals and office relocations.

Scenario selection

SSP1-2.6

Low-emissions scenario

SSP2-4.5

Middle of the road scenario

SSP5-8.5

High-emissions scenario

To ensure consistency with our 2023 and 2024 scenario analysis, we selected the below Shared Socioeconomic Pathways (SSPs). We primarily use SSP5-8.5 for conservative risk management and planning, in combination with 2030- and 2050-time horizons to align with our planning cycles for facilities management.

The analysis described below is based on the SSP5-8.5 climate scenario which represents a high-emission, fossil-fuelled development scenario. Using this scenario enables conservative risk management and planning.

In 2025 we saw a clear decrease in overall climate risk across our portfolio of offices compared with last year, with our portfolio scoring an A instead of a B hazard rating* when considering a 2030 and 2050 time horizon. This was driven by the downsizing of selected locations as well as the migration to facilities with better climate resilience scores.

*Hazard Ratings: For a quick and easy interpretation of risk, each hazard is assigned a rating in Spectra. These ratings consider the potential physical and financial impact that would be associated with the severity of a climate-related event, combined with the likelihood of that event happening. As different types of events will have different levels of impact, each hazard type has its own rating definition. For all hazards the risk ratings go from A to F, with A representing the lowest risk and F representing the highest risk.



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Social

At IFS, we are committed to creating impact beyond our own operations. This includes supporting our employees through internal initiatives, maximizing the value our products deliver to customers, and driving positive outcomes across the communities in which we operate.

Social

Our People

(ESRS -S1)

At IFS, our people are at the core of everything we do. As a global team of more than 6500+ employees across more than 90 countries, we recognize that our continued success and ability to deliver excellence for our customers depend on the talent, dedication, and wellbeing of our workforce. The commitment and expertise of our employees drive innovation, shape our culture, and enable us to achieve our sustainability ambitions.

IFS is dedicated to fully supporting its employees, empowering each individual to evolve and grow within the organization. We invest in creating an inclusive environment where diversity is celebrated, wellbeing is prioritized, and human rights are respected. Our approach is rooted in the belief that a diverse and engaged workforce is essential for long-term value creation and resilience. We strive to foster a workplace where everyone feels valued, respected, and able to contribute their best.

By nurturing a culture of growth, respect, and collaboration, IFS aims not only to meet regulatory requirements but to set a benchmark for responsible business practices in our industry. **Our workforce is our greatest asset, and we remain steadfast in our efforts to enable every employee to reach their full potential.**



6500+
employees across more than **90 countries**

Workforce Policies at IFS

At IFS, our workforce policies ensure that people remain at the center of our business transformation.

We acknowledge that there is always room for improvement and remain committed to regularly evaluating and enhancing our approach to better support our workforce.

IFS maintains a global framework of workforce policies to uphold human rights, ensure fair treatment, and foster an inclusive culture. Key policies include the Code of Conduct, Anti-Bullying & Harassment Policy, Disciplinary Policy, and Modern Slavery Statement, complemented by country-specific guidelines on absence, parental leave, and recruitment.

1. Code of Conduct

IFS's Code of Conduct sets the foundation for ethical behavior and respect for human rights across all operations. It ensures fair labor practices, equal opportunity, and zero tolerance for discrimination or harassment. This policy applies globally and underpins our commitment to integrity and responsible business conduct.

2. Anti-Bullying & Harassment Policy

We maintain a global Anti-Bullying and Harassment Policy to foster a safe and respectful workplace. The policy prohibits any form of bullying, harassment, or victimization and provides clear reporting channels and grievance mechanisms to protect employee dignity.

3. Disciplinary Policy

Our Disciplinary Policy outlines fair and transparent procedures for addressing misconduct. It ensures that all actions are consistent with legal standards and organizational values, safeguarding employee rights while maintaining accountability.

4. Human Rights & Modern Slavery Statement

IFS is committed to upholding human rights and eradicating forced labor. Our Modern Slavery Statement aligns with international frameworks such as the UN Guiding Principles and ILO conventions, ensuring ethical recruitment and supply chain practices.



Creating a Safe and Respectful Workplace Through IFS Training

At IFS, we believe that prevention starts with clarity—ensuring every employee understands the standards of behavior expected across our workplaces. The 'Common Ground: Sexual Harassment and Abusive Conduct Prevention' training is a core part of this approach, helping to build awareness of unacceptable behaviors and reinforcing our commitment to a respectful, inclusive working environment.

The training focuses on recognizing different forms of harassment and abusive conduct, understanding their impact, clarifying individual responsibilities, and outlining how concerns can be raised safely and confidentially in line with IFS policies. By equipping employees with a shared understanding and practical guidance, **the program supports early intervention and helps prevent issues before they escalate.**

In 2025, **87% of IFS employees successfully completed this training**, demonstrating strong engagement with our efforts to maintain a workplace grounded in dignity, respect, and accountability.

Our People Continued

Our Approach to Diversity (ESRS S1-9)

At IFS, diversity is more than a principle—it is a driver of innovation, collaboration, and growth. **We believe that every individual should feel valued, respected, and empowered to thrive.** Our global Code of Conduct emphasizes appreciating diversity as a foundation of our competitive advantage, recognizing cultural differences and promoting inclusion across all regions where we operate. Diversity and Inclusion is part of our talent strategy and leadership development, ensuring that our workforce reflects the communities we serve and the global nature of our business.

As a leader in Industrial AI, IFS has a responsibility to help shape how technology influences society and the future of industry. AI systems learn from the data, assumptions, and design choices embedded at the outset—meaning biases can be amplified if not addressed deliberately. This is why we focus on building technology that is inclusive by design, informed by diverse perspectives, stakeholders, and scenarios. By embedding responsibility and trust into how our solutions are developed and deployed, we aim to support a more equitable and resilient future for the industries and communities we serve.



Celebrating Inclusion: How Our Global Teams Champion Diversity Every Day

In 2025, IFS offices around the world celebrated diversity through a range of meaningful initiatives. In Melbourne, the team marked Pride Month with a “Love, Respect, Empower” event, reinforcing unity and inclusion within the LGBTQIA+ community.



In Sri Lanka, IFS celebrated International Women’s Day with a program of activities, including panel discussions on rights and empowerment, mental-health sessions, and community outreach initiatives supporting girls’ education and well-being.



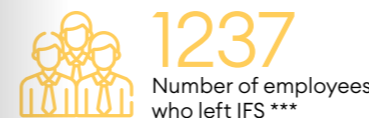
IFS was recognized as a Rising Star Company for its commitment to fostering an equitable, growth-oriented culture through the #I Am Remarkable program. In 2025, 30 sessions reached nearly 600 employees worldwide, strengthening self-advocacy, confidence, and career progression. The program continues to play a key role in building an inclusive workplace where colleagues feel empowered to celebrate their achievements and realize their full potential.

Characteristics of IFS employees (ESRS S1-6)

IFS is committed to transparent reporting of employee and diversity metrics, with a particular focus on eliminating discrimination, closing regional gender pay gaps, and increasing gender representation at senior leadership levels. The Group is also committed to fostering an inclusive workplace that supports people of all ages.

KPI	Male	Female	Other	Nondisclosed	Totals
No. Of headcounts per gender	4304	2576	1	-	6881
Employee category per gender at the end of the reporting period					
• permanent employees* with a breakdown by gender;	4105	2443	1	0	6549
• temporary employees* with a breakdown by gender;	199	133	0	0	332
• Non-guaranteed hours employees	0	0	0	0	0

*Temporary employees are individuals engaged in roles with a defined end date by job design. Permanent employees are individuals engaged in roles without a defined end date and employed on an ongoing basis with the organization. Employee counts are reported as of the end of the reporting period.



For further details on our employee data and methodology, please refer to page 51 of the Appendix.

***Turnover % - Employee turnover represents the rate at which employees leave the organization, calculated using a rolling 12-month period.
*** # of leavers - Employee turnover count represents the total number of employees who left the organization during the reporting year.

Year-Over-Year Progress Table

Female	Male	Gender
37.4% employees	62.5% employees	0.01% of all employees are non-binary or undisclosed
33.7% managers*	66.3% managers	0% of all managers are non-binary or undisclosed
67% Board members**	33% Board members	0 % of all C-suite members are non-binary or undisclosed

* For the full definition of ‘managers’ and methodology applied please refer to the Appendix, p 51
**This refers only to IFS’ Board of Directors, excluding shareholder representatives.

At IFS, we recognize that advancing gender equity is essential to building a high-performing, inclusive workforce. **We actively support women in their career growth** through structured leadership development programs, mentorship opportunities, and Employee Resource Groups (ERGs) such as Women@IFS. It drives growth through networking lunches, workshops, leadership panels with our CIO and CHRO, and a 25-participant mentoring program. Its impact is further strengthened by Franklin Covey leadership training and a global high-performance webinar attended by over 1,000 colleagues.

As part of this commitment, in 2025, **IFS has increased the number of female managers to 33.7% of the business** (2024: 33.0%).



“Empowerment isn’t something we grant - it’s something we nurture, amplify, and protect through collective action. As Chair of Women@IFS, I see daily how powerful we become when we stand together as allies and champion each other’s voices.”

Caroline Morvan
Chair of Women@IFS

Our People

Continued

Employee Engagement (ESRS S1-2)

Employee engagement is a critical measure of how connected and motivated our people feel in their roles. **At IFS, we use the Heartbeat survey as our primary tool to assess global engagement on a semi-annual basis.** This survey provides insights into participation levels, engagement scores, and employee sentiment through eNPS (Employee Net Promoter Score). The results are continuously monitored by HR leadership and regularly reported to the Executive Board.

In October 2025, the Heartbeat survey achieved an impressive **92% participation rate, reflecting strong involvement across the organization.** The engagement score remained

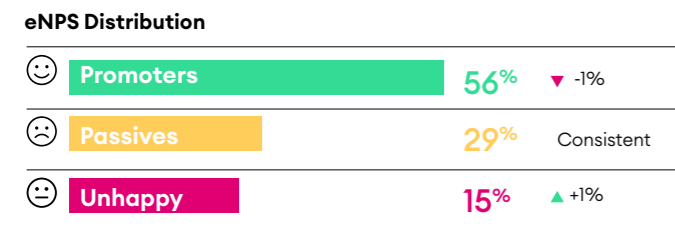
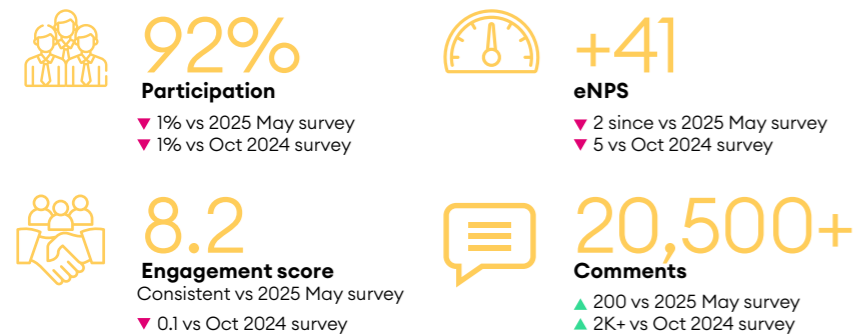
steady at 8.2, signaling consistent levels of satisfaction and connection to IFS culture and values.

Our eNPS stands at +41, placing IFS in the top quartile among technology firms globally. The distribution shows 56% Promoters, 29% Passives, and 15% Unhappy, which remains broadly consistent with earlier results.

One of the most encouraging aspects of the survey is the volume of feedback received—**over 20,500 comments**, an increase of 200 compared to May 2025 and 2,000 more than October 2024. These comments provide rich qualitative insights, helping us identify areas of strength and opportunities for improvement. They reflect employees' willingness to engage in dialogue and shape the future of our workplace.

Heartbeat Survey Global Results(October 2025)

Employee engagement remains strong, with IFS ranking in the top quartile of tech firms despite a slight dip in eNPS



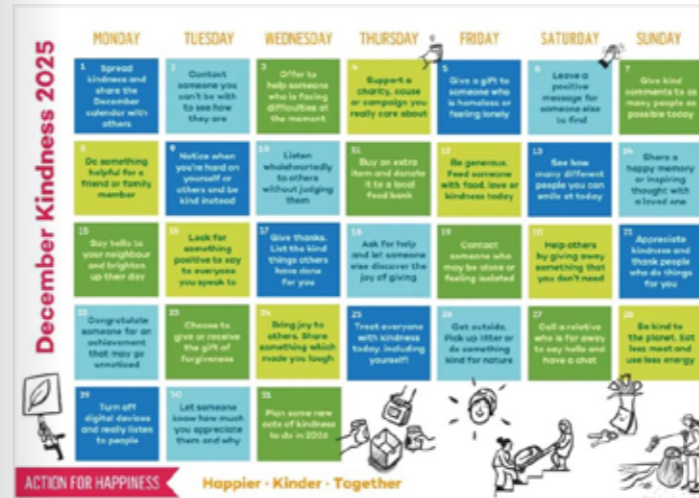
Note: eNPS distribution is compared with the May 2025 survey results.

Employee wellbeing

Employee wellbeing remains a core pillar of IFS's sustainability strategy and organizational culture. IFS continues to make wellbeing both visible and actionable -moving beyond policy statements to meaningful, empathetic support. Employees have access to a comprehensive **24/7 Employee Assistance Program (EAP)**, offering confidential guidance on mental health, work-life balance, financial and legal matters, bereavement, family counselling, and personal development. The impact of these efforts was reflected in the IFS Heartbeat engagement survey, which showed a notable **rise in positive sentiment around wellbeing, inclusion, and fairness.**

In Sri Lanka, IFS introduced **Happy Mind**, a dedicated mental-health support service providing free, confidential access to professional counselling, online wellbeing tools, meditation and yoga sessions, fitness classes, webinars, and hybrid workshops. Delivered in partnership with the country's largest private mental-health services provider, the initiative encourages proactive care and reduces barriers to accessing support.

To further embed wellbeing into daily life at IFS, we introduced a **monthly wellbeing calendar.** Each edition centers on a theme—such as Optimistic October, New Ways November, or Do Good December—with simple daily actions designed to promote positivity, self-care, kindness, and personal growth. Shared widely across the organization, these calendars **foster a supportive culture and draw inspiration from the Action for Happiness movement.**



In 2025, IFS strengthened its culture of inclusion by expanding its Employee Resource Groups (ERGs). Two new groups—the **Black Employee Network** and the **Working Families Network**—began the launch process, extending support for under-represented communities and employees with shared experiences. They join our established ERGs, including **Women @ IFS, Neurodiversity and IFS Pride.** Together, these networks raise awareness, foster allyship, and help build a more inclusive and engaged workplace.

In addition to our broader wellbeing initiatives, **IFS places strong emphasis on the health and safety of all employees.** 100% of all IFS offices undergo regular health and safety risk assessments to ensure safe working environments. While our operational footprint consists primarily of office-based locations, reflecting the nature of our business, we continue to apply health and safety requirements in line with recognized best practices to safeguard employee wellbeing.

CASE STUDY

Promoting Preventive Health Through the Softlogic Life Medical Camp

In 2025, IFS Sri Lanka strengthened its focus on employee wellbeing through the Softlogic Life Medical Camp, a complimentary annual health-screening program. From July to September, **1,434 employees completed full medical check-ups** at Asiri Hospital locations in Colombo, Galle, and Matara. The screening package included key tests such as Full Blood Count, Fasting Blood Sugar, Lipid Profile, ECG, and more, alongside a medical consultation.

By providing free access to preventive healthcare, IFS helps employees take **proactive steps toward managing their health—supporting a healthier, more engaged, and resilient workforce.**



Our People

Continued

Employee Performance and Career Development

In 2025, IFS introduced **Aspire2Thrive**, a company-wide framework designed to strengthen employee development, wellbeing, and open communication. The initiative encourages more frequent, meaningful conversations between employees and line managers, ensuring that personal growth, concerns, and career aspirations receive dedicated attention.

Aspire2Thrive also enhances our understanding of workforce sentiment and capability needs, supporting a healthier, more resilient organization. The framework enables employees to set **individual goals, track progress throughout the year, and benefit from greater transparency around performance and development.**



Adequate Wages

(ESRS S1-10)

IFS is committed to ensuring that all employees receive fair and adequate wages in line with local laws and international standards. As outlined in our Code of Conduct, we uphold voluntary employment and fair compensation principles. Wages are benchmarked against statutory minimum wage requirements, market salary surveys, and, where available, recognized living wage indices to ensure competitiveness and a dignified standard of living. Compliance is monitored through regular reviews by HR and Finance teams, leveraging country-level data and external benchmarks. Any discrepancies are addressed promptly to maintain alignment with our global commitment to fairness and respect for human rights.

Approach to Discrimination and Human Rights

(ESRS S1-17)

IFS is committed to upholding human rights and ensuring a workplace free from discrimination. Guided by our Code of Conduct, we prohibit any form of discrimination based on race, gender, age, disability, religion, or any other protected characteristic. Our policies promote equal opportunity and respect for diversity across all operations, aligning with international standards such as the UN Guiding Principles and ILO conventions.



Whistleblowing Policy

To reinforce transparency and accountability, IFS maintains a global Whistleblowing Policy referenced in the Code of Conduct. Employees are encouraged to report any suspected violations—including discrimination, harassment, or human rights breaches—through secure and confidential channels. Reports are investigated promptly, and protections are in place to prevent retaliation against whistleblowers.

Social

Supporting Our Customers

(ESRS S4)



“

This year strengthened the link between understanding emissions and acting on them. Emissions Management gives customers accurate, source-level data to uncover decarbonization opportunities across procurement, assets and operations, while Sustainability Management provides the structure to turn that data into clear, reliable reporting. Together, they deepened how sustainability is embedded across IFS Cloud and how we work with customers to shape practical, long-term progress.”

Caitlin Keam
VP Sustainability Applications



“

Delivering IFS Cloud forms a key part of our future growth strategy. The new platform will allow us to scale our business more efficiently and consistently, whilst also capturing the richer management information needed to drive continuous improvement and inform key decision-making. Using IFS Cloud will enable us to optimize the quality and utilization of our assets, as well as create shareholder value through improved information flows. I couldn't be more pleased to be working with IFS.”

Piero Maggio
Director of Asset Operations
EDF Renewables UK & Ireland

Product Directions

Long-term success in sustainability requires deep integration into the core of business operations. Our product strategy reflects this belief. Over the past year, we continued to expand on our sustainability embedded functionality across IFS Cloud, ensuring a foundation for delivering sustainability capability natively within IFS products. These strategic focus areas guide how we enhance functionality, strengthen data intelligence, and support our customers in meeting their evolving sustainability needs.

Our sustainability embedded capability supports compliance, operational sustainability and decarbonization:

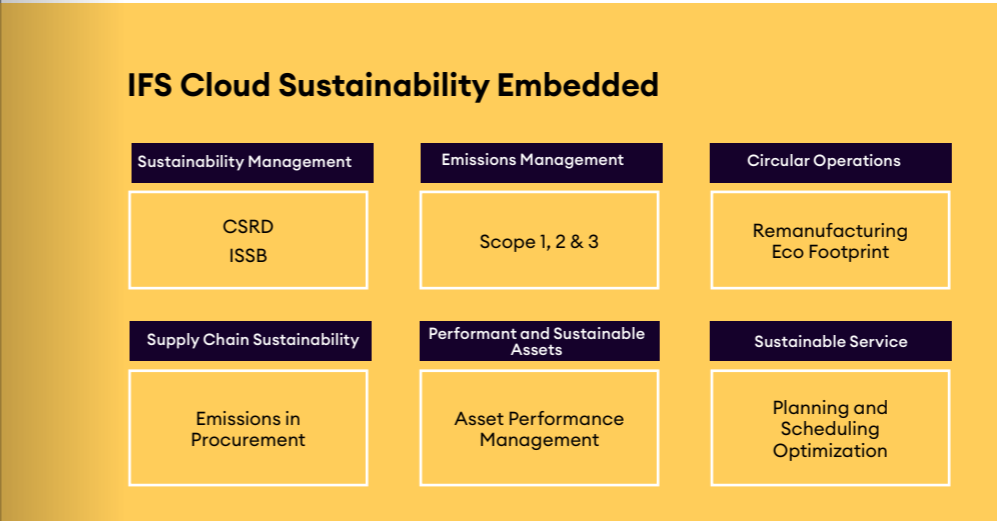
IFS strives to enable a more sustainable future, both through our own actions and by supporting our customers. IFS customers operating in asset-intensive, highly regulated industries are critical to the global transition to a low-carbon economy. With sustainability embedded across IFS Cloud, we enable our customers to act with confidence, leveraging our role as their trusted system of record and our leadership in industrial AI to accelerate progress toward meaningful, measurable sustainability outcomes.

In 2025, we launched a partnership with the International Sustainability Standards Board (ISSB) frameworks, strengthening our customers' ability to disclose consistently across global markets.

Sustainability Embedded with IFS Cloud

IFS Cloud gives organizations the clarity needed to navigate an increasingly complex sustainability landscape.

We believe sustainability is only effective when embedded directly into business strategy, workflows, and everyday decisions, not treated as a parallel initiative. This principle anchors our “Sustainability Embedded” approach. By capturing environmental and social data at the source and placing it where it naturally aligns with business processes, we empower customers to maintain data integrity, improve transparency, and deliver verifiable progress.



Sustainability Management

Launched at the end of 2024, the Sustainability Management solution in IFS Cloud supports customers with increasing global disclosure expectations. The initial release delivered full support for reporting under the EU Corporate Sustainability Reporting Directive (CSRD), spanning environmental, social, and governance topics. In 2025, we launched a partnership with the International Sustainability Standards Board (ISSB) frameworks, strengthening our customers' ability to disclose consistently across global markets.

Emissions Management

IFS Cloud Emissions Management, launched in 2025, simplifies the collection, calculation, and disclosure of emissions data. Designed for ease of use and accuracy, the solution enables businesses to track emissions across Scopes 1, 2, and select Scope 3, providing a clear and comprehensive view of their carbon footprint. Integration with Climatiq provides access to over 802K verified and up-to-date emission factors.

Circular Operations

IFS Cloud supports customers as they advance their circular-operations journey by delivering capabilities for repair and remanufacturing, including defining expected recovered components, and applying scrap factors for accurate planning. Combined with product-level eco-footprint and emissions rollups, IFS helps reduce costs, conserve materials, and lower environmental impact while supporting the shift toward more circular manufacturing.

Supply Chain Sustainability

To enable the collection and management of environmental and social data from direct suppliers, supporting more informed supplier selection and engagement. In addition, insights from Emissions in Procurement helps organizations understand and reduce the impact of purchased goods and services.

Performant and Sustainable Assets

Our Performant and Sustainable Assets strategy leverages Asset Performance Management to enhance asset reliability and sustainability by combining operational intelligence—both rules-based and AI-driven—with advanced asset management capabilities. This approach enables early detection of anomalies, triggers proactive maintenance, and applies FMECA to prioritize assets based on risk and environmental impact. In doing so, it supports decarbonization through reduced energy consumption, more efficient resource use, and lower emissions by avoiding asset failures.

Sustainable Service

Depot Repair supports circularity by enabling refurbishment and repair instead of replacement, while improved resource management and AI-driven knowledge tools boost first-time-fix rates and reduce unnecessary travel. Together, these capabilities make service operations more efficient, lower waste, and cut emissions by minimizing repeat visits and optimizing technician activity. This is underpinned by IFS's industry leading scheduling optimization engine, helping reduce fuel costs, carbon emissions, and improve workforce efficiency.

Supporting Our Customers

Continued



Beyond Efficiency: Industrial AI as the Engine of Decarbonization

Heavy and hard-to-abate industries account for 40% of direct global emissions, and every new asset built today risks locking in carbon until mid-century.

In 2025, IFS and PwC UK released a new [whitepaper](#), "The Intelligence Behind Sustainability: Industrial AI's Critical Role in Decarbonization", revealing how AI is already delivering measurable decarbonization results:

- 37% reduction in field service travel, cutting fuel use and emissions
- Up to 47.6% reduction in Scope 2 emissions through carbon-aware scheduling
- Extended asset lifecycles through predictive maintenance, reducing embodied carbon

The research shows that Industrial AI is ready to accelerate decarbonization now, and 86% of industrial leaders believe AI will be essential to meeting their environmental goals.

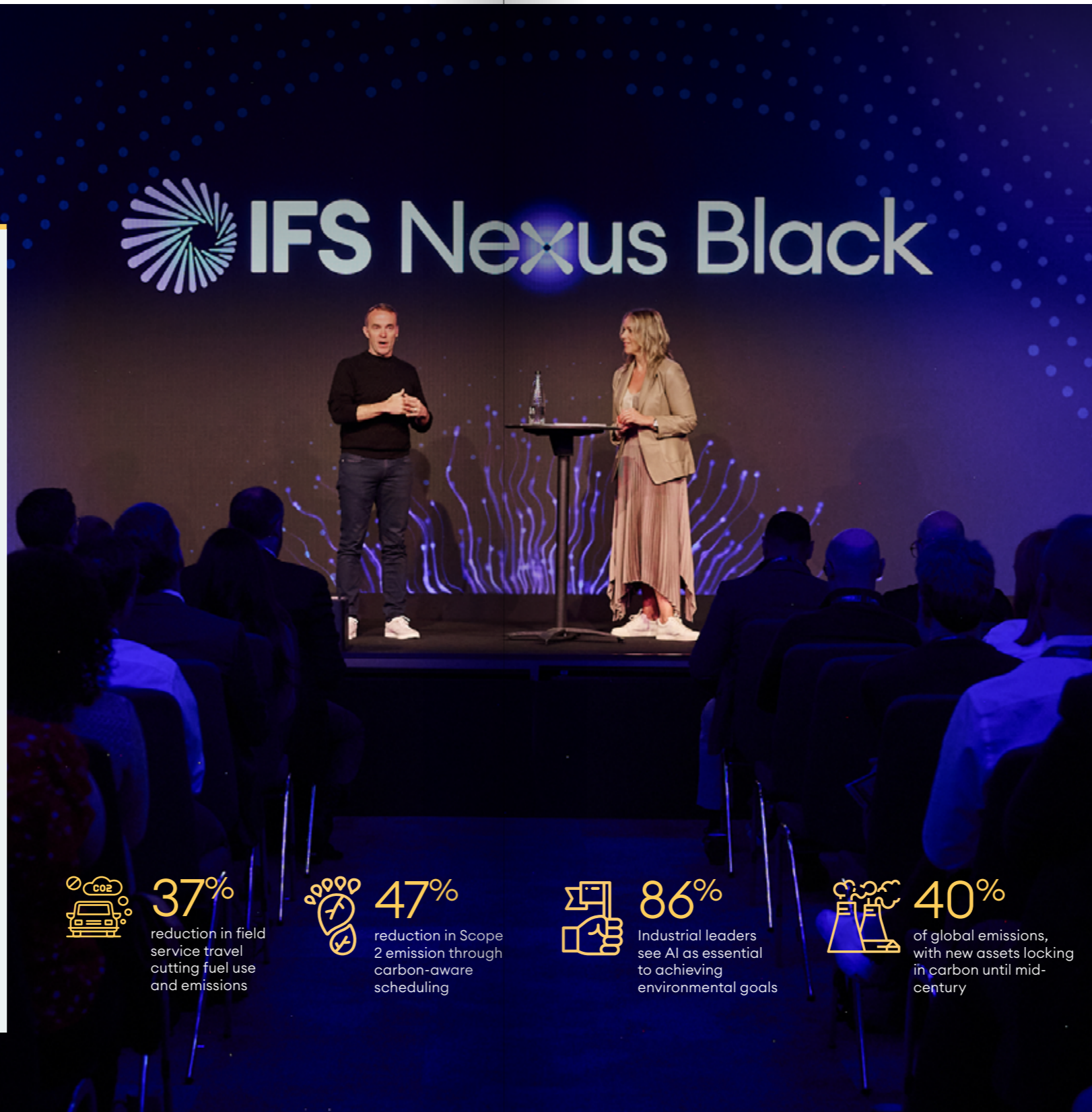


Nexus Black: Applied Industrial AI at Scale

While embedded intelligence addresses broad operational needs, some challenges require deeper, faster application of AI in highly specific contexts. In 2025, IFS Nexus Black was introduced to address these scenarios.

IFS Nexus Black pairs deep industry expertise with advanced AI engineering to help organizations tackle complex industrial problems at pace. By focusing on targeted outcomes and working closely with customer teams, Nexus Black accelerates the path from challenge to working solution. This approach reflects the same principles that underpin Industrial AI more broadly: precision over generalization, application over abstraction, and value delivered where it matters most.

At William Grant & Sons, IFS Nexus Black helped reduce reactive maintenance and unplanned downtime, with the distiller estimating **£8.4 million in annual savings once operations reach business-as-usual.**



37%

reduction in field service travel cutting fuel use and emissions



47%

reduction in Scope 2 emission through carbon-aware scheduling



86%

Industrial leaders see AI as essential to achieving environmental goals



40%

of global emissions, with new assets locking in carbon until mid-century

Supporting Our Customers Continued

Sustainability Management

Our vision is to provide customers with seamless, integrated access to sustainability data within IFS Cloud. As part of this commitment, we introduced a dedicated Sustainability Management Module that brings together the data, insights, and controls organizations need to manage and disclose on sustainability performance.

Designed for flexibility and scale, the solution enables efficient collection, management, and disclosure of sustainability data for a single entity or across multi-company structures.

Global sustainability reporting has shifted from a strategic advantage to a regulatory imperative. At IFS, we continue to stay ahead of this momentum. This year, we expanded the IFS Sustainability Management Module with full alignment to the International Sustainability Standards Board (ISSB) frameworks.

For our customers, this is a significant step forward as ISSB creates a unified global baseline for climate disclosures, already recognized in more than 30 countries. By embedding this directly into IFS, we remove the complexity of managing fragmented reporting obligations.

Benefits



Enhanced regulatory support: Stay ahead of evolving regulations and avoid penalties.



Greater transparency: Ensure improved data management in existing systems for greater transparency.



Reliable data: Centralize your sustainability data for accurate, trustworthy sustainability metrics.



Drive action: Make informed data-driven decisions to drive sustainability action and optimize resources.



AI-embedded Narrative Generation

In 2025, IFS strengthened its Sustainability Management solution with advanced narrative generation for qualitative disclosures. This enables faster and effective responses for both CSRD and ISSB qualitative requirements.

Leveraging a comprehensive KPI catalog of CSRD and ISSB metrics developed with PwC expertise, the solution automatically extracts qualitative insights from uploaded documents and generates narrative disclosures for sustainability KPIs.

This capability significantly reduces manual effort, ensures consistency, and supports audit-ready reporting across environmental, social, and governance topics.

7Bridges: AI-Enabled Logistics for Emissions Transparency and Reduction

7bridges, a recent acquisition by IFS, delivers IFS ai Logistics to both new and existing IFS customers. The 7bridges logistics software equips teams with AI-driven planning, execution and audit capabilities on a single platform that goes beyond traditional logistics operations.

Within sustainability, 7bridges enables confident sustainability and emissions reporting through standardized, shipment-level data that supports Global Logistics Emissions Council (GLEC)-aligned reporting.

Transport emissions reporting is only the starting point. Test projects show how the 7bridges platform enables proactive logistics planning, optimizing for emissions alongside cost and delivery performance. By embedding emissions optimization into order fulfilment planning and execution, IFS customers gain a more comprehensive toolset to support lower-carbon logistics outcomes.



Supporting Our Customers Continued

Emissions Management

To continue strengthening our sustainability portfolio and deliver deeper, more integrated capabilities to our customers, in 2025 we launched IFS Emissions Management in IFS Cloud. This evolution enhances our embedded approach by leveraging existing IFS Cloud functionality, allowing organizations to seamlessly reuse their asset hierarchies and integrate activity data already captured across the platform.

Emissions Management introduces several key benefits designed to accelerate accuracy, insight, and action:

- **160K+ Verified Emission Factors:** Through our partnership with ClimaTiq, customers gain access to one of the world's most comprehensive and up-to-date emissions factor databases, enabling robust carbon calculation and insights.
- **Pre-configured Emission Templates:** Ready-to-use templates automate the majority of emission-calculation setup, reducing manual configuration time and improving reporting consistency.
- **Integration with Asset Management:** Customers can directly reuse asset structures and existing emissions-source data, ensuring a single source of truth across their sustainability and operational workflows.

Benefits



Accurate and Compliant Emissions Reporting

Ensure precise tracking across Scopes 1, 2, and select Scope 3, aligned with global standards direct in your existing systems helping you be audit-ready.



Embedded Sustainability in Business Operations

In IFS Cloud, making emissions management a core part of everyday processes and supporting progress toward reduction goals.



Sustainability is a key priority for us, and we want to address it properly. We're currently working with IFS to implement Scope One and Two emissions tracking and preparing our parts master data."

Pekka Nurmi, Director of Corporate IT, Cimcorp Group

CIMCORP



Leading by Doing: Living Our Sustainability Solutions

Strengthening how we use our own technology continues to be a core priority in our sustainability journey. In 2025, IFS completed its migration to IFS Emissions Management and IFS Sustainability Management, reinforcing our commitment to greater data transparency and robust end-to-end sustainability data management.

This transition enables the Sustainability team to work hands-on with the same solutions our customers use, collaborate closely with product teams, and provide real-time product feedback. This ensures continuous improvement and an even more seamless customer experience.

Circular Operations

In 2025, we continued to advance our support for circular operations within IFS Cloud, building on the strong momentum established in 2024. Our leadership in this space was further validated by IFS being named a Leader in the latest IDC MarketScape for remanufacturing. Throughout the year, circularity remained a key differentiator for organizations selecting IFS Cloud, demonstrating the value we deliver in helping customers transition to more sustainable, circular business models.

Circular operations remain deeply embedded across our solution footprint. Through IFS Cloud Asset and Service Management, customers can extend the lifespan of products through preventative maintenance, repair, refurbishment, and responsible end-of-life processes. With a end to end lifecycle view of assets, IFS enables optimized reuse, reduced waste, and environmentally responsible recycling practices.

Key updates in IFS Sustainability Service

- **Depot Repair for Circularity:** The introduction of Depot Repair enables organizations to refurbish, repair, and return products rather than replace them, supporting circular service models, extending asset lifecycles, and significantly reducing waste.
- **Improved Resource Efficiency:** Enhancements in Resource Management, including the shift toward Planned Periods for Person Resources, help optimize technician availability and workload balancing. More efficient scheduling reduces unnecessary travel, idle time, and operational inefficiencies, contributing to both environmental and workforce sustainability.
- **Knowledge Management & AI-Generated Articles:** New Knowledge Management capabilities, paired with AI-based knowledge article generation, equip field teams with faster access to accurate solutions. This reduces redundant troubleshooting, increases first-time-fix rates, and minimizes carbon-intensive repeat visits.
- **AI-Driven Technician Efficiency:** AI-powered Work Briefing Generation consolidates job details, materials, constraints, and safety considerations into one streamlined view. Combined with diagnostic support, technicians can identify likely issues more quickly, resolve tasks on the first visit, and reduce emissions by avoiding unnecessary travel.

Embedding Sustainability into Service Operations with IFS Planning and Scheduling Optimization

IFS Planning and Scheduling Optimization (IFS PSO) helps large, mobile workforces reduce emissions while improving efficiency through AI-powered dynamic scheduling. Using agentic AI, the solution continuously optimizes resource allocation based on real-time inputs such as traffic, workforce availability, and job priorities, reducing unnecessary travel and fuel use.

Customers using IFS PSO have achieved up to a 37.1% reduction in average travel distance, delivering corresponding carbon emissions reductions. In one modelled case, implementation projected a 30% reduction in carbon footprint, a 10% productivity increase, and €13 million in cost savings. To support informed decision-making, IFS launched a carbon and cost calculator in 2024, enabling organizations to quantify financial and sustainability benefits. IFS PSO demonstrates how AI can embed decarbonization directly into everyday service operations.



Supporting Our Customers

Continued



CASE STUDY

Smart Scheduling, Lower Emissions: Konica Minolta's Sustainability Win

Konica Minolta Business Solutions (UK) Ltd serves more than 430,000 customers across Europe, relying on a 750-engineer field workforce. To reduce travel, fuel consumption, and CO₂ emissions while improving customer service, the company adopted IFS Planning, Scheduling & Optimization (PSO). Within just 18 months, PSO transformed field operations: 83.5% of service calls are now automatically scheduled, and engineers' combined travel and job time has dropped by 11.1%, directly lowering fleet mileage, fuel usage, and environmental impact.

AI-driven scheduling has also delivered major productivity gains, including a 17% increase in closed incidents per technician, a 21% rise in SLA adherence, and a 25% increase in daily completed service calls. These improvements helped Konica Minolta achieve a 4.36x ROI, while supporting its strategy of becoming "remote by default" to avoid unnecessary truck rolls, each of which costs €50–€100 and contributes directly to emissions.

By replacing manual dispatch with intelligent automation, Konica Minolta is reducing fuel consumption, cutting CO₂ emissions, and strengthening its reputation as one of the Global Top 100 Most Sustainable Companies. IFS PSO now plays a central role in helping the company deliver efficient, low-impact service at scale.



“

We chose IFS because they listen. Factoring the financial savings from less travel time, faster job resolution and less miles driven/fuel used, we've seen an ROI of 4.36x since adopting IFS PSO.”

Ged Cranny, Senior Consultant

Konica Minolta BEU Service and Support



KONICA MINOLTA

Supporting Our Customers Continued

Supply Chain Sustainability

Procurement plays a critical role in shaping both operational performance and long-term business resilience. As organizations face increasing pressure to drive productivity, ensure business value, and support sustainable growth, efficient procurement and informed decision-making become essential. Whether enabling manufacturing, services, asset maintenance, or complex project delivery, aligning procurement with broader business processes is vital to maintaining healthy cash flow and competitiveness.

Across both operational activities, such as sourcing and fulfillment, and strategic responsibilities like supplier relationship management and procurement planning, IFS Cloud provides support. Our solution helps organizations identify needs, select the right suppliers, manage contracts, while embedding sustainability principles throughout the process. The result is a procurement function equipped to deliver smarter decisions, stronger supplier partnerships, and measurable contributions to a more sustainable supply chain.

In 2025, we advanced our Supply Chain Sustainability capabilities to give customers deeper emissions visibility, and more intelligent decision-making.

- **Enhanced Emissions in Procurement:** Expanded activity-based emissions tracking for purchased goods and services using ClimaIQ AI, including support for non-PO purchases and streamlined bulk updates for purchased-part emission data.

- **Integrated Supplier Sustainability Data:** Automated ingestion of ESG ratings, EU Corporate Sustainability Due Diligence Directive (CSDDD)-aligned due-diligence insights, and ethical compliance checks, with sustainability-linked supplier scoring embedded directly into the platform.
- **Carbon-Aware Demand & Inventory:** Introduced forecasting of Finished Goods Carbon Equivalents to support lower-impact planning decisions.
- **CBAM Support:** Enabled customers to repurpose existing IFS Cloud capabilities for The EU Carbon Border Adjustment Mechanism (CBAM) compliance, supported through guided configuration rather than new development.
- **End-to-End Emissions Flow:** Connected Procurement emissions data directly into Emissions Management for full transparency from transaction capture to reporting.
- **Project-Level Carbon Tracking:** Introduced functionality to monitor carbon emissions within Project Management.

Performant and Sustainable Assets

Asset Performance Management (APM) enables organizations to understand the real-time condition, performance, and predict availability of their assets. By combining operational data with advanced insights, APM helps reduce unplanned downtime, support preventive, condition-based and

predictive-maintenance programs, and optimize the use of energy and resources. These capabilities support optimized asset planning, extend asset lifecycles, and contribute to more resilient, efficient, and sustainable operations.

Advanced Asset Insight Through IFS Operational Intelligence

In 2025, we further strengthened our asset-centric sustainability capabilities through deeper integration with IFS Operational Intelligence. This allows organizations to continuously monitor the real-time condition of their assets, such as power consumption or any operational parameter captured across IFS Cloud, and automatically detect anomalies. When asset behavior breaches predefined thresholds or is flagged through machine-learning-based analysis, the asset management solution recommends the next best maintenance action. This proactive approach reduces unplanned downtime, minimizes energy waste, and helps customers transition away from reactive maintenance toward more efficient, lower-impact operations.

Embedding Environmental Criticality Through FMECA

This year also saw the adoption of FMECA (Failure Modes, Effects and Criticality Analysis) within our asset maintenance framework. For the first time, equipment criticality can be defined not only by operational risk but also by potential environmental impact. FMECA provides a structured understanding of how equipment may fail, the likelihood of failure, the consequences of that failure, and how detectable it is.

By incorporating environmental criticality scores into the assessment, FMECA now recommends the most appropriate maintenance strategy for each asset based on its type and operating context, ensuring resources are focused where they can most effectively prevent environmental harm. This strengthens customers' ability to manage risk, extend asset lifecycles, and embed sustainability into core asset management decisions.



Key Benefits



Enhanced regulatory support
Stay ahead of evolving regulations and avoid penalties



Greater transparency
Ensure improved data management in existing systems for greater transparency



Reliable data
Centralize your sustainability data for accurate, trustworthy sustainability metrics



Drive action
Make informed data-driven decisions to drive sustainability action and resource optimize

Supporting Our Customers

Continued



CASE STUDY

Mindful Manufacturing in Action: CDF's Transformation with IFS Cloud

CDF Corporation, a U.S. leader in “mindful packaging,” has transformed its operations and sustainability performance through the adoption of IFS Cloud.

By deploying much of the IFS ecosystem including IFS Cloud, Ultimo and IFS Connected Worker powered by Poka, CDF has not only optimized its processes but also empowered its workforce to thrive in an increasingly automated landscape, CDF replaced manual, spreadsheet-driven workflows with real-time, automated operations. This shift has delivered major efficiency gains, including an 80% reduction in accounts-payable labor effort, freeing teams to focus on higher-value sustainability and innovation initiatives.

With IFS Cloud's Evergreen model, CDF now benefits from seamless, zero-downtime updates, ensuring continuous access to new capabilities without operational disruption. Real-time dashboards give teams immediate visibility into carbon emissions, energy use, and key production processes across global sites. Turning ESG reporting into actionable insight that supports emissions reduction and resource efficiency.

CDF's frontline workforce has also fully embraced IFS Connected Worker tools, improving communication, speeding up onboarding, and strengthening quality and safety practices. Together, these advancements help CDF scale sustainably, strengthen circular-operations potential, and lead the next generation of digital, low-impact manufacturing.



“

The connected worker is the future of manufacturing.” Indeed, businesses that embrace this philosophy, supported by robust platforms like IFS Cloud, are poised to lead the industry into a new era of productivity and sustainability.”

Alex Ivkovic
CDF's CIO



Social

Our Broader Impact

[ESRS 2 GOV-1]

IFS Foundation

The IFS Foundation is an independent charitable organization supported by IFS employees, partners, and shareholders. Its mission is to break the cycle of poverty in rural communities in Sri Lanka by improving access to education, healthcare, clean water, and sanitation. Through projects such as building classrooms, computer labs, and water treatment facilities, as well as renovating hospitals and maternity units, the Foundation delivers long-term social impact. This initiative reflects IFS's commitment to creating opportunities and improving quality of life beyond our business operations, reinforcing our values of responsibility and community engagement.

2025 marked one of the most impactful years for the IFS Foundation, reinforcing our commitment to community development and education. We successfully completed the renovation of the maternity and child-care unit at Madampe Divisional Hospital, introducing a dedicated child health area and a vaccination room to improve healthcare access for families.

In partnership with the Hg Foundation, we also opened a state-of-the-art computer lab in Weralugahamula—a 31-seat facility providing local children with digital learning opportunities for the first time. To further strengthen education infrastructure, we inaugurated new primary school buildings in Weralugahamula, each equipped with its own classroom, effectively doubling capacity for local students.



What makes the IFS Foundation special is the power of shared values in action. By bringing together colleagues, customers, partners and supplier across the world, we harness our collective energy and fundraising potential for a cause that truly matters, strengthening both the communities we serve and our sense of purpose."

Stephen Keys
Chair of IFS Foundation



IFS Foundation Fundraising Activities in 2025

IFS colleagues worldwide demonstrated exceptional creativity and commitment in raising funds for the IFS Foundation, helping advance its mission to empower communities in Sri Lanka and beyond.

Pekoe Trail Fundraising Event

IFS employees and partner organizations completed a 300-kilometre trail in Sri Lanka to raise funds for the IFS Foundation, with 25 volunteers participating, including 19 from IFS and 6 from partner organizations.



Australia Charity Hike Supporting Sanitation in Weralugahamula

IFS Australia organized a nationwide charity hike to support the IFS Foundation's sanitation project in Weralugahamula, Sri Lanka. Nearly 50 employees hiked scenic trails across four states, covering 45 kilometres and raising \$10,000—surpassing the original \$8,000 goal. The funds will enable the installation of eight new sanitation facilities, advancing progress towards 'UN SDG 6: Clean Water and Sanitation'. The initiative showcased the generosity and commitment of our people and demonstrated the meaningful impact we can achieve together.

Employee-Led Fundraising Through the White Elephant Sale

The GCS Fundraising – Operations Team hosted a "White Elephant Sale" at the Orion City Office in Colombo, where employees donated new and gently used items sold through an in-office event, showcasing strong employee engagement and grassroots impact. The initiative was widely celebrated across the organization, reflecting collective pride in supporting meaningful impact through grassroots action.



Our Broader Impact

Continued

Education program

Education is the cornerstone of stronger, more prosperous societies. **As a large employer, we are committed to promoting the benefits of education to individuals and families.** This commitment was one of the key drivers behind our goal to expand our Education Program to 165 institutions worldwide.

The IFS Education Program aims to foster interest and engagement in STEM subjects while expanding opportunities and creating pathways into the technology sector for young people. We achieve this through four key methods: providing scholarships and internships, utilizing IFS software, donating equipment, and encouraging employees to volunteer their time.

Global Education Program - Flagship Initiatives



Primary education initiatives

Collaborated with the IFS Foundation in rural Sri Lanka to promote STEM awareness through the development of computer labs and delivery of digital literacy sessions.

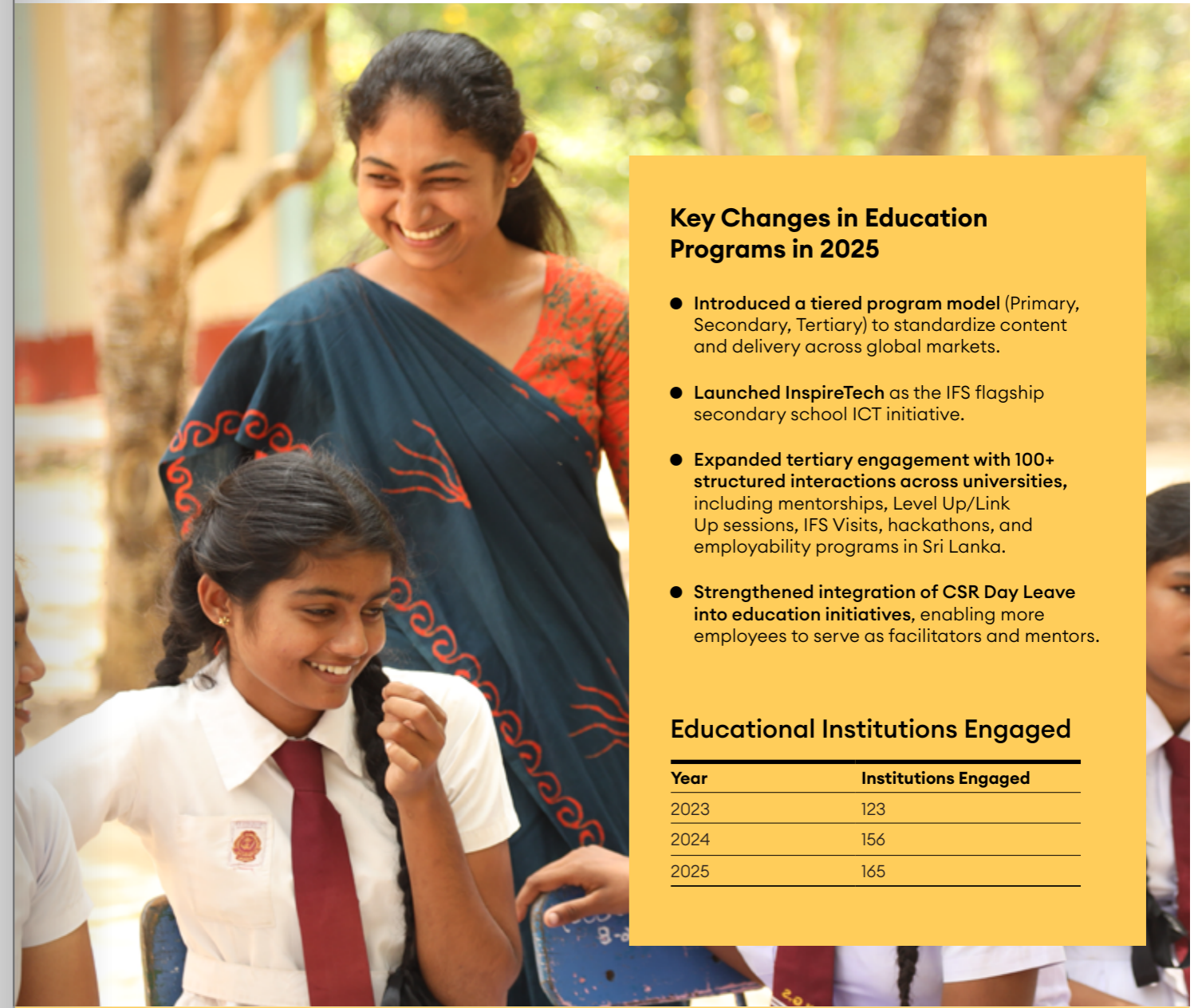
Secondary education initiatives

InspireTech by IFS is a program for secondary school students approaching key decisions about further education and future careers. By bringing students into a real-world technology office environment, the programme provides first-hand insight into how technology teams operate. Through interactive modules covering hardware and software fundamentals, AI concepts, responsible technology use, and career pathways, InspireTech aims to build awareness, confidence, and interest in pursuing opportunities in the technology sector.



Tertiary education initiatives

University engagement through career fairs, IFS Visits, Level Up and Link Up sessions, project mentoring, hackathons, curriculum advisory boards, and scholarship programs across top universities (UCSC, UoM, SLIIT, NSBM, UoC, Ruhuna, Peradeniya, and Jaffna).



Key Changes in Education Programs in 2025

- Introduced a tiered program model (Primary, Secondary, Tertiary) to standardize content and delivery across global markets.
- Launched InspireTech as the IFS flagship secondary school ICT initiative.
- Expanded tertiary engagement with 100+ structured interactions across universities, including mentorships, Level Up/Link Up sessions, IFS Visits, hackathons, and employability programs in Sri Lanka.
- Strengthened integration of CSR Day Leave into education initiatives, enabling more employees to serve as facilitators and mentors.

Educational Institutions Engaged

Year	Institutions Engaged
2023	123
2024	156
2025	165

Supporting Sustainable Education Through Partnership with UNICEF

IFS Ultimo is a proud UNICEF Business Buddie, supporting initiatives that turn plastic waste into durable building materials for classrooms. By applying circular economy principles, the partnership helps

reduce plastic pollution while expanding access to safe, sustainable education for children. This collaboration reflects our commitment to driving positive environmental and social impact beyond our direct operations.



Our Broader Impact

Continued

Volunteering

Volunteering remains at the heart of our culture. In 2025, 36.2% of IFS employees used their CSR Volunteering Days—our highest participation rate to date and triple above the 11% industry benchmark*. Employees worldwide supported initiatives that strengthened local communities, from improving rural school environments to assisting healthcare programs. These efforts demonstrate how IFS employees actively contribute to positive social impact through hands-on support for communities around the world.

The CSR Day Experience Survey

To better understand employees' volunteering experiences—and measure satisfaction, impact, and wellbeing outcomes—IFS launched the CSR Day Experience Survey. By analyzing trends in preferred activities, skills developed, and overall experience quality, the survey helps us expand high-impact volunteering opportunities and increase CSR Day participation across all regions.

Some of the feedback we received from the participants attending these events:

*Benevity, The State of Corporate Purpose 2024

IFS and IFS Foundation-hosted Volunteer Initiatives 2025



Red Cross Donation Drive hosted by IFS

To mark International Volunteer Day on Dec 5 2025, IFS Colombo Office hosted a donation drive supporting communities affected by Cyclone Ditwa. Employees took their CSR Day Leave to collect essential items, sort and deliver them to the Sri Lanka Red Cross Society.

Wetland Cleanup & Awareness Session hosted by IFS

53 employees participated in a cleanup and educational session at Beddegana Wetland Park, removing waste and learning about the park's biodiversity and endangered species.



English Teaching Sessions at Weralugahamula School by IFS Foundation

From March to October 2025, the IFS Foundation hosted a series of English teaching sessions at Weralugahamula School, supporting students from rural communities with limited access to consistent English language practice.



Our Volunteering Targets


Year	Internal Target %	Achieved Target YTD %
2023	15%	17%
2024	20%	25%
2025	25%	36%




“CSR Day is full of teamwork and brought our whole team together to achieve a wonderful goal. Together, we were able to do massive work for a positive impact.”



“CSR Day is truly meaningful. The encouragement and support given by IFS are genuinely appreciated. Please keep this up, and I hope everyone in the organization gets to participate in more meaningful activities.”

 **91%**
of respondents indicated they would **volunteer again.**

 **99%**
of respondents stated they would **recommend CSR Day to their colleagues.**

 **95%**
of respondents agreed that the volunteering day **had a positive impact** on their overall well-being.



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Governance

At IFS, strong governance underpins our sustainability strategy and ensures accountability across the organization. Clear oversight, defined responsibilities, and strong internal controls support informed decision-making and help embed sustainability considerations into how we manage risk, set priorities, and deliver long-term value.

Governance

Business Conduct

[ESRS G1]

Our Approach

(ESRS G1-1)

At IFS, we are committed to upholding the fundamental rights of every individual connected to our business. Respect for dignity, fairness, equality, and safe working conditions is **embedded in how we operate and underpins our broader social responsibility.**

We continue to align our approach with internationally recognized standards, including the **Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, and the UN Global Compact**, to which IFS is a signatory. These frameworks guide how we conduct our business, how we engage with our people, and how we work with partners across our global value chain.

Across IFS, all employees and business partners are expected to uphold these principles. We maintain a strong focus on preventing human rights abuses by **ensuring safe, respectful, and inclusive working environments and by applying consistent expectations across our supplier network.** Our commitment extends to full adherence with the **International Labour Organization (ILO) Core Conventions**, covering freedom of association, non-discrimination, safe working conditions, and the prohibition of forced and child labor.

Our commitment is reinforced through continuous improvement: strengthening policies, enhancing oversight mechanisms, and building internal awareness to ensure human rights remain central to how IFS grows and operates.

Anti-Corruption

(ESRS G1-3)

At IFS, we maintain a zero-tolerance policy towards corruption. We are fully committed to complying with all applicable anti-corruption laws and regulations. Our compliance program is guided by recommendations from industry and regulatory bodies, as well as legally binding standards established by the OECD Anti-Bribery Convention. All employees are required to complete mandatory training on anti-bribery and corruption. Employees in higher-risk roles receive regular training as part of a structured training plan. Additionally, as part of the onboarding process, new employees must complete training on anti-corruption, fraud, and money laundering.

Whistleblowing

Our whistleblowing platform allows employees and business partners to raise concerns anonymously about actual or suspected serious misconduct in the Group. The system is hosted by an external, independent third party, providing whistleblowers the ability to track the status of their cases. The whistleblowing process is managed by a cross-functional team of senior staff. While individual case details remain confidential, the results and status of whistleblowing processes are reported upward through the senior functions represented in the whistleblowing team. IFS enforces a zero-tolerance policy for retaliation against anyone who reports wrongdoing in good faith.



2025's IFS Academy sessions focused on:

- Code of Conduct
- Whistleblower Policy
- Global Anti-Bullying
- Harassment and Sexual Harassment Policy
- Global Disciplinary Policy
- Global Grievance Policy

Strengthening Responsible Business Practices Through Integrated Risk Screening (ESRS G1-2)

During the year, we strengthened our compliance and sustainability capabilities by embedding an enhanced risk-screening solution directly into our core business systems. Key elements include:

- **Integrated risk screening embedded in core systems** to support evolving regulatory requirements and reinforce responsible business conduct.
- **Proactive safeguards across operations**, enabling earlier identification and mitigation of compliance risks.
- **Preventing entry into business relationships with sanctioned individuals or entities**, including those indirectly owned or controlled by restricted parties.
- **Automatically identifying and blocking** stakeholders associated with high-risk jurisdictions.
- **Supporting commitments to anti-corruption**, prevention of terrorist financing, and human rights protection across the value chain.

Implementation has been phased to support scalable adoption:

- Phase 1: **Screening initiated across the existing customer base**, establishing a strong foundation.
- Next phase: **Expansion of screening to prospective customers, partners, and suppliers**, ensuring consistent due diligence as the approach scales.

Compliance trainings

(ESRS G1-3)

In 2025, we continued to strengthen our commitment to providing high-quality training and education for all employees. Through our partnership with a leading digital learning platform, we ensure that learning opportunities are accessible across all roles, locations, and business divisions. This collaboration enables us to offer a diverse portfolio of courses that support professional development at every stage.

To maintain a culture of continuous improvement, employees are required to revisit selected courses on a bi-annual basis, particularly when training materials are updated. This approach ensures our workforce remains informed, capable, and aligned with evolving standards and best practices.

Mandatory training plays a critical role in equipping all IFS employees with the knowledge and skills necessary to work safely and responsibly. To uphold these standards, we plan to refresh and update our compulsory training curriculum in 2026, ensuring the content remains relevant, engaging, and reflective of our operational and sustainability priorities.

We deliver tailored trainings for different employee groups. Accordingly, four of our training courses integrate anti-bribery and corruption content, adapted to suit the specific purpose and audience of each program.

Anti-Bribery and Corruption Training*	Number of Participants
Foreign Corrupt Practices Act (FCPA)	429
Business Ethics: Sustaining a Responsible Organization	1329
IFS Code of Conduct	1783
Manager Core Competencies: Managing Ethics and Compliance at Work	60

*These trainings are delivered on a bi-annual basis, which explains the lower number compared with 2024

- Foreign Corrupt Practices Act (FCPA): Training on preventing bribery and corruption and complying with global anti-corruption laws.
- Business Ethics: Sustaining a Responsible Organization: Focuses on ethical decision-making and building a responsible, values-driven organization.
- IFS Code of Conduct: Covers expected standards of ethical behavior, legal compliance, and integrity for all employees.
- Manager Core Competencies: Managing Ethics and Compliance at Work: Equips managers to lead ethically and ensure compliance within their teams.

Governance

Sustainable Procurement

(ESRS G1-2)

At IFS, we are committed to embedding sustainability across our procurement processes. Our objective is to ensure that our sourcing practices support long-term resilience, uphold human rights, reduce environmental impacts, and drive positive change throughout our supplier network. While we have taken important initial steps, we recognize there is further progress to be made and will continue to strengthen our approach as we move forward.

Our Progress So Far

In 2025, we built on the momentum of previous efforts, strengthening our approach across multiple areas:

Internal Policies and Procedures

We continue to roll out the IFS Global Procurement Policy across our operations, ensuring that key sustainability principles are integrated into our supplier due diligence and management processes.

In addition, all suppliers are required to comply with the full set of standards before they can be formally approved and contracted:

Key IFS Supplier Standards:

- Supplier Code Of Conduct Policy
- Modern Slavery Statement
- Sustainability & The Environment
- IFS Standard Purchase Order Terms

Fair and Responsible Supplier Payment Practices

IFS maintains fair and responsible payment practices by applying standard 45-day supplier payment terms and enabling exceptions—subject to approval—to support smaller or more cash-sensitive suppliers. To further reduce the risk of delays, IFS Cloud allows automatic payment authorization for short-term invoices, helping ensure timely settlement, particularly for SMEs. Our approach aligns with IFS's ethical commitments and reflects emerging UK and EU expectations for transparent, SME-friendly payment behavior.

Supplier Engagement and Accountability

We strengthened the integration of our Supplier Code of Conduct to ensure our partners consistently meet the high standards expected across our value chain.

Our Supplier Code of Conduct sets out the standards we expect all suppliers to meet, including fair, ethical, and transparent behavior in all interactions with IFS and throughout our procurement processes. It defines clear requirements across key areas such as anti-bribery and corruption, responsible supplier communications, fair competition, conflicts of interest, and the appropriate protection and handling of suppliers' information.

Sustainability Training

At IFS, we understand the importance of capacity building. In 2025, we have maintained our focus on strengthening our supplier network by offering training and corrective action plans. We have also upheld last year's achievement by ensuring that 100% of our procurement team participates in sustainability training.



The road ahead - Key focus areas for 2026

Moving forward, we will reinforce our dedication to sustainable practices in supplier selection and due diligence, placing a strong emphasis on incorporating sustainability considerations into these processes. In 2026, our commitment will also encompass meeting CSRD requirements, strengthening Supplier Assurance Program.

Top 2026 Focus Areas:

- Develop a comprehensive supplier risk assessment framework
- Dedicated Sustainability Questionnaires for competitive tendering, as applicable
- Enhance Supplier Assurance approach to include elements such as reviewing suppliers' environmental and social practices
- Our supplier policy guidelines to include clear sustainability criteria
- Utilize corrective action programs along with targeted training on environmental and social issues
- Monitor our supply chain based on key performance indicators and regulatory requirements and leverage insights to strengthen the strategic Supply Chain

Governance

IFS Cybersecurity, Privacy & Responsible AI

Cybersecurity remains a critical priority for IFS, and in 2025 we continued to strengthen our adaptive and proactive approach to managing emerging digital risks. Given the constantly evolving nature of cyber threats, our cybersecurity strategy integrates advanced technological safeguards, continuous threat monitoring, and a strong culture of cyber awareness across the organization. This multi-layered program ensures we remain resilient and prepared for new challenges.

Built to Adapt

At the core of our cybersecurity efforts is the **IFS Internal Information Security Management System (ISMS)**. This system is designed in alignment with globally recognized security frameworks, including **ISO 27001, SSAE18/ISAE 3402, SOC 1 & 2**, and guidelines from the National Institute of Standards and Technology (NIST). The ISMS undergoes ongoing review and enhancement to ensure it evolves in line with industry best practices, regulatory expectations, and emerging threat landscapes.

Demonstrating Long-Term Resilience

(ESRS 4-5)

As a result of these sustained efforts, **IFS has maintained an impeccable record—experiencing no major security incidents or data breaches for the seventh consecutive year.** This achievement underscores our commitment to safeguarding the data and privacy of our customers, partners, and employees in an increasingly complex digital environment.

Key updates in IFS Sustainability Service



● **Resilient Cybersecurity Governance:** In 2025, IFS strengthened its cybersecurity governance by enhancing executive oversight and embedding security risk considerations into enterprise decision-making. Cyber risks are now managed alongside broader business and sustainability risks, supported by clear accountability and alignment with global standards.



● **Proactive Threat Detection and Response:** Throughout the year, IFS advanced its threat detection and response capabilities by expanding automation, increasing monitoring coverage, and operating a fully established 24/7 SOC. Continuous preparedness testing helped ensure faster identification and containment of threats, reducing operational impact and enhancing service reliability.



● **Secure-by-Design Technology and Operations:** In 2025, IFS further embedded secure-by-design principles across technology development and IT projects, including acquisitions. By integrating security earlier in delivery processes, the organization reduced long-term technical and security debt, improved operational resilience, and minimized the need for resource-intensive remediation.



● **Cyber-Aware and Capable Workforce:** IFS continued to invest in developing a cyber-aware workforce, recognizing employees as a key element of sustainable cybersecurity. Targeted training and awareness initiatives strengthened understanding of evolving threats and reduced human-related security risks.



● **Responsible Data Protection and Privacy:** IFS enhanced its data protection and privacy practices in 2025 by improving visibility, strengthening controls, and refining response processes to meet evolving regulatory expectations. As a result, IFS continues to protect individual rights and maintain long-term digital trust.



Looking Ahead: Responsible AI and Trust Priorities in 2026

- Operationalize the **IFS Trust Office** to strengthen governance and oversight of AI development and deployment.
- Deepen the implementation of **OECD-aligned controls**, including enhanced fairness, robustness testing, and strengthened human oversight mechanisms.
- Further **integrate the AI Trust Policy** across core engineering, data governance, privacy, and cybersecurity processes.
- Embed **automated compliance checks** within the AI Inventory and Model Register to support scalable governance.
- Introduce enhanced **third-party AI risk assessments** to strengthen responsible sourcing and deployment.
- Establish **internal audit and post-market surveillance processes** in preparation for future EU AI Act conformity.
- Strengthen the **governance foundation** needed to support long-term environmental, social, and economic resilience for customers and the wider ecosystem.

Responsible AI

In 2025, IFS strengthened its approach to responsible and trustworthy artificial intelligence through the introduction of the **IFS AI Trust Policy**. This policy is firmly anchored in the **OECD AI Principles**, which are widely recognized as global standards for ensuring that AI contributes positively to society and the environment. By adopting these principles, IFS formalized its commitment to ensuring that **all AI developed or deployed across the business supports inclusive growth and wellbeing, promotes fairness and respect for human rights, provides**

clarity and transparency, operates with strong safety and security controls, and upholds clear accountability throughout the entire lifecycle. These principles directly reinforce IFS's wider approach to sustainability by ensuring that responsible innovation is embedded into the organization's long-term value creation strategy.

IFS also established the foundational design for the **IFS Trust Office**, a central function responsible for operationalizing the AI Trust Policy across global operations, product development and the partner ecosystem. Throughout the year, **IFS expanded its Responsible AI**

Framework, introduced mandatory AI risk assessments and accelerated development of an enterprise-wide AI Inventory and Model Register. These initiatives improved transparency, traceability and governance across the AI lifecycle and aligned IFS practices with both the OECD Principles and emerging global regulations, including the EU AI Act. Training and awareness were delivered across engineering, product and commercial functions, helping to embed responsible AI into everyday work and strengthen IFS's culture of ethical and sustainable innovation.

Governance

Tax Strategy

Tax Strategy

In line with IFS's Sustainability strategy, IFS aims to make a positive contribution across society and is committed to paying its taxes and supporting communities.

We are committed to complying with all tax laws and regulations in the territories in which we operate, including the UK, while also maintaining open and constructive relationships with tax authorities.

The publication of this IFS Tax Strategy complies with the duty specified in paragraph 16 (2) of Schedule 19 (Publication of Tax Strategies) in Finance Act 2016. This strategy applies to the overall IFS Group, which includes the application of UK legislation to the operations of IFS and our relationship with Her Majesty's Revenue and Customs (HMRC). It is published on behalf of all our UK companies and UK branches which are direct or indirect subsidiaries of IGT Holdings 1A AB for the year ended 31 December 2025.

The IFS Group is committed to:

- **Following all applicable laws and regulations** relating to its tax activities.
- **Maintaining an open and honest relationship with the tax authorities** based on collaboration and integrity.
- Ensuring that the tax strategy adopted is **consistent with the Group's overall strategy**.
- Applying diligence and care in our **management of tax risks** and ensuring that our tax governance is appropriate.
- Using **incentives and reliefs to minimize the tax cost** of conducting our business while ensuring that these reliefs are not used for purposes which are knowingly contradictory to the intent of the legislation.

- Where we have choices in how we **structure our commercial activities**, structuring these with a view to maximizing value on a sustainable basis for our shareholders, considering both the letter and the spirit of the tax laws of the countries where we operate.
- Our approach to tax planning is to align any choices with **commercial and economic substance and regard to the potential impact on our reputation and broader goals**. We will not undertake planning that is contrived, artificial or knowingly contradictory to the intent of the legislation.

Tax Risk Management

IFS Group actively seeks to identify, evaluate, monitor, and manage risks as part of its Enterprise Risk Management ("ERM") process, and this includes tax risks. We are committed to correctly applying the tax legislation to our business operations having our communities in mind, and we intend to conduct our tax affairs to the highest standards and to comply with all applicable anti-bribery, money laundering and anti-tax evasion legislation. Internal controls and escalation procedures are put in place with the aim of identifying, quantifying, and managing key tax risks.

The Group Audit & Risk Committee oversees IFS' tax control environment through the regular review of the tax strategy and key tax risks, as an integral part of the ERM process.

Appropriate training is carried out for staff who manage or process tax matters. We recognize that tax legislation can be complex and sometimes subject to interpretation and this uncertainty could give rise to tax risk. Where there is uncertainty in how the relevant tax law should be

applied, external advice is sought to support the Group's decision-making process. Where tax positions are subject to significant unresolved uncertainty, filing positions should be subject to robust risk assessment and supported by full disclosure. We may also look to engage with global tax authorities ("Tax Authorities") to disclose and resolve issues, risks, and uncertain tax positions.

We ensure documentation is collected and retained for at least the minimum statute of limitations period and if under audit, a time period needed to satisfy such activities.

Tax Governance

IFS' Chief Financial Officer (CFO) has executive responsibility for tax matters, while the ultimate responsibility for tax strategy, its approval, and compliance rests with the Group Board. They work towards ensuring that the appropriate framework is in place to oversee the identification and management of tax risk. Day-to-day management of tax affairs is delegated to the Global Head of Treasury and Tax for corporate income tax, indirect taxes and withholding tax, and to the Chief Human Resources Officer for employment taxes. They are supported by Record to Report and payroll teams who work on an integrated basis to identify and manage tax risks utilizing their combined knowledge of operations and law. The Group CFO, together with the Global Head of Treasury and Tax and, where relevant, the Chief Human Resources Officer, conduct regular assessments on significant tax developments and participate in all material tax-related decisions.



Appendix

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At IFS we are working to become more **socially** and **environmentally responsible** across everything we do.

Appendix

Auditor's limited assurance report on IGT Holding III AB's sustainability information

To IGT Holding III AB, corporate identity number 559033-9742

Conclusion

We have been appointed by the Board of Directors and the Managing Director to conduct a limited assurance engagement on selected sustainability information of IGT Holding III AB for the financial year 2025.

The sustainability information in scope of our limited assurance engagement reviewed has been limited to the following disclosures:

- ESRS E1-5: Percentage of renewable energy in IFS operations (page 20)
- ESRS E1-6: Total scope 1 and scope 2 emissions (page 20)
- ESRS S1-2: Percentage of employees who have taken CSR leave (page 27)
- ESRS S1-6: Characteristics of the Undertaking's Employees (page 26 & 51)
- ESRS S1-9: Percentage of women among the Group's executives, directors, officers and management ("People Managers") and within the organization's board (page 26)
- ESRS S4-5: Number of data breaches (page 14)
- ESRS G1-2: Management of relationships with suppliers (page 41)
- ESRS G1-3: Number of anti-bribery and corruption training participants (page 40)

Our limited assurance engagement did not extend to any other information in IGT Holding III AB's report, and accordingly, we do not express a conclusion on this information. The comparative figures for the above specified information have not been reviewed.

Based on our limited assurance engagement as described in the section Auditor's responsibility, nothing has come to our attention that causes us to believe that the sustainability information is not, in all material respects, prepared in accordance with the applicable parts of ESRS (European Sustainability Reporting Standards), as well as the company's own accounting and calculation principles.

Basis for conclusion

We have conducted the limited assurance engagement in accordance with ISAE 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information. Our responsibility under this standard is further described in the section Auditor's responsibility.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for my (our) conclusion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the sustainability information in accordance with the applicable criteria, as described on page 8 of the sustainability report. The applicable criteria consist of the relevant parts of ESRS (European Sustainability Reporting Standards), as well as the company's own accounting and calculation principles. This responsibility also includes such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of sustainability information that is free from material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the sustainability information based on our review. The limited assurance engagement has been conducted in accordance with ISAE 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information. This standard requires that I (we) plan and perform my (our) procedures to obtain limited assurance that the sustainability information is prepared in accordance with the criteria described in the section Responsibilities of the Board of Directors and the Managing Director.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. This means that it is not possible for us to obtain such assurance that we become aware of all significant matters that could have been identified if a reasonable assurance engagement had been performed.

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

We are independent of IGT Holding III AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The limited assurance engagement involves performing procedures to obtain evidence to support the sustainability information. The auditor selects the procedures to be performed,

including assessing the risks of material misstatements in the sustainability information, whether due to fraud or error. In this risk assessment, the auditor considers the parts of the internal control that are relevant to how the Board of Directors and the Managing Director prepares the sustainability information, in order to design procedures that are appropriate under the circumstances, but not for the purpose of providing a conclusion on the effectiveness of the company's internal control. The review consists of making inquiries, primarily of persons responsible for the preparation of the sustainability information, performing analytical review, and conducting other review procedures.

Our limited assurance is based on the criteria selected by the Board of Directors and the Managing Director, as defined above. The limited assurance procedures have covered the above specified sustainability disclosures.

Our limited assurance procedures regarding the selected sustainability information included, but were not limited to, the following:

- Through inquiries, obtaining a general understanding of the internal control environment, reporting processes, and information systems relevant to the preparation of the disclosures in the sustainability statement;
- Evaluating whether the structure and presentation of the selected information in the sustainability report are consistent with the requirements of the ESRS;
- Performing substantive review procedures on a sample basis for the selected information in the sustainability statement;

Stockholm, 20th of April 2026
Ernst & Young AB

Andreas Nyberg Selvring
Authorized Public Accountant

Outi Alestalo
Specialist member of FAR

KPI Definition

KPI Definition				
	KPI	Definition of the KPI	Scope	Methodology
ESRS E1 Climate change	E1-5 Energy Consumption and Mix (Percentage of renewable energy in IGT III operations)	Renewable electricity (RE) is generated from renewable resources, which are naturally replenished on a human timescale, such as sunlight, wind, rain, tides, waves, and geothermal heat. IFS purchases Energy Attribute Certificates (EACs) to cover its grid electricity consumption across global facilities that are under its operational control. 1 EAC represents 1 MWh of verified 100% RE generated by a provider. Green tariffs refer to contracts for 100% RE that usually consist of bundled EACs. Purchasing EACs therefore enables IFS to contribute towards a more renewable-heavy, low-carbon grid mix.	IFS sites under operational control	Managed and reported via IFS Cloud Emissions Management, our proprietary energy and emissions calculation software.
	E1-6 Gross Scopes 1 and 2 GHG emissions (Scope 1 and Scope 2 emissions related to energy use in IGT IIIs facilities and offices)	IFS reports direct GHG emissions from sources under operational control as IFS Scope 1 and 2: 1. Scope 1 emissions are generated from mobile and stationary combustion of fuels (natural gas, petrol and diesel) at IFS global facilities and from fleet vehicles. IFS also purchases electricity, district heating and district cooling for consumption at global facilities. The indirect GHG emissions released from the generation of this purchased energy by utilities and power generators is reported as IFS Scope 2. 2. IFS reports its Scope 2 emissions under both location based and market-based approaches as defined by the Greenhouse Gas Protocol.	IFS sites under operational control	Managed and reported via IFS Cloud Emissions Management, our proprietary energy and emissions calculation software.
	E1-7 GHG removals and GHG mitigation projects financed through Carbon Credits (quantitative only)	IFS invests in a portfolio of carbon removal and GHG mitigation projects to support scaling of the global carbon removals market. These projects are financed through carbon credits. One credit equals one tonne of carbon dioxide equivalent (tCO2e) removed or avoided. Carbon credits can be "retired" or "cancelled" in a different year to the investment year. Under ESRS E1-7 we will specify and report the carbon credits that are cancelled in the reporting year.		Purchased and reported via Patch and their digital carbon portfolio platform.
ESRS S1 Own workforce	S1-1 Policies related to own workforce	IFS Volunteering Policy and Guidelines	IFS employees	Shared by the IFS' HR team
	S1-2 Processes for engaging with own workforce and workers' representatives about impacts (Percentage of employees who have taken CSR leave)	This KPI demonstrates the percentage of employees who used their CSR leave in part or whole against the average number of employees across the Group in the period. These hours include volunteering in company time that has been directly recorded via internal HR system.	IFS employees	Obtained via internal HR Dashboard
	S1-6 Characteristics of the Undertaking Employees	This KPI demonstrates the total number of employees by headcount, including breakdowns by gender and by geography and age, as well as the number of permanent, temporary, each disaggregated by gender. The undertaking must also disclose employee departures and turnover rates at the end of the reporting period 2025	IFS employees	Obtained via internal HR
ESRS S4 Consumers & End User	S1-9 Diversity Metrics (Female Managers)	This KPI demonstrates the percentage of women among the Group's executives, directors, officers and management roles ("People Managers") against the total number of employees at those levels. Data is calculated as a point in time average of the actual number of female managers at each quarter end in the year 2025.	IFS employees	Obtained via internal HR
	S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (Number of Reportable Events)	This KPI includes major Reportable Events of data security breaches. "Reportable Event" means any major security incident resulting in: 1. Loss of customer, employee or financial data outside of the Group; 2. Major business and operational disruption to services as a direct result of such cyber incident; and 3. Financial loss, in each case as a result of a ransomware or other major cyber-attack, and which the Group is obligated to report to the relevant regulator.	IFS operations	Continuous monitoring via formal system reporting

Appendix

KPI Definition Continued

ESRS G1 Business Conduct	G1-1 Business conduct policies and corporate culture	IFS Code of Conduct	IFS employees	Annually reviewed by HR and Compliance
	G1-2 Management of relationships with suppliers	This includes management of its relationships with its suppliers and its impacts on its supply chain.	IFS employees	Managed in accordance with supplier-related policies
	G1-3 Procedures to address corruption and bribery (Number of anti-bribery and corruption training participants)	This includes the number of existing IFS employees, who completed the IFS's mandatory Antibribery and Corruption training in the year of 2025	IFS employees	Tracked by internal training platform, IFS Academy
EU Taxonomy	Eligible Activities	This involves mapping all of IFS activities and matching them with the activities listed in the EU Taxonomy	IFS operations	Conducted with the assistance of a third-party
ESRS 2 General Disclosures (incl DMA)	GOV-1 The Role of administrative, management and supervisory bodies	N/A	IFS operations	N/A
	GOV-2 Information provided to and sustainability matters addressed by the undertakings administrative, management and supervisory bodies	N/A	IFS operations	N/A
	GOV-5 Risk management and internal controls over sustainability reporting	N/A	IFS operations	N/A
	IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	N/A	IFS operations	N/A
	IRO-2 Disclosure Requirements in ESRS covered by the undertakings sustainability statements	N/A	IFS operations	N/A

The full list of IROs identified as part of 2025's DMA refresh

ESRS E1	Interruptions to business operations through physical climate risk events	Risk
	Potential impact on financial performance from increased carbon pricing or requirements to reduce energy usage and emissions	Risk
	Developing sustainability-embedded products and services to help customers address climate change and promote sustainability can drive growth	Opportunity
	Implementing comprehensive energy management programs, investing in renewable energy, and leveraging innovative technologies can drive cost savings, enhance sustainability, and position the organization as an industry leader in environmental stewardship.	Opportunity
	Increased demand from customers for lower energy / water solutions, especially as regards AI. New benchmarks such as green software certification and AI energy score provide an opportunity for IFS to differentiate its offering.	Opportunity
	Greenhouse gas (GHG) emissions are generated from activities conducted by IFS as well as by suppliers and customers in its value chain impacts on people and the environment.	Negative Impact
	Challenges in scaling renewable energy infrastructure and access, as well as potential disruptions to existing energy systems, could negatively impact energy security and affordability for some stakeholders during the transition.	Negative Impact
	The intermittent nature of renewable energy sources like wind and solar can pose challenges for grid reliability and energy security, potentially impacting people and society if not properly addressed.	Negative Impact
	Carbon Credit Strategy: Carbon credit strategy including offtake helping to scale global carbon markets	Positive Impact
	Improving energy efficiency and increasing use of renewable energy can reduce carbon emissions and lessen the potential impact of rising infrastructure cooling costs due to global warming, benefiting the environment and local communities.	Positive Impact
ESRS S1	Implementing robust diversity, equity, and inclusion initiatives can attract and retain top talent, boost innovation, and strengthen brand reputation, ultimately driving sustainable growth and profitability.	Opportunity
	Failure to implement effective diversity and inclusion initiatives can result in a lack of representation, limited career advancement opportunities, and a less engaged workforce, negatively impacting overall organizational performance.	Negative Impact
	The CSR Volunteer Day is one way in which we enable colleagues to play an active role in directly supporting our Sustainability strategy.	Positive Impact
	Fosters a diverse and inclusive work environment that empowers employees from underrepresented groups, leading to increased innovation, competitiveness, and employee satisfaction.	Positive Impact
ESRS S4	Intrusion of malware on mission and business critical operational servers or infection of laptops with malware that could lead to a ransomware attack causing significant impact upon business operations	Risk
	Data breach resulting from unauthorized disclosure of customer information arising from either system compromise or human error and resulting in financial penalties and damage to IFS Brand/reputation	Risk
	Failure to comply with data privacy regulations, such as GDPR, could result in significant fines and reputational damage, impacting financial performance.	Risk
	Failure to comply with evolving data privacy regulations can result in hefty fines and penalties, damaging an organization's reputation and eroding public trust in how it handles sensitive personal data.	Risk
	Proactive data protection measures, robust governance, and transparent privacy practices can build customer trust, ensure regulatory compliance, and strengthen the organization's resilience and competitive advantage.	Opportunity
	Proactively investing in robust data privacy and security measures can enhance customer trust, enable compliance, and position the organization as an industry leader in data protection.	Opportunity

Appendix

The full list of IROs identified as part of 2025’s DMA refresh Continued

	Failure to properly manage data privacy could lead to data breaches, leaks, or misuse of personal information, resulting in violations of individuals’ privacy rights and potential legal and reputational consequences for the responsible parties.	Negative Impact
	Our cyber security program comprises the combination of effective technical security controls, continuous monitoring and detection processes, education and awareness for our employees, and a continuous cycle of testing and improvement - no major reportable data breaches in last 5 years	Positive Impact
	Robust data privacy management can protect individuals’ personal information from unauthorized access, misuse, or disclosure, thereby safeguarding their right to privacy and building trust in digital services.	Positive Impact
ESRS G1	IFS required to make significant investments to decarbonize its value chain	Risk
	Proactive supply chain engagement, including supplier audits, capacity building, and sustainability integration, can strengthen brand reputation, improve operational efficiency, and support long-term business success.	Opportunity
	Actively supporting suppliers to meet high sustainability standards can positively impact working conditions, equal treatment, and supplier relationships, enhancing overall business value.	Opportunity
	Commitment to net zero emissions and sustainable practices could strengthen market position and customer relationships, supporting long-term success.	Opportunity
	Strengthening supplier engagement, transparency, and sustainability practices can improve supply chain resilience, reduce emissions, and create new value-added solutions for customers.	Opportunity

Detailed Greenhouse Gas (GHG) Inventory 2025

The tables below contain a breakdown of Scope 1, 2 and 3 greenhouse gas emissions.

Emissions are defined as ‘estimated’ when the underlying activity data used for the emissions calculation has been estimated, using historical data or assumptions, due to ‘actual’ data being unavailable. See further details on estimation methodology below.

Scope 1*			
Emission Category	Emissions (tCO ₂ e)	Share (%)	Estimated (%)
Stationary Combustion - Natural Gas	169	38%	73%
Mobile Combustion - Diesel	147	33%	0%
Mobile Combustion - Petrol	111	25%	0%
Fugitive Emissions	17	4%	0%
Total	444	100%	28%

*No biogenic CO₂ emissions are reported for the 2025 reporting period. Totals may not sum due to rounding.

Scope 2*						
Emission Category	Market-based Emissions (tCO ₂ e)	Share (%)	Estimated (%)	Location-based Emissions (tCO ₂ e)	Share (%)	Estimated (%)
Purchased Cooling	8	25%	5%	8	0%	5%
Purchased Heating	25	75%	6%	25	1%	6%
Purchased Electricity	0	0%	0%	1,913	98%	3%
Total	33	100%	6%	1,946	100%	3%

*Market-based reporting includes impact renewable electricity certificates (RECs). IFS covers 100% of purchased electricity with RECs. Totals may not sum due to rounding.

Scope 3*				
#	Emission Category	Emissions (tCO ₂ e)	Share (%)	Estimated (%)
1	Purchased goods and services	18,432	51%	1%
2	Capital goods	647	2%	0%
3	Fuel and energy-related activities	592	2%	6%
4	Upstream transport and distribution	0	0%	0%
5	Waste generated in operations	1	0%	28%
6	Business travel	10,889	30%	0%
7	Employee commuting	3,141	9%	92%
8	Upstream leased assets	0	0%	0%
9	Downstream transport and distribution	0	0%	0%
10	Processing of sold products	0	0%	0%
11	Use of sold products	0	0%	0%
12	End-of-life treatment of sold products	0	0%	0%
13	Downstream leased assets	0	0%	0%
14	Franchises	0	0%	0%
15	Investments	2,095	6%	0%
Total		35,797	100%	9%

* Totals may not sum due to rounding.

Appendix

Greenhouse Gas (GHG) Inventory Calculation Methodology

Reporting Boundary

IFS reports its GHG emissions in line with the GHG Protocol Corporate Standards using the operational control approach. The inventory covers all Scope 1, Scope 2 and Scope 3 activities across global sites, including leased offices, fleet, and value-chain activities. See next section for a description of primary emissions sources.

Scope 1 – Direct emissions

Stationary combustion of fuel – natural gas from heating
Mobile combustion – petrol and diesel from fleet vehicles
Fugitive emissions – HFCs from HVAC (Heating, Ventilation, and Air Conditioning)

Scope 2 – Indirect emissions from purchased energy

Purchased Electricity – from office sites
District Cooling – from office sites
District Heating – from office sites

Scope 3 – Indirect value chain emissions

Purchased Goods and Services
Capital Goods
Fuel & Energy Related Activities
Waste Generated in Operations
Business travel
Employee Commuting
Investments

Calculation Approach

Overview

IFS calculates and manages its greenhouse gas emissions using IFS Cloud Emissions Management, our proprietary software. This tool integrates directly with Climatiq, a provider of scientifically vetted emissions factors. The system supports granular and automated selection of factors by country, activity, and reporting year, amongst other configurations, ensuring accurate and geographically relevant emissions calculations.

Activity data includes energy consumption, fuels, business travel, employee commuting, cloud service data, waste and spend records. Scope 1 and Scope 2 emissions are calculated using a fully activity based approach, while Scope 3 uses a hybrid methodology that combines activity based data, supplier specific information such as 3rd party data infrastructure energy usage, and spend based calculations, depending on availability.

Data Collection & Validation

Our calculation process begins with collecting activity data from invoices, fuel records, IT and supplier systems, external travel providers, and internal surveys. The Sustainability Team validates this data through completeness, consistency and anomaly checks before uploading it into IFS Cloud Emissions Management, where the appropriate emission factors are automatically applied. Final results undergo internal quality review and limited external assurance for Scope 1 and Scope 2 emissions.

Estimations

IFS applies estimations where actual activity data is unavailable or missing, following standardized internal rules to ensure accuracy and consistency across reporting years.

For office sites, estimations are applied to utilities data where landlords have been unable to share actual data:

- Usage is first estimated based on historical data, if this is unavailable, then average values are used based on actual usage figures from other offices in the same country or of the same type.
- When averages are used these are normalized to account for differences in floorspace across offices, and they are calculated per month to help account for temporal differences during the year.

For other activity data, we apply estimations based on historical data where available or use proxy metrics such as headcount growth to estimate emissions.

Emission Factor Selection

Emission factors are reviewed annually and selected based on activity specificity, geographical relevance and recency to ensure high-quality, decision useful emissions calculations.

For Scope 1, factors are primarily sourced from the UK Government (BEIS/DESNZ) for natural gas, petrol, diesel and refrigerants.

For Scope 2 electricity, country specific emission factors are applied wherever available, sourced primarily from the US Environmental Protection Agency (EPA), the Australian Government (DISER), and the Government of Canada. When a country level factor is not published, the International Energy Agency's (IEA) data is used to ensure complete geographical coverage.

For Scope 3, emissions factors include USEPA EEIO v1.3 for Purchased Goods and Services, Capital Goods, and Investments, plus UK BEIS for fuel and energy related activities, waste, business travel and commuting.

Restatement of Historical Data

In the case of significant changes (which would result in a >5% change to our 2022 baseline year inventory) as a result of methodological

improvements, business line diversification, or changes to organizational structure, we re-calculate our historical carbon footprint data to account for these changes.

In 2025, we restated our historical data to account for a number of methodological and business changes, including:

- Late arrival of actual activity data for offices in previous years, replacing estimations
- Improvements to emissions factor selection accuracy as a result of the migration to IFS Cloud Emissions Management
- Addition of acquisition offices to our reporting boundary

As a result, our historical data may differ from previously reported values.

Appendix

ESRS Index table

ESRS Index table			
ESRS Standard	Topic/code	DR Description	Page number
ESRS 2	Disclosure Requirement BP-1	Basis for preparation of the sustainability statement	Page 8
	Disclosure Requirement GOV-1	The role of the administrative, management and supervisory bodies in relation to sustainability	Page 11
	Disclosure Requirement GOV-4	Risk management and internal controls over sustainability	Page 14
	Disclosure Requirement SBM-1	Strategy, business model and value chain	Page 9
	Disclosure Requirement SBM-2		Page 9
	Disclosure Requirement IRO-1	Description of the process to identify and assess material impacts, risks and opportunities and material information to be reported	Page 15
	Disclosure Requirement IRO-2	Material impacts, risks and opportunities and disclosure requirements included in the sustainability statement	Page 15
E1 – Climate change	Disclosure Requirement E1-1	Transition plan for climate change mitigation	Page 23
	Disclosure Requirement E1-2	Policies related to climate change mitigation and adaptation	Page 18-19
	Disclosure Requirement E1-3	Actions and resources in relation to climate change policies	Page 17-19
	Disclosure Requirement E1-4	Targets related to climate change mitigation and adaptation	Page 17
	Disclosure Requirement E1-5	Energy consumption and mix	Page 20
	Disclosure Requirement E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	Page 21
	Disclosure Requirement E1-7	GHG removals and GHG mitigation projects financed through carbon credits	Page 21
	Disclosure Requirement E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Page 22-23
	ESRS S1 – Own Workforce	Disclosure Requirement S1-1	Policies related to own workforce
Disclosure Requirement S1-2		Processes for engaging with own workforce and workers' representatives about impacts	Page 27
Disclosure Requirement S1-3		Processes to remediate negative impacts and channels for own workforce to raise concerns	Page 27
Disclosure Requirement S1-6		Characteristics of the undertaking's employees	Page 26
Disclosure Requirement S1-9		Diversity metrics	Page 26
Disclosure Requirement S1-10		Adequate wages	Page 28
Disclosure Requirement S1-17		Incidents, complaints and severe human rights impacts	Page 16
ESRS S4 – Consumers and End-users	Disclosure Requirement S4-5	Number of data breaches	Page 42
ESRS G1 – Business conduct	Disclosure Requirement G1-1	Business conduct policies and corporate culture	Page 40
	Disclosure Requirement G1-2	Management of relationships with suppliers	Page 41-43
	Disclosure Requirement G1-3	Prevention and detection of corruption and bribery	Page 40

ISSB (IFRS S1 and S2) Index table

ISSB (IFRS S1 and S2) Index table		
IFRS Standard	Accounting Metric	Location in Sustainability report 2025 [SR]
IFRS S1-1	Materiality	Page 15
IFRS S1-26	Material IROs are addressed during the reporting period.	Page 22-23
IFRS S1-27	Experience relevant to the sectors, products and geographic locations of the undertaking. Leverage of collective expertise through access to experts or training. How skills and expertise relate to material matters.	Page 14-15
IFRS S1.28-33	Climate-related impacts on the undertaking's strategy and business model.	Page 17-21
IFRS S2 - 6	Governance processes, controls and procedures an entity uses to monitor, manage and oversee climate-related risks and opportunities	
IFRS S2 -10	Climate related risks and opportunities	Page 22
IFRS S2-13	Business model and value chain	Page 17
IFRS S2-14	Strategy and decision making	Page 10
IFRS S2-22	Climate resilience	Page 23
IFRS S2-25	Risk Management	Page 14
IFRS S2-29	Metrics	Page 17-19
IFRS S2-33/34/35/36/37	Targets	Page 17

Appendix

IFS GRI Content Index 2025

IFS GRI Content Index 2025		
GRI Standard	Disclosure Number & Title	Location / Reference
GRI 2: General Disclosures 2021	2-1 Organizational details	Our Approach [SR] and [IFS.com]
	2-2 Entities included in the organization's sustainability reporting	Our Approach [SR]
	2-3 Reporting period, frequency and contact point	Our Approach [SR]
	2-4 Restatements of information	N/A
	2-5 External assurance	Our Approach [SR]
	2-6 Activities, value chain and other business relationships	About us [IFS.com]
	2-7 Employees	Our Business in Numbers [YR]
	2-8 Workers who are not employees	Not currently disclosed
	2-9 Governance structure and composition	Leadership [IFS.com]
	2-10 Nomination and selection of the highest governance body	Not currently disclosed
	2-11 Chair of the highest governance body	Leadership [IFS.com]
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance [SR]
	2-13 Delegation of responsibility for managing impacts	Governance [SR]
	2-14 Role of the highest governance body in sustainability reporting	Governance [SR]
	2-15 Conflicts of interest	Not currently disclosed
	2-16 Communication of critical concerns	Whistleblowing [SR]
	2-17 Collective knowledge of the highest governance body	Governance [SR]
	2-18 Evaluation of the performance of the highest governance body	Governance [SR]
	2-19 Remuneration policies	Not currently disclosed
	2-20 Process to determine remuneration	Not currently disclosed
	2-21 Annual total compensation ratio	Not currently disclosed
	2-22 Statement on sustainable development strategy	Our Climate Strategy [SR]
	2-23 Policy commitments	IFS Website
	2-24 Embedding policy commitments	IFS Website
	2-25 Processes to remediate negative impacts	IFS Website
	2-26 Mechanisms for seeking advice and raising concerns	Whistleblowing [SR]
	2-27 Compliance with laws and regulations	Not currently disclosed
	2-28 Membership associations	External framework [SR]
	2-29 Approach to stakeholder engagement	Not currently disclosed
	2-30 Collective bargaining agreements	IFS Website
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Double Materiality [SR]
	3-2 List of material topics	Double Materiality [SR]
	3-3 Management of material topics	Double Materiality [SR]

GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	IFS Website
	205-2 Communication and training about anti-corruption policies and procedures	Anti-corruption [SR]
	205-3 Confirmed incidents of corruption and actions taken	0
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Not currently disclosed
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Our Carbon Footprint [SR]
	305-2 Energy indirect (Scope 2) GHG emissions	Our Carbon Footprint [SR]
	305-3 Other indirect (Scope 3) GHG emissions	Our Carbon Footprint [SR]
	305-4 GHG emissions intensity	Not currently disclosed
	305-5 Reduction of GHG emissions	Our Carbon Footprint [SR]
	305-6 Emissions of ozone-depleting substances (ODS)	Not currently disclosed
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Not currently disclosed
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Not currently disclosed
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Not currently disclosed
	401-3 Parental leave	Not currently disclosed
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Not currently disclosed
	404-2 Programs for upgrading employee skills and transition assistance programs	Compliance trainings [SR]
	404-3 Percentage of employees receiving regular performance and career development review	Not currently disclosed
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Our People [SR]
	405-2 Ratio of basic salary and remuneration of women to men	Not currently disclosed
	406-1 Incidents of discrimination and corrective actions taken	0
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	IFS Cyber Security & Privacy [SR]

Appendix

SASB Index Table: Software & IT Services

SASB Index Table: Software & IT Services		
Topic/Code	Accounting Metric	Location in Sustainability Report 2025 [SR], Year in Review 2025 [YR], website [IFS.com] or answer
Environmental Footprint of Hardware Infrastructure		
TC-SI-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	Renewable Electricity [SR]
TC-SI-130a.2	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Not currently disclosed
TC-SI-130a.3	Discussion of the integration of environmental considerations into strategic planning for data center needs	Environmental Impact [SR]
Data Privacy & Freedom of Expression		
TC-SI-220a.1	Description of policies and practices relating to behavioral advertising and user privacy	IFS Cyber Security & Privacy [SR]
TC-SI-220a.2	Number of users whose information is used for secondary purposes	0
TC-SI-220a.3	Total amount of monetary losses as a result of legal proceedings associated with user privacy	0
TC-SI-220a.4	(1) Number of law enforcement requests for user information, (2) number of users whose information was requested, (3) percentage resulting in disclosure	0
TC-SI-220a.5	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	0
Data Security		
TC-SI-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected	IFS Cyber Security & Privacy [SR]
TC-SI-230a.2	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	IFS Cyber Security & Privacy [SR]
Recruiting & Managing a Global, Diverse & Skilled Workforce		
TC-SI-330a.1	Percentage of employees that are (1) foreign nationals and (2) located offshore	Not currently disclosed
TC-SI-330a.2	Employee engagement as a percentage	Employee Engagement [SR]
TC-SI-330a.3	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	2025 Gender Diversity [SR]
Intellectual Property Protection & Competitive Behavior		
TC-SI-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	Not currently disclosed
Managing Systemic Risks from Technology Disruption		
TC-SI-550a.1	Number of (1) performance issues and (2) service disruptions; (3) total customer downtime	Trust Center [IFS.com]
TC-SI-550a.2	Description of business continuity risks related to disruptions of operations	IFS Cyber Security & Privacy [SR]

Activity Metrics

Activity Metrics		
Topic/Code	Accounting Metric	Location in Sustainability Report 2022 [SR] or answer
TC-SI-000.A	(1) Number of licenses or subscriptions, (2) percentage cloud based	Sustainability Year in Review
TC-SI-000.B	(1) Data processing capacity, (2) percentage outsourced	Not currently disclosed
TC-SI-000.C	(1) Amount of data storage, (2) percentage outsource	Not currently disclosed

Characteristics of IFS employees (expanded)

Disclosure Requirement SI-6 requires an undertaking to describe key characteristics of IFS employees to provide context for understanding employment practices and supporting other workforce-related disclosures. It calls for reporting the total number of employees by headcount, including breakdowns by gender and by geography and age, as well as the number of permanent, temporary, and non-guaranteed hours employees, each disaggregated by gender. The undertaking must also disclose employee departures and turnover rates, along with the methodologies and assumptions used to compile the data—such as whether figures are based on headcount or full-time equivalents, how FTEs are defined, and whether the numbers reflect period-end or average values.

The tables below contain a breakdown of IFS employees by gender and by country for countries in which the undertaking has 50 or more employees representing at least 10% of its total number of employees in 2025;

Employee headcount by geography	Male	Female
Sri Lanka	1751	1254
United States	493	274
United Kingdom	444	273

Methodology: IFS reports employee data by country based on each employee's primary work location, as recorded in the Human Capital Management (HCM) system. All figures are presented as a headcount and reflect the number of employees actively employed as of December 31, 2025.

In order to align with reporting requirements and provide meaningful context, country-level data is disclosed separately for countries where the Group meets both of the following criteria:

- The country has 50 or more employees.
- The country's employee headcount represents at least 10% of the Group's total headcount.

This approach ensures that disclosures are focused on countries with a significant presence, supporting transparency and compliance with workforce-related disclosure obligations.

The tables below contain a breakdown of IFS employees by age group as a headcount in 2025.

Distribution of employees by age group	2025
Under 30 years old	1816
30-50 years old	3649
Over 50 years old	1416
Total employees	6881

Methodology: The age distribution of IFS employees is determined by referencing each individual's age as of December 31, 2025. This calculation is based on the date of birth information maintained within the Human Capital Management (HCM) system. All employees who are actively employed on the reporting date are included in the analysis. The breakdown is presented across predefined age categories to ensure consistency and clarity in reporting. All data provided reflects the employee headcount as of the stated date.



For further information or queries about the report please contact sustainability@ifs.com