



Sustainability report 2023

 **Elektroskandia**
A Sonepar Company Sverige



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Sweden

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The Board of Directors of Elektroskandia Sverige AB, company reg. no. 556014-8412, hereby submits the sustainability report for Elektroskandia Sverige AB for the period 1 January to 31 December 2023.

The sustainability report describes the operation on the basis of the issues considered to be most significant to the company and its stakeholders.

Stockholm, 28 June 2024

The Board of Directors

A few words from our CEO

We will continue to be Sweden's leading electrical technology wholesaler



We have continued to make major investments to increase the efficiency of our logistical processes and make great steps forward in digitalisation, including between us and our partners. We have received even better testimonials from our customers. Meanwhile, our employee surveys, which are carried out several times a month throughout the year, show that the working environment has improved in all departments and that employee engagement is at high levels. Our results have increased strongly, despite competition being tougher than ever, thanks to all these improvements. The majority of the KPIs we observe have improved, including those relating to our work on sustainability.

For the second year in a row, we received the highest possible rating for our sustainability work from the independent rating agency EcoVadis. A Platinum rating is only awarded to the leading 1 percent in each industry globally.

We acquired a 70-percent shareholding in Aprilice, one of the leading solar power platforms in northern Europe. Our aim is to be able to offer a complete range of solar panels, accessories, installation equipment and technical expertise, along with high availability.

In 2022, we launched Green Offer, a global initiative from our parent company Sonepar centred on highlighting the sustainability performance of the products we sell from a holistic perspective. By applying this concept, our customers can easily compare products and choose the ones with the lowest carbon footprint. In 2023, we focused on increasing our product range, in close collaboration with our suppliers.

In 2023, we continued auditing our suppliers to ensure compliance with requirements on environmental issues and human rights in the supply chain. This involved performing supplier audits and gathering CMRT declarations.

We have reduced the amount of waste we produce by repairing broken pallets instead of chipping them.

An increasing number of customers are choosing to use our customer-local warehousing solution. This increases availability of the right products for them and reduces transports.

This spring, Elektroskandia's customers in Örebro had their orders delivered in a quiet electric lorry. We have developed this solution together with our carrier Närkefrakt, and it is working really well.

We were delighted to be able to be an official partner of the Gothia Cup, the world's largest youth football tournament, and see the involvement of our employees and customers whose children were part of the 2,000 teams from around the world. An important foundation of our collaboration is that we share the Gothia Cup's social commitment and focus on four of the UN Sustainable Development Goals: good health and well-being, gender equality, reduced inequalities and climate action.

Elektroskandia has been playing an active role in the electrification of Sweden for more than a century. We take our corporate social responsibility extremely seriously and, above all, work from a long-term perspective. Through close relationships with leading suppliers and our customers, we have progressively produced innovative solutions, adapted to the prevailing conditions and driven change forward. Our ambition is to continue to do so by means of long-term sustainable work with ongoing investments targeted at streamlining, developing and refining our portfolio.

We will continue to be Sweden's leading electrical technology wholesaler, and we have set ambitious goals for sustainability.

Thank you for choosing Elektroskandia – we appreciate your trust!

Anders Nordlöw, CEO



Elektroskandia

– Sweden’s leading electrical technology wholesaler

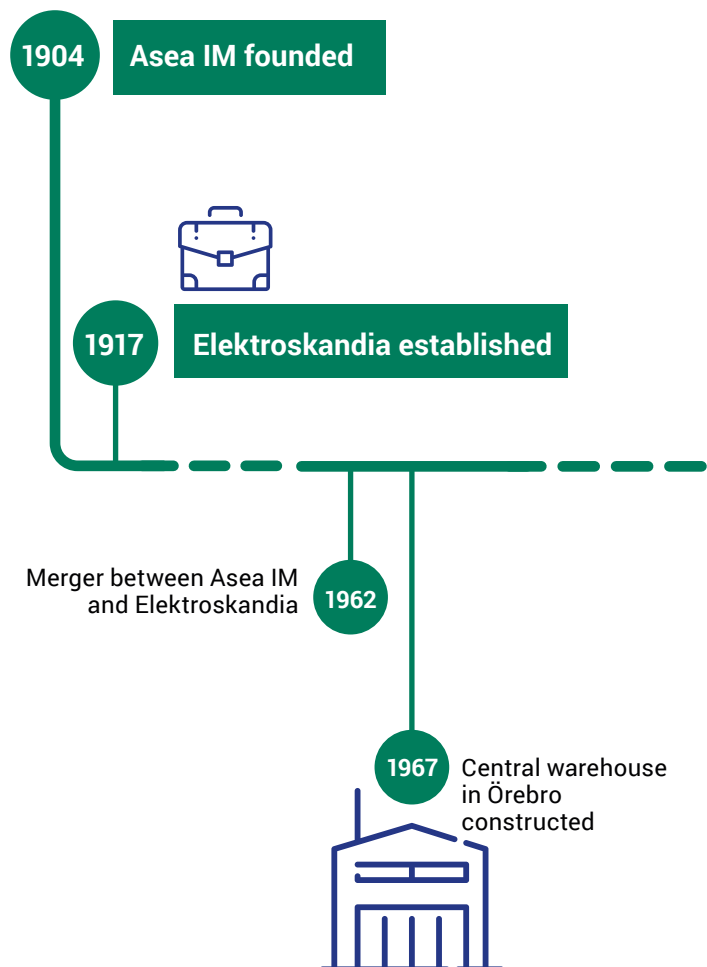
Elektroskandia sells electrical materials and systems to customers who operate in the following areas: electrical installation, industry, infrastructure, security, lighting and domestic appliances. The company is part of the Sonepar Group. We provide a wide range of products from the leading suppliers in the world, and stock more than 40,000 items. Logistics is the engine that drives everything we do, and our logistics services make everyday life easier for our customers. By applying our expertise, we strive to help make our customers’ purchasing and sales organisations more efficient and profitable.

Elektroskandia owns the Cylinda brand, thereby offering the Swedish market a complete range of domestic appliances backed by a dedicated sales organisation. Cardi is our own brand of lighting products, which is without compare on the Swedish market.

Elektroskandia has been operating as an electrical wholesaler in Sweden since 1904. The company head office is located in Sollentuna.

Elektroskandia Sweden is a part of the Sonepar Group

Sonepar is an independent, family-owned company that is a global market leader in B2B distribution of electrical products, solutions and related services. Through presence in more than 40 countries, the group has an ambitious transformation agenda to become the first global B2B distributor to provide a completely digitalised and coherent omnichannel experience for all customers. Drawing on the skill and commitment of 45,000 employees, Sonepar generated a turnover of EUR 33.3 billion in 2023. Sonepar makes everyday life easier for its customers on the basis of their needs, irrespective of whether the solution is provided across the counter, via customer visits, by phone or online. For more information, please visit www.sonepar.com.



The year in brief

February

- Elektroskandia becomes new official partner of the world's largest youth football tournament, the Gothia Cup.
- MP bolagen is crowned the winner of Elektroskandia's "Supplier of the Year 2022" award.

March

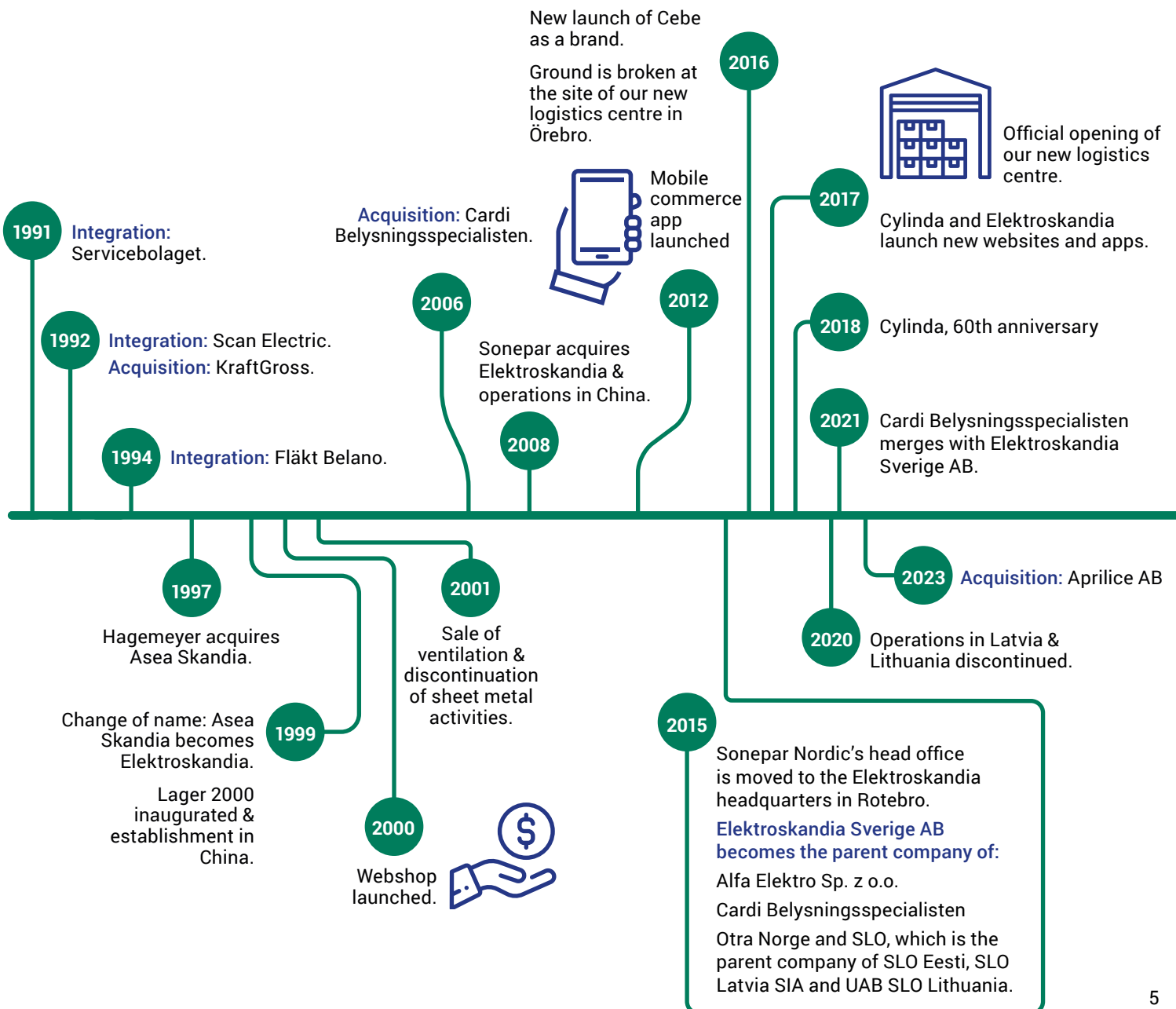
The independent rating agency EcoVadis once again awards Elektroskandia the highest possible rating – Platinum – for sustainability work.

August–September

Elektroskandia signs an agreement to become majority shareholder of the leading northern European solar panel wholesaler. The acquisition is completed in September.

December

Anders Nordlöv is appointed CEO of Sonepar in the Nordic region.





Materiality and materiality analysis

At Elektroskandia, the concept of “sustainability” entails continuous quality work in several areas: finance, social issues and quality and environmental matters, where we include issues to do with human rights and occupational health and safety. Good profitability is, of course, a precondition for driving our business onward in the long term. We will achieve a better working relationship with our employees and other stakeholders if we show consideration for social issues and encompass both quality and environmental aspects. Elektroskandia’s ambition is for sustainability to be an integral part of the business. We strive to have a sustainable business – not a business with sustainability as an afterthought. In order to succeed in this, we must involve all our stakeholders.

Method and limitations

In May 2023, with a view to identifying Elektroskandia’s key sustainability issues, we updated our analysis of corporate management and a group of employees representing the entire organisation. This was the sixth time we had done so since the original survey was implemented in 2015.

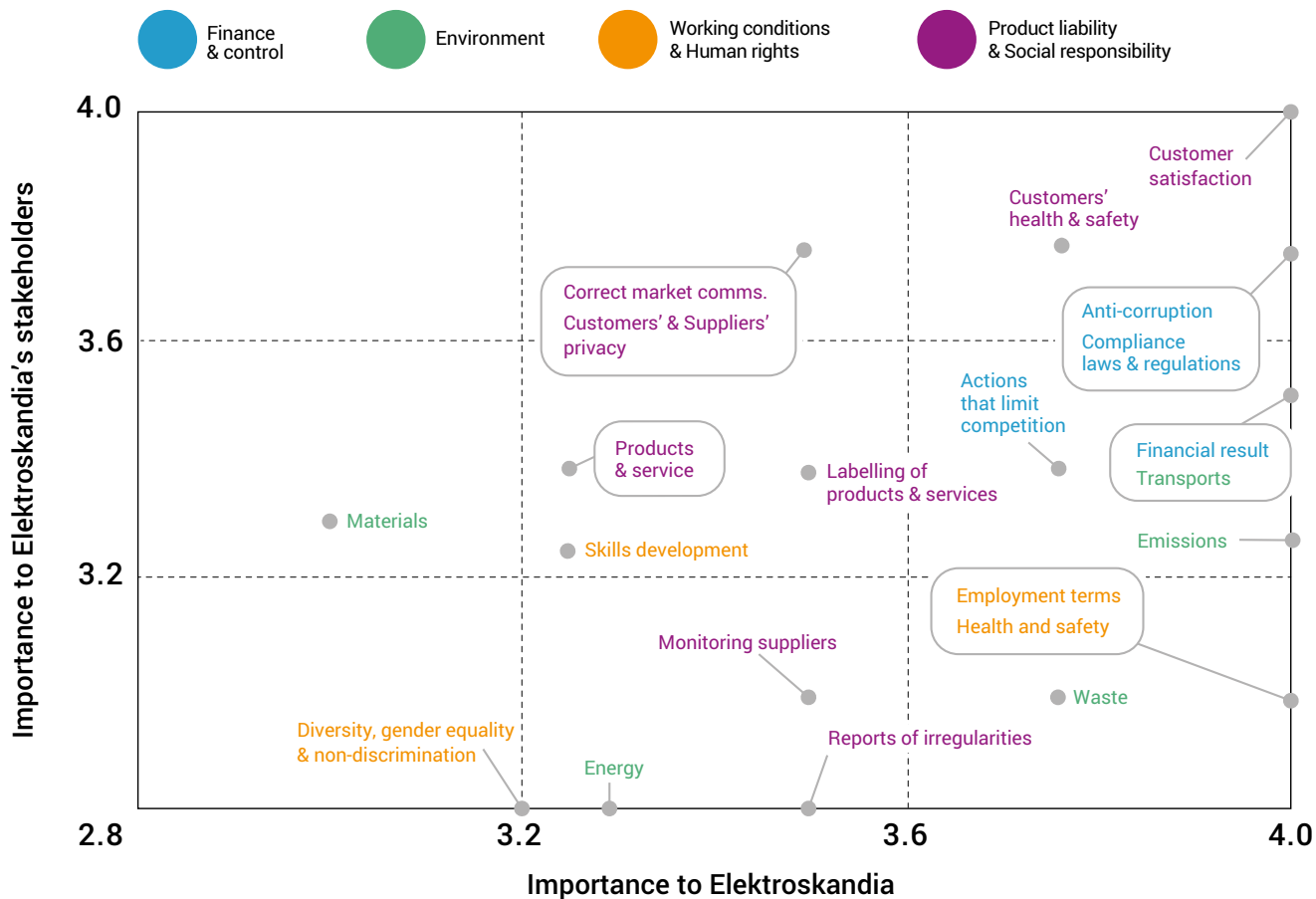
On the basis of a gross list of sustainability aspects, and taking GRI Standards as our starting point, we evaluated how important each aspect is to Elektroskandia, with regard to impact/risk/opportunity. We then performed an evaluation from a stakeholder perspective for each and every one of our key stakeholders. The overall assessment of the stakeholders was then calculated to produce a mean value.

The figure on the following page illustrates how the different aspects were rated by the group. These were dis-

cussed with stakeholders on numerous occasions in the period 2016–23, when stakeholders were given the opportunity to study our sustainability reports based on GRI, and in connection with our following up on our Supplier Code of Conduct. The introduction of the EU Corporate Sustainability Reporting Directive and the impact it will have on Elektroskandia will entail changes in how this will be done in the future. Elektroskandia Sweden and Sonepar are not covered by the Directive’s requirement to report in 2024, and a project has been initiated to analyse how and when we will need to make changes on this basis.

The Elektroskandia value chain

Purchasing, sales, warehouse and auxiliary functions such as HR, finance, market communication, aftermarket and IT make up the value chain at Elektroskandia. We have identified great opportunities to influence all links of the chain.



Evaluated by the working group, confirmed by management in spring 2023. These aspects are considered significant to Elektroskandia.

We work with 11 transport companies, with whom we carry out annual contract negotiations. Transport emissions constitute a key impact area: these values are reported to us and we follow up on them carefully.

We supply customers in the construction sector – in the form of large and small electrical companies – as well as national and local government organisations and players in the fields of industry, construction and property; and, of course, resellers and their customers. We take responsibility through good customer communication; we suggest alternatives in the form of products and services that can reduce negative impacts, but respect our customers' decisions and make sure to stock our customers' preferences.

Assessment of aspects

We perceive that all our key stakeholders regard customer satisfaction as very important. Compliance with laws and regulations is also ranked highly. By making certain to comply with all relevant laws and regulations, we can be sure of acting in an ethically responsible manner and maintaining high environmental standards. We consider Swedish legislation to be strong, and we are convinced that this is important for our stakeholders. Our materiality analysis also highlighted certain challenges. Four points that were rated are not shown on the diagram: impact on

local society, water, chemicals and biodiversity. These continue to be given a low rating by our stakeholders, despite the fact that we are well aware of the major impacts of these areas. Accordingly, our materiality analysis gives us valuable information about strengths and challenges.

The working group identified several differences in the evaluation compared to previous years. In general, the biggest challenge is that the gaps between the various aspects are narrowing, even though the same aspects have been ranked highest as in preceding analyses. Our assessment is that this is because we are getting better and better at understanding how each aspect contributes to the big picture. Biodiversity and water have increased in significance, even though they are still not ranked as highly as other aspects.

The fact that an aspect has been ranked as less significant does not mean that it is less important generally. We have assessed the aspects based on what we believe that our stakeholders consider to be most important for Elektroskandia to work on and where we can have the greatest (or least) impact.

For details of how we influence our suppliers, see the section entitled *Sustainable products and services* on page 16.

Strategy, management and follow-up

At Elektroskandia, “sustainability” encompasses financial and social aspects, as well as quality and environmental issues. Profitability is essential to running our business in the long term, and we can be sure of a better working relationship with our stakeholders if we show consideration for social and environmental issues.

Sustainability work at Elektroskandia is built on the following:



Our vision, which lays out the company's long-term strategic direction.



The values we identified, discussed and formulated in writing in 2011–13 and which we all return to in our everyday work are: customer focus, the will to lead and to win, entrepreneurship, team spirit and taking the long-term view.



Our business concept, which explains what we do.



The first version of our Code of Conduct for employees was formulated in 2013. The code is reviewed and discussed every year. In 2017, we switched to our parent company's Code of Conduct.



Our environmental and quality work, which has been under way since 1995.



Ongoing dialogue with our owners, customers, suppliers and employees with a view to continuing to develop in the field of sustainability.



Our environmental and quality goals are adjusted after assessment at least once a year. In addition, we follow up on these goals every month through the corporate management results meetings, and in the business unit that set the target.



Long-term goals for 2022–27, along with the associated strategy and the budgeted targets for the year.



Environmental goals are defined on the basis of an environmental report, which is undertaken every four years. The most recent version was prepared in spring 2020. Our environmental and quality policy was reformulated after 2016 to take the form of an actual sustainability policy.



Group-wide goals, such as emissions targets, in accordance with science-based targets.

You can read Elektroskandia's Sustainability Policy and Code of Conduct on our website.

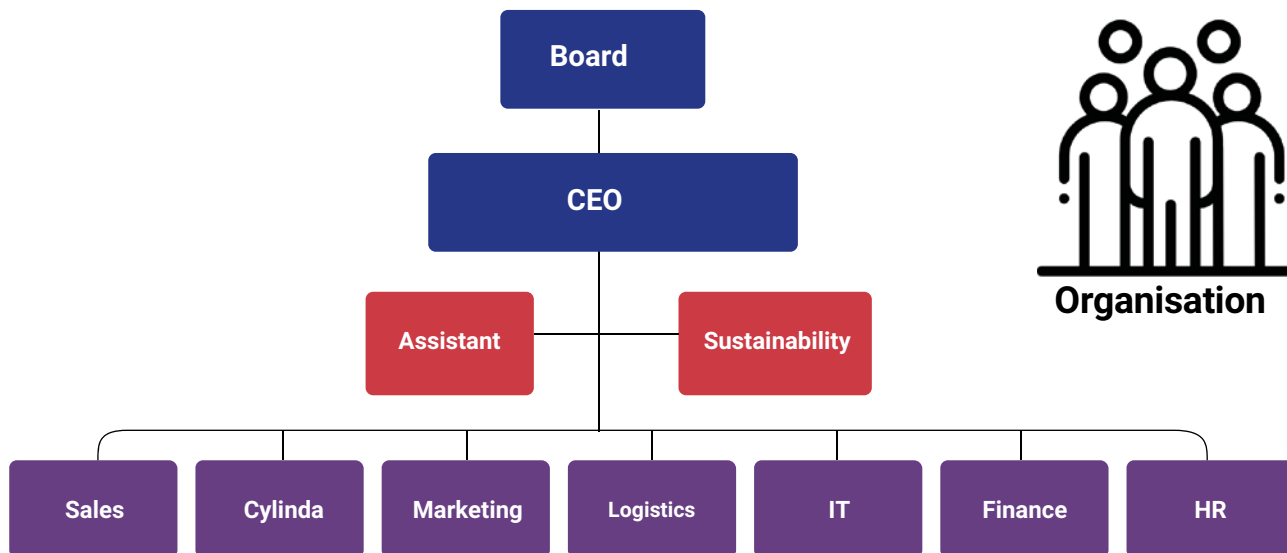
Elektroskandia's executive management team has set out all the company's policies. Measurable goals for the business are specified and described.

Our sustainability policy and Code of Conduct are published online at: elektroskandia.se/Information/Index/23

Purpose

The principal purpose of Elektroskandia's management system is to meet requirements from customers, authorities, owners, suppliers and employees through the preparation and delivery of our products and services, and for the management of the business.

A secondary aim of the management system is to facilitate management of the business such that all processes run more smoothly and are under constant development.



The diagram above illustrates the overarching organisation of the company, as well as the units represented in corporate management. The Board of Directors consists of seven members – one woman and six men – appointed by the parent company. The parent company has also appointed one deputy member (a man), and the trade unions have appointed two employee representatives (both men). In Note 3 to the annual report, the employee representatives are not included in the Board, for which reason we refer here to there being seven members.

Method and limitations

Every autumn, the management team draws up a business plan for the coming year. The plan forms part of the company strategy and covers a five-year period. This work also includes discussing the most significant sustainability issues and setting up relevant goals. The management team meets regularly to follow up on goals and to agree on corrective measures. These meetings are also used to discuss and deal with the conflicts of interest that have arisen or been escalated to management level. Each department follows up on the goals and strategies that have been agreed within their respective sphere of responsibility.

The expanded management meets twice a year; this group is made up of all business managers (approximately 50 managers). These meetings are important in discussing and deploying the long-term goals.

All work processes, routines, checklists and instructions necessary to drive Elektroskandia operations towards the fulfilment of business plans and company policy are documented or referred to in our management system.

When establishing the Elektroskandia management system, we also chose to focus on aspects of the external environment, and to ensure that internal OHS risks are dealt with systematically.

Elektroskandia’s management system is certified in accordance with the ISO 9001:2015, ISO 45001:2018 and ISO 14001:2015 standards, as well as with STEMFS 2014:2.

The management system is reviewed annually by DNV Business Assurance Sweden AB. Any non-conformances identified and observations made are dealt with by the

party affected within the organisation. In 2023, the review identified eight minor non-conformances and made four observations.

The management system is also reviewed by our internal audit team. All stores and our central warehouse are reviewed within a two-year period, while other functions are reviewed over a three-year timespan.

Our internal auditors focused on the following issues in 2023:

- Checking that a risk and opportunity analysis is performed once a year.
- Reducing the amount of combustible waste.

Three non-conformances with regard to the focus areas were identified in 2023. All of these were corrected in accordance with an action plan.

Changes in legislation and decisions from public authorities are monitored by the sustainability officer and the officers responsible for the respective areas in accordance with a set process for compliance with legislation. The respective departments are informed as and when necessary. Follow-up on compliance with legislation is also performed in connection with the internal audits.

The management team assesses and evaluates the efficiency and applicability of the management system on an annual basis. In our change work, we apply the precautionary principle, as stated in Article 15 of the Rio Declaration: www.gdrc.org/u-gov/precaution-7.html. Our ambition is to avoid negative environmental impact by forecasting our actions and making adjustments wherever possible.



Stakeholders and stakeholder dialogue

Attentiveness to the needs and opinions of our stakeholders is crucial to Elektroskandia's business. That is why it is important for us to maintain an ongoing dialogue with our most important stakeholder groups. In the spring of 2023, corporate management identified five key stakeholders as the most important, plus two groups that are not key stakeholders but that are considered more important than the others. This is an addition of one key stakeholder compared with those identified between 2015 and 2020 – the authorities. Our key stakeholder categories are the stakeholder groups that we consider to have the greatest influence on Elektroskandia's operations and/or those who are most strongly affected by such operations. The next update of our list of key stakeholders is planned to be carried out after the impact of the introduction of the Corporate Sustainability Reporting Directive is determined.

Our five key stakeholders are:



Other stakeholder groups

Two other stakeholder groups we consider to constitute an intermediate layer (i.e. not key stakeholders per se, but more important than others) are:



Method and limitations

Stakeholder	Dialogue opportunity	Stakeholders' expectations of us
Owners	<p>Elektroskandia is a wholly owned subsidiary of the French Sonepar Group.</p> <p>We keep our owners continuously informed of the company's intentions.</p> <p>Sonepar has established an international sustainability group, in which we are an active participant.</p> <p>Four board meetings per year. Dialogue in working groups.</p> <p>Executive meetings.</p> <p>Shared our sustainability work by publishing our report with reference to GRI in English.</p>	<p>Long-term, stable returns.</p> <p>Careful use of resources (society, environment and staff).</p>
Customers	<p>Our sales staff in customer interactions.</p> <p>Annual customer satisfaction survey.</p> <p>Dialogue in stores.</p> <p>Breakfast meetings.</p>	<p>Fair, sustainable product.</p> <p>Sustainable deliveries.</p> <p>Right price at the right place and at the right time.</p>
Suppliers	<p>Market department meets suppliers in negotiations. Supplier follow-up meeting.</p> <p>Annual supplier satisfaction survey. Annual supplier get-together.</p> <p>In 2023, we:</p> <ul style="list-style-type: none"> • Analysed the findings from our 2022 risk analysis. • Conducted two audits. • Continued our work to track conflict minerals. • Tightened our requirements for increased logistical efficiency among suppliers. • Created new KPIs for suppliers' sustainability. 	<p>Clear picture of requirements before contract negotiations.</p> <p>Good dialogue and follow-up on requirements.</p> <p>Information about market conditions.</p>
Employees	<p>Set requirements and followed up to ensure that in 2023 our managers:</p> <ul style="list-style-type: none"> • Have held at least two business meetings with their work groups. • Have completed at least three separate follow-up meetings with managers – one long and two short. • Have carried out employee surveys every week using a digital tool: Winningtemp. 	<p>Responsible behaviour by the employer:</p> <p>Good terms of employment and working environment.</p> <p>Stable, long-term employer.</p>
Authorities	<p>Reporting in accordance with the authorities' requirements.</p> <p>Inspections where relevant.</p> <p>Dialogues with local authorities (municipalities etc.).</p>	<p>Compliance with laws and regulations.</p> <p>Actively contribute to sustainable development in the locations where we operate.</p>
Trade union organisations	<p>Collaboration meetings in the form of a central committee, where union representatives meet corporate management, not including Swedish Co-determination Act (MBL) negotiations and other liaison meetings.</p>	<p>Good dialogue (otherwise the same as for employees).</p>
Sector organisations	<p>Four meetings a year at CEO level.</p> <p>Other meetings at other levels within the companies.</p>	<p>Good dialogue, and being a role model in the field of sustainability issues.</p>

We will continue our dialogue with key stakeholders in 2024. One important aspect is to give them access to this report, and to discuss both our and their involvement in these issues.

Finance and business ethics

Financial aspects – Why are they so significant to us?

In order to maintain competitiveness over time, and to ensure our survival, we need to build up reliable profitability. We need to continue instilling confidence so that our customers and suppliers view us as their preferred choice. We strive to use systems and authentic experience to help boost efficiency and profitability in both our own and our customers' purchasing and sales organisations. We thus serve as a key link between manufacturer and end customer. Our ambition is to be much more than a passive link in a chain.



How do we handle them?

Over the past year, we have maintained focus on improving customer value and enhancing our efficiency. This was essential to our capacity to accommodate the altered behaviour of our customers and the world around us while maintaining stability and profitability. We have also been working towards assuring our position, reinforcing the integration of sustainability, and increasing skills transfer through greater internal mobility. We have continued to invest in accessibility, transparency and quality. It is important to us that we give customers the opportunity to make informed decisions and to understand our products. These are factors that inevitably boost customer value.

All financial information is available in our annual report filed with the Swedish Companies Registration Office. The overview at the bottom of page 13 states where information not included in the overview itself can be found. For example, "AR Note 3" indicates that this information is available in our annual report filed with the Swedish Companies Registration Office.

Ethical business is a precondition for good relations between Elektroskandia and our partners. Our ambition is to be a role model in these areas as well on our market.

We have taken Swedish legislation as the basis for our work in the field of business ethics and anti-corruption. The company's values and Code of Conduct are key building blocks in this work. For example, our Code of Conduct for employees states that conflicts of interest must be reported without delay so that the employee(s) in question can find help in dealing with them. We operate a group-wide training programme which ensures that employees receive training on an ongoing basis. These training courses are mandatory and form part of our onboarding process.

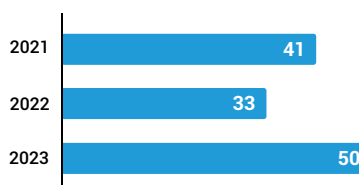
All new employees are familiarised with the Code of Conduct when they join the company. Sponsorship and charity work are only run at central level so as to prevent the risk of bribery.

Method

Pursuant to the Code of Conduct, incidents of corruption, irregularities and breaches of legislation must be reported to a superior manager, HR or the CFO. A group-wide whistleblowing process has been established for our employees and can also be accessed by other stakeholders via our website, elektroskandia.se. Other stakeholders can likewise report irregularities directly to their contact, to corporate management, or by email to the company's general email address: info@elektroskandia.se.

At its monthly meetings, corporate management receives reports on any incidents that have occurred. The company data protection officer must be informed of any incidents that may violate the privacy of customers or suppliers. A dedicated supervisor has been appointed for each system that stores personal data. These people are responsible for ensuring the correct processing of personal data, and they meet every year to discuss measures necessary to ensure compliance with privacy requirements.

Number of audits



No confirmed incidents of corruption or measures adopted

No confirmed incidents of corruption were recorded in 2023. Undesirable behaviour that limits competition is described in the Code of Conduct.

General information about irregularities (complaints)

Our Code of Conduct informs employees how they can call attention to suspicion of irregularities, and makes it clear that they will not be subject to reprisals for doing so. Over the course of the past year, no complaints were received by Elektroskandia concerning societal impact (local community), the environment or human rights.

Privacy of customers and suppliers

No confirmed complaints concerning breaches of customer privacy were registered. In order to ensure that customer and supplier data is handled confidentially, this data is processed by a centralised group. Customer data is dealt with by the sales support organisation, whose members are specially trained in how to register and remove this information. The same routines are followed with regard to supplier information for the purchasing organisation.

Compliance with laws and regulations

Elektroskandia has not identified any breaches of laws or regulations committed by our staff in 2023. The company has not paid fines for any breaches of laws or regulations in 2023.

Compliance check

Elektroskandia's quality and environment auditors conducted audits and checked compliance with the Code of Conduct. No incidences of non-compliance with regard to business ethics or anti-corruption were noted. See the table on page 12 for the number of audits carried out in the period 2021–23.

Reference to our financial information can be found at:

Financial impact

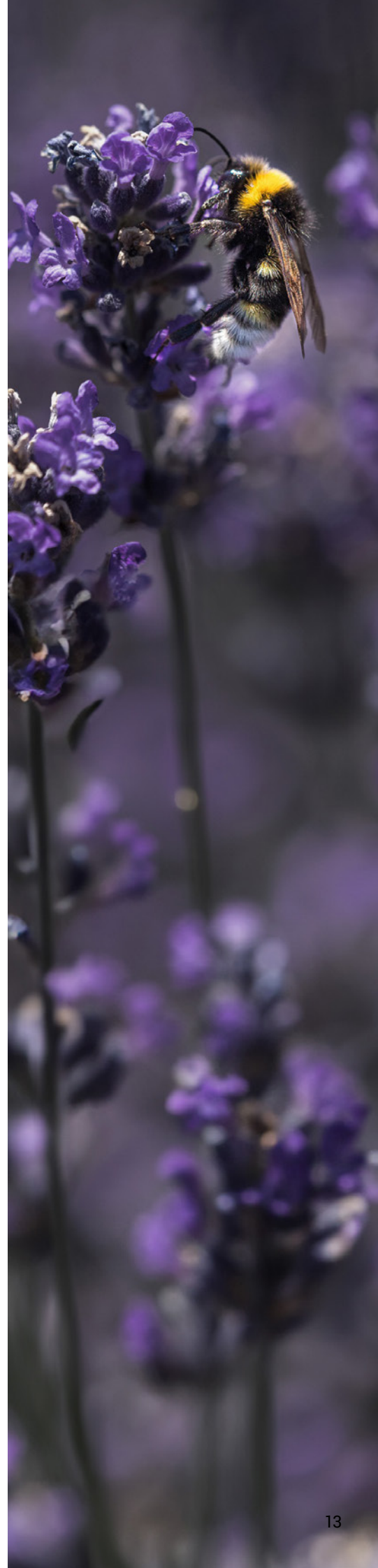
Healthy culture for salaries and remuneration	Remuneration, Elektroskandia	AR Note 3
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Social commitment

Financial stability	Result	AR page 8
	Operating capital	AR page 8
	Key figures	AR page 2

Indirect financial impact

Sustainability integrated into internal processes	ISO certification
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Annual customer satisfaction survey



Goal

Our goal is to improve every year and to exceed our own previous NPS.



Form of survey

For the third year in a row, we carried out a customer survey by web questionnaire.



Selection

Elektroskandia has supplied our partner IPSOS with customer data containing details such as company name, name of person and turnover figures. The selection was then made on a random basis among these customers.



Number interviewed

The questionnaire is sent quarterly to 1,000 customers at random.

NPS total for the period 2021–23



15–20%

response rate



Result

An NPS of 50 indicates that the company has a very high level of customer satisfaction and loyalty.

Improvement measures

The below are initiated measures that are applied within our organisation to ensure that we can become even better and reinforce our offers to and service for our customers even further.

- We are continuing to focus on packaging and transports from an environmental perspective. We have created a customer report using data and statistics from our carriers. This provides us with an overall picture of customers' purchasing behaviour and actual carbon footprint from completed deliveries and transport operations. The available statistics enable us to discuss how we can work together to apply better planning to reduce this carbon footprint.
- We are performing an analysis on the onboarding process for new employees to ensure that all our staff are given the necessary information about the company, our relevant processes and various systems support.
- With the help of the marketing organisation, various product courses and seminars are held and newsletters are sent out. This ensures the provision of ongoing information about range updates, new products and new technologies. The intention is to keep the sales organisation updated so that our customers can be given the best possible assistance.
- We are continuously improving the content of our company presentation to provide a clearer message to our customers and to make us even more competitive. We do this by actively selling in our added values: leading global operator, logistics quality, technical expertise, sustainability, service offer and long-term approach. We have sharpened our focus on our sustainability work and increased the scope of our presentations on this topic. We have also initiated training courses to be held during 2024 with the intention of further improving our performance in customer dialogue around sustainability.
- We are continuing to work proactively to improve functionality and search tools in our digital products, such as our website and app. As a result, we are continuing to see increased use of self-scanning in stores.
- The modernisation and relocation of our stores is continuing. This secures our geographical positioning in locations that we see as strategically important, based on our overall offering to our customers.

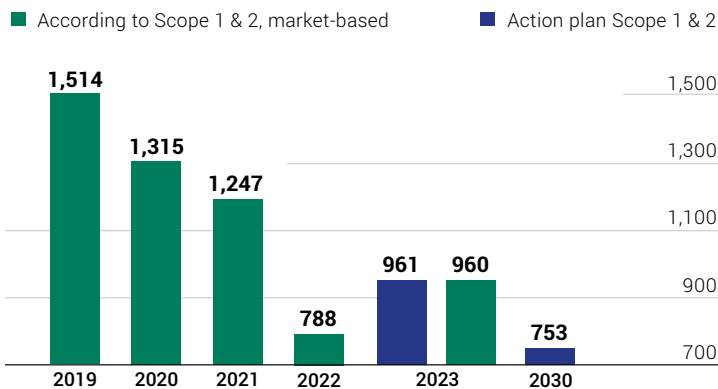
Greenhouse gas emissions

Method and limitations

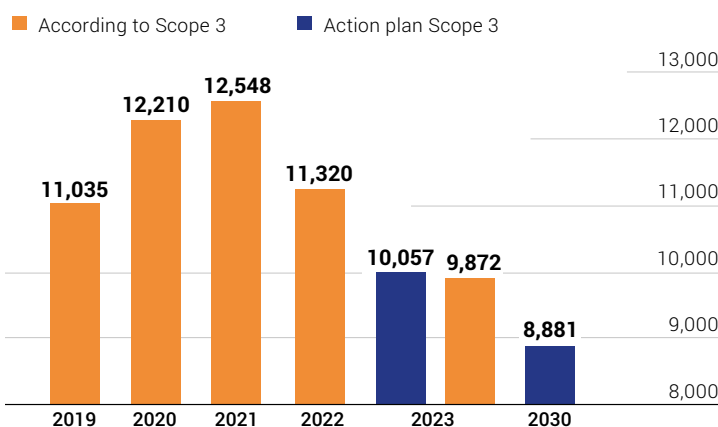
Via its parent company Sonepar, Elektroskandia has signed up to the UN Global Compact, and has climate goals validated by science-based targets. Our objective is to reduce our emissions in Scope 1 and 2 by 46.2 percent by 2030 (using 2019 as our base year) and in Scope 3* by 13.5 percent by 2030 (using 2019 as our base year). For some areas of the calculations we have very good, detailed data, whereas in certain other areas we need to use averages and estimates. These areas include energy use at some of our stores and emissions from transporting our purchases. For energy use in stores, we use the method described on page 22. Our greenhouse gas emissions are overwhelmingly (more than 90 percent) in Scope 3. In Scope 3, the majority of the emissions are upstream, as transport from our suppliers is the largest item.

We report our emissions figures to our parent company by means of a tool that is used by all companies in the group. This ensures that all countries report in the same way. To make sure that we are in line with our targets, measures to reduce emissions are also reported. Since we started taking measurements in 2019, the quality of our data has been repeatedly improved, and measures are in place to reduce emissions. Regarding scope 3, we base our calculation methods on weight, transported distance and vehicle type. We use system data for the weight of the products, collect information about distance and mode of transport from the suppliers and then make calculations.

Emissions, tonnes CO₂ Scope 1 & 2



Emissions, tonnes CO₂ Scope 3



* NB: These figures exclude products and services sold.



10,832 tonnes

of emissions in 2023

Our total emissions in 2023 amounted to 10,832 tonnes. Of this, 960 tonnes were in Scope 1 and 2 (market-based), with our Scope 3 emissions* adding up to 9,872 tonnes. The increase in Scope 1 and 2 over 2022 can largely be ascribed to increased energy needs due to a cold winter and the opening of new stores, along with an updated calculation model in our reporting tool. Because of this, it is difficult to use the figures for comparison between years. To get a fair picture, we need to analyze the details behind the number.

The most important measures we have taken under Scope 3 are:



Increased recycling and reuse of materials to reduce the amount of waste.



Intensified collaboration with suppliers and stricter requirements for fossil-free and efficient transport.



Increased focus on fossil-free transport to our customers.

Examples of measures within these areas can be found in the relevant sections of this report.



Sustainable products and services

Selecting products and services is one of the primary processes at Elektroskandia.

Method and limitations

We sell around 200,000 different items. These include a great many energy-efficient products, as well as a handful of items that are hazardous to health and/or the environment. Our marketing department is aware that certain products contain hazardous substances – and possesses up-to-date knowledge about same – and strives actively to suggest products with a lower negative impact where possible. Our marketing director monitors the business continuously, backed by the various market and product managers. A number of KPIs per product area have been tracked to measure development in supplier performance. Examples of these KPIs are market share, sales compared to budget and previous year, inventory value and inventory turnover, as well as level of availability and delivery accuracy. Accessibility and level of service for our customers constitute a mission-critical factor we have been working actively to improve.

Monitoring suppliers

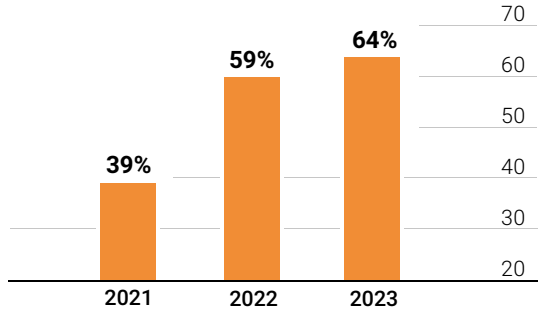
Over the course of 2023, we continued our efforts to disseminate our Code of Conduct for Suppliers and Manufacturers to our suppliers. In 2023, we conducted two sustainability audits on site at suppliers. We also carried out risk analyses of suppliers in all market areas. These have been validated and updated as required in order to prepare the selection of audits scheduled for completion in 2024. By means of our risk analyses, we have identified

that the greatest risks relate to raw materials and their extraction. Whether the risks relate to environmental impact or human rights, they become higher the more complex the supply chain becomes.

Since 2021, we have required all our suppliers to provide us with information about the origin of minerals in line with CMRT (Conflict Minerals Reporting Template). In 2023, we succeeded in obtaining declarations regarding 64 percent of the products in our range. Moreover, during the year we have started to request declarations under the EMRT (Extended Minerals Reporting Template) to trace the presence of cobalt and mica in the products.

Products that contain substances hazardous to health and/or the environment are identified by the product supervisor as soon as they are included in our range. Examples of such products are adhesives and sprays.

CMRT declarations obtained, percent



Complaints about products

In the event of complaints from customers or other information from external stakeholders – such as a supplier that has to recall a product – we have procedures in place to withdraw products from sale and, via our marketing department, to inform all affected parties of the measures that need to be adopted. In 2023, Elektroskandia received no information concerning accidents caused by a product.

Customer-local warehousing reduces the number of transports

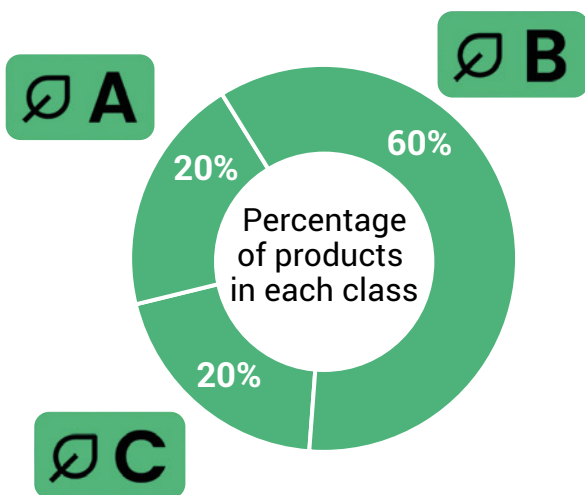
During 2023, we have increased our focus on our logistics services. For instance, our customer-local warehousing solution enables our customers to reduce the number of transports needed, and hence their climate impact. This solution involves customers stocking a range of our products on their own premises. This makes it easier for us to manage transport, reducing deliveries to fewer days in the week. In 2023, we supplied to about 240 such customer-local warehouses.

It is vital to ensure that our services are of high quality so as to avoid unnecessary environmental impact. The more complaints there are and the more replacement deliveries we have to make, the more transports there are and the

more waste we produce. Therefore, we see our measurement of quality also as a contributory factor to our environmental efforts. Compared with 2020, our replacement deliveries in 2023 were reduced by 17 percent. In 2023, we achieved our best result ever in customer-perceived quality: 99.83 percent of all customer orders were delivered without customer complaints.

Additionally, to contribute to a sustainable environment:

- We offer unpacking and pre-installation, thus promoting sorting at source and reducing waste in the field.
- We have reduced the use of resin splices that contain isocyanates.
- We have continued to focus during the year on what we can offer in the field of e-mobility (charger stations for electric vehicles).
- We highlight to our suppliers the importance of life cycle assessments in EPDs in order to make it possible to compare the climate effects of different products in the long term.
- We work continuously to phase out fossil fuels in our transports.



DVÄRGBR C 1-P 10A 6KA

Artnr: 2106217
Lev. artnr: MCN110
Lev. typbet: MCN110
UNSPSC: 39121600
GTIN: 3250614311130
Varumärke: HAGER
Övriga förp.storlekar: 12 st 144 st 3456 st
SundaHus: C+
CO₂-avtryck: 1.561 kg
Byggvarubedömning:

Green Offer

In 2022, we launched a method for comparing carbon impact between products throughout their life cycle. We call this our “Green Offer”. Over the course of 2022, we collected data on approximately 800 products from two ETIM classes. In 2023, this database was expanded to encompass about 2,300 products and additional ETIM classes.

The objective is to expand the concept to include more products and ETIM classes in 2024, and to enable customers to choose products with a lower carbon footprint within a given category. The products with the lowest carbon footprint are placed in category A, while those with the highest footprint are placed in category C. Category A represents 20 percent of the products, category B 60 percent and category C 20 percent. The category and carbon footprint will be displayed in our webshop, making it possible to compare products with each other.

The concept is still in an early phase and the work is an ongoing process. We do not claim to have all the answers or to have perfected the system at present. We will work progressively to make it easier for our customers to make sustainable choices. We are convinced that through this concept, we will continue to lead the way and to learn during our journey.



Products that make a difference

The majority of the installation cables are halogen-free, which means that in the event of a fire the smoke is lighter and less toxic, which facilitates evacuation. In addition, the cables do not generate corrosive hydrochloric acid that can disrupt electronic equipment. Finally, they contain no phthalates or dioxins that are hazardous to health and the environment. They are fundamentally cleaner cables.

Posts and sleepers have long been impregnated with creosote to ensure an extended service life. Elektroskandia offers customers other options in concrete, sheet metal or recycled plastic.

Working closely with Vattenfall, Elektroskandia has long since supplemented its range with alternatives to creosote-impregnated posts, and now stocks posts impregnated with an agent containing copper, salt and boron. The partnership with Vattenfall also involves maintaining a certain level of stock to improve availability.

Energy-efficient lighting solutions

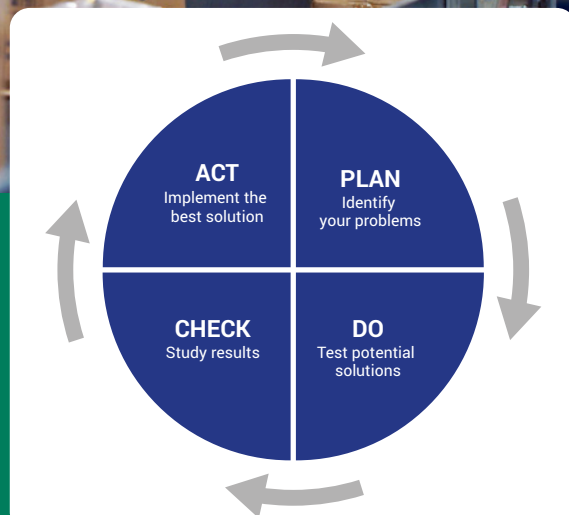
Elektroskandia is a member company of the Swedish *Belysningsbranchen* (Illumination Industry) association, and we work actively as a sector and a company to come up with smart lighting solutions.

The correct lighting minimises environmental impact through efficient energy utilisation. The cleanest kilowatt hour is the one that does not need to be generated. A lighting installation that is 10–15 years old often uses five times as much energy as a new installation. Technological development is progressing extremely rapidly in the field of lighting, especially in the form of LED technology that allows major environmental savings. However, a lot of old systems are still in operation, which may generate major and unnecessary impact on the environment.

Most of the projects to which we supply reuse fixtures, thereby contributing to a considerable environmental saving. This circularity, in combination with the phasing out of fluorescent tubes and old technologies, will considerably reduce environmental impact.

The majority of the lighting distributed by Elektroskandia today is LED lighting with adjustable power supply, and our lighting designers recommend optimal lighting with appropriate control defined by presence and level of daylight.

In our product development, we constantly check our choices of materials with a view to reducing our environmental impact. One example of this is our REKO range of fixtures. This range features a frame made of recycled aluminium, while the end sections are made of bioplastic produced from pine oil. The acrylic cover is made of residual material from the production process and the packaging consists largely of recycled cardboard. Reko is more than 98 percent recyclable.



Our continuing environmental work

Elektroskandia is working continuously to improve, especially with regard to environmental issues. Having worked systematically with such issues for a long period, we now view sustainability and environmental considerations as natural parts of all our processes, rather than an aspect that is subsidiary to our operations. Some examples follow.

Product liability, environment

Elektroskandia is making requirements on suppliers that all catalogued products comply with the applicable EC directive (Machinery Directive, Low Voltage Directive, EMC Directive, RoHS Directive, WEEE Directive) and, where necessary, the applicable environmental legislation and CE labelling regulations.

We have a quality management system in accordance with ISO 9001:2015 and have been certified since 11 December 1996. (Certificate no. 2006-SKM-AQ-2335 DNV GL 2018-05-249.)

We operate an environmental management system in line with the ISO 14001:2015 standard, including Energy Mapping according to STEMFS 2014:2, and have been certified since 15 June 1998, with the addition of Energy Mapping since 16 January 2018. (Certificate no. 2006-SKM-AE-1118 DNV GL 2018-05-249.)

Our suppliers are responsible for ensuring that environmental declarations are available at SEG (the Swedish Electrical Wholesalers' Federation) and online at enumersok.se. The environmental declarations are available for download from our website, www.elektroskandia.se, under the respective item.

Energy declarations

The Cylinda range complies with EU energy labelling regulations under the Ecodesign Directive, which state that labels must be displayed on the following items in stores: refrigerators, freezers, freezer boxes, washing machines, dryers, dishwashers, cooking ranges, ovens and fans. The declaration states the product's energy class and helps customers compare products from the perspective of energy consumption.

El-Kretsen

El-Kretsen is the business community's service company, which is tasked with ensuring compliance with manufacturer's liability in the field of electrical/electronic products and batteries. The organisation is intended for companies that manufacture or sell products covered by the various laws regarding producer responsibility for electronics. For details, see www.elkretsen.se.

EcoVadis awards us the highest rating for our sustainability work

To confirm the quality of our work, and to establish what we can improve in future, we have been working with the independent rating agency EcoVadis for several years. The agency rates companies in four areas: the environment, human rights and working conditions, ethics and sustainable purchasing. The ratings that EcoVadis awards are divided into four levels: Bronze, Silver, Gold and Platinum.

A Platinum rating is awarded to only 1 percent of all ranked companies. Since we initiated our working relationship, we have progressively climbed up the ratings and in 2022 we reached the highest level: Platinum – a rating that we were also awarded in 2023.

Power Circle

Power Circle is the stakeholder organisation for the electrical power sector, and an association for future issues. Its purpose is to showcase the role of electricity as an enabler of sustainable societal development. With a broad



network, and working closely with partner enterprises, Power Circle facilitates dialogue and returns, development and demonstrations, as well as influencing by providing good examples and practical experience. For details, see powercircle.org.

Appropriate handling of products hazardous to health and the environment

Products hazardous to health and the environment must be handled in such a way as to minimise the associated risk of negative impact, injury and damage. This is important to us, to our customers and to the environment.

Four times a year, we receive information about changes to environmental legislation and regulations from Ramboll Sweden's legislation monitoring service. This information is shared with the respective supervisors, and we follow up and document that the necessary measures are adopted, both through the supervisors replying to emails and via internal audits.

The chemical products we sell are stored in fireproof cabinets at our logistics centre. We comply with all legislation and regulations regarding the handling of chemical products. When transporting products hazardous to health and the environment, we always follow all applicable regulations and provisions.



Method

Our market and product supervisors check that suppliers are in compliance with a range of requirements and confirm this in our ERP system (see box below). We set goals for how many suppliers are to meet the targets, take measurements and hold a review once a year at an internal market meeting.

Requirements of suppliers

The majority of our suppliers are Swedish companies that are subject to Swedish legislation and have long since achieved quality and environmental management certification. While they have made different amounts of progress in their sustainability work, most of them have succeeded in using their input in the field of quality and environmental management to establish a firm base from which to continue improving in the area of long-term sustainability. For their part, our suppliers have production facilities and subcontractors all over the world.

The first version of our Code of Conduct for suppliers was prepared in 2015. It describes our expectations of our suppliers with regard to human rights, working conditions, the environment and anti-corruption. In 2021, we began making clearer demands on our suppliers to report the environmental impact of their activities and their products. Updated goals were prepared in 2022, and in 2023 a project began to further refine these goals and construct a system of supplier classification in which sustainability performance would be more prominent.

We present our Code of Conduct for suppliers as an appendix to the company's applicable contractual conditions. The suppliers sign the documents and we archive them. Several of our suppliers have already submitted a self-assessment to determine where they consider themselves to be in relation to our stated criteria and requirements. The internal implementation work will start with a workshop where our market managers with responsibility for suppliers perform a risk assessment on our strategic suppliers. Purchases from strategic suppliers account for approximately 80 percent of our total volume of purchases. The objective here is to identify our impact and any weaknesses and to ensure that we initially focus on the correct areas, so as to allow us to implement measures to minimise the risks.

Elektroskandia reserves the right to perform unannounced inspections at the premises of suppliers who have entered into agreements with us, so as to verify compliance with the company's Code of Conduct.

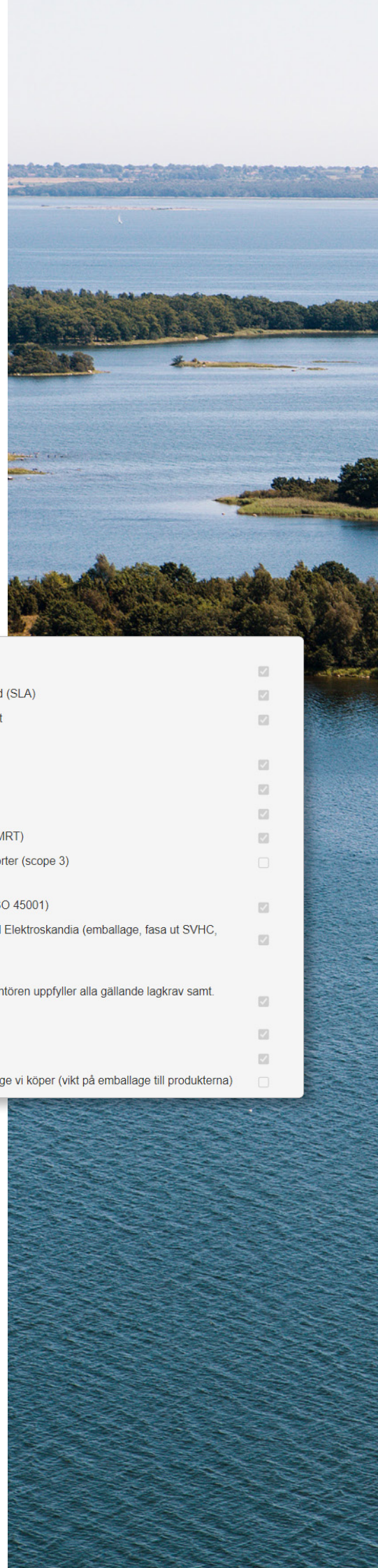
We work with a rating system to monitor our suppliers and follow up on their performance with regard to sustainability issues. Our biggest suppliers are divided into three categories (S, A and B). In 2023, we rated 502 suppliers in total.

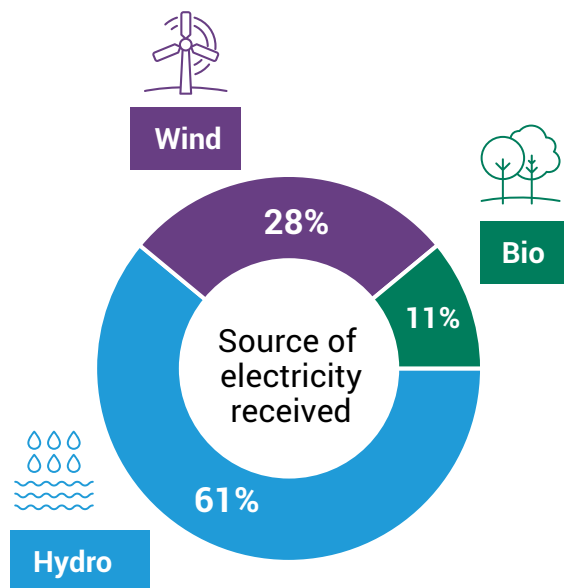
We have determined that around 83 percent of our total volume of purchases in 2023 comes from suppliers who have signed our Code of Conduct. This is at approximately the same level as in 2022. The Code of Conduct is one of the pillars of the risk analysis carried out on our supply chain.

Correct market communication

Elektroskandia is not aware of any breach of legislation pertaining to market communication, advertising or sponsorship.

Allmänt	
Leverantören har accepterat Logistikbilaga	<input checked="" type="checkbox"/>
Leverantören har godkänt avtalad servicegrad (SLA)	<input checked="" type="checkbox"/>
Leverantören har accepterat Code of Conduct	<input checked="" type="checkbox"/>
Kvalitet/miljö	
Dokumenterat kvalitetssystem finns	<input checked="" type="checkbox"/>
Dokumenterat miljöledningssystem finns	<input checked="" type="checkbox"/>
Leverantören har en hållbarhetsrapport	<input checked="" type="checkbox"/>
Leverantören rapporterar konfliktmineraller(CMRT)	<input checked="" type="checkbox"/>
Leverantören rapporterar utsläpp från transporter (scope 3)	<input type="checkbox"/>
CSR/Etik	
Dokumenterat system för arbetsmiljö finns (ISO 45001)	<input checked="" type="checkbox"/>
Leverantören har hållbarhetsinitiativ ihop med Elektroskandia (emballage, fasa ut SVHC, transporter etc)	<input checked="" type="checkbox"/>
Produkter	
Produkterna elektroskandia köper från leverantören uppfyller alla gällande lagkrav samt myndighetsdirektiv	<input checked="" type="checkbox"/>
Leverantören har produktansvarsförsäkring	<input checked="" type="checkbox"/>
EPD finns på hela eller delar av sortimentet	<input checked="" type="checkbox"/>
Leverantören rapporterar hur mycket emballage vi köper (vikt på emballage till produkterna)	<input type="checkbox"/>





Environmental impact of our business

Method and limitations

In order to ensure firm control of environmental impact in our business, we take measurements, adopt measures and follow up on activities in the areas we have identified as significant for reducing our environmental impact. All this work is based on our mapping of environmental aspects and our sustainability strategy. Where possible, we utilise our IT system to collect data. In some cases, we work with external stakeholders (such as sector organisations) to collect data, and we have occasionally needed to utilise our own calculations and estimates in order to establish a solid, holistic overview.

The significant environmental aspects for Elektroskandia Sverige AB

Area	Score	Aspect
Sorting at source		
Cable scrap	16	Significant
Combustible	16	Significant
Hard plastic	14	Significant
Domestic appliances	14	Significant
Energy consumption		
Electricity consumption	12	Less significant
Transport		
Goods transport	16	Significant

Elektroskandia has access to sophisticated data models that allow the visualisation and analysis of delivery patterns and emissions in kg CO₂ per shipment.

Mapping environmental aspects

We map environmental aspects every four years. The most recent version was prepared in 2020. The mapping process covered our logistics centre in Örebro, our head office in Rotebro and the eight other properties with the highest volumes.

The decisions about which environmental aspects to prioritise were taken by corporate management. The environmental aspects mapped are assessed based on five criteria:

- Laws and regulations
- Financial criteria
- Quantities
- Environmental criteria
- Stakeholders

The environmental aspects are assessed as follows:

- A score of 14–18 points is significant
- A score of 9–13 points is less significant
- A score of 6–8 points is negligible from an environmental perspective

The assessment of environmental aspects was performed by a sustainability group appointed by Elektroskandia management after consumption figures were collected by several different suppliers.

Smart energy saving – taken as read for us

At Elektroskandia, we strive to minimise both our electricity consumption and our environmental impact. For this reason, we use only green electricity: the electricity we receive comes from hydropower (61 percent), wind power (28 percent) and biofuel (11 percent).

Our 43,500 m² logistics centre in Örebro accounts for the greatest proportion of energy consumption within the company. It has been rated a “Silver” standard environmental building and makes use of geothermal heating and solar panels. A total of 23 of the parking spaces have charging stations for EVs, of which 22 are 11 kW and one is a quick charger.

We install eco-friendly ventilation units in newly established stores. In addition, we use only LED fixtures. Our extensive expertise in lighting enables us to determine for ourselves which type of lighting is the most energy-efficient.

In 2023, electricity consumption at our logistics centre in Örebro totalled 2,849,838 kWh. Two large heat pumps and one smaller one supply the facility with heat during the colder months. The plant also uses them instead of refrigeration units for cooling in the summer. The solar panel installation on the roof comprises 940 panels mounted on an area of 1,579 m². In 2023, the solar panels generated 207,117 kWh for our own consumption, plus 12,612 kWh that was fed back into the Eon grid.

Energy consumption at our other 48 facilities in Sweden totalled 3,360,246 kWh. We were unable to access electricity consumption figures for eight of our stores, as this is included in the rent and is not specified on the invoices we receive from the landlord. For these stores, we have performed our own calculations based on data from the other stores. When taking out new leases, our ambition is for electricity consumption to be reported separately. Data for the consumption of heating and cooling is collected from landlords where possible. In other cases, we have calculated an average for heating based on figures from stores where we have data.

Circular solution for IT equipment

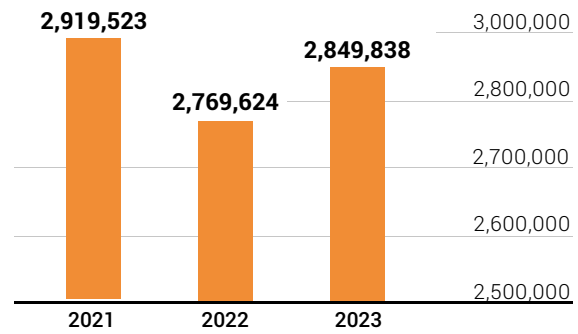
Our IT equipment partner, NG Metall, repurchases old and/or defective IT equipment from us. This is then repaired/refurbished and remarketed, thus gaining an additional service life elsewhere. Each year we receive a summary of the equipment that could be reused in this way.

Reuse of wooden pallets

In 2022, Elektroskandia started the Miljöforum working group, with the task of continuously considering what environmental improvements could be made in various areas at the company’s logistics centre in Örebro. The group consists of six employees from different departments. One of its main priorities has been waste recycling, which is one of Elektroskandia’s focus areas in climate impact.

One measure introduced by the group is the repair of wooden pallets. Instead of sending pallets for recycling, broken pallets are now sent for repair, providing the damage is

Electricity consumption (kWh) Logistics centre



not too extensive. From our central warehouse, the pallets are sent to a local company, which assesses them, mends them and returns the repaired pallets to us for reuse. In 2023, we have been able to measure the long-term effects of this initiative for the first time. At the time of our first measurement, we had reduced our wooden waste by about 30 percent compared with 2021 thanks to this measure.

Chemicals in our business

The chemicals used in our business are primarily to be found in lubricants, cleaning agents and spray paints. They are used only to a limited extent and in small amounts, and naturally we comply with all the applicable legislative requirements.

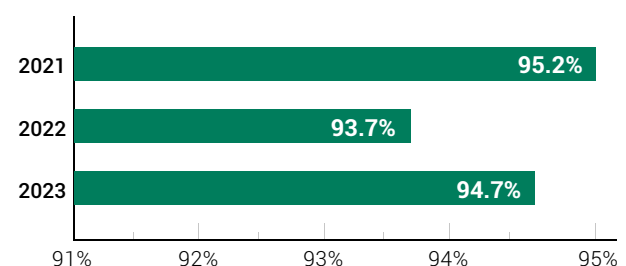
High ambitions for sorting at source

At our logistics centre in Örebro, which generates the largest volume of waste for an individual site, we aim to sort fully 97 percent of waste at source. The level achieved in 2023 was 94.7 percent. In 2023, together with our waste management partner Stena Recycling we have taken measures to reduce the amount of combustible waste we generate, for example by sorting PET plastic tape into a separate fraction and increasing the number of fractions source sorted at the office. At Elektroskandia’s head office and in the other 48 properties where we have stores, we processed 448 tonnes of waste. Waste data is collected from our recycling partners. In 2023, we have introduced more detailed analysis into waste and recycling in our stores in order to improve our handling of the challenges on each site.

Waste (tonnes) Logistics centre



Recycled waste (percent) Logistics centre



Travel

We keep travel to a minimum when suitable options such as Teams meetings are available. Our travel policy is also designed to promote the most eco-friendly form of transport in each case, i.e. train rather than plane where possible.

In 2023, Elektroskandia's fleet of company cars and service vehicles drove a total of 5,088,510 km. Of this total, 1,111,210 km were driven in electric vehicles and 802,380 km in hybrid vehicles. In total, the fleet included 63 electric vehicles and 33 hybrids.

Transport

Our policy means that:



When purchasing company cars and service vehicles, the buyers are offered alternatives with lower carbon footprints, in the form of an electric vehicle or hybrid.



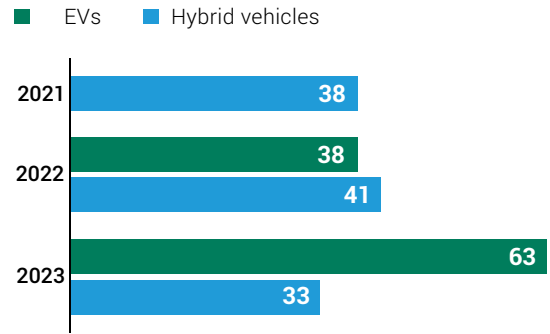
We lease our forklifts. This entails us replacing our forklifts every five years. Our intention here is to establish a more energy-efficient and less resource-demanding forklift fleet.

Our fleet comprises about 200 forklifts. The vast majority of these are electric, but in 2023 we also had eight diesel-powered forklifts and four diesel wheel loaders, which consumed 56,247 L of diesel. The energy consumption from the electric forklifts is included in our total energy consumption, as they are charged in our warehouses and stores.

Responsible goods transport

Our objective is that all contracted carriers should be members of the Fair Transport organisation. In 2023, Elektroskandia dispatched 549,467 shipments, which were transported by around 175 vehicles per day. The environmental impact from this source primarily comprises emissions of CO₂. Our carriers report their environmental impact regarding deliveries of goods from our central warehouse on the basis of fuel consumption

Number of electric and hybrid vehicles



each month. The carbon impact is then calculated for each individual shipment in accordance with GLEC framework methodology (www.smartfreightcentre.org/en/our-programs/global-logistics-emissions-council/calculate-report-glec-framework/).

We have agreed the following with our carriers:

- All vehicles used for transport assignments must, as a minimum, be Euro VI compliant. The carrier must have a monitoring system in place so that this can be documented. They must have implemented a timetable for conversion to fossil-free transports.
- The carriers must aim to reduce their fossil footprint on an ongoing basis through constant improvement work. During the contractual period, Elektroskandia and the carrier run environmental projects with a view to reducing environmental impact by using fossil-free fuels.

Environmental impact (kg CO₂) and the share of fossil-free transports are measured as KPIs on a monthly basis with all contracted carriers. We measure and follow up vehicle compliance.

In 2023, Elektroskandia implemented a number of environmental measures. We have launched local distribution by electric lorry, in addition to which a significant proportion of transports are now fuelled by HVO100, which helps reduce carbon emissions by up to 90 percent. The company is also launching new environmental projects as new technology is developed and becomes available.



Elektroskandia as a workplace



We are committed to being the market's most engaged, inclusive and development-focused workplace

Managing HR work

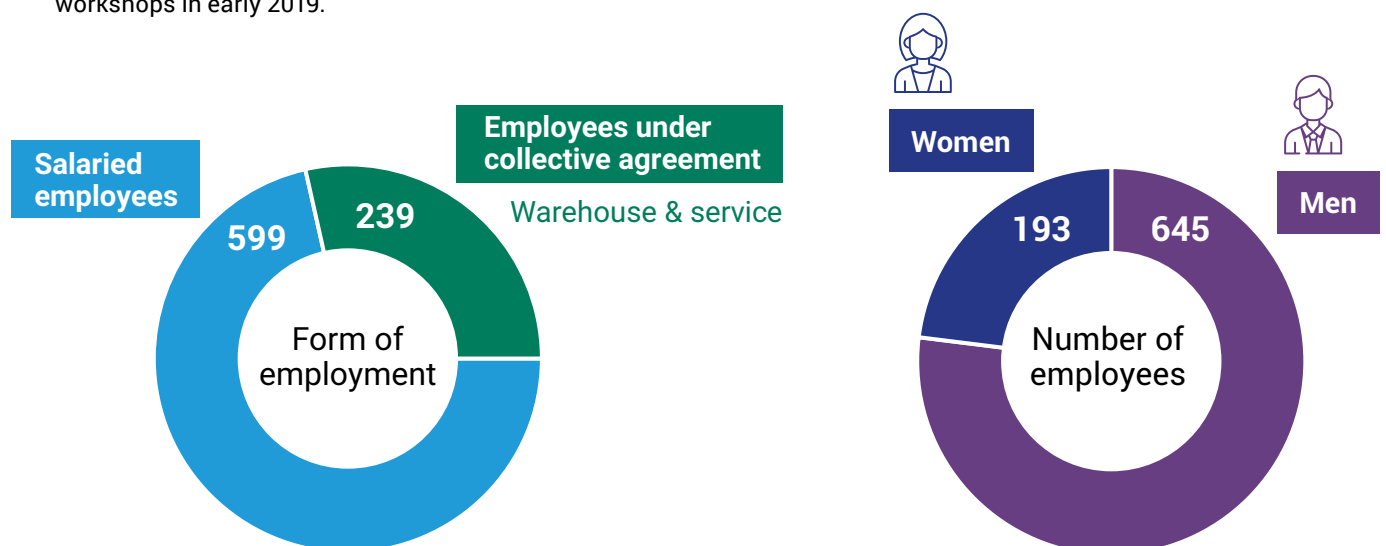
The starting point for our HR work is our employee policy, which comprises our core values, the strategies and targets, as well as the guidelines that define how Elektroskandia operates with regard to relations between employer and employees. Elektroskandia applies an OHS management system in accordance with ISO 45001:2018 and has been certified since 9 June 2021 (certificate no. 10000441098-MSC-SWEDAC-SWE).

All our employees are expected to contribute to a positive working environment where we show respect for one another's differences. In 2019, as a part of our work to combat victimisation and harassment, we launched a workshop initiative we call "Culture and Lingo". This initiative continued in 2023 and has become a mandatory part of the induction process for new employees. In 2023, we also followed up on the groups that completed these workshops in early 2019.

Method and limitations

We collect information about our employees via various HR systems for the purposes of paying salaries, supporting skills development and generating the statistics cited in this report. The results are reviewed regularly by employees and managers at the different meetings described in this report.

We have a database in which governing documents and records are stored for each location. For reporting accidents and near misses, as well as safety rounds and follow-up on OHS work, we use the IA system, our information system devoted to Occupational Health and Safety. The company's internal auditors review and follow up on activities in all stores and the central warehouse within a two-year period. Every quarter, accidents and near misses are followed up at safety committee meetings, where management, trade union representatives and/or safety officers participate.



Number of employees and form of employment

Staff category	2023	2022	2021
Salaried employees	599	572	573
Salaried employees – of whom, on open-ended contracts	99.2%	99.5%	98.0%
Salaried employees – of whom, on fixed-term contracts	0.8%	0.5%	2.0%
Employees under collective agreement (warehouse and service)	239	238	243
Of whom, covered by collective bargaining agreement	N/A	N/A	N/A
Employees under collective agreement – of whom, on open-ended contracts	95.0%	93.7%	95.5%
Employees under collective agreement – of whom, on fixed-term contracts	5.0%	6.3%	4.5%
Total employees (Salaried and under collective bargaining agreements)	838	810	816
of whom, men	645	625	632
of whom, women	193	185	184



95%

warehouse and service on open-ended contracts



99.2%

salaried employees on open-ended contracts

Information from 31 Dec 2023, 31 Dec 2022 and 31 Dec 2021 is stated for the company as a whole. Division into regions is not relevant as many employees work across regional boundaries.

Our employees

We are committed to being a workplace where there is plenty of room for expression, along with opportunities for continuous training and skills development. Some of our employees have worked for the company for more than 40 years.

The table on page 26 presents the number of people we employ and the form of employment. For reasons of privacy concerning staff working under collective bargaining agreements, the company has not measured the number of such staff since 2016. Agency staff reinforce our warehouse team. Consultants are utilised in all areas of our business.

Zero-hour and part-time contracts are only applied in the event that employees have chosen to exercise their legal right to take parental leave or early retirement.

The terms and conditions of employment for all our employees are regulated in part by contracts of employment, and in part by collective bargaining agreements with the respective union organisations – as well as by the company's own internal job regulations. These are set out, for example, in our employee policy, employee guide, travel

Staff turnover



regulations and other Elektroskandia policies, including our company car policy.

Our ambition was to record a staff turnover figure of no more than 7.0 percent in 2023, which we almost achieved (7.8 percent). When we measure staff turnover, we include all turnover including employees on fixed-length contracts. We hold exit interviews with everyone who leaves the company, to follow up on the reasons why staff choose to leave, as well as to pick up opinions and ideas about how we can improve as an employer.

Benefits

All Elektroskandia employees are offered a wide range of benefits, including flexible working hours and the opportunity to work from somewhere other than the office two days a week, employee discounts on our range, fuel discounts, Rikskort payment cards, gym benefits, corporate fitness schemes and paid parental leave. We also organise training programmes in various areas with a view to boosting skills development.

Occupational Health and Safety

The overarching objectives of OHS work at Elektroskandia Sverige AB are:

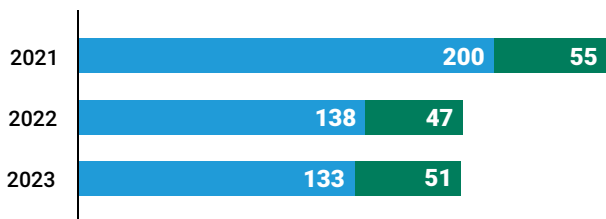
1. To promote health factors.
2. Via preventive work, to identify and deal with risks so as to prevent work-related accidents and illness.

In addition, the working environment is to be developed in a direction that promotes improved productivity, quality and – of course – well-being. Through management, planning and checks, industrial injuries and risk are to



Accidents and near misses

■ Near misses ■ Accidents



be investigated and appropriate measures adopted. The employer has ultimate responsibility for occupational health and safety, and must make sure that an organisation exists to take care of OHS issues. A training course in our management system has been made available to enable new employees to participate.

The psychosocial working environment and employee well-being are issues the managers follow up on through our MYR (Mid Year Review) and our annual employee appraisal. We also pick up on the psychological well-being of our employees via our weekly "Pulse Measurement" survey that contains questions about well-being within the organisation. In addition, we conduct safety rounds featuring questions targeted specifically at this topic, as well as risk analyses and six-monthly follow-up meetings (business meetings), and we provide our managers with training in this area. We also have a number of safety committees with OHS offshoots from the respective trade unions, where OHS issues are discussed and action plans prepared.

Elektroskandia regularly performs safety rounds at all branches and warehouses. We work with risk assessments and action plans in accordance with guidelines laid down in occupational health and safety legislation. Accidents and near misses are reported and dealt with on an ongoing basis, but are measured annually. We follow up on accidents and near misses on an ongoing basis. Most of

the accidents reported stem from our warehouse operation in Örebro. Inattention has been a contributing factor to a number of accidents and injuries, which were all minor.

As regards near misses, the majority are linked to forklift operation or the dispatching of goods. Over the course of 2023, we have reported 133 near misses and 51 accidents, including 10 that resulted in sick leave. We have noted a reduction in both near misses and accidents resulting in sick leave, and we believe this to be due to increased use of our IA system and the associated app, as this makes it much simpler to report incidents. The app is also increasingly being used to report risk observations.

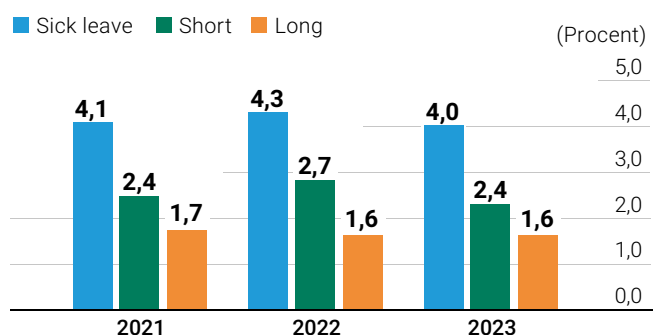
Corporate healthcare

The purpose of our working relationship with corporate health centres in all locations is to access help and support in issues that have to do with occupational health and safety.

The corporate healthcare services include:

- Rehabilitation
- Health check/health profile
- Support on OHS issues
- Ergonomics (workplace measures)

Sick leave at the workplace





The corporate healthcare system is to assist with expertise in the form of OHS engineers, physiotherapists and occupational therapists, with the goal of preventing industrial injuries and illnesses as far as possible, and actively creating a good working environment.

All employees are offered the chance to have a health check (health and OHS profile) at the age of 45, 50, 55 and 60 at the corporate health centre.

We have KPIs for sick leave, which we review and follow up on an ongoing basis. Our goal for total sick leave for 2023 was 3.4 percent, but we recorded a figure of 4.0 percent, which, although not in line with our goal, was an improvement over 2022 (4.3 percent). Our ambition is to reduce sick leave, and we have a zero vision for accident categories A and AA (as categorised in our IA system). We strive to achieve this by training and coaching our managers about our responsibility in the area of illness, and in how they can apply systematic OHS work and health-promoting leadership.

Corporate fitness benefits

We offer a keep-fit scheme for all employees, but we are also working to introduce alternative health and fitness benefits such as lectures on health and diet, as well as shared activities in the form of fun runs, wellness challenges and step count challenges, for example.

Performance appraisals

It is extremely important to help our employees develop in line with their own wishes and needs and those of the company. Our goal is to increase internal mobility and opportunities to further careers with us. All employees should have at least one documented development goal.

We hold two fixed employee appraisals every year, which also involve a salary review. Through this method, we aim not only to match salary to performance, but also to set goals intended to lay the foundations for development. We also wish to determine which skills our employees possess, as well as what kind of development they are seeking – and what we, as a company, need.

All salaries are proposed by managers following a salary appraisal meeting with the employee in question. The salary proposal must be approved according to the grandparent principle, and, ultimately, by the CEO and the HR Director. The salary paid to the CEO and corporate management must also be approved according to the grandparent principle, i.e. by a representative of the parent company. Salary proposals for employees covered by collective bargaining agreements are negotiated and set in consultation with the respective trade union organisations.

The performance expected and the targets are agreed at the employee appraisal at the start of each year. We follow up on employee performance through a brief MYR interview during the year, where there is also time to prioritise activities and assess whether they are in line with the goals set.


Group training platform

Our employees and their skills constitute our greatest strength and competitive advantage. That is why we work actively with skills development and learning. Our group-wide LMS is integrated with the LinkedIn Learning module, which includes over 15,000 online courses, plus classroom sessions.

Diversity and equal opportunities

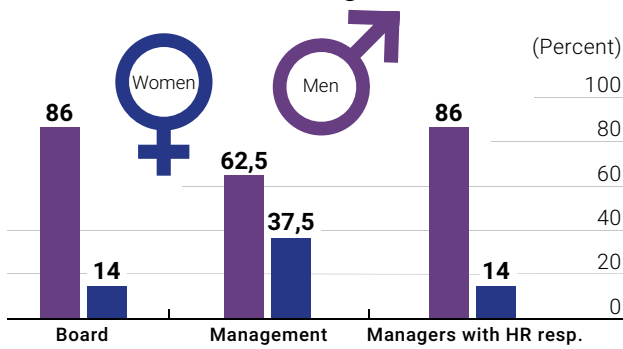
Through conscious work with diversity, we are committed to contributing to a society in which everybody is viewed as an asset. Our ambition is to reflect



Our employees and their skills constitute our greatest strength and competitive advantage. 



Gender distribution management 2023



society, our suppliers and our customers. Our diversity work should be a natural part of the work to reinforce Elektroskandia's competitiveness. When recruiting, we always strive to create working groups composed of employees of different genders, ages, group affiliations and backgrounds. In 2023 we added the category "Diversity and inclusion" to Winningtemp. Our aim in so doing is to raise awareness around the area and our work associated with it.

Elektroskandia will work to:

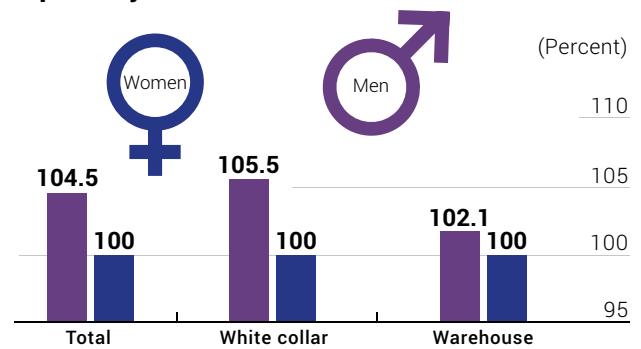
- Raise awareness and knowledge about diversity, inclusion and gender equality.
- Promote a more even distribution between women and men at all levels and within all professional disciplines at the company.
- Expand the company's overall competence by increasing the number of female managers.
- Increase understanding and knowledge around the benefits of diversity in our working groups.
- Support women and men in combining parenthood and gainful employment.
- Actively combat exclusion and work to prevent all forms of discrimination, harassment and other forms of victimisation in the workplace.
- Ensure that employees' skills are assessed when setting remuneration, so as to ensure equal pay for equal work – irrespective of gender.

Elektroskandia is an electrical technology wholesaler, and our employees work in various services: sales, warehousing and white-collar positions. Our sector is heavily male-dominated, and 77 percent of the company's employees in 2023 were men (2022: 78 percent, 2021: 78 percent, 2020: 78 percent).

We use the Equal Pay Index – the weighted pay gap between the sexes, calculated on the average pay. The total pay gap is 4.5 percent in favour of men. For white-collar employees it is 5.5 percent and for warehouse staff it is 2.1 percent.

We performed a payroll mapping process in 2023 to establish any unfounded grounds for unequal pay. The findings

Equal Pay Index 2023

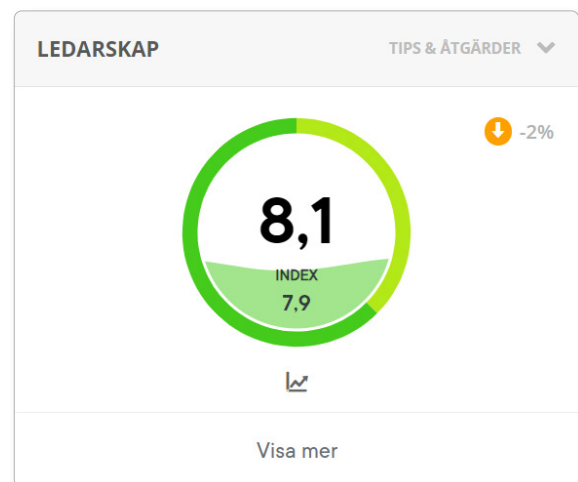


did not demonstrate any unjustified differences in pay. However, we noted that the pay gap between men and women had in general increased over 2022.

Employee survey

We use Winningtemp to measure engagement and well-being in the organisation on an ongoing basis. Using this tool, we "take the temperature" of the organisation weekly, allowing managers to check the current status of their teams on a scale from 1 to 10. The survey is distributed once a week by email; it is completely anonymous and includes a comment option for those employees who wish to use it.

Our managers and staff review the results monthly, and we can see that our overall "temperature" has increased, from 7.4 in 2020 (when we started using Winningtemp) to 7.8 in 2023. Similar improvements can be observed in areas such as Leadership, which has increased from



7.7 in 2020 to 8.1 in 2023. We activate measures on an ongoing basis, both at team level and overall, based on Winningtemp results, to create a healthy, safe and engaging working environment.

We continued using Winningtemp in 2023, where we also used it to ask "own questions". The main benefit here is that the tool provides a current snapshot that allows us to act directly and implement preventative measures.



Corporate Social Responsibility/Engagement

Contributing to a better world

We are keen to give our employees the opportunity to contribute to making the world a little better. We do so, for example, through the following activities and initiatives:

We save lives. Elektroskandia has chosen to partner with the “Blood Bus” to help keep the Swedish healthcare system supplied with blood. We launched this initiative in 2000, since when the bus has visited our facility in Örebro every three months.

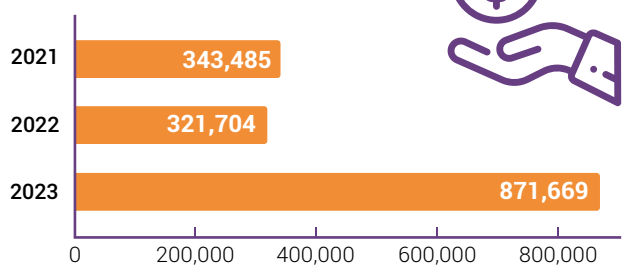
Defibrillators for emergency aid. In 2015 we installed 55 defibrillators in our stores and offices to ensure that help can be provided without delay in the event that someone suffers an acute heart attack. Next to each defibrillator is a list of staff in the unit who have completed CPR training. All defibrillators are listed in the Swedish defibrillator register and are checked every year.

Knowledge about working life

We consider it important to teach young people about working life, which is why we are happy to receive PRAO students, interns and students working on exam projects. It is valuable for them to have the opportunity to gain insight into our sector, and we also believe that this type of exchange of information enriches our business.

Sponsorship, 2021–23

(SEK)



We are happy to open our doors to people interested in gaining work experience with us; for example, we offer after-school work, summer jobs and piecework. This may take the form of simple assignments such as clearing up and cleaning shelving units. Naturally, all young employees are issued with the appropriate safety equipment.

Gothia Cup and other sustainable partnerships

Our biggest focus in 2023 was the Gothia Cup youth football tournament, of which we were an official partner. The focus was on sustainability in line with UN goals.

We also sponsored the Red Cross’s work in Ukraine, and a number of local sporting associations, including Karlstad IBF, Vårby IK, IBF Falun and Sweden Rock.

About the report

This sustainability report summarises Elektroskandia's sustainability work in 2023. It is the eighth report submitted according to the Global Reporting Initiative (GRI) and was published on 30 June 2024 simultaneously with our financial report. We compile the report with reference to the GRI Standards 2021. It also constitutes the statutory report pursuant to Section 6 of the Swedish Annual Accounts Act (ÅRL). It covers all activities at Elektroskandia Sverige AB in Sweden. Financial data is published in the annual report and in the auditor's report, which is registered with the Swedish Companies Registration Office. No changes in information published in the 2022 report have been reported in this version.

For a complete list of all stores in Sweden, see: www.elektroskandia.se

The report is compiled annually and our ambition is to publish the next version of this report in June 2025. Please address any questions and enquiries about the report to:

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Auditor's report on a general review of Elektroskandia Sverige AB's 2023 Sustainability Report, and opinion concerning the statutory sustainability report.

For Elektroskandia Sverige AB, company reg. no. 5560148412.

Introduction

We have been commissioned by the Board of Directors and the CEO of Elektroskandia Sverige AB to conduct a general review of Elektroskandia Sverige AB's 2023 Sustainability Report. The company has defined the scope of the sustainability report on page 2 of this document, of which the statutory sustainability report is defined on page 39.

Responsibilities of the Board of Directors and the CEO

It is the Board of Directors and the CEO who hold responsibility for preparing the sustainability report, including the statutory sustainability report, in accordance with the applicable criteria and the Swedish Annual Accounts Act (ÅRL). The criteria are presented on page 31 of the sustainability report and comprise those parts of the framework for sustainability reporting published by GRI (Global Reporting Initiative) that are applicable to the sustainability report pursuant to the requirements to report with references, as well as the company's own accounting and calculation principles. This responsibility also comprises the internal control that is considered necessary to prepare a sustainability report that does not contain material misstatement on account of irregularities or errors.

Auditor's responsibility

Our responsibility is to express an opinion on the sustainability report based on our general review and to provide an opinion concerning the statutory sustainability report. Our assignment is limited to the historical information presented and therefore does not encompass future-oriented information.

We have conducted our general review in accordance with ISAE 3000 (revised) Assurance Engagements Other Than Audits or Reviews of Historical Financial Information. A general review consists of making enquiries, initially of persons who are responsible for the preparation of the sustainability report, conducting analytical examination, and performing other general review actions. We have performed our review of the statutory sustainability report in accordance with FAR's recommendation RevR 12 Auditor's opinion on the statutory sustainability report. A general review and a review pursuant to RevR 12 have a different direction and a significantly smaller scope than the direction and scope of an audit pursuant to the International Standards on Auditing and good auditing practice.

The firm of auditors applies the International Standard on Quality Management 1, which requires the firm to design, implement and manage a system for quality management, including guidelines or routines concerning compliance with professional ethics requirements, standards for professional practice and applicable requirements in laws and other regulatory requirements. We are independent of Elektroskandia Sverige AB in accordance with good auditing practice in Sweden, and have otherwise fulfilled our professional ethics responsibility under these requirements.

The review actions adopted in a general review and examination according to RevR 12 do not allow us to obtain a level of assurance that we have been made aware of all significant circumstances that could have been identified if a full audit had been performed. For this reason, the stated conclusion based on a general review and examination according to RevR 12 does not provide the same level of assurance as a stated conclusion based on an audit.



Our review of the sustainability report is based on the criteria selected by the Board of Directors and the CEO, as defined above. We consider these criteria to be suitable for the preparation of the sustainability report.

We consider that the evidence we have obtained during our review is sufficient and appropriate for the purpose of expressing our opinion below.

Opinion

On the basis of our general review, we have not identified any circumstances that give us grounds to consider that the sustainability report has not, in all material aspects, been prepared in accordance with the above-mentioned criteria stated by the Board of Directors and the CEO.

A statutory sustainability report has been prepared.

Stockholm, 28 June 2024

KPMG AB

Henrik Lind

Registered auditor

Torbjörn Westman

Expert member of FAR

GRI Content index

Where page reference is missing the reason is either that the information a) is confidential or b) that we have not yet gathered data of high enough quality to be published or c) that the outcome of our analysis of material aspect made the reporting redundant. Our ambition is to increase the amount of reporting aspects for each new report.

GRI Standard	Disclosure	Description	Page ref.	Deviations/ comments
GRI 2: General Disclosures 2021	2-1	Organizational details	31	
	2-2	Entities included in the organization's sustainability reporting	31	
	2-3	Reporting period, frequency and contact point	31	
	2-4	Restatements of information	31	
	2-5	External assurance	32–33	
	2-6	Activities, value chain and other business relationships	4, 7, 9–11	
	2-7	Employees	25–29	
	2-8	Workers who are not employees	26	
	2-9	Governance structure and composition	8–9	
	2-10	Nomination and selection of the highest governance body	9	
	2-11	Chair of the highest governance body	9	
	2-12	Role of the highest governance body in overseeing the management of impacts	9	
	2-13	Delegation of responsibility for managing impacts	9	
	2-14	Role of the highest governance body in sustainability reporting	9	
	2-15	Conflicts of interest	9	
	2-16	Communication of critical concerns	11, 13	
	2-17	Collective knowledge of the highest governance body	8–9, 29	
	2-18	Evaluation of the performance of the highest governance body	9	
	2-19	Remuneration policies		a
	2-20	Process to determine remuneration	28–29	
	2-21	Annual total compensation ratio		a
	2-22	Statement on sustainable development strategy	3, 7, 9	
	2-23	Policy commitments	8	
	2-24	Embedding policy commitments	13	
	2-25	Processes to remediate negative impacts	10–11, 13–15	
	2-26	Mechanisms for seeking advice and raising concerns	12	
	2-27	Compliance with laws and regulations	9, 13	
	2-28	Membership associations	10	
	2-29	Approach to stakeholder engagement	10–11, 14	
	2-30	Collective bargaining agreements	10, 26	

GRI 3: Material Topics 2021	3-1	Process to determine material topics	6–7
	3-2	List of material topics	7
	3-3	Management of material topics	6–7
GRI 201: Indirect Economic Performance 2016	201-1	Direct economic value generated and distributed	b
	201-2	Financial implications and other risks and opportunities due to climate change	b
	201-4	Financial assistance received from government	b
GRI 202: Market presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	a
	202-2	Proportion of senior management hired from the local community	b
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	b
	203-2	Significant indirect economic impacts	b
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	b
GRI 205: Procurement Practices 2016	205-1	Operations assessed for risks related to corruption	13
	205-2	Communication and training about anti-corruption policies and procedures	13
	205-3	Confirmed incidents of corruption and actions taken	13
GRI 206: Anti-competitive Behaviour 2016	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	b
GRI 301: Materials 2016	301-1	Materials used by weight or volume	b
	301-2	Recycled input materials used	b
	301-3	Reclaimed products and their packaging materials	b
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	23
	302-3	Energy intensity	b
	302-4	Reduction of energy consumption	23
	302-5	Reductions in energy requirements of products and services	24

GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	15	
	305-2	Energy indirect (Scope 2) GHG emissions	15	
	305-3	Other indirect (Scope 3) GHG emissions	15	
	305-4	GHG emissions intensity		b
	305-5	Reduction of GHG emissions	15	
	305-6	Emissions of ozone-depleting substances (ODS)		b
	305-7	Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions		b
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	23	
	306-2	Management of significant waste-related impacts	22–23	
	306-3	Waste generated	23	
	306-4	Waste diverted from disposal		b
	306-5	Waste directed to disposal		b
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria		b
	308-2	Negative environmental impacts in the supply chain and actions taken		b
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	26	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		b
	401-3	Parental leave		b
GRI 402: Labour/ Management Relations 2016	402-1	Minimum notice periods regarding operational changes		b
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	25–26	
	403-2	Hazard identification, risk assessment, and incident investigation	26–27	
	403-3	Occupational health services		b
	403-4	Worker participation, consultation, and communication on occupational health and safety	27, 29	
	403-5	Worker training on occupational health and safety	27	
	403-6	Promotion of worker health	27–28	

Contd. GRI 403: Occupational Health and Safety 2018	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		b
	403-8	Workers covered by an occupational health and safety management system	26–27	
	403-9	Work-related injuries	27	
	403-10	Work-related ill health	27	
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee		b
	404-2	Programmes for upgrading employee skills and transition assistance programmes	28	
	404-3	Percentage of employees receiving regular performance and career development reviews	27–28	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	29	
	405-2	Ratio of basic salary and remuneration of women to men	29	
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken		b
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		b
GRI 409: Forced or Compulsory Labour 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour		b
GRI 410: Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures		b
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples		b
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programmes	30	
	413-2	Operations with significant actual and potential negative impacts on local communities		b
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	16, 21	
	414-2	Negative social impacts in the supply chain and actions taken		b

GRI 415: Public Policy 2016	415-1	Political contributions	b
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	16
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	17
GRI 417: Marketing and Labelling 2016	417-1	Requirements for product and service information and labelling	19
	417-2	Incidents of non-compliance concerning product and service information and labelling	17, 20
	417-3	Incidents of non-compliance concerning marketing communications	21
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	13

ÅRL index

Index for sustainability reporting pursuant to the Swedish Annual Accounts Act 6:10-14

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