



## SUSTAINABILITY HIGHLIGHTS



#### **URBAN MINER CAMPAIGN**

Winning Sustainable Brand Index'
Venture of the year campaign in Norway
and 4 awards at Gullblyanten
(Norwegian marketing award)



## SUSTAINABILITY PART OF CAMPUS

Engaging thousands of employees



#### ONLINE UNIVERSE

for Giving tech longer life



#### **ECOVADIS RATING**

45% of revenue from certified suppliers



#### **ENERGY LABEL**

Becoming key in customer choice



## SUSTAINABLE BRAND INDEX

Increasing rating in all markets

## SUSTAINABILITY REPORTING 22/23

As the undisputed market leader in consumer electronics in the Nordic region, Elkjøp Nordic has a great responsibility for how we conduct our business, contribute to society, treat our customers and employees and how we maintain our value chain. Not only responsibility – but future business opportunities lay the ground for our view on sustainability, and we believe the circular economy is the future.

We support the UN development goals and are especially focused on goals 8, 10, 12, 13 and 17.

Elkjøps report for the Transparency Act is available here: **Annual Transparency Report** 

WE CARE ABOUT PEOPLE. THE ENVIRONMENT AND THE COMMUNITIES WE OPERATE IN

#### WE HELP EVERYONE ENJOY AMAZING TECHNOLOGY

RESPONSIBLE BUSINESS

WITH PRODUCTS TO BE PROUD OF DELIVERED THROUGH CARBON EFFICIENT OPERATIONS

DELIVERED HIROGORI GARDON EFFICIENT OF ERAIN

TRUSTED ADVISOR

FIGHT DIGITAL EXCLUSION

**ENJOYED BY EVERYONE** 

RESPONSIBLE SOURCING

**RESPONSIBLE EMPLOYER** 

GREENER CHOICE

**CARBON EFFICIENT OPERATIONS** 

















Our biggest impact come from the products we sell, hence our whole business model. We wish to be trusted advisors, creating customers for life, and offer products that help save energy, reduce food waste, help save water, and that can be of use for as long as possible. Our aim is to be a leader in extending the life of technology through reuse, repairs and recycling.

#### Campus and colleague engagement

Engaging colleagues in our journey towards sustainability is key to success. At Elkjøps annual Campus event – gathering 6000 colleagues, sustainability was high on the agenda, from the supplier side in the exhibitions and product trainings, and also training in Elkjøps own sustainability strategy.

All our employees have had mandatory training in our sustainability strategy, and we increasingly focus on communicating the way forward to all departments and employees. Internal training events on several topics related to the sustainability strategy have been launched, one example being the sale of spare parts and on responsible sourcing.

Elkjøp wants a broad stakeholder dialogue to further enhance our sustainability strategy. Customers, suppliers, owners and our colleagues all provide fruitful insights on how sustainable development can influence our business.

Through insight given by the Sustainable Brand Index, we know what topics consumers expect Elkjøp to work with. These correlate highly with our sustainability strategy, focusing on products of high quality, energy efficiency, longer life cycles, access to repair services and responsible recycling services.

We are also increasingly active participants in discussions on sustainability in media, seminars, and meetings with governments, politicians, and activists at annual political events in Scandinavia such as the Arendal Week (Arendalsuka) in Norway and Almedalen Week (Almedalsveckan) in Sweden, Folkemøde på Bornholm in Denmark and Suomi Arean in Finland.

#### Sustainability Governance

A governance model based on the Elkjøp operating model has been put in place by the Group's Nordic Management. The philosophy is based on the principle of Sustainability being integrated in the daily business, following the general operating model. The local branches play key roles in fulfilling the sustainability strategy. Local networks have been set up, and the sharing of best practice across the Nordics is a way to success.

Elkjøp Nordic is also part of the Currys Group's Sustainability Leadership Team. An Environmental, Social and Governance (ESG) Sub- Committee of the board has been created. Even though Elkjøp has its own sustainability strategy, we are aligned with the Currys strategic priorities on Climate, Circular economy and Digital poverty and work closely with them, sharing best practices.

We report extensively to Currys on Sustainability, and have also included sustainability in our Nordic financial update every month.

Sustainability is added to the principal risk review and updated quarterly. Horizon scannings and closely watching external factors throughout the whole business are key. ESG risk register is monitored by the Group Sustainability Leadership Team and the Nordic sustainability team.

Elkjøp is ISO 14001 (Environmental Management System) certified, and our environmental policy is signed off by CEO Fredrik Tønnesen. ISO 14001 and the overall Sustainability Strategy are assessed in management reviews 4 times a year. The policy focuses on the following priorities: reducing own emissions, and making it easier for consumers to choose, maintain and ultimately recycle products. The internal audit regime follows ISO 14001 rules.

This work will continue in 2023/24, creating a wider governance framework, ensuring that responsibilities for targets, progress and reporting are clear for everyone – from Group management to company directors, from store managers to all store employees.

In 23/24 we are expanding the Nordic sustainability Team and working further on developing robust data quality, enhance competence across the business, and working together towards our objectives and ambitions.

We have environmental objectives through the ISO system as well as incentives on leadership level to meet targets. Our objectives for next year are connected to reduction on electricity consumption, reduction of emissions from transport, higher energy labelling share and increased hit-rate on the service Return Green.

#### Climate and environmental risks

Climate change is one of the key challenges for humanity. Elkjøp recognises climate change and environmental challenges as a key risk for our company. We plan to build on our pilot climate scenario analysis and learnings, ensuring it is embedded into our governance, risk management and strategic approach.

We also recognise the pressing need to improve our use of resources by creating circular business models, as e-waste is among the fastest growing environmental problems in the world.

Our industry relies heavily on scarce metal and mineral resources. This theme is increasingly on the agenda, and we see our suppliers working to use more renewable and recycled materials.

Regulatory risks are increasingly becoming evident. Both at an EU-level and at the national level, we see political and regulatory changes that may affect our business, for example the Right to Repair, the Eco-Design Directive or the Green Labelling requirement. We know that electronics is high on the agenda in the EU's Circular Economy Action Plan and expect increased scrutiny on our sector.

The risk of being accused of greenwashing - trying to convey our business as being more sustainable than it really is - is something we are very aware of. We have developed guidelines for communicating correctly on sustainability and expect all our suppliers to communicate honestly and trustworthy on sustainability.

We believe the transition to a circular, low carbon economy involves many opportunities for us. Technology will continue to improve and close the loop on using recycled materials in energy efficient products, and retailers – which are closest to the customers are best positioned to create new, circular business models based on refurbished products, leasing, renting and product-as-a-service-solutions. This will be a key enabler for Elkjøp's future growth.





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## GREEN HOUSE GAS EMISSIONS FOR ELKJØP NORDIC SCOPE 1, 2 AND 3

The GHG emissions for our business for the reporting period 1 May 2022 - 29 April 2023, are as follows:

Elkjøp GHG Emissions	Scope	2022/23 Emissions (tC02e)	% of Total (market-based) 2022/23
Scope 1 Emissions	Scope 1	487	0,03 %
Scope 2 Emissions (Location-based)	Scope 2	5 547	-
Scope 2 Emissions (Market-based)	Scope 2	1 926	0,10 %
Scope 3 Emissions (Total)	Scope 3	1 923 596	99,87 %
1. Purchased Goods and Services	Scope 3	817 975	42,47 %
2. Capital Goods	Scope 3	Relevant, included in Catl	N/A
3. Fuel- and energy-related activities	Scope 3	3 864	0,20 %
4. Upstream transport and distribution	Scope 3	8 826	0,46 %
5. Waste generated in operations	Scope 3	780	0,04 %
6. Business travel	Scope 3	1 360	0,07 %
7. Employee commuting	Scope 3	7 744	0,40 %
9. Downstream transport and distribution	Scope 3	3 430	0,18 %
11. Use of sold products	Scope 3	1 077 502	55,94 %
12. End of life treatment	Scope 3	2 115	0,11 %
Total Emissions (Scope 1, Scope 2 Market-Based & Scope 3)		1 926 009	



## ENERGY CONSUMPTION ELKJØP NORDIC AS

The company-wide KWH energy consumption for the reporting period 1 May 2022-29 April 2023, is as follows:

Energy consumption (kWh)	Total 2022/23
Natural gas	634 639
Heating (district heating)	11 279 248
Electricity	71 780 064
TOTAL	83 693 951
Renewable energy consumption (kWh)	Total 2022/23
Total renewable energy purchased or	
generated	71 780 064
TOTAL	71 780 064

## EMISSIONS FROM ENERGY CONSUMPTION SCOPE 1 AND 2 ELKJØP NORDIC AS

Emissions on location basis - Elkjøp	Tonnes of CO2e Emissions on location basis - Elkjøp emitted 2022/2	
Emissions from combustion of fuel (Scope 1)	487	
Total scope I emissions	487	
Emissions from purchase of electricity (Scope 2)	3 621	
Emissions from purchase of district heating (Scope 2)	1926	
Total scope 2 emissions	5 547	
TOTAL	6 034	
Emissions on market basis – Elkjøp	Tonnes of CO2e emitted 2022/2	
Emissions from combustion of fuel (Scope 1)	487	
Total scope I emissions	487	
Emissions from purchase of electricity (Scope 2)	-	
Emissions from purchase of district heating (Scope 2)	1926	
Total scope 2 emissions	1926	
TOTAL	2 413	

### **PLANET**

Our sustainability strategy has the consumer in focus, as the largest part we can play is to enable consumers to live more sustainable lives. However, we are of course working on reducing our own impact. As part of our ISO 14001 environmental management system, we work by an annual cycle of setting targets, measuring, and tracking.

#### Reducing the footprint from own operations

As a company, we are committed to reducing our carbon footprint throughout our own operations.

As part of the Currys Plc Group, Elkjøp is committed to reducing emissions from absolute Scope 1 and Scope 2 GHG (Greenhouse Gas) emissions by 50% by 2029/30, from a 2019/20 base year. The company is also committed to reducing absolute Scope 3 GHG emissions from purchased goods and services and use of sold products by 50% within the same timeframe. Our Scope 3 emissions account for over 90% of our total emissions. The most material impacts are within purchased goods and services and the use of sold products. Currys has had its emissions reduction targets approved by the Science Based Targets initiative and received an A- on CDP. More information on Group targets and our reporting on scope 1, 2 and 3 is available on currysplc.com/investors/

#### Energy management system:

We're committed to reducing energy consumption in our Nordics stores and have implemented a range of measures to achieve this goal. These include installing an energy management system, unplugging white goods on display during non-business hours, upgrading ventilation systems and changing energy filters for improved air quality and energy efficiency, and developing our CTS (control and monitoring) systems to optimize energy usage.

We're pleased to report that our efforts have paid off. In the 22/23 fiscal year, we successfully reduced our electricity consumption by 7% across the Nordics

#### Transport

Safe and efficient logistics is essential for the group to run its business. Elkjøps main warehouse in Jönköping, Sweden, is the hub of our entire group's goods transport. Through our "Logistics with the heart" program, several measures have been implemented to ensure that transport services are carried out in a responsible and environmentally effective manner. In our transport agreements, strict environmental and safety standards and good working conditions are essential. In October 2022 we gathered all our major suppliers and partners for two whole days, focusing only on sustainability and CO2 efficient transport.

In all our internal hubs, we use the SAP Transport Management System, which enables us to create efficient routes and consolidate orders to the end customer for the big box (white goods) segment. We use a mix of diesel, HV0100, gas (CNG) and electric as infrastructure and conditions for example for charging vary between the countries. We now focus on monthly reporting and demand our suppliers to report on efforts to reduce the use of diesel. Our partner Casa Delivery in Finland did invest in several electric trucks in 2022 and are now delivering Gigantti goods in Kokkola, Vasa and Seinäjoki for 60-70% of the home deliveries. Early 2023 Bring started up with electric trucks in Trondheim, Norway, for our home deliveries with a rollout plan for Bergen and the region Vestfold within summer 2023.



One part of the "Logistics with heart" is also following up well-being among the drivers delivering big box in the Nordics. In 2023 we started up with monthly surveys to receive feedback about the working conditions. An important tool for us and for our partners to focus on the right topics and with the ambition to have engaged drivers.

For the last mile part of the home delivery of postal packages, we offer the customers 100% fossil-free home deliveries to the customer in 27 cities/areas in Sweden (now reaching 6 million people) and 3 cities/areas in Denmark. We call this set up urban home deliveries with Bring. In late 2022 we introduced same day deliveries to customers in greater Oslo, this with electric cars/trucks with Bring.

We are expanding our warehouse in Jönköping again by building a new stand-alone warehouse across the road. The new addition will house Epoq kitchens when its central distribution facility, currently located in Brno, Czech Republic, moves to Jönköping. When opened, NDC will measure a total of 193.600 square meters and be one of Europe's largest warehouse facilities, with a Breeam Excellent recognition, and solar panels!

In 23/24 we will continue to further develop our distribution suppliers and look into even more efficient ways of transporting goods.

# WE HELP CUSTOMERS REDUCE THEIR ENVIRONMENTAL IMPACT

Our greatest footprint comes from the products we sell. The products and services we offer is the area in which we can make the biggest difference. We know that many consumers want to live in a more environment- and climate-friendly way but think that choosing is difficult. At Elkjøp, we want to make it easier to make a more sustainable choices.

Elkjøp has set the consumer at heart of the sustainability strategy, and empowering consumers to make smarter choices is key to a circular economy. We are therefore extremely proud that consumers notice our efforts. In the Sustainable Brand Index, measuring how sustainable consumers perceive different brands to be, we are climbing the index in all countries.

As retailers, we are uniquely positioned to help consumers live more sustainably and help them make simple green choices.

#### Energy e icient products

The last years increased focus on energy prices has led to renewed importance on energy labelling on white goods. As products with higher energy labelling uses less energy throughout their life cycle, it leads to both less costs and emissions.

The share of washing machines with label A-C is 70% of total sales. In the year to come we plan to further increase the range and share of products with high energy label.

#### Repair, reuse and recycle:

The key in the circular economy is to keep resources in use for as long as possible.

In order to help consumers give their tech longer life, Elkjøp has created a whole on-line universe with articles, tips and tricks and how-to guides on taking care of products. Cleaning earplugs, changing filter in washing machine, making the coffee machine clean again, we help you take care of your amazing tech! For further information, look at https://www.elkjop.no/magazine/gi-tingene-dine-lengre-levetid

Through our continuous dialogue with customer club members, through newsletters and other communication channels, for example one year after purchasing a new washing machine, we encourage consumers to give their technology longer life.

Elkjøp wants to make it easier for consumers to repair their products. In stores we now have huge signs saying "Can it be repaired instead of replaced?" Making repairs a natural choice requires convenience, price and communicating services we may offer. We are increasingly communicating our repair services and plan to make it even more visible and attractive for customers in the year to come.

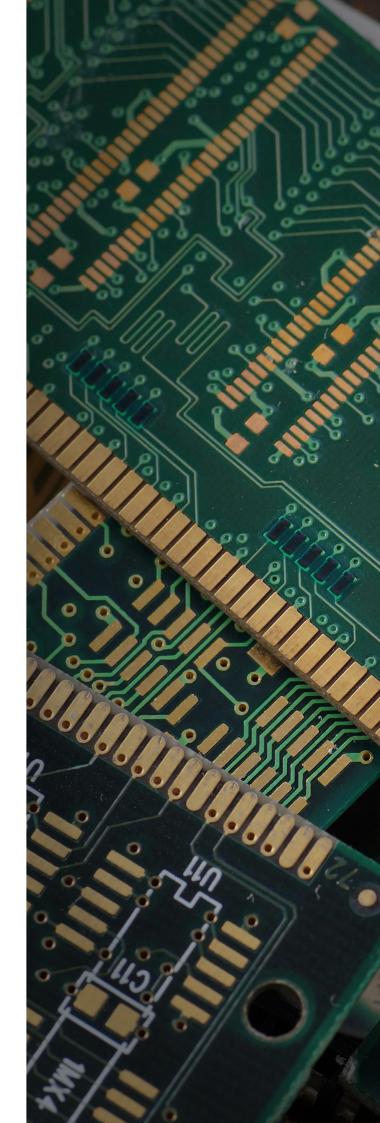
We are proud of our repair centres Elcare, employing 286 skilled repair staff in Norway, Sweden and Finland.

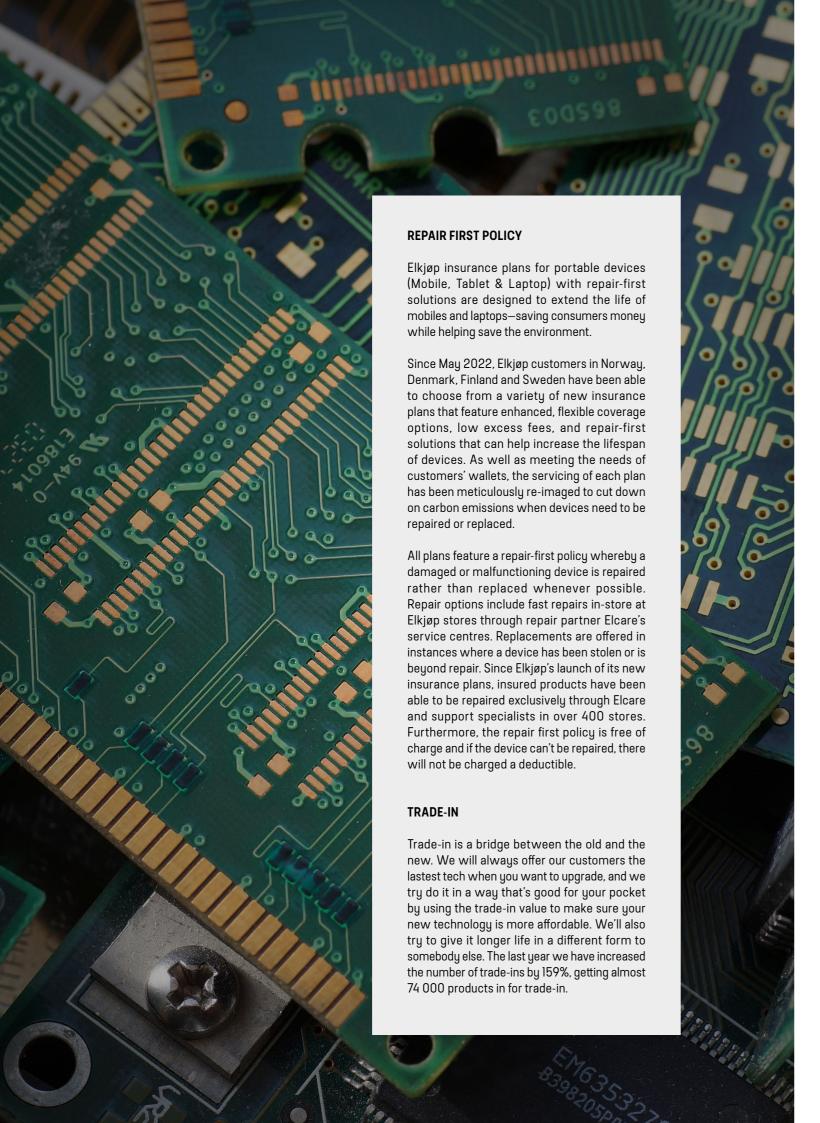


We welcome the European Commissions proposal on the "Right to repair" and believe we are in a good position to meet the increased attention on repair services due to our ownership of Elcare and support specialist in over 400 stores.

Elkjøp believes in making it easy for consumers to take care of and repair products. However, we know that many find it too expensive, and not worthwhile. That is why Elkjøp has taken a position on and raised our voice on the topic of removing VAT on repair work and spare parts. This would give consumers a real alternative. Elkjøp has raised this topic in the media and with politicians, sometimes in collaboration with our industry associations.

The volume on repairs is going down. We believe it is partially due to better products with lower failure-rates and decreasing quantity of sold units. In 22/23 we repaired about 550 000 products.





#### Refurbished

As part of the move towards circular business models Elkjøp Norway has started selling refurbished white goods through our online platform with our partner Norsk Ombruk. These are products Norsk Ombruk collects at Elkjøp stores, refurbish and prepare them for a second life. In the year to come we will continue to improve our offering on pre-loved tech and circular business models. See more at: https://www.elkjop.no/hvitevarer/brukte-hvitevarer

#### Responsible handling of electronic waste

We encourage consumers to recycle and to bring old tech back to our stores, the circular economy is dependent on getting used materials back into the loop.

In 22/23 we collected 29 488 tons of e-waste, a slight decrease compared to last year, as this highly correlates with sales numbers.

While most of the larger electronic products such as washing machines and TVs are collected, there is a challenge in all markets to collect smaller electronic devices such as cables, power banks and the like. These are more likely to end up in the general trash. Similarly, mobile phones, tablets and other devices with stored data, remain with customers and are not entered into the circular economy, due to fear of private data coming astray. Communicating to and assuring customers of Secure collect containers in stores, so that no employees or others will be in

contact with the products consumers return to recycle is something we have become more aware of and wish to communicate clearly.

In Larvik we have opened our first "drive through" pilot for dropping of e-waste, hopefully leading to even smoother recycling experiences!

#### Return Greek

Our aim is to make it easy and normal for all electronics to be recycled. Our service Return Green offers recycling of old products when new ones are delivered. We see that by focusing on these types of services we can affect behaviour. We sold 253,000 Return Green services in 2022/23. The products collected by Return Green are then passed through a screening process to decide if they can be made fit for a second life.

#### **EL-PANT - DEPOSIT SCHEME**

In order to incentivize recycling of e-waste, Elkjøp Norway has introduced a "deposit scheme", where customers check the value of their products online, and then receive a gift card in store. The value is highest on mobiles, computers and tablets. For white goods and TVs there is a fixed price. We are considering similar concept in all countries.











## **URBAN MINER CAMPAIGN**

Our biggest success this year.

Urban Miner is a unique recycling campaign for Elkjøp in collaboration with Microsoft and Minecraft. The service brought the gameplay mechanics of the world's most popular game into the real world and encouraged people to dig out their old gadgets in exchange for Minecoins.

With a shared goal of recycling e-waste, Elkjøp and Minecraft built a bridge across the divide between the real world and the digital world that their target audience exists in. And it was all done with

a very simple message: Become an Urban Miner. Your old gadgets are a goldmine. Recycle them and get Minecoins in return.

The campaign has created attention all over the world and won several awards like Venture of the year in Norway by Sustainable Brand Index and marketing awards like Best in show in the Gold pencil in Norway, and medals in the prestigious D&AD Awards, The One Show and Cannes Lions.



# FIGHTING DIGITAL EXCLUSION

Most of us are on a fantastic tech journey that improves our everyday lives. But many are still left on the platform because the ticket is only available via app. We have a joint responsibility to get everyone on board - that is why we fight digital exclusion.

In our annual research study Techno Trouble we have identified a number of groups that, due to age, socioeconomic status, disabilities, language and cultural barriers, or other issues, find themselves on the wrong side of the technological class divide.

According to our research, one out of three people in the Nordic countries finds it difficult to keep up with the changes in technology, and 20 per cent say they have products at home that they do not know how to use. Even more admit that they are not using their products to their full potential, not knowing how to use all their features.



#### The Elkjøp Foundation and strategic partnerships

We have established the Elkjøp Foundation to fight digital exclusion. We work to raise awareness, increase knowledge, and enable access to people who are falling behind in the rapid development of technology. To connect, play or learn with technology should be

easy and fun but that is not always the case. That is why the Elkjøp Foundation supports organisations and associations with products and guidance – in addition to financial resources. This is very close to our vision and our hearts, and work we are incredibly proud of!

In addition to this, Elkjøp has this year entered into a number of long-term strategic partnerships to strengthen the ability to fight digital exclusion more effectively. The funding amounts to a total of 6 million NOK

- NORWAY: SOS Children's Villages International, especially their project "Digital Village".
- FINLAND: Save the Children, especially their interactive learning solution and their digital childhood competence centre, Kidital. We have also joined the cross-sector Kaikille Kone initiative.
- DENMARK: Danish People's Aid, especially School Start Assistance, ensuring that those on a low income also get a good start at school.
- SWEDEN: Läxhjälpen ("Homework Assistance"), helping children obtain the right digital equipment to be able to do their homework in an efficient way. Another new development is the partnership with Barnens Dator ("Computers for kids"), focusing on donating gaming computers to kids and families that risk missing out due to low incomes.

## **PEOPLE**

Our workforce is our most important asset, and as such, we strive to accommodate a culture and climate where our employees can grow and thrive.

In order to help everyone enjoy the amazing benefits of technology, we need to reflect the diversity of our customers and society as a whole throughout our workforce. As such, diversity, equity and inclusion (DEI) is an important priority for the Elkjøp Group. This means that we recognise that supporting diversity and active inclusion is not only the right thing to do, but also the right thing for our business. Our commitment is woven into our values and our belief that Elkjøp delivers its best when we embrace the full spectrum of society, regardless of what we look like, where we come from, or who we love. Our commitment to DEI is to build a strong foundation for the entire Elkjøp Group across the Nordic countries (Elkjøp Nordic, Elkjøp, Elgiganten and Gigantti).

Elkjøp aims to have a diverse workforce at every level of the organisation and in all business units. We achieve this by working systematically with everything from goals, policies, regulations on how we recruit, develop, and retain diversity in our organization, and in building company culture. The Norwegian Discrimination Act's objective is to promote gender equality, ensure equal opportunities and rights, and to prevent discrimination due to ethnicity, national origin, descent, skin tone, language, religion, and faith. Elkjøp is working actively, determined and systematically to encourage the Act's purpose within the business through recruiting, salary and working conditions, promotion, development opportunities and protection against harassment. We have carried out an evaluation in line with the law and regulations, for results and more information on how we actively work with DEI, see our "Diversity, Equity and Inclusion at Elkjøp Nordic 2022" on our company website elkjopnordic.com

#### Elkjøp Academy

Learning and development is a key driver for our company and is at the very core of our culture. In Elkjøp, we use a blended training approach to develop our employees. One of these methods is digital training,

also known as e-learning. Our internal training platform is named "Academy", which all employees in the organisation have access to. As a part of our onboarding program, mandatory trainings must be completed during the first months of employment. Trainings which are part of the onboarding is tailored to the employee's given role in the company. All employees have access to a library containing trainings on both a Nordic and local level. Our key training areas are sales training, customer interactions, product knowledge, system trainings, compliance guidelines, leadership, diversity equity & inclusion and unconscious bias.

Over 600 training programmes were offered through more than 100 suppliers and in-house training programs. In total, over 21 740 training hours have been completed from e-learnings alone. After Covid-19, we were finally able to host our annual Campus Gathering at Gardermoen. Over 3 weeks, approximately 4000 employees visited Campus, our yearly annual training camp for all employees across the Nordics.

In Elkjøp we believe our leaders have a key role in facilitating growth, both in business, teams and individuals. We invest in leadership development, and we have relevant programs whether our employees are already a leader, want to become a leader, or in general want to develop their leadership skills. Our leadership programs are new as a leader, emerging leaders, leading others, leading with impact and leading change. Participation FY 22/23:

- 204 colleagues participated in our Emerging Leaders programme
- 175 colleagues finished our Leading Others programme.
- 21 colleagues finished our **Leading with impact** programme.
- 20 colleagues finished our Leading Change programme.