SUSTAINABILITY POLICY AND PLAN 2024-2028

We support a more sustainable workplace and a future proof business

Audico Group (Company)

AUDICO

SUSTAINABILITY POLICY

Audico Group is a company with a long history, 60 years in ProAudio industry and 30 years in entertainment and AV business (Audio Visual), that takes responsibility and contributes to a sustainable development of our business and the world around us. Our purpose is to offer our customers, future proven, premium and operational secure audiovisual solutions, products and services. To make it possible for people to meet and communicate with a great experience and environmentally friendly. For us to create long-term value - for our company, our customers and for the society - both people and the environment are in focus of a sustainable profitable business today and in the future.

The sustainability policy is based on the company's fundamental values – honest, bold, caring, responsible – and states the company's overall ambitions regarding the company's environmental and social responsibility. The sustainability policy is integrated into all parts of our business and contribute to long-term profitability, a strengthened brand and support our overall vision to be the leading distributor, solution and service provider of audiovisual communication and entertainment systems.

We have done a double materiality analysis to identify the areas where we can contribute most, identified our opportunities and risks and where we have an essential sustainability impact. We measure the company's success using the framework ESG where all three areas are equally important.

The UN Sustainable Development Goals
Audico Group acknowledges the importance of the UN Sustainable Development Goals (SDGs) as a shared global ambition to protect our planet and create prosperity for all. As a company, we can have a large influence by adapting the way we work to meet the needs of future generations. The SDGs have been integrated into our sustainability agenda where we believe our business can contribute towards them. We aim to actively contribute to achieving the global goals by focusing on the ones that are most relevant to our operations and strategy and, where we as a company can have the greatest impact for us, these are goals:
3: Good health and wellbeing
12: Responsible consumption and production

ESG- ENVIRONMENTAL (E)

Re-cycling

Audico follows the industry standard for waste management, aiming to avoid creating any or at least as little as possible in the first place. When we cannot eliminate waste through planning and other efficiencies, we increase the amount we reuse, repair, and recycle. Sending waste to landfill is our last resort. The waste hierarchy is a framework that helps guide our approach to managing and avoiding waste. It represents the most preferred option at the top to the least preferred at the bottom.

The Waste Hierarchy

1. Avoid

We improve production and inventory management, materials sourcing, and resource use to avoid or eliminate waste generation from the start. Audico offers a range of services for customers to recycle, repair, or trade in their items.

2. Reduce

We pursue avenues such as increased product durability and resale to reduce waste.

3. Reuse

Where possible, we repair, repurpose, and donate usable items. Part of our mission to be most customer-centric company is to offer more-sustainable devices without compromising on quality. We use devices which are more resilient, last longer, and don't need to be replaced as often. We also release over-the-air software updates for our customers' devices with feature and security updates.

4. Recycle

We recycle and compost to recover raw materials where possible, including food waste. When the time comes to retire or replace a device, we make it easy for customers to recycle their products by sending them back to us or to our third-party recycling partners.

Reducing Waste in Our Operations

Operational waste refers to the waste produced from our internal operations. Noninventory waste includes used office furniture, used corrugate, and break room waste, among other items that are consumed in our day-to-day operations. Inventory waste includes heavily damaged and unsold products, customer returns that cannot be repaired, unused inventory, and goods that cannot be donated, sold via wholesalers, or sold in Audico Warehouse.

Energy efficiency and life cycle management

Our processes incorporate energy efficient and extended life cycle design as well as automation and monitoring reducing environmental impact and waste. We ensure a long product life-cycle, aiming for minimizing consumption by offering:

- Products and systems of high quality and designed in a flexible way.
- Services to prolong the life cycle including, RoomSense and proactive maintenance & service.
- Products and design systems that minimise use of electricity and energy.

Ambition and KPIs

- We are aiming for 100% re-cycling of packages, electronics, paper and metal. We only use re-cycled packages for shipments and ensure all material is re-cycled at work sites.
- Prioritize energy efficient products and solutions.

We follow up our Environmental goals via:

- Regular re-cycling controls.
- Regular controls that 100% of all systems have energy saving features.
- Regular management trainings in occupational health & safety.

ESG- SOCIAL (S)

Work-life balance

Audico Group works actively to promote good well-being and to prevent illnesses among our employees and to create the conditions for a good work-life balance. As an employee at Audico Group, everyone has a responsibility for how they act towards colleagues, customers, vendors and other stakeholders, that rests on a common set of values for the company. Our values are Caring, Bold, Responsible and Honest which we are aiming to show in everything we do. We lift good examples and role models in monthly meetings, in internal awards and as criteria for rewards and personal development.

Our employees

As our most important resource, is our employees, it is critical for us to secure a sustainable working environment for our employees. To attract, retain and develop the competence needed to continue to be one of the Nordic leading audiovisual company is key. Our occupational health and safety policy clearly state the structure and responsibility to secure this.

Mental and physical work environment

Audico Group supports a healthy lifestyle, work balance and a safe pension. We offer compensation for sport and health activities, pension, parental leave and health care. Regular surveys and evaluations are made to follow up and improve. Good physical work environment is as important. All employees can choose between work tools that best support their needs regarding for example from an ergonomic perspective. In our offices we have implemented a sound masking system which is active in every space. The solution brings very neutral sound to spaces where speech privacy needs to be improved.

Listen to our employees

Another tool to listen to our employees and measure wellbeing and satisfaction is QWL (Quality Work Life) survey, performed twice a year. It is followed by a process for how to actively work with the result and follow up

in the teams with clear targets. Clear roles, responsibilities and expectations on individuals and teams are high on the agenda as well as a transparent communication climate, since it is proven that it leads to less stress and higher commitment.

Hybrid way of working

At Audico Group, we are flexible in terms of where and when we do our work, when applicable, depending on which role you have. Our IT environment and work tools support this. It is much appreciated and works well. At the same time, it requires us to be clear about what expectations we have on each other's availability. This applies to our teams as well in contact with our customers.

Society and Non-Governmental Organizations (NGO)

To further encourage health and wellbeing we give financial contribution to employees' children's sport clubs, if they are active in a team sport, to secure the contribution will benefit as many as possible. Audico Group also work with NGO focusing on organizations who work for children's rights and welfare, as part of that we give contributions to Save the Children.

Ambition and KPIs

- We are aiming to have one of the industry's best workplaces, as part of having a sustainable worklife for our employees.
- The company has a vision of zero workplace accidents.
- Our ambition is to increase equality on all levels, from a low level. It is a very male dominated industry. We believe equality and diversity is business critical to attract employees, customers and investors as well as promoting better well-being and less stress.
- Continuous learning and training since we need to constantly change.

We follow up our social goals via:

- QWL twice per year.
- Number of people on sick leave.
- Tracking of workplace accidents.
- Equality among leaders and employees.

ESG- GOVERNENCE (G)

Audio Group is an international company working with suppliers, partners and retailers in countries that all have different laws, cultures and traditions. All activities should be conducted so that they comply with current legislation in a sustainable manner and in accordance with the company's values. Complying with laws and regulations is always our highest priority. In a changing world, we believe that adopting a broader perspective in compliance is just as important.

Guidelines and Aspects

In order to ensure a sustainable business, significant aspects have been targeted in order to be able to follow and steer the business towards them. By working with these areas, the Company shall minimize its negative climate impact, develop sustainability work in the supply chain and ensure our employees' motivation and commitment. Annually, an overall risk assessment is made at the company level, significant aspects and goals are decided and followed up, action plans are drawn up.

- Our responsibility in sustainability will be an integral part of the company's operations and rest on the current business concept and value base.
- We follow applicable laws, regulations, instructions and routines.
- We develop routines and working methods to prevent risks.
- We will regularly establish goals and action plans and follow up on the results of these.
- We will continuously develop routines and methods to be able to clearly measure, follow up and report the results of our environmental work.
- The sustainability work will be based on a continuous development of our competence and lead to constant improvements.
- Our endeavor is to support and collaborate with our customers and partners in their sustainability work.

Whistleblower Channel

Our employees, customers and suppliers are our most important sources of insight into any deficiencies that need to be corrected. Anyone who suspects misconduct that is contrary to the Company's values, business ethics or legislation must have the opportunity to speak up without fear of reprisals. To protect whistleblowers, there is a Whistleblower channel. The channel is intended to supplement, but not replace, other reporting channels, e.g., reporting to site management, immediate manager or manager's manager.

Responsibility and governance

The company's management team draws up and the board and CEO determine the policy.

The CEO has the ultimate responsibility for the sustainability policy being followed and report on a regular basis to the Board. Sustainability and quality work is included as a natural and integrated part of all activities within the Company where the managers have a special responsibility for implementation and risk mitigation. Development of a new ERP system and processes will further support the steering and risk management.

We follow up our Governence goals via:

- Revenues.
- EBITDA.
- Working Capital.
- ERP implementation and usage.

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