



SUSTAINABILITY HIGHLIGHTS



Revenue from EcoVadis
rated suppliers



46%



Green return services



257.000 UNITS



Repairs



860.000



Elcare employees



236



Collection of electronic waste



31.411 TONS

SUSTAINABILITY

REPORTING 21/22

Elkjøp has been around for 60 years, and plans to be here for at least another 60! In order to do that, we acknowledge that no business is an island, and that the business-as-usual scenario needs to change to face climate and environment challenges, and that there is a requirement to contribute to the society of which we are a part.

We support the United Nations Development Goals, and 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. That is why we have made it our business to help people live more sustainably by encouraging smart use of technology. At the same time, we try to minimise our environmental footprint and influencing our suppliers.

Our strategy will help us take the lead on sustainability and corporate social responsibility in the electronics industry. We aim to be a leader in extending the life of technology through repair, recycling and re-use and we wish to offer customers products that help them save energy, reduce waste and which they can keep and use for as long as possible.

Elkjøp's sustainability strategy stems from an analysis of what we see as the most important challenges for our business. In 2020, we conducted an analysis on where we have the highest material impact. Not surprisingly, it is related to the products we sell, both in their effect on the climate and effect on the circular economy.

All our employees have mandatory training in our sustainability strategy, and we focus on communicating the way forward to all departments and employees. In 2021/22 we kicked off our internal engagement

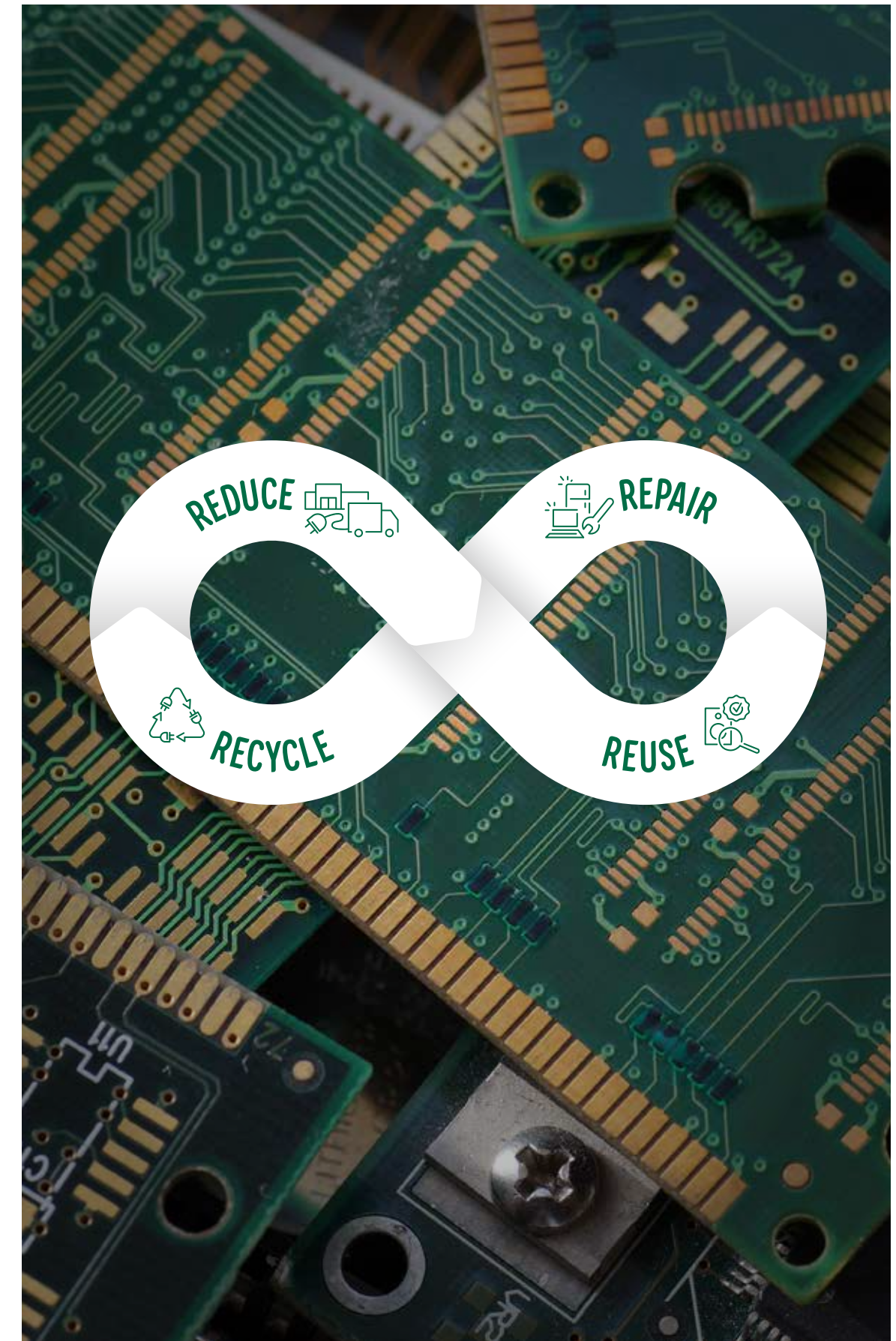
by placing sustainability on our Leadership Summit schedule, by incorporating it into our internal staff meetings, as well as integrating the topic into the workplace, our podcasts and live Q&A events. Internal training events on several topics related to the sustainability strategy have been launched, one example being the sale of spare parts.

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.

To gain insights into what customers expect from us, we are part of the Sustainable Brand Index, where consumers are asked which topics they 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 see increasing customer awareness when it comes to the sustainability of products. In the Sustainable Brand Index Report 2022, between 70% and 74% of Nordic consumers say they take sustainability into account to some or to a great extent in purchasing decisions. Especially in the B2B market, we see increased focus on sustainability, both regarding minimum requirements to be able to compete for tenders, as well in some cases being the decisive factor in who wins the tender. In order to meet expectations from all our stakeholders, we will increasingly focus on sustainability in every part of the organisation.

We are convinced that our moves towards a circular economy, while reducing emissions and fighting digital poverty, are the most substantive topics in our business model.



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.

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 countries is developing.

Elkjøp Nordic is also part of the Currys Group's Environmental, Social and Governance (ESG) Committee, which reports to the Group Board. Elkjøp's own sustainability strategy is aligned with the Currys strategy and work closely with them, sharing best practices. Topics such as climate, circular economy and digital exclusion are important shared priorities.

At Elkjøp Nordic, a broad sustainability network with regular meetings has also been formed with key stakeholders from different departments and chains in the various countries where we operate. The purpose of the sustainability network is to create transparency through discussions, which contributes to progress in important projects and activities. Many employees are in this way included in the sustainability agenda.

This work will continue in 2022/23, creating a wider governance framework, ensuring that responsibilities for targets, progress and reporting are clear for everyone.

Elkjøp Nordic is ISO 14001 (Environmental Management System) certified, and our environmental policy is signed off by Managing Director Erik Sønsterud. Both ISO 14001 and the sustainability strategy are assessed in management reviews that take place twice a year. The policy focuses on the following strategies: reducing own emissions, and making it easier for consumers to choose, maintain and ultimately recycle products. The internal audit regime follows ISO 14001 rules.



Climate and environmental risks

Our sustainability strategy is focused on the areas where we have greatest impact, but also where we see external factors that will affect our business model.

Climate change is one of the key challenges for humanity. Elkjøp recognises climate change and environmental challenges as a key risk for our company, and we are taking actions to reduce our impact on the environment and climate. The latest report from UN Intergovernmental Panel on Climate Change (IPCC) is yet another wake-up call for businesses. 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.

Even though we see great opportunities for us in moving towards and participating in creating a low carbon and circular economy, we also acknowledge that the risks associated with sustainability are becoming more prominent. To remain a successful business with as small an environmental footprint as possible, and to ensure that colleagues, customers and all other stakeholders trust us, we have to prepare for lowering the risks and including them as important elements in every decision.

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. For various reasons, such as the COVID-19 pandemic and the war in Ukraine, we are seeing increased prices on several raw materials.

We also see theft from our recycling stations as a growing risk, due to high demand for e-waste. We will continue our focus on securing our recycling stations by improving surveillance and control.

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

In collaboration with Currys, Elkjøp is actively engaged in understanding the various climate-related risks that affect us. Through concrete projects, we are gaining insight into our climate related physical risks such as flooding in our stores, extreme weather events that may interrupt supply chains and logistics, and transition risks such as increased prices on energy. Reporting on

TCFD (the Task Force on Climate Related Disclosures, the framework on the way companies must inform about climate change risks) is not mandatory in the Nordic countries as it is in UK. However, we adhere to the Group's commitment to assess the impact on climate risks and opportunities across our operations and supply chain.

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 the EU's Sustainable product initiative launched in March 2022 to have an impact on our business.

All Nordic countries have ambitions and plans for how to move towards a more circular economy. Electronics and consumer goods will therefore be more prevalent and present in climate and environment-related discussions than before, and regulations will become even stricter. We see opportunities for government to create a level playing field and clear regulations that all relevant stakeholders must adhere to.

We welcome the increased attention from investors and the finance sector to be open and transparent about our environmental social risks, and how we plan for the move towards a circular economy. Sustainability was part of the agenda on Currys Capital markets day on 4 November 2021, and we see rising interest from investors.

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. Consumer authorities have, for example, intensified their work to stop greenwashing, and we expect audits and scrutiny in this area.

By signing the Norwegian Guidelines against Greenwashing, "Grønnvaskingplakaten" – an initiative aimed at raising awareness to avoid greenwashing and communicating trustworthiness about sustainability – Elkjøp intends to be a responsible player and sees opportunities in being perceived as a trusted and sustainable brand.

WORKING WITH OUR SUPPLIERS

Elkjøp has a close relationship with our suppliers. Our responsible sourcing policy provide clear guidelines on the high standards and common values we expect from our suppliers. These standards set out minimum requirements across human rights, labour, environment, anti-corruption, integrity, business ethics, data security and social impact, and they apply on top of all the relevant national and international legislation that Elkjøp also complies with. Our responsible sourcing policy encourages our suppliers to reduce their own environmental impact, while developing products that are not overpackaged, that are easy to repair, energy efficient and easy to recycle at the end of their lifecycle.

To stimulate our suppliers even further, we are continuing our partnership with EcoVadis, which provides a third-party view of how our suppliers work within the broader spectrum of sustainability, including environment, human- and workers' rights. This gives us as a retailer much better insight, as well as the ability to share more information with our customers in a transparent and straightforward manner. It also makes it easier for consumers to make informed choices.

EcoVadis is designed with continuous improvement in mind, giving us a tool to help suppliers become more sustainable. Their ranking uses medals to indicate what level the different suppliers are on with regard to sustainability. A list of EcoVadis-certified suppliers is available on our website, and we continue to challenge our suppliers to improve their sustainability efforts. 46% of the revenues in the Financial Year 2021/22 comes from suppliers that are certified. As of May 2022, 224 suppliers are certified, and 50 are in the process of becoming so.

By the end of 2022, our target is for more than 50% of revenues to come from suppliers with an EcoVadis medal.

As a part of the Currys Group, Elkjøp adheres to the Group's policy on slavery and human trafficking, and supports the Modern Slavery Act 2015. Together with our parent company, we will continue to improve communication on this topic with our supply chain.

In preparation for the Norwegian Transparency Act, which will enter into force in July 2022, and the upcoming EU Regulation on Corporate Due Diligence, we are in 2022 performing a due diligence procedure on human- and labour rights in our supply chain. The project aims to assess the product categories and the countries where the risks are most serious, to enable us to take action, as well as provide information to our customers about relevant risks in our supply chain.

This year has shown that risks of breaches on these clauses may happen both abroad and closer to home. The Swedish media, for example, has exposed abuses in the steel industry. In that particular case, Elkjøp entered into dialogue with our relevant suppliers and was reassured by how they handled the situation.

Another example of labour rights breaches has been seen in our own supply chain for transport services. We supported this third party during an onboarding and audit process for sub-contractors, to ensure their compliance with relevant regulations.

Elkjøp will continue with training and increased focus on risks and knowledge of our policies in close relation with our suppliers.

Own Brands

Together with Currys, we offer a selection of own brands. Especially for our own brands, auditing and risk assessments are a governing part of our brand supplier selection process and ongoing relationships. Suppliers must comply with our rigorous terms and operational procedures, implementing and enforcing effective systems and controls to meet our minimum standards in respect of health and safety, wages, working hours, equal opportunities, freedom of association, collective bargaining and disciplinary procedures. Employing forced or child labour is strictly against our terms of operation. Ethical audits on our own label and licensed brand suppliers are well established.

PLANET

WE WILL IMPROVE OUR USE OF RESOURCES AND CREATE CIRCULAR BUSINESS MODELS

As part of becoming ISO 14001 certified, a new environmental policy came into force, focusing on reduced emissions from own operations, selling more environmentally friendly products and making it easier to choose, helping prolong the life of products, and making sure products are re-used and recycled.

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 also working on reducing our own impact.

In the future we expect to build our whole business strategy around sustainability. We expect even more focus on how to finance the transition, and what kind of skills and competence is required for all our employees.

Reducing the footprint from own operations

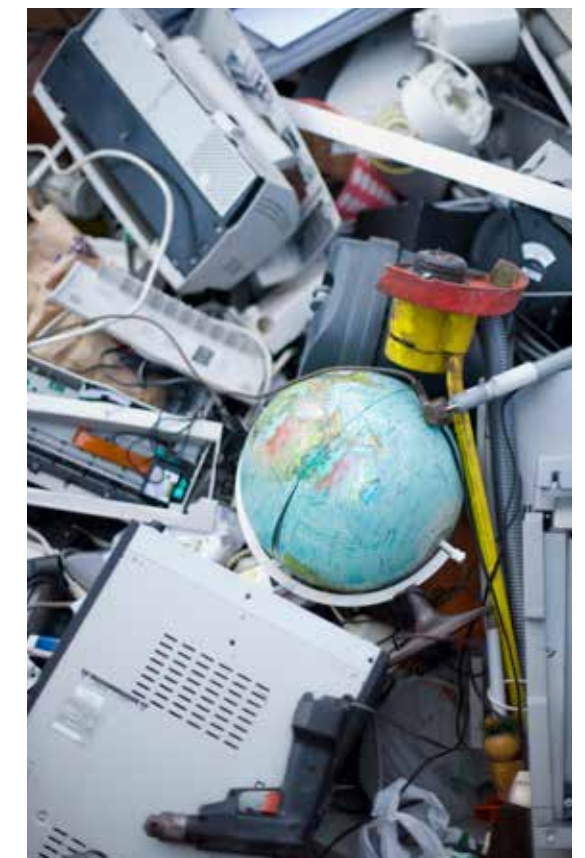
As a company, we are committed to reducing our carbon footprint throughout our own operations.

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. We will achieve reductions in these emissions through a programme of efforts involving our suppliers, our manufacturers and through colleague engagement. 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, an international collaboration, which greenlights Curry's effort as consistent with levels required to meet the goals of the Paris Agreement.



EMISSION FREE OPERATIONS

Our vision is zero emissions from our own stores and transport.





WE HELP CUSTOMERS REDUCE THEIR ENVIRONMENTAL IMPACT

As retailers, we are uniquely positioned to help consumers live more sustainably and help them make simple green choices. The key in the circular economy is to keep resources in use for as long as possible. We are leaders in extending the life of technology through repair, recycling and re-use and we offer customers products that help them live more sustainably.

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 sustainability is difficult. At Elkjøp, we want to make it easier to see how our products have been produced and the environmental and climate impact they have.

As trusted advisors, we want to help our customers make the best and greenest choices given each customer's needs. The development of more energy-efficient products is ongoing and helps our customers save energy and money. The biggest environmental impact from electronics however, does not always come from use, but from production.

In 2021/22 we have worked with a project called Environmental Parameters, aimed at making it easier for customers to make informed choices. We have asked all our suppliers to provide us with information on a product level, and we plan to launch by the end of 2022.

Another example is the campaigns aimed at helping consumers take care of their products. In the case of Electrolux, the campaign "Make it Last" encouraged consumers to take better care of their clothes when doing the laundry so the items would last longer. In the case of home appliance company BSH, the message was how to avoid food waste.

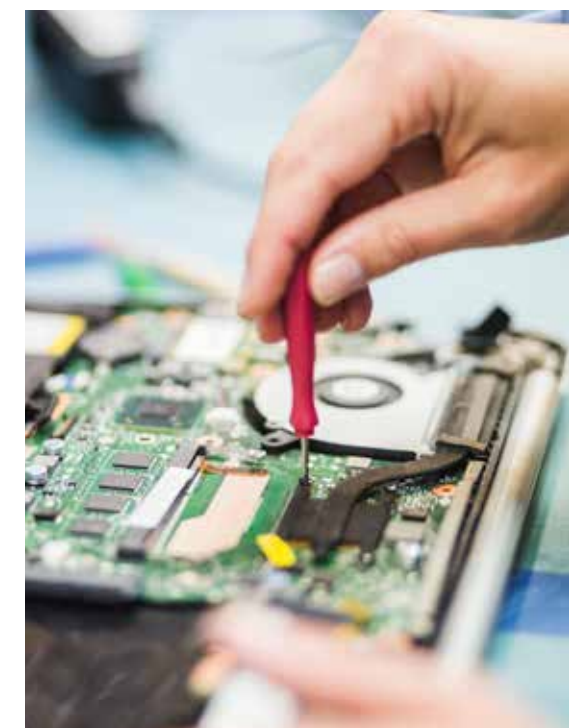
We also seek to offer the most sustainable alternatives in different product categories. That is why we started selling Fairphone – known as the most sustainable choice for mobile phones. Another example is the Acer Vero PC, which contains a lot of extraordinary sustainability features and consists of a high percentage of recycled plastic.



WE WILL SELL MORE ENVIRONMENTALLY FRIENDLY PRODUCTS

We want to make it easier to understand how products are made, and what kind of environmental footprint they have.

In the past year, we have published a lot of editorial content to help consumers take care of their electronics. Advice on how to clean the filter of one's washing machine is just one example. Through our continuous dialogue with loyalty club members, through newsletters and other communication channels, we encourage consumers to give their technology longer life.



We keep reducing our energy consumption in stores. We monitor energy consumption throughout the year and map our stores on consumption per square metre. All the electricity we buy is renewable, and new stores have LED lighting and smart management of energy use.

Earlier this year, a new network of facility managers was set up, and a cross-business electricity group was created to reduce energy consumption. LED-lighting is just one example of how the energy management system and improved control are working both to reduce costs and energy consumption.

There are several small and larger initiatives to reduce impact from own operations: reusing shop fittings is one of them; better waste handling from back-offices in stores is another.

Transport

Safe and efficient logistics is essential for the group to run its business. Our main warehouse in Jönköping, Sweden, is the hub of our entire group's goods transport. 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.

For the last mile part of the home delivery of postal packages, we have, in the last 6 months, introduced, together with the Bring delivery company, 100% fossil-free home deliveries to the customer in 15 cities/areas in Sweden and 3 cities/areas in Denmark. This concept will continue to be implemented in all countries where Bring operates on our behalf. We will also introduce new Last Mile Partners in the coming months, who also will have solutions with fossil-free deliveries. The sustainability focus is an important part of all our contracts, as are environmental, safety and good working conditions.

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 (MDA) segment. We use a mix of diesel, HVO100 and gas (CNG), and we now focus on monthly reporting and demand our suppliers to report on efforts to reduce the use of diesel.



EPOQ - Swan labelled kitchen - Hard to get - easy to choose

Elkjøps own Epoq kitchen has launched several eco-labelled products, like kitchen fronts. The ecolabel the Swan is the official Nordic ecolabel, with strict criteria and requirements throughout a product's life cycle. In addition to the extended warranty of 35 years, Epoq is reducing the use of chemicals, using certified wood, and high degree of renewable materials. The kitchen is also designed to be easy to repair and redesign.

Sustainability ambassadors!

To ensure employee engagement around our Green Deal strategy and achievements, an internal campaign was rolled out in all 39 stores in Denmark. Through quizzes, competitions, tips, inspiration and sustainable merchandise, all employees were inspired to contribute to "a greener future" – on the job and in private. The campaign was also carried out to help employees advise customers make more sustainable choices via the many services and products Elgiganten (the name of the chain in Denmark) provides. During 2022, to ensure a thorough roll-out and activation of Elgiganten's Green Deal, selected staff from all stores will receive full-day sustainability training. This will help them advise customers and new employees locally on Elgiganten's ambitions, achievements, services and products.



REPAIR, REUSE AND RECYCLE: WE GIVE TECH LONGER LIFE

Our work is not done when a customer leaves the store. That is when the task of ensuring that the customer gets the most use out of the products starts. We help to install, use, update and repair technology.

Did you know that Elkjøp offers the largest electronics repair service in the Nordic countries? We and our partners repair over 860.000 products every year and more than 200 employees are working at Elcare, our repair service for electronic products. We know how important your handheld device, your tablet or mobile phone, is to you. That is why we have built up a network of OnDemand workshops in our stores all over the Nordic countries, where many types of repairs can be completed while you wait! We look forward to rolling out this service to even more locations.

The average European household has 72 electronic products. Of these, 11, on average, are broken and no longer in use. Far too many products have a shorter life than they were designed for due to accidents, faults, or incorrect use. Nordic consumers produce more electronic waste than consumers in many other countries. Therefore, Elkjøp has launched an internet spare parts store, offering several million spare parts for customers to order online. In 2022/23 we will increase visibility for this spare parts service, and many activities are planned to make it easier for customers to repair their products. E-learning lessons for all employees about spare parts is just one example.

We offer a range of services to enable a longer life for technology products: extended warranties, technical support subscriptions, online tips and tricks enable you to take care of your product. We are creating a whole digital universe to make it easy for customers to give their tech a longer life. On product insurance, we make repair the first choice offered to consumers, ensuring that a damaged or malfunctioning product is repaired in the first instance rather than replaced.

On October 15 last year we marked International Repair Day by communicating in various channels the importance of repairs. However, we do see that to make consumers pay for repairs, as opposed to using their warranties and claims, will require greater efforts.



HELPING PROLONGING THE LIFE OF OUR PRODUCTS

All products should be repairable to extend its lifetime and usage.

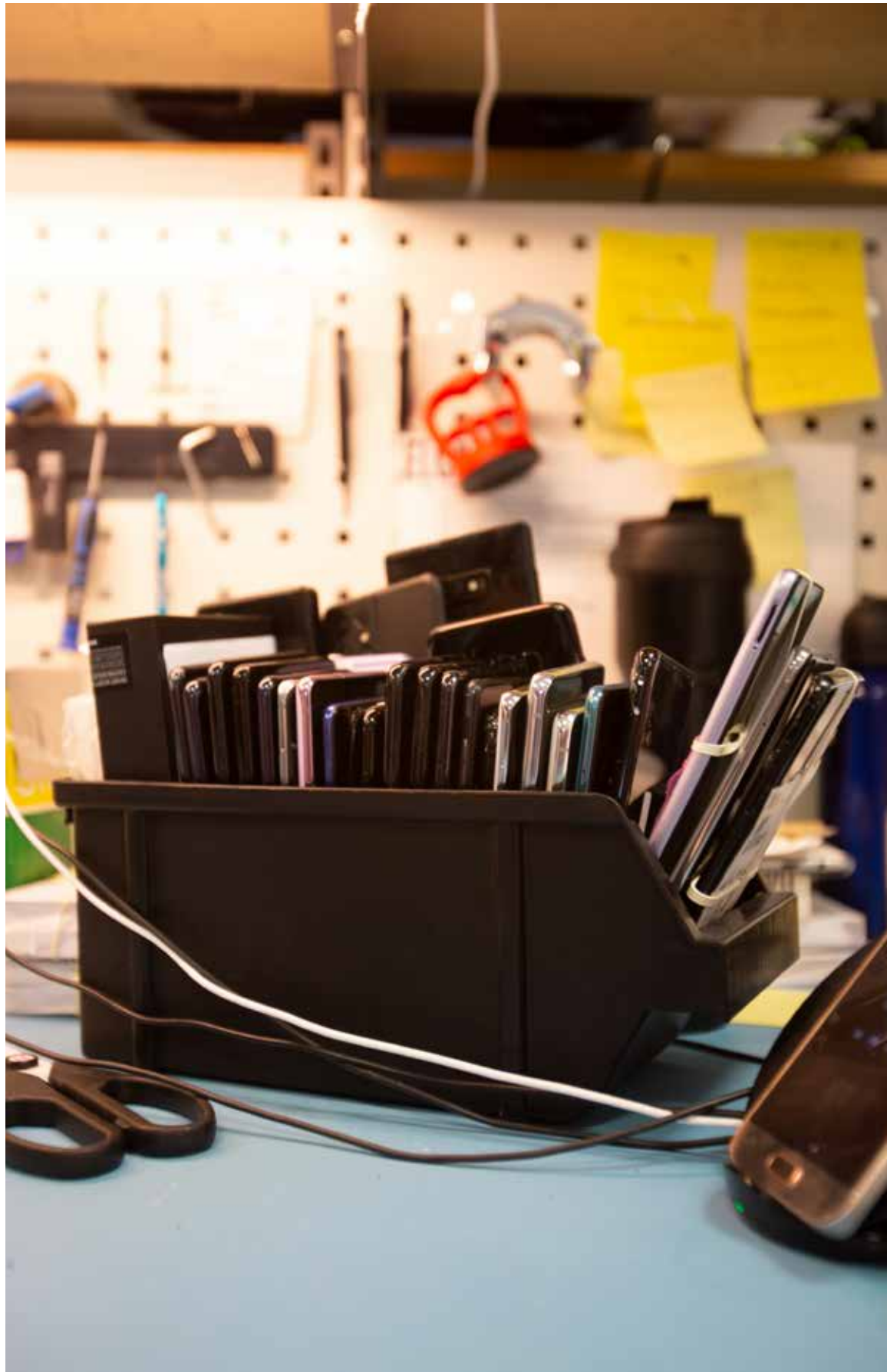
Elkjøp believes in making it easy for consumers to take care of products. However, we know that many find it too expensive, and not worthwhile. That is why Elkjøp has taken a position on and raised our voice on the topic of removing VAT on repair work and spare parts. This would give consumers a real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

Ombrukt

Elkjøp participates in the board of the industry's joint initiative Ombrukt (Re-used) through the Norwegian electronics industry association, Elektronikkbransjen. The project aims at taking products out of waste streams, by providing third party certification to enable safe repair and secure re-use. We know that consumers may be reluctant to buy re-used products due to doubts about safety. Products are therefore labelled and re-registered to get a new two year warranty. Elkjøp contributes to nearly 10,000 units being taken out of the waste stream to be re-used instead of scrapped. The units are sold through our partnership with the company Norsk Ombruk AS.

Outlet

Elkjøp offers a large range of products that for many different reasons cannot be sold at full price. They may be products that are customer returns, or damaged and store display products. We screen, test, do data wipes and repair the products when required to give the products a second life. In further support of this, we now sell these products online, with a Ship-from-Store functionality that expands the geographical reach of outlet products.



Going forward, we plan to take possibilities in the second hand market even further.

Responsible handling of electronic waste

Finally, we have to ensure that all the products we sell are collected and recycled. Electronic products can contain up to 96 different elements, including environmental toxins that require special handling. First and foremost, our products contain plastic and metals which we can and should reuse. The world is simply running out of materials like magnesium, cobalt, tungsten and rare minerals.

If the industry is to continue to manufacture new products for an increasing number of people, we must recycle more and reuse absolutely everything that is no longer in use. In the Nordic countries, many of us have several mobile phones lying around in a drawer or in the attic somewhere. These telephones are a gold mine – literally. At Elkjøp, we have worked on responsible recycling and secure collection points for a long time.

Every year, throughout our stores across the Nordic region, Elkjøp collects more than 30,000 tonnes of electronic waste from customers. The waste is collected by local recycling partners, handled properly, and re-introduced into the circular economy.

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, powerbanks and similar. These often 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.

In a poll in an article explaining why it is important to recycle electronics, we found an insight on why people are reluctant to recycle old phones and tablets. This tells us we need to improve our Secure Collect offer, where we ensure private data is handled correctly before recycling.

Our employees are trained in handling e-waste, and we will continue to stress the importance of not leaving valuable materials in cupboards and drawers – we need to get them back into the economy!

Green Return

Our aim is to make it easy and normal for all electronics to be recycled. Our service Green Return 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 257,000 Green Return services in 2021/22. The products collected by Green Return are then passed through a screening process to decide if they can be made fit for a second life.

We are also increasing focus on our service Trade-In, where we offer money for old devices that are then given a new life elsewhere or recycled. Findings from marketing campaigns have showed that by increasing the focus on value for money, we are able to collect many more products. In 2021/22 we received more than 28,000 products through trade-ins. The development of new services such as trade-ins and subscription-based consumption models will continue in 2022/23.

CIRCULAR ECONOMY RESEARCH

Knowledge of and research on how to create sustainable business models is the key to success. Gigantti is participating in the VTT Research Project – Actions for Sustainable Business Renewal.

The research project will help us gain more insights into the environmental impacts of our products as well as insights into the best circular economy strategies to minimise our products' environmental impacts. In addition, we will deepen our knowledge on consumer understanding of sustainable business models and the importance of sustainability in consumer decision-making.



100% NEW LIFE

Making sure products are reused and recycled.

FIGHTING DIGITAL EXCLUSION

ELKJØP FOUNDATION

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 5.3 million NOK.



ELKJØP FOUNDATION

No one should fall behind.

Norway:

SOS Children's Villages International, especially their project "Digital Village".

Finland:

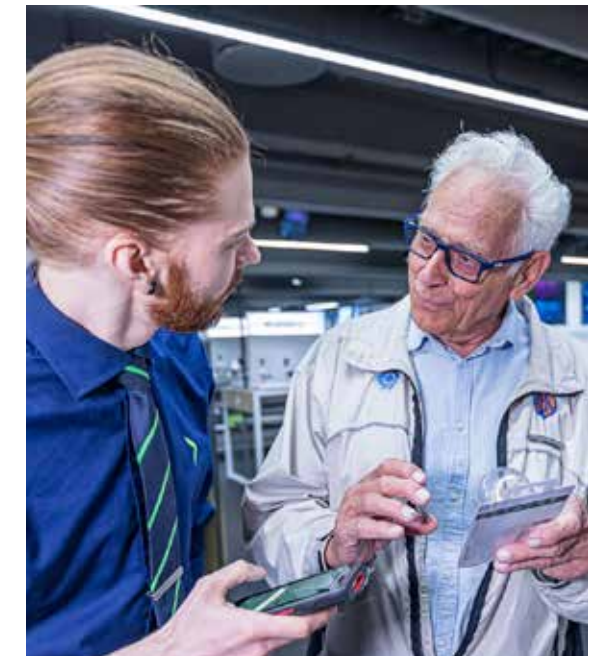
Save the Children, especially their interactive learning solution and their digital childhood competence centre, Kidital. We have also joined the cross-sector Kaikille Kone initiative.

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.



ELCARE NORDIC

MEET OUR COLLEAGUES

Did you know that Elcare Nordic, which is owned by the Elkjøp Group, offers the Nordic region's largest home electronics repair service? This gives us a unique opportunity to steer the industry away from a throw-away culture towards a circular economy.

Elcare, Kongsvinger, Norway

"The more products we get repaired, the better it is for our customers, the environment and our business. It's actually a win-win-win," says Ronny Solvang, department manager at Elcare Kongsvinger, who offer the Nordic region's largest home electronics repair service. Every day, Elcare Nordic performs around 1,500 repairs, on everything from TVs, PCs and phones to electric toasters and hair dryers.

"The aim is to repair as much as possible, and to extend products' lifetimes. You don't always have to buy new products, even though you might think you want to. As trusted advisers, we can help change people's attitudes. The more customers who know about this service, the better," says Ronny, taking a bite of his waffle. It's lunchtime, and it's Friday, so that can only mean one thing at Elcare – waffles! The employees, most of whom are technicians, enters the staff restaurant. In total, more than 300 people work here at Kongsvinger, and at Elcare Nordic's two other locations, Linköping in Sweden and Vantaa in Finland.

"Many of our skilled technicians have been experimenting with electronics for years. Some even started as kids in their bedrooms, which are actually a very good learning ground," says Ronny as he leads us through the various departments, where all brands of electronic products are repaired, regardless of where they were sold, and the team also offer services for the private market. Here, people sit peering into the insides of PCs, there are boxes of all kinds of screws and components, there are large roles of



pink anti-static bubble wrap, and, most importantly of all, there is a "drying machine" for PCs and phones that have fallen prey to cups of coffee and glasses of water. Janicke Tjernsberg, assistant team leader of the mobile phone team, looks up from her work desk. She is one of four women working in the technical department.

"I've always liked tinkering around and working with low current devices. New models are continually coming onto the market, so there is always something new to learn," she says. Her colleague Endre Mork is doing the same just behind her. Endre and Janicke, and everyone else inside Elcare's workshop, are wearing anti-static shoes and clothes to prevent the products from being damaged by static electricity.

"I couldn't be happier. I love challenges. I like playing around with things, that's what I do, I play around with things," says Endre, who has just opened up a smartphone to repair. Slightly further along, Ole Henrik Gammeltorp is leaning over a laptop. He has been with the business for 15 years. "I've always loved technology and finding solutions to problems, so this suits me down to the ground. My colleagues are another reason why I have stayed here all these years," he says, acknowledging his many colleagues. There is lots of laughter. Music is blaring out from the radio.

Unique starting point Electronics is the fastest growing waste stream in the world. Each year, 54 million tonnes of electronic products (2019 figures) are thrown away – the equivalent of 5,400 Eiffel Towers.

"We must acknowledge that we are part of a massive problem. This makes Elcare Nordic's work extremely important," says sustainability manager Camilla Skjelsbæk Gramstad. Electronic products contain many valuable metals that are becoming increasingly scarce.

"Repairing and recycling products will enable us to continue to manufacture electronic products in the future. We would be shooting ourselves in the foot if we didn't look after these resources. This makes repairs an important part of our sustainability strategy. If we didn't recycle products that cannot be repaired, we would end up with nothing to make our products from," says Camilla.

"We must acknowledge that we are part of a massive problem. This makes Elcare Nordic's work extremely important,"

In 2021, Elkjøp Nordic accepted more than 31,000 tonnes of electrical waste. 98 per cent of all TV components were recycled into useful materials – for new products.

"But the potential is even greater," says Camilla.



"Our customers have made it clear that they want help making greener choices, so we must become trusted advisers and create customers for life. Our repair services have an important role to play in this context. We shouldn't have to persuade customers to buy a new washing machine costing NOK 10,000 when they could repair their old one for NOK 2,000. We must be able to give this type of advice to gain the confidence of our customers," the sustainability manager explains.

Erik Gunset Sønsterud, CEO of Elkjøp Nordic AS, chimes in:

"Quite simply, we have a unique starting point to steer the industry away from a throw-away culture towards a circular economy, where we get more use and enjoyment out of each product. We know that it will pay off in the long run, as we don't make our living from one-off sales, but from returning customers," he says.



PEOPLE

OUR CAPABLE AND COMMITTED COLLEAGUES - OUR GREATEST ADVANTAGE

Our workforce is our most important asset, and as such, diversity, equality and inclusion (DEI) is an important priority for the Elkjøp Group. In order to help everyone enjoy amazing technology, we need to reflect the diversity of our customers and society as a whole throughout our workforce. 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 is strongest when we embrace the full spectrum of society, regardless of what we look like, where we come from, or who we love. That means both building a more diverse and inclusive workplace and promoting what we call a courageous engagement in our company and the communities we serve. Our commitment to DEI is to build a strong foundation for the entire Elkjøp Group across the Nordic countries (Elkjøp Nordic, Elkjøp, Elgiganten, Gigantti).

Elkjøp Nordic 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.

- We have developed and adopted a Nordic policy for DEI. Our DEI policy applies to all Elkjøp Nordic employees, consultants, and partners. Ensuring a diverse, equal, and inclusive business is everyone's responsibility.
- In the last three years, we have been working on increasing gender balance. We strive to increase female applicants in leading roles: one initiative has been to revise and use gender neutral language in external job advertisements. We have set clear goals to increase gender balance by 2025 at Elkjøp Nordic. For example, to increase the proportion

of female employees to 40% by 2025; we are currently on 28% as of 1 May 2022. We shall seek to increase the proportion of female managers to 30% by 2025; we are currently on 21% as of 1 May 2022. Increase the proportion of female managers at executive management level to 40% by 2025; we are currently on 33% as of 1 May 2022.

- In the coming year, we will continue to broaden the DEI perspective and build awareness among our managers on why this is important, provide them with a toolbox (i.e. "What can I do and how to be a good role model"), build awareness on how to mirror our customers in the different areas of diversity, and how to build a culture where everyone belongs.

Building an inclusive culture

At Elkjøp Nordic, we strive to promote an inclusive culture where people are valued for their differences, recognised for their talents, and allowed to be themselves. This is not only a prerequisite for diversity, but also provides value to us as a company, and is therefore a high priority. We aim to train our employees to recognise the value of diversity, and to actively contribute to developing an inclusive culture.

Leaders have extended responsibility

At Elkjøp Nordic and in the Elkjøp Group, all managers/leaders have the responsibility for being good role models. This means that they must respect and treat all employees in such a manner that everyone feels supported and inspired to perform their best. Our managers/leaders shall recognise the value of diversity, look for diverse talents, lead diverse teams, and create an inclusive culture where our amazing people can be themselves, belong, and grow.

Every year, we run a Nordic employee satisfaction survey at the Elkjøp Group, giving our employees the opportunity to provide us with feedback linked to employee satisfaction. This gives us valuable insight into our company culture and helps us improve and continue our work to be a leading diverse workplace in the Nordic countries.

DEI Governance

- Our Diversity, Equality and Inclusion (DEI) Policy is made available for everyone in the Elkjøp Group. Everyone is responsible for its implementation.
- HR owns the policy and will provide yearly updates to the Executive Management Group on development within the prioritised areas and specific targets set as part of our DEI agenda.
- DEI policy will be revised and updated as part of the yearly update to the Executive Management Group.
- Objectives, achievements, and developments will be transparently communicated to all employees consecutively throughout the year.

Recruitment at Elkjøp Nordic

In the FY 21/22 we recruited approximately 3,700 new employees. Finding the right person for the right role is key to our success, and it is therefore important that we use well-documented methods and have a structured approach. In the Elkjøp Group we use a competency-

based recruitment process. By doing this, we secure a less biased process where the final selection of who to hire is based on the competencies and skills we are looking for, rather than personal preferences and gut feelings. As our recruitment process is competence-based, we use both personality and ability tests in the initial stage of the recruitment process.

We acknowledge that current recruitment process, where managers and departments are solely responsible for their own hires, might result in less diverse and non-biased recruitment when linked to physical interview. However, we do feel confident that our competence-based testing during the initial application process assists us in attracting a fair and diverse range of applicants. Our ambition for the FY22/23 will be to introduce a fair and diverse recruitment e-training sessions for all leaders and recruitment specialists across the Nordic countries.

Salary and bonus at Elkjøp Nordic

Everyone at Elkjøp Nordic (and in the Elkjøp Group) has the same opportunities as their colleagues, whoever they are and wherever they are. This means promoting a work environment where employees feel that their background and lifestyle does not affect perceptions of them as professionals, or affect their opportunities for development, equal pay and promotion.

As part of our internal salary and bonus mapping, we see that we have work to do when it comes to gender and pay equality. However, several measures have already been introduced (such as increased involvement from HR in recruitment processes). Elkjøp Nordic has been predominantly male-dominated for several years.

Historically, we have recruited internally from the Elkjøp Group, which has then perpetuated the gender imbalance from the Elkjøp Group to Elkjøp Nordic. By the end of FY21/22, the gender distribution in Elkjøp Group was 27% women and 73% men. Over the past five years, we have had an increase in female hires at Elkjøp Nordic of 215 % due to high business growth and an increased gender balance focus in recruitment. We have increased the number of external hires compared to previous years, this through shortlist candidates of both genders.

When it comes to bonus differences at Elkjøp Nordic, we have identified one key explanation and it is linked to seniority at Elkjøp Nordic and Elkjøp Group. The longer the seniority, the higher the bonus potential. As a result, male employees with longer seniority at Elkjøp Nordic have a higher base pay and bonus potential compared to female employees with lower seniority. After an in-depth analysis, we can safely say that the imbalances we see today are natural effect of seniority. As a result of our recent pay and bonus mapping, we are developing and implementing an equal pay and bonus policy (the policy will be based on research in the market, looking at similar job roles and pay levels elsewhere). The aim of the policy will be to provide us with a yearly review of our pay and bonus scheme, and, by systematically addressing this, we will gradually close the pay and bonus differences at Elkjøp Nordic.

Organisational development and learning

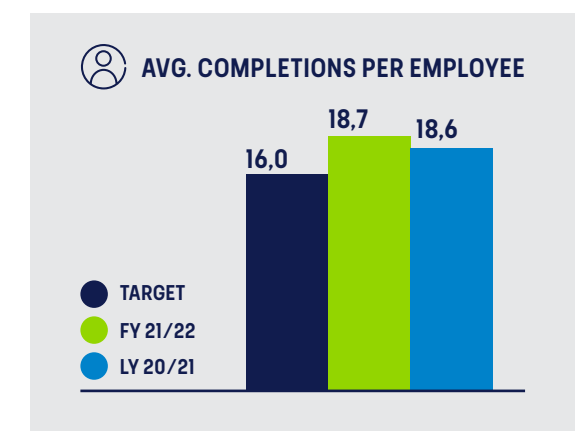
At Elkjøp Nordic and throughout the Elkjøp Group, we enable business success by engaging our amazing people to grow. To move individuals and the organisation in the right direction we are concentrating on:

- How to increase and drive business by knowledge-sharing.
- Creating engaged leaders who facilitate growth.
- Creating the next level learning experience.
- Driving an inclusive culture where amazing people belong and grow.

Elkjøp Academy

Learning and development are key drivers for our company and are at the very core of our culture. At 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.

At Academy we have over 400 e-learning across numerous topics, in FY 21/22 we completed 550+ trainings, clocking in around 2978 hours of training. As a part of our onboarding programme, mandatory training must be completed during the first two weeks of tenure. Our key training areas are sales training, customer interactions, product knowledge, system trainings, compliance guidelines, leadership, diversity equity & inclusion and unconscious bias.



Leadership programmes

At Elkjøp, we believe our leaders have a key role in facilitating growth, both in terms of business growth, team growth and individual growth. We invest in leadership development, and we have relevant programmes whether our employees are already a leader, want to become a leader, or in general want to develop their leadership skills. Our leadership programmes are: New as a Leader, Emerging Leaders, Leading Others, Leading Leaders, Leading Functions.

In addition to our leadership programmes, we also offer other development initiatives (such as procedures for effective leadership teams) as well as coaching and support to our leaders.



Strength-based Leadership

One of the cornerstones of our leadership development is the focus on strength-based leadership. Strength-based leadership is the ability to identify and make the best use of our own, our team members, and the organisation's, strengths. By focusing on strengths, we can utilise untapped talent in the organisation, as well as increase job satisfaction and engagement, and help teams and departments to work even more efficiently.

Development for Elkjøp Nordic HQ staff

Our aim is to enable business success by engaging our amazing people to grow. In Elkjøp we do that by:

- Offering relevant trainings and development initiatives, to secure individual, team and organisational growth.
- Learning and sharing knowledge, between colleagues, in teams and between functions and business areas.
- Driving a culture where people can be themselves and belong, and where there is openness to everyone to contribute with their ideas, knowledge and skills.
- Offering a solid onboarding to the Elkjøp Nordic and Elkjøp Group.

We believe that a great focus on learning and development is a key to success and essential to being the market leader. Our leaders have a key role in providing learning and development possibilities for our employees – nevertheless, we are all responsible for our own development, as individuals, as part of a team and as a part of an organisation.

Harassment (sexual or otherwise) and gender-based violence

At Elkjøp Nordic and through-out the Elkjøp Group, we have a zero-tolerance policy for discrimination, bullying or harassment, sexual or otherwise. We believe in being open, honest, and transparent. If colleagues witness, become aware of, or suspect discrimination, harassment, or any other breach of our company zero tolerance policy, it is expected that the observer will report this to their immediate manager. If they do not feel comfortable discussing the matter with their immediate manager, or the immediate manager is directly involved, the observer must contact HR directly or use our whistleblowing channel. Observers may also discuss and seek advice with our local personnel safety representative or OHS (Occupational Health Service). Outside of the normal whistleblowing channels, we are able through our yearly employee engagement survey and exit surveys to identify areas of risk.

Work-life-balance

We respect that everyone has different needs at different times, and, as such, work-life-balance and flexibility is an important part of our Elkjøp Nordic culture. To accommodate our employees, we have enforced flexibility through flexible working hours and remote working guidelines, all closely accommodated by dialogue between employee and immediate manager. At Elkjøp Nordic, we rely on frequent interaction between colleagues in our business. The guidelines and remote work policy is laid down to enable us to operate and lead efficiently, secure team alignment and engage in collaboration and innovation.

Our parental and maternity leave policy is based on rules and regulations in the National Insurance Act. Welfare leave is granted for necessary occasions for all employees, usually up to one day with pay. Immediate managers process each individual application for welfare leave separately, which introduces flexibility based on each employee's circumstances. We offer welfare leave for (but not limited to):

- Up to two days' paid leave to help kids start nursery school.
- Up to one day's paid leave for first day of school, for first graders.
- Up to one day's paid leave to move/relocate.
- Up to one day's paid leave to attend one's own wedding (on the wedding day).
- Up to one day's paid leave in the event of death/funeral in immediate family.

During parental leave, Elkjøp Nordic employees are paid by Elkjøp, and all pay generates holiday pay for the following year.

Work environment

Elkjøp Nordic and Elkjøp Group (including subsidiaries) are committed to providing a safe and healthy environment for everyone working in our business and all our customers. We aim to deliver our operations and services in a way that protects the health and safety of all the people impacted by the work that we do. We recognise that by having a sound health and safety framework, and simple standards and processes, we can deliver on our commitment to good health and safety practice and comply with the law. We believe that this contributes to a successful and sustainable business. A holistic perspective on the working environment includes physical, mental, social and organisational factors. A healthy work environment will contribute to safeguarding

human capital in Elkjøp Nordic and Elkjøp Group. The working environment area thus has a natural interface with the areas of organisational development, leadership development, competence development, labour law and employment conditions. Our aim is for our policies and practices to comply with local law on occupational health and safety in all Nordic countries, and therefore we use three key principles to achieve best practice in our business: We care, we act, and we deliver.

Work environment, and health and safety, is on the agenda at management meetings, during induction of new staff, and at team meetings in stores and other units, to ensure awareness and knowledge of, and a focus on, health and safety. There is an open work environment with a healthy feedback culture that allows leaders and employees to speak up and report any violations of laws, regulations or policies that prevent us from offering

a sound working environment for our colleagues and a safe customer experience for our customers in our stores. The business will offer safety training and equipment to prevent accidents and injuries and help create a safe and sound work environment for all employees. The business will have routines in place to ensure that employees are being taken care of not only during an incident or crisis, but also afterwards.

Elkjøp Nordic is proud to be a "1A-bedrift" (Inclusive work-life company), which means we abide by the "inclusive workplace" guidelines as part of our internal health and safety work. A concrete example is that we offer our employees 24 self-report sick-days during a 12-month period, with a maximum of 8 consecutive days, compared to 12 days during a 12-month period with a maximum of three consecutive days – as laid down by the provisions of the Norwegian National Insurance Act.

