



EET GROUP

ESG REPORT FOR 2022



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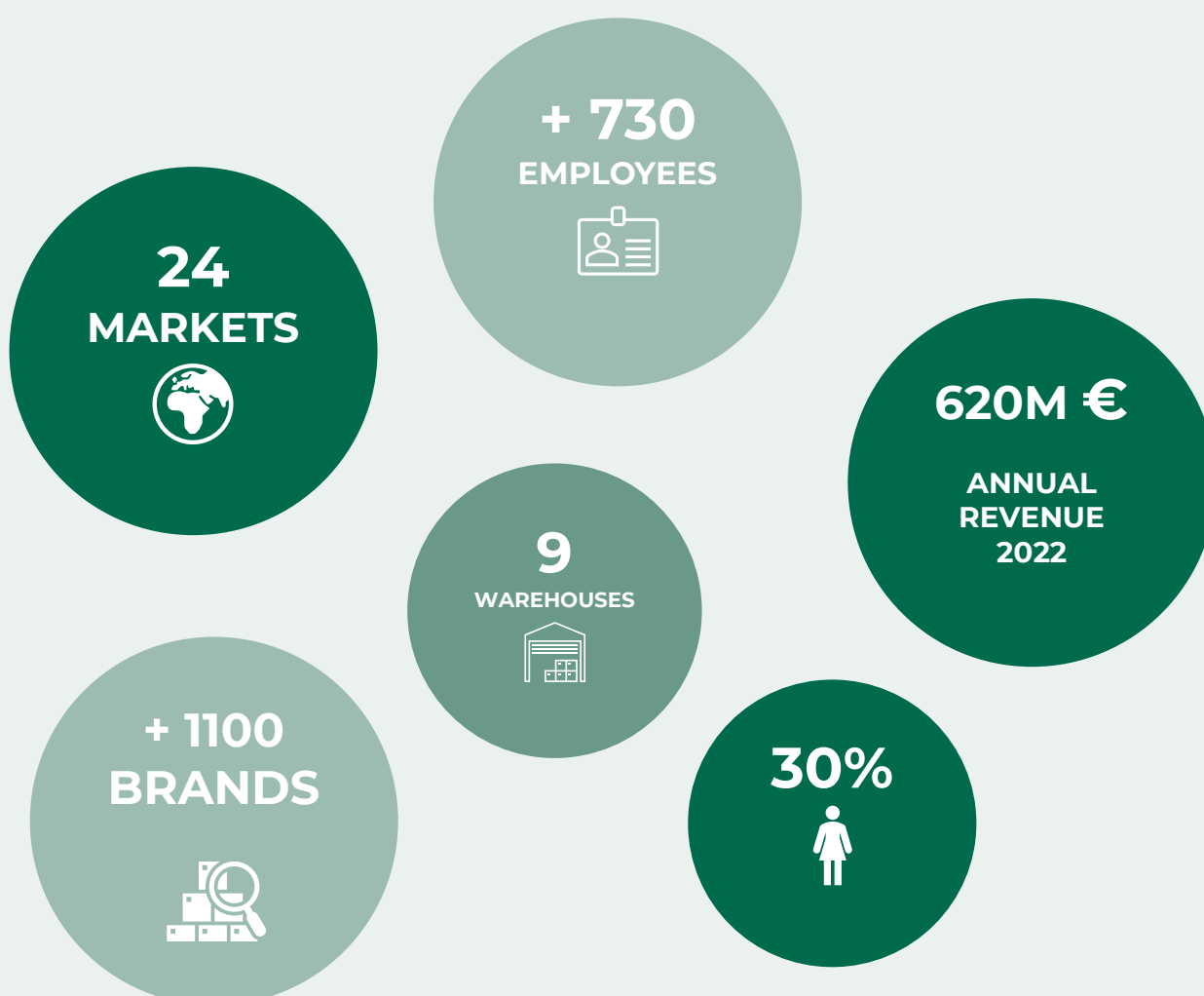
1. WE ARE EET

EET Group is a value-adding specialist IT distributor within the areas of Server, Computer & Printer parts, ProAV Solutions, Surveillance & Security, Network, POS & Auto-ID and Consumer Electronics. We provide suppliers and customers with expert industry knowledge, intelligent logistics solutions, unique sales service and smart marketing tools.

EET Group was founded in 1986 and we operate in 24 markets across Europe, carry over 1,100 brands and serve more than 30,000 buying customers.

We are more than 730 employees in Europe and headquarters in Birkerød, Denmark.

EET GROUP - IN SHORT



2. GOVERNANCE

EET Group is a Danish company with its registered office in Birkerød, Denmark. We have established a formal structure and embedded clear processes to address sustainability topics.

This ESG report has been prepared with reference to the GRI standards for reporting on sustainability impacts.

3. CEO STATEMENT

2022 was a year with high volatility in the markets and was characterized by turbulence and geopolitical instability combined with the aftereffects of the COVID-19 pandemic on the global supply chain and sourcing situation. EET Group was also impacted by this in 2022, however we continued to strengthen our business by expanding and growing our engagement with current customers as well as gaining new customers.

The pandemic taught us many valuable lessons and in 2022 we built on these lessons and applied new ways of working and addressing challenges in our supply chain. Our strong and agile supply chain remain the backbone of EET, and in 2022 we have taken additional steps to ensure we apply a sustainable approach across the supply chain, from our Private Label to the distribution of our products.

As we look ahead, EET will continue to keep momentum and further grow our business, while taking ambitious new steps towards reaching our sustainability goals. By being true to the core values of our business; seeking simplicity in what we do, being transparent in interactions and dealings, and acting responsibly and with high accountability, and thereby we will remain relevant for a more sustainable world, where innovation and diligence will drive our commitment.

Søren Drewsen, CEO



4. OUR STRATEGY

Our Vision is to be the preferred and most efficient value-added IT distributor in the European market with the strongest assortment and the deepest know-how within our lines of business.

Our Strategy is built around continuous solid organic growth and similar growth rates stemming from acquisitions within our six lines of business: Server, Computer & Printer Parts, Network, Professional Audio & Video Solutions, Surveillance & Security, POS & Auto ID and Consumer Electronics. We partner with well-reputed brands and supplement with our own private labels to provide the best possible value-add package of products, solutions and services to our business-to-business wholesalers, system houses, integrators & installers. Substantial investments in the infrastructure and digitization enable us to be efficient in all processes freeing up resources to add value to both suppliers and customers.

5. OUR RESPONSIBILITIES THROUGH THE VALUE CHAIN

At EET Group we strive to minimize any negative impact that the products we sell, and our distribution might have on the environment and seek to enhance the positive economic and social impact. We have a close and long-term collaboration with both vendors and customers, and work with both groups to promote change and create value.

A substantial part of EET's business is to provide spare parts for electronic devices, thereby extending the lifespan of the devices themselves. By doing so, EET contributes to a more sustainable and environmentally friendly approach to the rapid growth in use of technology hardware. In addition, within our Private Label we strive to source products of recycled materials, and we remain ambitious in our strategy to ensure a significant part of our Private Label products are based on recycled material.

EET needs to closely monitor in particular:

- i. the conditions under which the products are produced,
- ii. the potential impacts on end-user safety, and
- iii. the potential impact of the dual use of products for unethical purposes.

Electronic waste presents an environmental impact through the value chain that must be managed through efficient stock management, clear supplier requirements and strict guidelines and processes for handling and disposing of electronic waste.

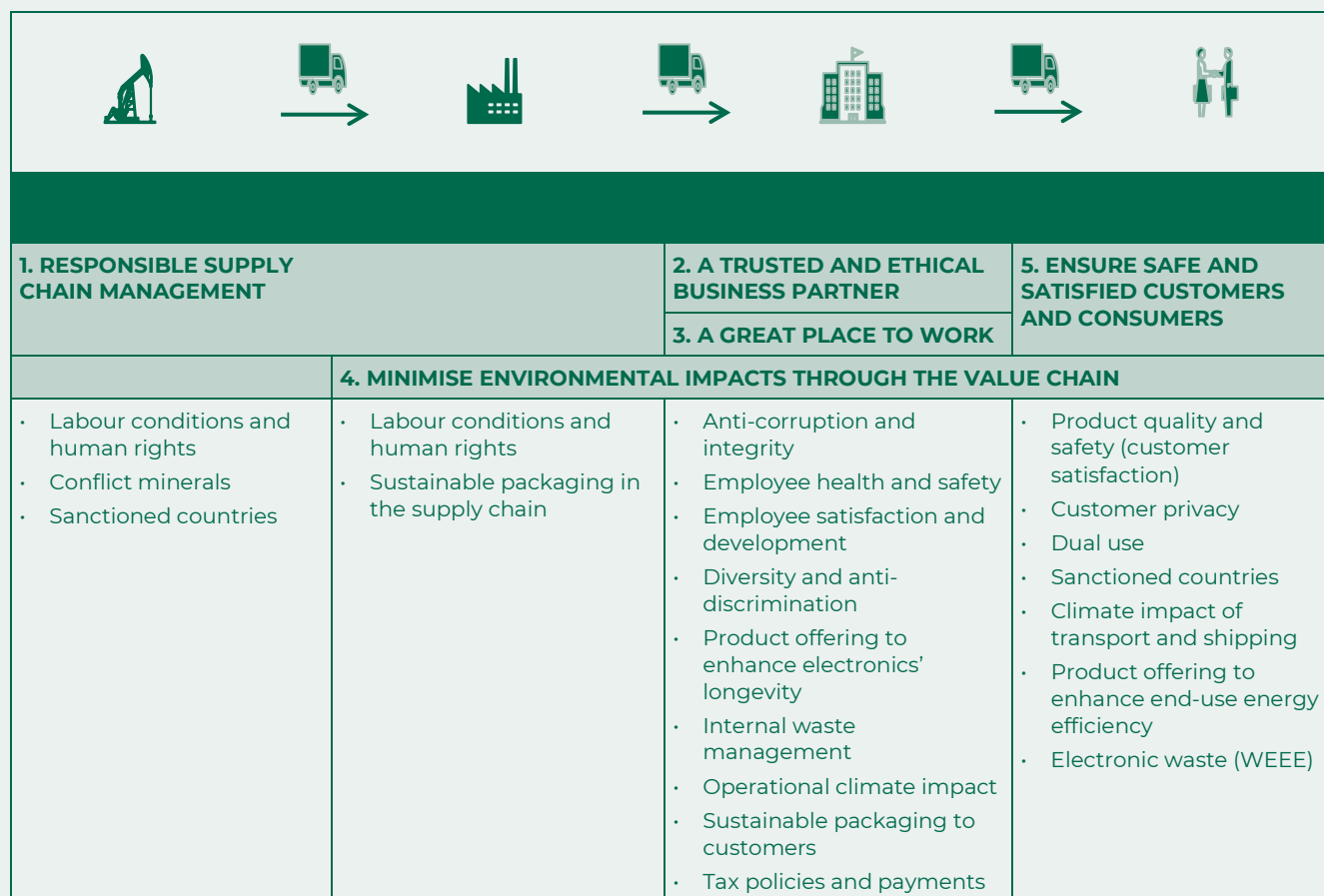
The environmental impacts of production and the sourcing of raw materials are also important parts of EET's footprint.

As a value-adding distributor a large part of our ESG effort is also focused on ensuring a more sustainable distribution of products to our customers. We continuously work with implementing sustainable packing and reducing waste in our distribution channel.

The ESG report is reviewed against level and procedural requirements by our financial auditors as part of the Annual Financial Statement. This report constitutes the EET group's statutory reporting cf. § 99a according to the Danish Financial Statements Act.

Our ESG efforts are also reviewed on an annual basis against legal and practise developments by an external specialist auditor.

Looking through our value chain the ESG impacts at each step can be illustrated as follows:



6. MATERIALITY AND RISKS

The materiality assessment is central in defining the issues we focus on, using both external inputs and analysis to understand and define potential issues. Combined with the involvement and engagement of stakeholders, including employees, vendors, partners and customers.

The “double materiality” concept acknowledges the fact that risks and opportunities can be material from both a financial and non-financial perspective, which allows businesses and organisations to understand and map their impact on people, environment, and society while at the same time map how this might impact the business performance.

EET serves a growing need among customers and end-users to maintain and update electronic devices. Positioning the business to meet this growing need is an opportunity at the core of the business model.

The supply of spare parts extends the life cycle of the repaired equipment, and it reduces waste from an otherwise scrapped piece of equipment. However, the production of electronic parts and devices may involve negative environmental impacts or poor labour conditions, both of which must be avoided. Some products might also be used for unethical purposes or by people in countries that are under sanctions. Corruption and unethical conduct may be present in parts of the value chain, as EET deals with many suppliers and customers across the globe.

We have worked with the materiality assessment by

1. Identifying relevant sustainability topics
2. Collecting input from stakeholders, and then
3. Rating the material topics.

The materiality analysis is conducted and validated yearly. The outcome for 2022 is presented below, with the topics rated highest.

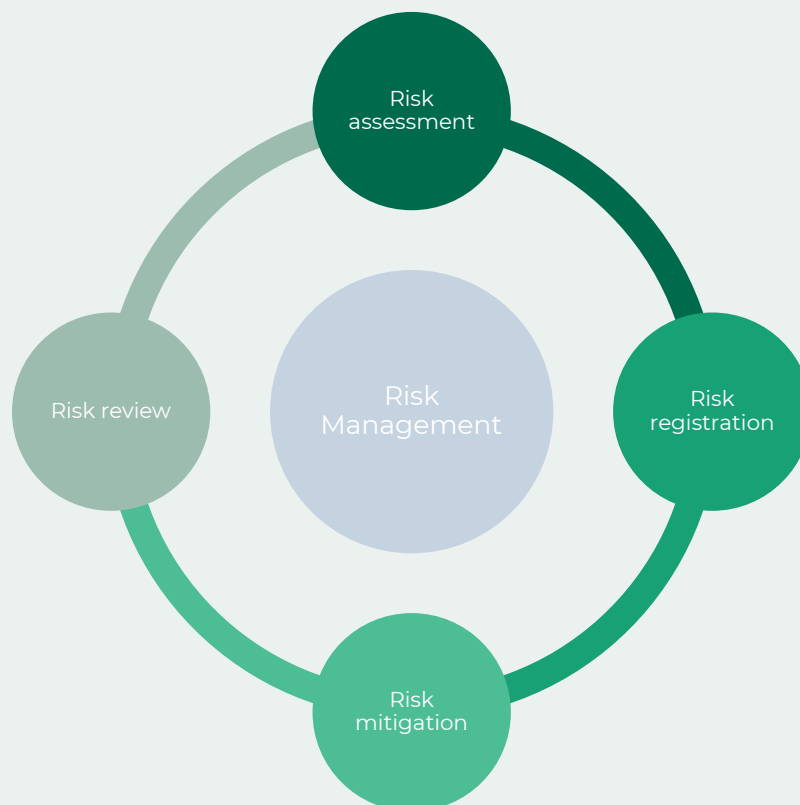
EET GROUP MATERIAL TOPICS
Product quality and safety
Anti-corruption and integrity
Sanctioned countries
Conflict minerals
Dual use
Labour conditions and Human Rights
Customer Privacy and data security
Tax policies and payments
Circularity (e.g., electronic waste)
Employee Health and Safety
Climate adaption
Employee satisfaction and development

6.1. RISK MANAGEMENT

EET Group is a European business with sourcing in Asia and procurement globally, and the company can be exposed to different risks from business and sustainability perspectives. We aim to increase our resilience by constantly assessing those risks, register the risks and initiate actions and plans to mitigate the risks.

Sustainability risks are managed by the ESG-committee, where risks and risk mitigation are discussed with relevant stakeholders and action plans are put into place accordingly. This process enables us to focus our efforts on the areas where we can have the greatest impact.

EET Group recognises that sustainability risks are of strategic importance for our company, and we aim to reduce any negative impact we might have on the environment. The world is ever-changing and so are the risks, so we acknowledge that our effort to create a sustainable business is a continuous process and each year brings new risks but also new solutions.



Our risk management approach is a constant effort which involves key stakeholders across the organisation as well as external parties, and we remain vigilant in our effort to mitigate any risks.

7. OUR SUSTAINABLE APPROACH

AT EET Group we understand that acting sustainable is a vital part of creating a responsible business with long-term stakeholder value.

Our sustainable approach is based on the three pillars:



The three pillars collectively explore all aspects of sustainability in EET Group, and we have formed commitments and ambitious targets under each specific pillar.

At EET Group we aim to have a sustainable approach in all aspect of our business, from protecting our planet, to ensuring safe products to our customers and to creating a strong culture for our employees. We know we must stand for and represent more than the products we sell which is why our three pillars will guide us in our decision making at all levels of the business.

	PEOPLE	PLANET	PRODUCTS
COMMITMENTS	We promote anti-discrimination, diversity, and fair treatment	We uphold a dialogue with our vendors about climate friendly alternatives	We measure deliver-to-promise quality (accuracy)
	We measure and work with results of employee engagement surveys as well as health and safety and workplace surveys	We work to improve circularity end-of-life management of products	We measure customer satisfaction
	We measure and work with absenteeism	We work to reduce energy consumption and waste	We continuously improve quality of data in our web store with the support of PIM (product information management system)
	We actively address anti-corruption and integrity	We measure and work with our GHG (CO2) emissions	Our systems are set up to prevent sourcing of products with conflict minerals and of dual use as well as sales to sanctioned countries
	We comply with national and international tax and trade legislation	We offset our GHG footprint related to downstream transportation	We work with vendor quality assurance through incorporating Supply Chain Code-of conduct requirements in agreements as well as managing self-assessments and audits
MATERIAL AREA	Labour and Human Rights	Climate adaption	Product quality and safety
	Employee Health & Safety	Circularity	Sanctioned countries
	Employee Satisfaction and development		Conflict minerals
	Anti-corruption and integrity		Dual use
OBJECTIVES	A trusted and ethical business partner	Minimise environmental impacts through the value chain	Responsible supply chain management
	Great place to work		Ensure safe and satisfied customers and consumers
SDGs			

7.1. PEOPLE

7.1.1. LABOUR AND HUMAN RIGHTS

At EET Group we are dedicated to respecting labour and human rights, and we strive to prevent any kind of modern slavery related to our business and our supply chain, and we respect all internationally recognized human rights in our dealings with employees, workers in our supply chain, and anyone else connected to our business. Failure to comply with these rights and principles constitutes a risk to the company. Our “Code of Conduct” sets out our actions to identify and understand all potential modern slavery risks related to our business and to put in place steps that are aimed at ensuring that there is no slavery or human trafficking in our own business and in our relations with external partners. Our employees are expected to consider how their decisions may negatively impact human and labour rights, and to report any breaches of our standards to management or through our whistle-blower system. In 2022, we have not reported any violations of human rights. Our ‘Code of Conduct’ are part of the contract signed with by new employees, and our ‘Supply Chain Code of Conduct’ is now also part of all supplier contracts entered.

EET Group respects our employees right to associate freely and engage in collective bargaining, if they choose to do so.

We extend ethical requirements to our suppliers in our “Supply Chain Code of Conduct” and enforce a binding framework to guide and support external parties to act in accordance with our values. In 2022, we added sustainability requirements to our sourcing process. Our suppliers are being asked to complete a self-assessment ESG questionnaire, where they are expected to demonstrate that they are in alignment with our sustainability standards and have required ESG processes and policies in place.

7.1.2. EMPLOYEE HEALTH AND SAFETY

The Health and Safety of our employees is a key area for EET Group, and we consider it a fundamental human right to be safe at work and remain healthy throughout the employment. Accidents, incidents, injuries, and work-related illnesses are, for the most part, preventable and therefore it is important that employee health and safety is managed in a systematic way, and that we apply a proactive approach. Employee health and safety risks and impacts are managed through our Human Resources department and its related policies. The annual Employee Engagement Survey includes questions related to the working environment, and the physical and mental health, thereby providing some valuable input on the working conditions across our markets.

We have Health and Safety committees in place where this is a legal requirement, and the local health and safety representative is involved in safety briefings and safety training. We conduct daily safety briefings in our warehouses and register accidents as well as near-misses and analyse these to understand how we can improve the safety for our employees. In 2022 we had one LTI (Lost Time Injury), which is a significant decrease compared to 2021, where we had four LTIs.

7.1.3. EMPLOYEE SATISFACTION AND DEVELOPMENT

We conduct employee engagement surveys on an annual basis. The aim is to gather employee views about teamwork, engagement, development opportunities, and the working environment. Employee

surveys are normally carried out in Q2 every year and applies to all employees across EET Group. In 2022, 85 percent of the employees took part in the survey and provided valuable feedback. Based on this feedback actions plans per department were made and it is required that each department head follows up on the action plan on a regular basis. The eNPS (employee net promoter score) score for the 2022 survey was 39, putting EET GROUP above benchmark industries. However, our people are the most important asset to the company and employee engagement is key to the future success of this company. Therefore, we continue to work with key People initiatives to improve the overall engagement score.

Among important People initiatives is our employee development process, and each manager is required to conduct annual performance appraisals and performance development dialogues with all direct reports. Via our HR system we can monitor the status, and initiate actions in areas or markets if needed.

We have a very loyal employee base with a high seniority. In 2022, 30 percentage of employee base have been with the company for more than 10 years.

Employees	2022	2021
Number of employees (end year) *	727	693
Gender distribution female / male %	30 / 70	28 / 72
Gender distribution (managers) female/ male %	20 / 80	17 / 83
Group Management female / male %	29 / 71	25 / 75
Board of Directors female / male %	20 / 80	
Employee turnover (voluntary)	12,8%	5,9%
Average seniority (years)	8,5	8,1
eNPS (employee net promoter score)	39	40

* Including temporary employees

7.1.4. ANTI-CORRUPTION AND INTEGRITY

At EET Group we respect business ethics and the rule of law and find these to be a precondition for any fair business environment. We have processes and procedures in place to ensure risks are assessed and mitigated. Our "Code of Conduct" have a zero-tolerance policy on corruption and bribery in any form. No incidents of bribery or other forms of corruption were identified during the year. We have clear processes in place if such incidents are to arise.

To safeguard our business, we have a Whistle-blower system in place to ensure that any potential misconduct is reported without fear of retaliation. Our culture is characterized by openness and transparency, and we all have the obligation to report any wrongdoing.

7.2. PLANET

7.2.1. CIRCULARITY

A substantial part of EET's business is to provide spare parts for electronic devices, thereby extending the lifespan of the devices themselves and postpone e waste. By doing so, EET contributes to a more sustainable and environmentally friendly approach to the rapid growth in use of technology hardware. However, prolonging the lifespan of a product is not sufficient in itself and EET Group acknowledges that circularity is of great importance in order to protect the environment. We are in constant dialogue with our suppliers regarding circularity and how products can be re-used, re-purposed or re-cycled.

In 2022 we have initiated several sustainable solutions for EET owned brands, including a full transition from standard virgin plastic to certified 100% post-consumer recycled polycarbonate used in the production of our retail assortment of mobile phone and tablet chargers. Covering close to 100.000 units sold per year. Another initiative is for our cable assortment, where the packaging is changed from plastic to minimal paper packaging, thereby saving packaging and replacing plastic with easier recyclable paper. Both solutions will be fully implemented in 2023.

7.2.2. CLIMATE ADAPTION

EET Group acknowledges that climate change is here, and we must cut our emissions in order to slow the pace of the environmental impact. We collaborate with our suppliers and distribution partners to minimize and constantly reduce our impact on the environment. The largest part of our environmental impact is our supply chain and transportation. EET Group actively works with optimising and streamlining our logistic processes in order to reduce our emission. In addition to the focus on reducing our emission, we must also protect our communities and adapt to the changed climate. At EET Group we have partnered with [ecologi](#) and made the pledge to plant 1M trees before 2025. We expect to reach this target in 2023.

7.3. PRODUCTS

7.3.1. PRODUCT QUALITY AND SAFETY

EET Group defines quality as the conformance and continuous improvement of services and products to established and documented requirements from customers and authorities, and we have a clear policy to manage and safeguard the quality of our products.

7.3.2. TRADE COMPLIANCE

EET recognizes the importance of complying with all trade regulations related to dual use products and country restrictions. It is committed to conducting business in an ethical and responsible manner, and to continually improving its trade compliance policies and procedures.

Dual Use Products

As a distributor of products that can be used for both civilian and military applications, especially within our Security and Surveillance business, we are committed to comply with all applicable export control laws and regulations.

Dual use products refer to items that have both civilian and military uses, such as electronics, chemicals, and software. EET has implemented strict procedures to ensure that all dual use products are properly

classified and screened before export, and that all necessary licenses and permits are obtained. These procedures include:

- Conducting an internal assessment to determine the export control classification, which is determined by the ECCN code for all dual use products
- Screening all parties involved in the export transaction, including end-users and intermediaries, to ensure compliance with export control regulations
- Verifying the end-use and end-user of all dual use products before export
- Obtaining all necessary export licenses and permits and maintaining proper documentation

Country Restrictions

EET Group regularly check sanctions lists for updates to ensure trade compliance. This includes The European Union's (EU) sanctions list and the U.S. Department of Treasury's Office of Foreign Assets Control (OFAC). The list specifies those countries that are subject to economic or political sanctions imposed by one or more other countries or international organizations. These sanctions can take the form of trade embargoes, financial restrictions, travel bans, or other measures that are designed to exert pressure on the targeted country to change its behaviour. EET has implemented procedures to ensure compliance with these restrictions, including:

- Conducting screening of all parties including the ownership structure of involved in the transaction to ensure compliance with country restrictions and embargoes.
- Verifying the end-use and end-user of all products before export to ensure they are not being used for prohibited purposes.
- Obtaining all necessary licenses and permits and maintaining proper documentation.

EET has setup internal blockings in its IT systems limiting sales to specific countries, primarily within EU and the 9 'EU001-countries'; Australia, Canada, Iceland, Japan, New Zealand, Norway, Switzerland (incl. Liechtenstein), United Kingdom, USA and overseas territories to related to EU countries.

7.3.3. CONFLICT MINERALS

As a distributor of products that can contain 3TG, we understand the importance of avoiding conflict minerals, and are committed to sourcing products from companies with shared values around human rights, ethics, and environmental responsibility. We do not accept other than conflict-free sourcing.

We regularly review our direct (Tier 1) suppliers, identify those that supply materials at risk of containing 3TG, and work with those suppliers to verify their adherence to conflict-free production and sourcing at their end. Consequence of Supplier Non-conformance EET evaluates its relationships with its suppliers on an ongoing basis. EET reserves the right to evaluate the extent to which a supplier has failed to reasonably comply with this.

In the event EET determines that a supplier's efforts to comply with our policy have been deficient and the supplier fails to cooperate in developing and implementing reasonable remedial steps, EET reserves the right to take appropriate actions up to and including discontinuing purchases from the supplier.

7.3.4. CUSTOMER PRIVACY AND DATA SETTINGS

Our IT department has a carefully designed and comprehensive security strategy aimed at minimizing critical vulnerabilities of software, hardware, and information, and GDPR management requirements have been implemented. Furthermore, all employees are required to complete online training in cyber security and GDPR compliance.

8. COMPANY ESG EFFORT 2022 AND PLAN FOR 2023

8.1. RESPONSIBLE SUPPLY CHAIN MANAGEMENT

EFFORTS AND PERFORMANCE 2022

Private Label vendors

1. A new vendor evaluation system was implemented, covering all current Private Label vendors. In the evaluation scheme several aspects of the cooperation are taken into consideration, including but not limited to, Self-Assessment Questionnaire (SAQ), Audits, Legal background checks, documented compliance, product risk evaluation, product quality/RMA rate, objective cooperation evaluation and ease of replacement.
2. During 2022, 77 signed SAQs were received from Private Label vendors. OEM and Private Label Vendors accounting for 95% of cost of goods sold (COGS) have signed EET SAQ in 2022. None of the SAQ replies caused reconsideration of our cooperation with the vendors. Only a few SAQ caused questions to minor issues. In those cases, we had a dialogue with the vendor to clarify EET requirements and correct any misunderstandings.
3. Legal background checks on CN/TW/HK companies now accumulate to 55 vendors, covering more than 75% of 2022 purchase value within our Private Label team. There were no critical findings in these checks for used vendors. Several prospective vendors were checked. 2 were opted out due to the findings.
4. In 2022 we reevaluated our Audit approach, from an efficiency point of view and based on our experience during the Covid-19, where physical presence was restricted. In 2022 we moved away from EET specific factory audits and turned to internationally recognized social audit reports like amfori BSCI and SEDEX. Reports were requested from all vendors receiving the SAQ in 2022. We got valid reports from 20 vendors. We still perform onsite product quality control, using external QC partners.

Other vendors

1. 7% of vendors covering 93% of spend have completed our SAQ (i.e., either they are publicly listed OR they have signed to adhere to our requirements). We do not audit OEM suppliers. Quality control is measured via RMA registrations.
2. We ensure through vendors signing our agreement or completing the SAQ that we do not buy products with conflict minerals nor with dual use options.
3. We ensure that we do not buy from sanctioned countries through tight governed processes where several checks are done including check on sanctions.

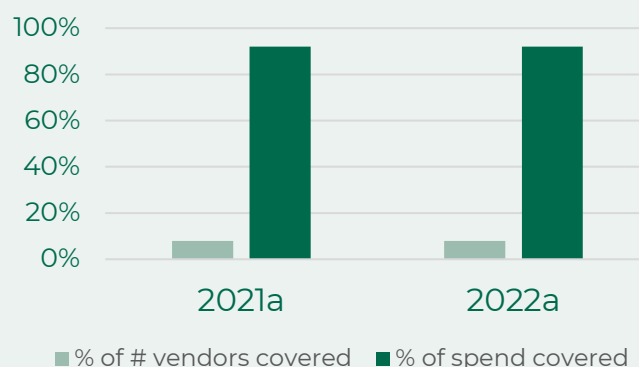
AMBITIONS 2023

1. The vendor evaluation system implemented in 2022 will continue to be developed and updated. Primary focus in 2023 will be to ensure current and complete compliance documentation.
2. SAQs will be sent to all new vendors and vendors that have replied in 2020 or before, keeping the frequency at 2 years, as implemented in 2022.
3. Legal background checks will be performed on all new vendors.

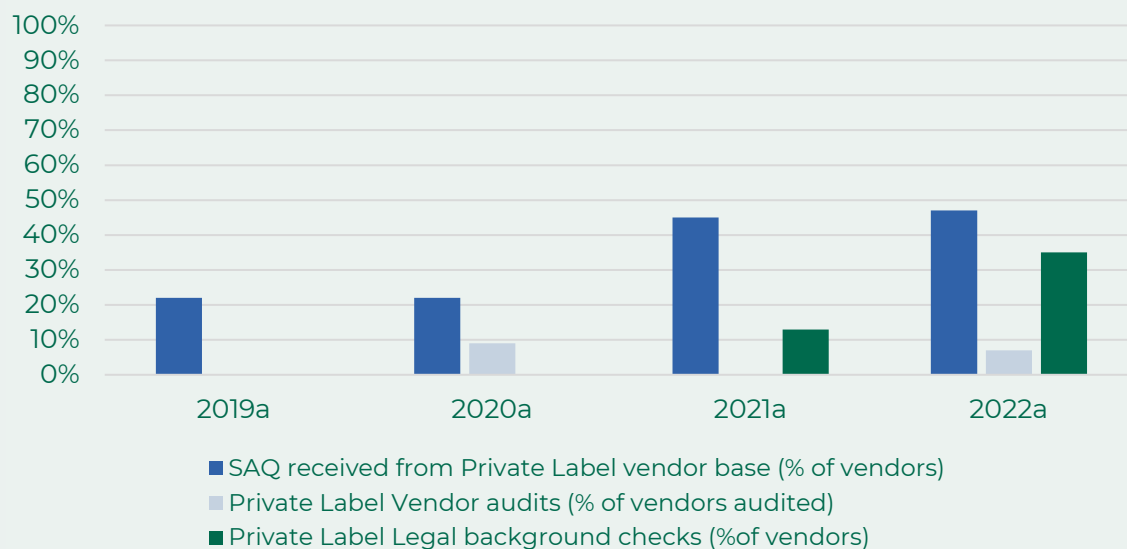
KPI'S TO MEASURE OUR PERFORMANCE

The KPI's in this section are measured via our registers of SAQs and audit reports

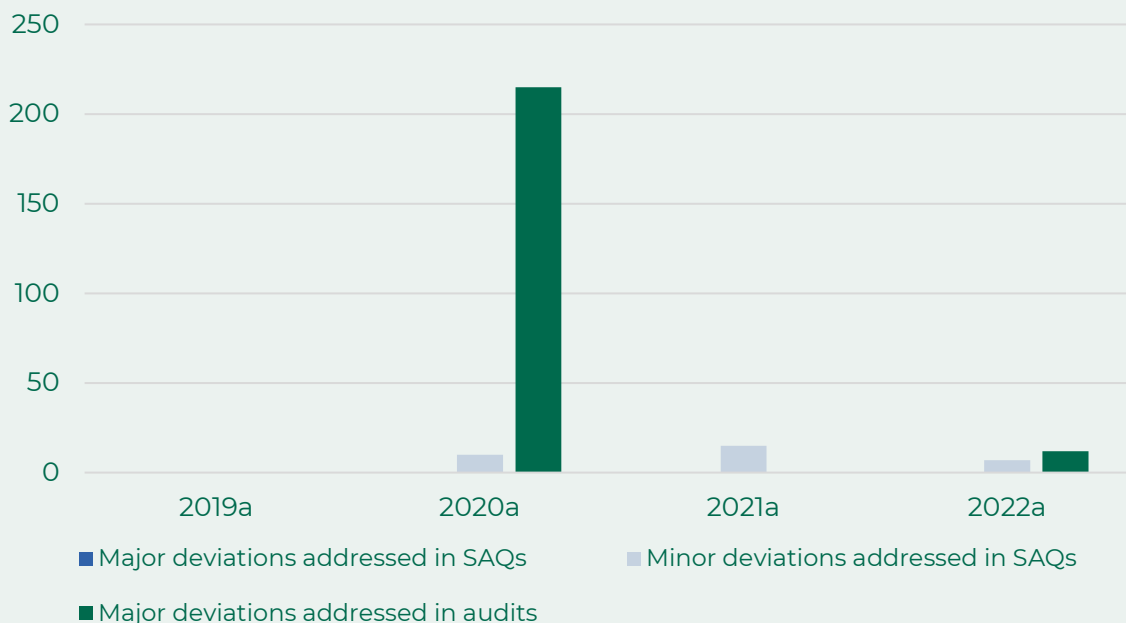
SHARE OF TOTAL VENDOR BASE COVERED BY EET AGREEMENT OR SAQ OR IS A PUBLICLY REGISTERED COMPANY



PRIVATE LABEL SAQ'S, LEGAL BACKGROUND CHECKS AND AUDITS (% OF VENDOR BASE)



PRIVATE LABEL MAJOR AND MINOR DEVIATIONS AND FINDINGS



8.2. A TRUSTED AND ETHICAL BUSINESS PARTNER

EFFORTS AND PERFORMANCE 2022

1. We regularly review and update (where needed) our policies, handbooks, and similar. When we acquire companies, we also implement standard policies, handbooks etc. to ensure conformity across EET Group
2. We have introduced digital signing with a link to where policies are via the HR system– this is sent as tasks to new hires all via onboarding
3. We have issued digital signing via the HR system to all employees
4. We have implemented mandatory online training in IT security and GDPR.
5. We have issued a separate policy (Code of Conduct) which all employees are required to commit to upon onboarding.
6. An external whistle-blower agreement has been entered into with our employment law firm and information updated in the whistle-blower policy. Information about the whistle-blower-policy is available at our sites and online. We have had 0 cases reported via the Whistle-blower agreement in 2022.
7. We have implemented a new global HR system. In 2022 the annual performance review was carried out using the new system. Functionality enhancement will continue an ongoing basis.

AMBITIONS 2023

1. We will ensure that our policies and other documents describing our preferred culture are continuously updated to keep up with changes in focus and trends the societies where we operate.
2. We will ensure that these documents “live” with our employees and thus define our culture. This is done using our LMS systems “EET Go” and via our detailed internal communication plan. We will continue to develop our EET Go” and potentially roll it out to all employees globally.
3. We will introduce a more elaborate stand on behaviour and wellbeing as well as ways to work with this in a both preventive and curative manner.
4. Continue to use external software to monitor and measure our CO2 footprint

8.3. A GREAT PLACE TO WORK

EFFORTS AND PERFORMANCE 2022

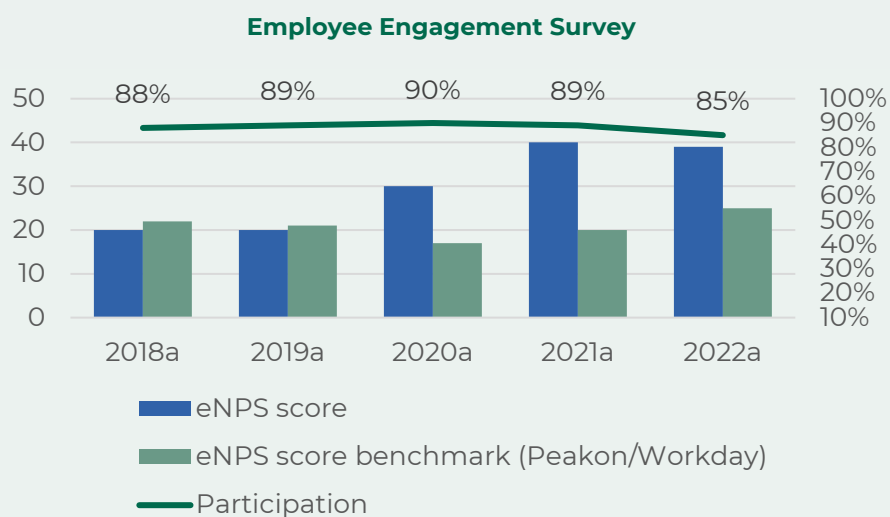
1. Our increased ability to produce statistics on gender and age for roles, functions, performance – makes us better understand where there might be imbalances. Age and nationality will be available when employees update this info in our HR System.
2. We have made sure our annual performance review and development conversation material specifically addresses growth (development). Our annual performance review and development conversation material includes assessment of development needs and have resulted in individual decisions on development activities
3. We have developed, introduced, trained managers, and implemented a structured reward review process for employees hired in Denmark (our biggest people entity).
4. Further align our incentive structure across the company.
5. We are now able to report on age, gender, and attrition across all our entities, and can now share this transparently. And we have continued to thoroughly measure absenteeism.
6. During 2022 we have further structured and overall increased focus on our work with health and safety (H&S) in our main warehouse in Denmark. We have had one LTI (lost Time Injury in 2022, a decrease of 75% compared to 2021.
 - Daily safety briefings
 - H&S meeting every Monday morning
 - Safety observation tours are conducted monthly by members of warehouse management
 - All employees have been further trained in use of equipment and work processes
 - All visual signage has been upgraded
 - Various campaigns have been run to increase awareness and preventive behaviour to avoid accidents and near misses

Ambitions 2023

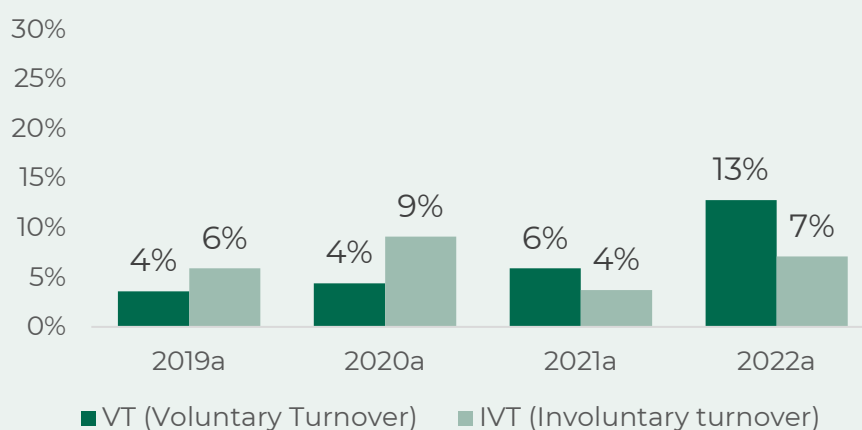
1. We will continue to work with diversity, equity and inclusion in 2023. Our ambition for improving the overall gender diversity in the company remain high, and we will work with increasing the percentage of females in the company as well as female managers. This will be done via a more unbiased approach in promotions and hirings (e.g., ensure we always include a female candidate for internal promotions and new hires)

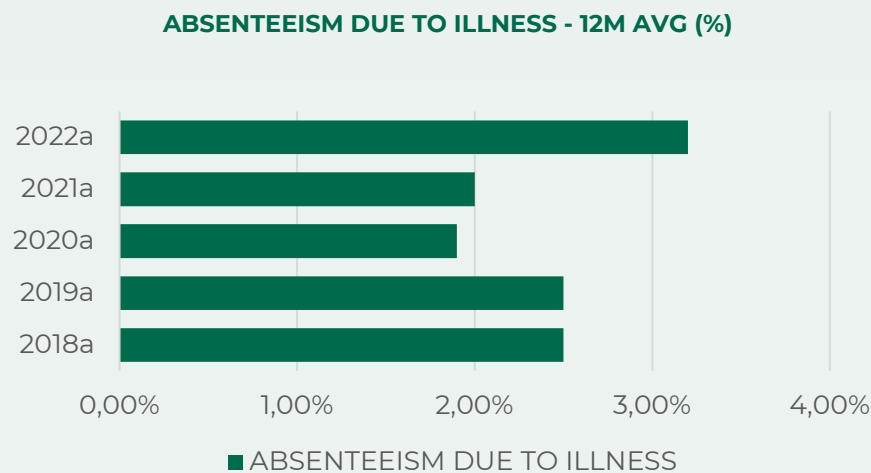
2. Other Diversity, Equity and Inclusion (DEI) measures, such as educational background will be included in 2023. (Results in our annual engagement survey shows that we do not have issues with equal opportunity)
3. We are committed to measuring and acting upon employee feedback and the annual EES (Employee Engagement Survey) will be used as a tool for creating tangible plans to support a culture of growth.
4. We will work with employee development through our continued focus on manager/employee dialogues (performance reviews). Also, we will continue to expand offering of training of our sales staff via our sales app.
5. We will continue to work with our Compensation and Benefit structure, with a focus on Reward and the incentive programs in order to ensure we motivate the right effort and reward the right performance.

KPI'S TO MEASURE PERFORMANCE



ATTRITION





8.4. MINIMISE ENVIRONMENTAL IMPACTS THROUGH THE VALUE CHAIN

EFFORTS AND PERFORMANCE 2022

1. We have improved the quality, the scope, and the details of CO2 measurements considerably and we now also measure inbound transportation CO2 footprint (where we control this). We have introduced a KPI relating CO2 footprint to inbound and outbound transportation.
2. In our distribution centre in Denmark (accounts for 75% of our shipments) we have taken several steps to reduce the environmental impact of our packaging including;
 - Replaced our PVC tape with paper tape
 - Replaced plastic with paper envelopes
 - For all packing we are now using recycled paper
 - Implemented a new Flip pack machine to reduce the amount of paper
 - Re-designed our small size boxes
 - Re-designed our pallets to reduce the volume of wood
 - All boxes are now made of 90% recycled cardboard fibres
3. We ship approximately 1.1M packages outbound a year across Europe and receive carbon footprint calculations for our outbound shipping from the majority of our carriers and use

this average footprint to extrapolate the average per shipment. This average per shipment is then added a 50% error margin which is the carbon footprint we buy carbon credits based upon. On top of offsetting our carbon footprint we also fund 1 tree per 5 outbound shipments done. Estimated an annual 220.000 trees planted. Follow our actual progress on carbon credits and trees online with our partner ecologi [EET Group | Ecologi](#).

4. On top of planting trees based on our outbound shipments we have also engaged our suppliers in our annual events – World Environmental Day in June – WED as well as “Green Friday” – instead of Black Friday in November. In these events we encourage our suppliers to fund trees in our forest nonprofit and they will get participation in our communications around these events online on our website, in banners as well as on social media. These initiatives are bringing EET closer to fulfilling our MILLION TREE PLEDSE, whereby we have pledged to fund one million trees by 2025 at the latest.
5. A big portion of our shipments to our customers are considered blind shipments. This means we ship to the end-customer on behalf of our customers. Beside speeding up the shipment arrival at the end customers premises – it also “saves” one shipment from our warehouse to our customers warehouse as we ship direct on their behalf.
6. The right to repair EU legislation has not brought the level of activity towards us as expected and many suppliers continue to act as they historically have with regards to Spare parts offering to consumers. Our Spare parts business continue to increase in qty and volume indicating that electronic devices do get repaired and live longer. Supporting this fact is also our supplier iFixit, which provides special tools to take any electronic device apart supported by online guides, that also continue to increase its relevancy and turnover.

AMBITIONS 2023

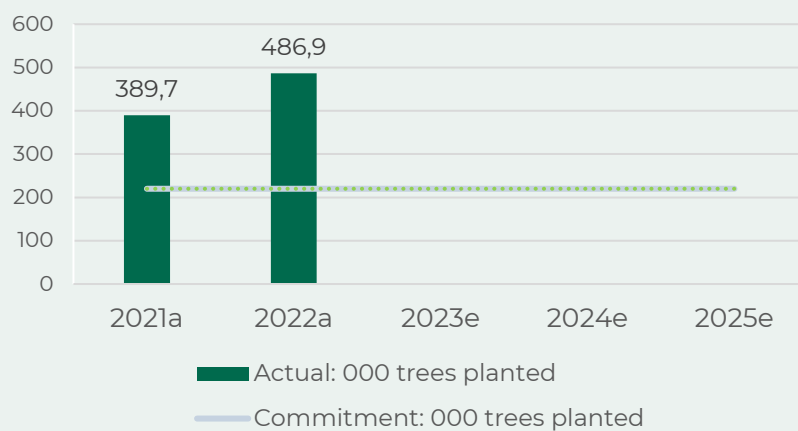
1. EET will continue to provide CO2 neutral outbound deliveries for the majority of shipments across all markets. This will be done by investing in carbon offsetting projects that will compensate for our emissions. We will work with 1-2 providers and the details and benefits of the projects will be communicated to our business partners on relevant delivery notes, as well as on digital and social media.
2. EET invests to win more projects under the EU “right to repair” obligation for manufacturers of white goods appliances and displays. One of the core skills of EET, logistics, can thus help reduce e-waste and increase product lifetime. Winning more agreements will remain a strategic priority throughout 2023.
3. We will continue with our carbon offsetting of outbound shipments, planting trees based on shipments and boosting the tree planting with supplier initiatives such as WED and Green Friday. With this we expect to surpass 1 million trees in 2023.
4. We will enter into additional customer engagements whereby we incorporate our tree funding initiatives with the customers towards their end customers to further boost our forest and encourage our customers to choose more climate friendly suppliers.

5. We will continue to communicate our ESG ambitions to our suppliers in order to encourage them to ship inbound the most sustainable way.

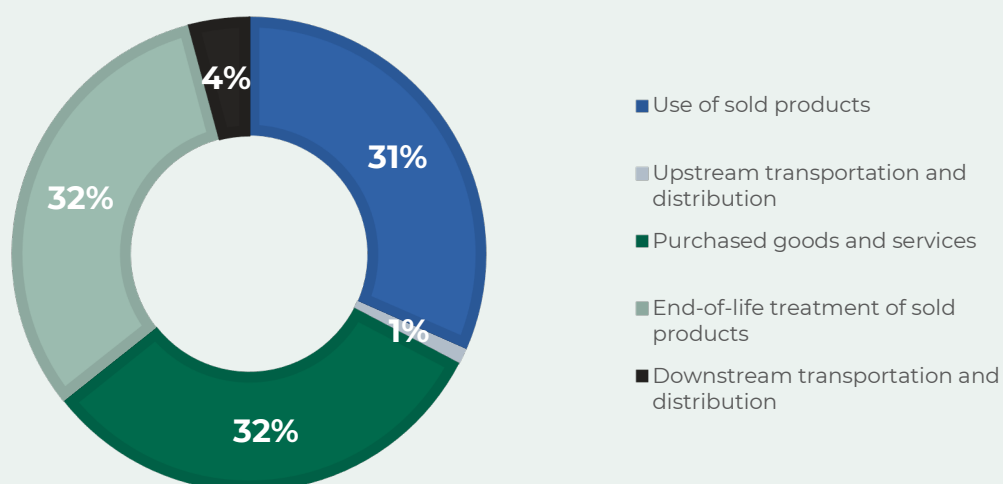
KPI'S TO MEASURE OUR PERFORMANCE

The KPI's in this section are measured via reports on consumption from suppliers and converted to CO2 footprint via a conversion software. Definitions of GHG emissions are based on the GHG Protocol corporate standard and they are measured based on various input from each country i.e., invoiced electricity/heating, freight, travel, company cars, etc

000 Trees planted (on top of PURCHASED CO2 offsets for outbound transportation)



TOTAL GHG EMISSIONS FOR 2022



GHG Emissions (tco2e) per quarter 2021 and 2022



8.5. ENSURE SAFE AND SATISFIED CUSTOMERS AND CONSUMERS

EFFORTS AND PERFORMANCE 2022

We conduct customer satisfaction surveys on an ongoing basis;

1. As per December 2021 we had 1.466 replies LTM. End of 2022 we received 1.398 replies, but as we do not follow number of issued surveys this is something to improve in 2023.
 - a. cNPS reached the target of 34 in Q4 2022. This is the average of scores in all our markets ranging from 11 to 70.
 - b. Results are now communicated on an ongoing basis in our EET GO app. All country entities and salespeople have been trained in where to find and how to use the survey results which is available in the CRM system.
2. We completed segmentations in systems (Navision and Salesforce) and worked with segments of customers further and target activities per segment to increase their satisfaction. Update of segmentation information is done both centrally (Group) and by the local account manager.
3. We increased focus on registration of customer engagement as we believe that personal relation and formal meetings (planned, structure) increase the satisfaction by having a close contact with the customers.

4. We set targets for customer engagement (# of meetings per sales rep, per country, per BL, etc.). Targets set, communicated and weekly follow-up measurement of meetings held, results communicated and actions for improvement defined. The measurements and results are internal.
5. We have introduced a Data Ethics Policy that governs our handling of data (including personal data related to employees and to customers).

AMBITIONS 2023

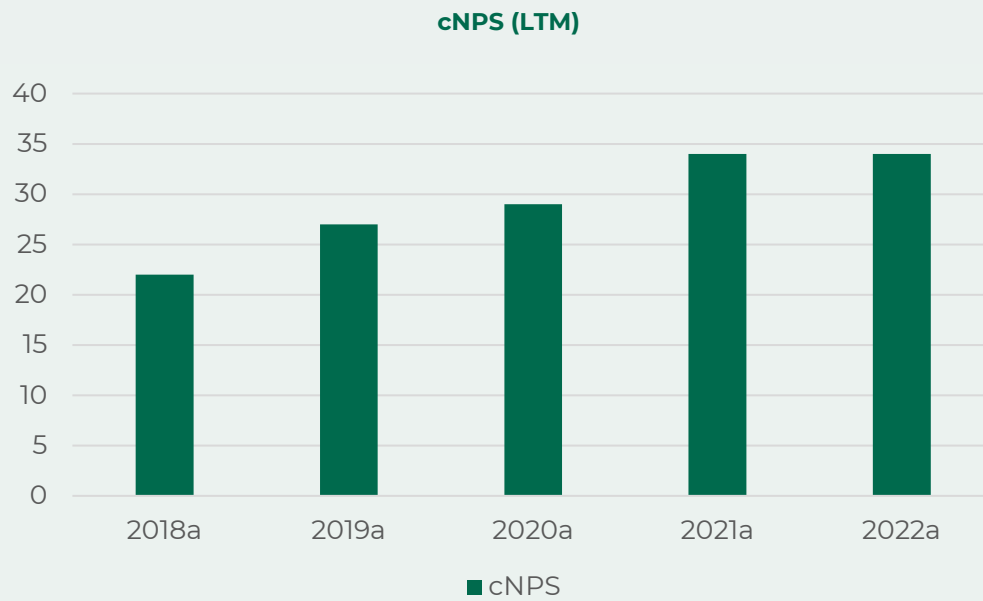
1. To increase participation rates in 2023, we're improving the Satisfaction program with a fresh, modern email layout that's more personalized. Our aim is to counter the declining trend in respondents and maintain high levels of insight into customer satisfaction. Our goal for 2023 is to reverse this trend and ensure we continue to gather valuable feedback from our customers.
 - a. Target for cNPS score is 36 as per dec. 2023
2. To enhance our customer offerings and provide the best possible salesperson fit, we're introducing a new external customer category and an improved customer allocation system. This will enable us to better understand the unique needs of individual customers and tailor our efforts, accordingly, further strengthening our commitment to customer satisfaction and customer loyalty.
3. We will continue our targeted efforts of enhancing customer interfaces both with:
 - a. EET sales representatives
 - b. EET customer service representatives
 - c. EET technical service representatives
 - d. Website buying solutions
 - e. Individual EDI/xml integrations and digital customer services

To provide our customers with an efficient and world-class experience, we are constantly adding new self-service features to our customers. Customers can access these features 24/7 and receive valuable information tailored to their needs. These enhancements to our processes, systems, service, and communication are aimed at ensuring we deliver a strong customer experience.

4. We will look into possibilities to get a deeper understanding of which ESG related priorities our customers have and thus introduce ways to measure and work with these.

KPI'S

The KPI's in this section are measured via monthly summary of customer surveys issued after time of purchase





EET GROUP