

ANNUAL TRANSPARENCY REPORT

The Elkjøp Nordic Group is committed to operating responsibly and respecting human rights and decent working conditions in its own operations and throughout its supply chain, in accordance with the Norwegian Transparency Act.

This act requires companies to conduct human rights due diligence activities, which include identifying, addressing, preventing, and limiting any potential or actual adverse impacts on human rights or decent working conditions, as well as providing remedy for any violations.

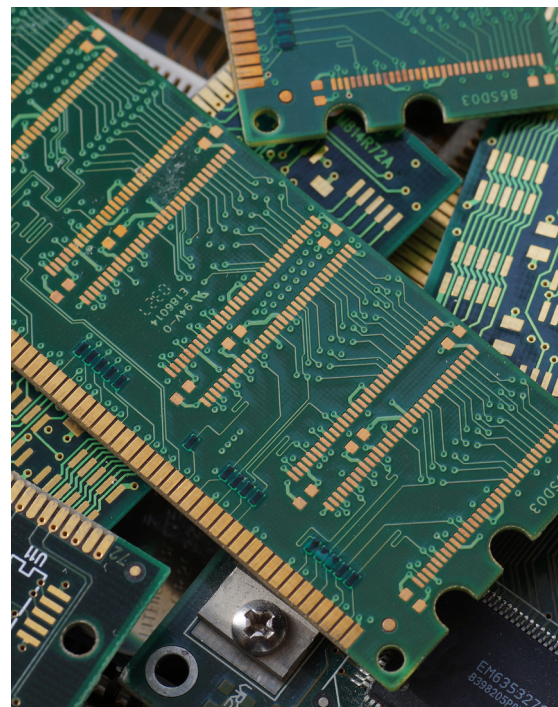
This report provides an overview of Elkjøp Nordic's commitment to responsible operations and ethical supply chain management. The report details the due diligence activities conducted, such as risk assessments and social audits, and the policies and processes implemented to address potential adverse impacts on human rights. It also outlines the company's approach to managing risks, including the use of the OECD model for due diligence assessments and the expectations set for suppliers to comply with international standards. Additionally, it provides insights into the company's own brands, the geographical distribution of suppliers, and the specific risks associated with different product categories and services. The report covers the Elkjøp Nordic group for the reporting period.

About us

Elkjøp Nordic AS is the leading consumer electronics retailer in the Nordics. We primarily sell consumer electronics, mobile phones, computers, white goods, domestic appliances, kitchens (Epoq), and services related to these products both directly to consumers and to businesses. We are an omnichannel retailer and serve our customers both online and through our over 420 stores. The Group consists of around

10,000 engaged colleagues working in Elkjøp Norge AS, Elgiganten AB, Elgiganten A/S, Gigantti Oy, Elcare Nordic AS and Elgiganten Logistik AB.

Elkjøp Nordic AS is fully owned by Currys plc and reports on behalf of the Elkjøp group to the Currys Board. Currys plc issues an annual [Modern Slavery Statement](#) available on their website according to the requirements of the UK Modern Slavery Act.



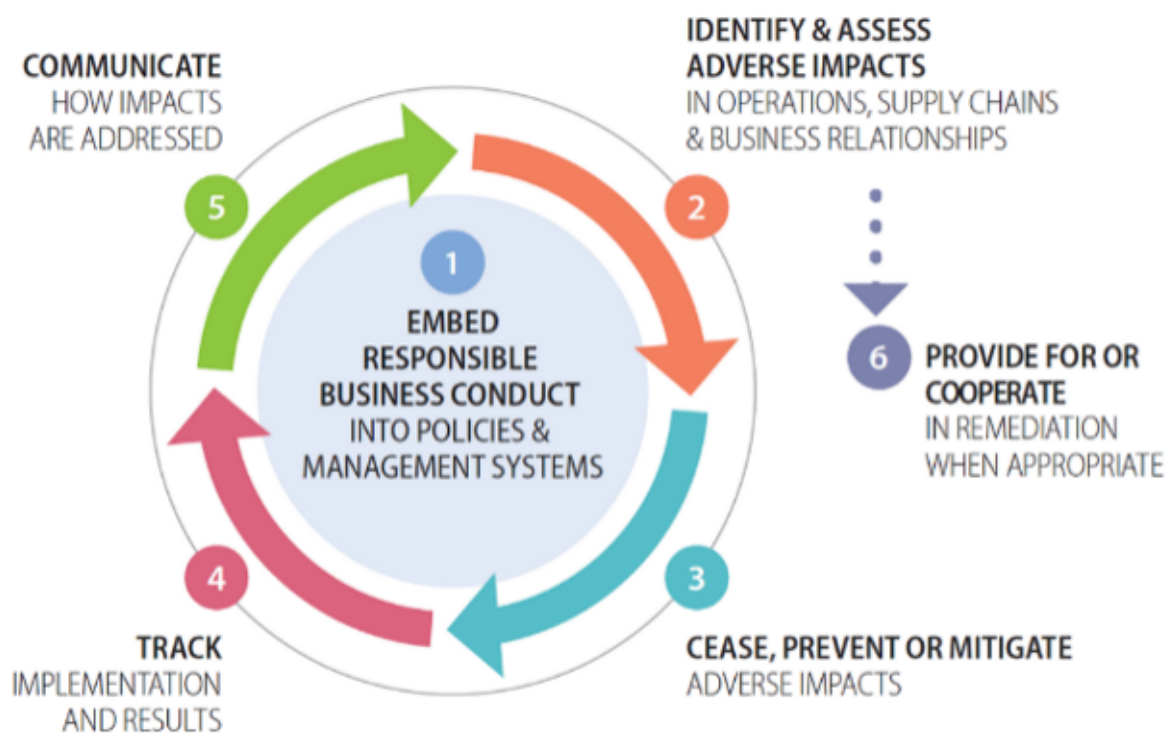
RESPONSIBLE SUPPLY CHAIN

Elkj p Nordic wants to take responsibility for promoting ethical trade in our supply chain, as a responsible business we are committed to using our scale and expertise to be a force for good in the world.

Supply chains in the electronics industry are often long and complex. For a supplier to manufacture a product, raw materials and components are sourced from numerous sub-suppliers from different countries. It is part of our sustainability strategy to do what we can to influence actors in these complex supply chains to take responsibility for ensuring basic human rights and decent working conditions for everyone involved. As a retailer, we believe that we fulfill our responsibility best by cooperating with our suppliers, demanding acceptable control systems from those who have a direct impact on the supply chain.

Our approach

In Elkj p Nordic we use the OECD model for due diligence assessments for responsible business conduct. The model has six steps that describe how companies should work towards more responsible and sustainable business practices. While our commitment to positive due diligence assessments is unwavering, we acknowledge that our operations may inadvertently negatively impact people, society, and the environment. As a company, we are open and honest about challenges in the supply chain and believe that the best way to handle this is in collaboration with our stakeholders.



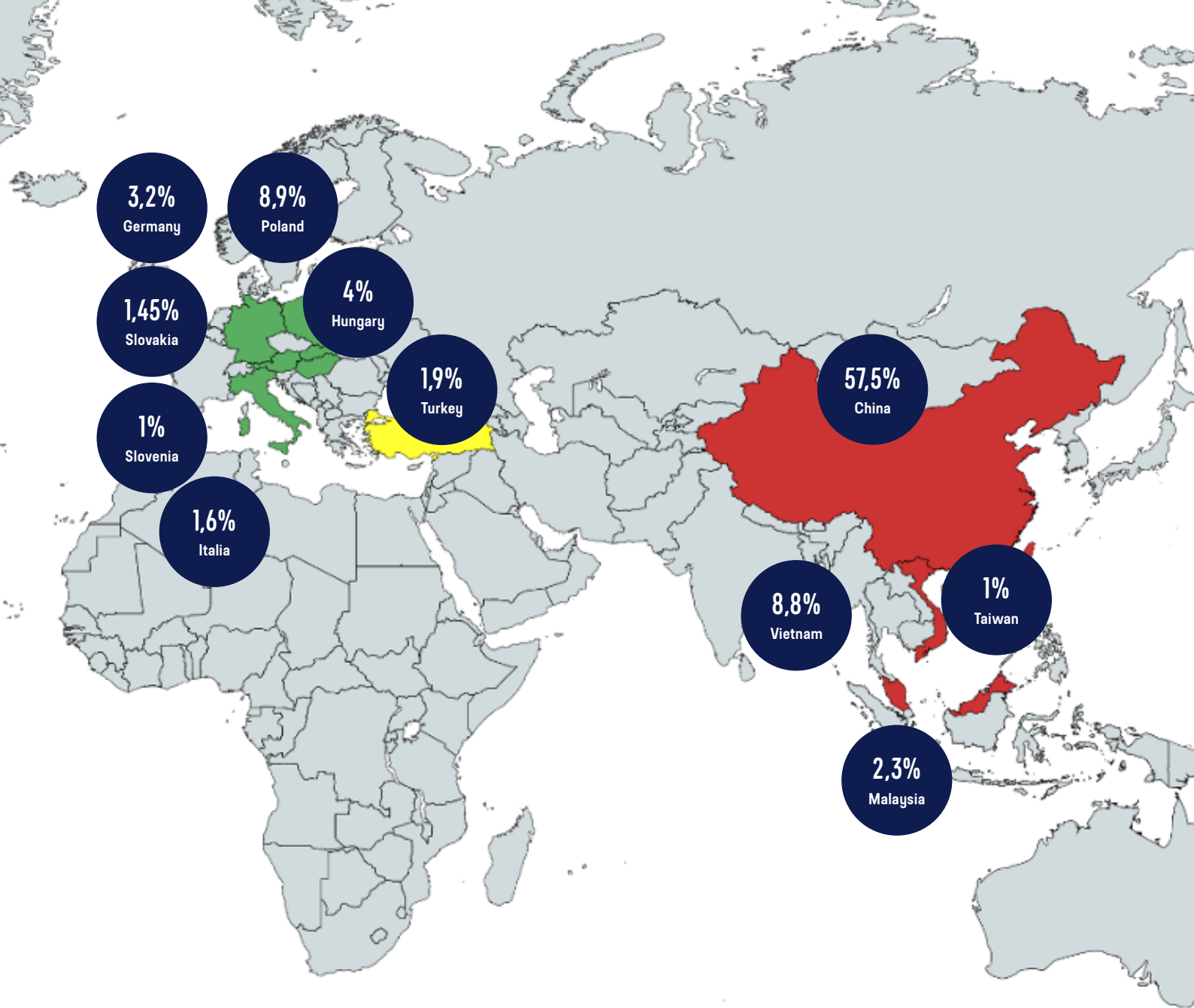


Our expectations

We require that our suppliers comply with our standards and policies or that the supplier complies with corresponding standards as part of their management system, to ensure responsible sourcing. Since there are known industry risks of human rights violations and violations of workers' rights both in the extraction of minerals used in the products as well as during production in the factories, we align our policies accordingly. We therefore demand, among other things, that conflict minerals are purchased from suppliers on the Responsible Minerals Initiative (RMI) Conformant smelter & refiner lists and that the rights

of the workers in the factories must be safeguarded in accordance with current international conventions. More information about our standards and policies can be found at [currysplc.com](https://www.currysplc.com)

One of our focus areas is to ensure that as many of our suppliers as possible are assessed through the international sustainability ratings company EcoVadis. EcoVadis evaluates the supplier's performance in terms of environment, ethics, labour & human rights and sustainable procurement. Learn more about how we work at [Elkjop.no](https://www.elkjop.no)



* Sourcing map that covers 90% of Elkjöp Nordic revenue in FY23/24

If we become aware of a serious violation in our supply chain, we investigate how the supplier will ensure that the violation is rectified and provide our support if this is required. In the event of repeated and/or serious breaches, we will consider terminating the contract.

Elkjöp Nordic's supply chain

With 271 goods for resale suppliers and products originating from 56 countries, our suppliers are important contributors to the success of our business.

Most of our suppliers are registered in Sweden, Norway, Netherlands, Finland, Denmark, and Germany.

90% of our revenue comes from products sourced from the following eleven countries: China (57.5%), Poland (8.9%), Vietnam (8.8%), Hungary (4%), Germany (3.2%), Malaysia (2.3%), Turkey (1.9%), Italy (1.6%), Slovakia (1.45%), Austria (1%) and Taiwan (1%).

In addition, we also have indirect sourcing suppliers providing us with services and products to support our operations across the Nordics, these suppliers are mainly registered in the Nordics.

Mapping of risks

Our focus has been to risk assess our supply chain.

identifying areas where there is potential for human rights and workers' rights violations. For branded suppliers our focus is on tier 1 (our direct supply base), for our own label and licensed brand suppliers we also cover tier 2 suppliers where there are specific risks related to safety (batteries and gas components). For indirect sourcing we mainly focus on high-risk tier 1 suppliers with some exception related to distribution services in the Nordics, where we cover both our collaboration partners as well as their subcontractors.



Goods for resale suppliers assessed.

Risk assessments have been performed on product group level (ie. headphones, speakers, phones) or on type of services level (ie. transportation, hired workers), to identify the risk of human rights and poor working conditions violations. Inherent risk is assessed according to the following risk factors:

- Country of production
- Whether conflict minerals are used in the products
- Whether dangerous chemicals are used in production
- Whether there are other conditions dangerous to health and safety
- What impact we have within this product category
- Other known industry factors

To assess the country risk, a model has been created incorporating information from two reports issued on a yearly basis "List of Goods Produced by Child Labour or Forced Labor" and "Trafficking in Persons Report", issued by the U.S Bureau of International Labour Affairs as well as the U.S Department of State.

According to the risk model, China, Malaysia, Taiwan and Vietnam are high risk, Turkey is considered medium risk, while Germany, Poland, Hungary, Austria, Slovakia, and Italy are considered to have a low risk of human rights violations. These are all countries that are part of our supply chain.

To determine the residual risk, suppliers are assessed

based on knowledge of established control systems, [EcoVadis score](#) and experiences from factory visits or other interactions with the supplier. Suppliers accounting for 97% of our goods for resale revenue are covered in this year's assessment. The assessments cover product procurement to our repair centers and stores in the Nordics, including franchise.

Managing risks

The objectives of our risk management strategy are to:

- Identify and understand all the significant risks that we face
- Take action to manage the risks and ensuring our resources are effectively and efficiently prioritized and used
- Monitor and report on the risks we are facing

Particularly, two elements notably influence the risk of violations against human rights and workers' rights within the supply chain of electronic products:

1. Use of conflict minerals

A significant proportion of our merchandise comprises products that incorporate one or more conflict minerals. Notably, products within the kitchen categories are exceptions to this generalization. It is widely acknowledged that the procurement of these minerals may contribute to human rights abuses and the funding of armed conflict. In our due diligence evaluations, we recognize that the presence of conflict minerals represents a critical risk factor, markedly elevating the potential for grave human rights infractions within our product supply chains.

2. Working conditions in the country of production

Manufacture of electronic products occurs within regions where compliance with the International Labour Organization's (ILO) stipulations for working conditions and workers' rights is not consistently upheld. Furthermore, the employment of hazardous chemicals within the production process poses potential health risks to the labor force. Notably, a brand supplier's Fiscal Year 2023 Sustainability report acknowledges prevalent non-compliances concerning Health & Safety and working hours. Additionally, another supplier has identified signs of modern slavery practices, particularly among migrant laborers in facilities located in Singapore, Malaysia, and Taiwan within

the same year. These violations are being actively addressed by our brand suppliers, frequently in partnership with organizations such as the Responsible Business Alliance (RBA).

Risks associated with services.

Beyond the risks inherent to our product offerings, we have conducted a thorough evaluation of the risks pertaining to the services we procure. Our assessment has pinpointed potential risks within sectors such as cleaning, waste management, hired labor, and transportation, where there is a potential for violations of employee rights. Risks related to inadequate compensation, compulsory excess working hours, and the absence of formal employment agreements have been identified. Moreover, the exploitation of vulnerable groups stands as a potential risk factor.



Indirect sourcing suppliers assessed

One example as to how we try to mitigate the risk, Elkjøp Nordic is actively engaged in partnerships with regulatory authorities and relevant stakeholders within the last mile delivery sector. Our collective aim is to ensure the establishment and maintenance of fair working conditions for all individuals, while simultaneously preventing any form of criminal activities.

Risks associated with our own brands.

Elkjøp Nordic proudly provide our customers with a diverse range of own brands, including Epoq home appliances, Sandström, Swordfish, Advent, ADX, Arkitekt, Goji, I want it, Logik, and Matsui. Additionally, we collaborate with Acer, Kenwood, and F&H to produce select products. Our group engages with 78 suppliers across China, Turkey, Taiwan, and Slovenia, with 27 suppliers dedicated to the Nordic market. Currys Plc, our parent company, oversees production from its Hong Kong office. We recognize the potential for employee rights violations in certain regions and actively manage these risks, details are available at [currys.plc](https://www.currys.plc).

Upon forming partnerships with manufacturers for our own private brands, we mandate adherence to prevailing global standards for workers' rights. Our oversight includes conducting inspections and audits of factories to ensure compliance with our established criteria. Should any non-compliance be identified, we insist on immediate rectification. Persistent or grave non-compliance will result in the dissolution of our partnership with the offending manufacturer.

Epoq, our exclusive kitchen brand, produce its components primarily in Europe, utilizing wood and stone. Mindful of human and labor rights, we consciously avoid sourcing stone from high-risk regions in Africa and India. Our commitment extends to worker safety from chemical exposure, hence our preference for Svane certified kitchens. We also insist on FSC-certified materials from suppliers. Insight into our supply chain's integrity is gained through available industry social audits, in addition a social audit has been conducted by our Nordic Kitchen team at a Swedish factory.



Risks associated with our own operations

We consider the risks of human rights and workers' rights violations related to our own operations of stores, back offices, repair centers and warehouses to be low. We have systems in place to ensure that working conditions are up to standards and that human rights are respected.

There is a solid recruitment process in place covering all locations, the process ensures that employment is freely chosen, that there are no underage workers and that our staff is paid a living wage. We practice freedom of association and the right to collective bargaining is respected, during the reporting period the number of stores that are unionized in Norway has increased from 9 to 10.

We believe that it takes diversity of thought, culture, background, and perspective to create truly great customer experiences. Our guidelines strictly prohibit any form of severe or inhumane treatment, with a steadfast zero-tolerance approach towards any discriminatory practices. As an example, we take pride in our warehouse team's representation of 56 nationalities, underscoring our dedication to nurturing an environment that celebrates inclusivity.

Supplier follow up

An important aspect of our commitment to responsible sourcing is the implementation of the most impactful strategies to influence our value chain positively. We concentrate our efforts where our influence is greatest, in our case this is related to production of our own brands and the procurement of services like transport and cleaning. Moreover, we advocate for ethical trade practices throughout our supply chain, imposing these standards in negotiations with prominent brand suppliers, regardless of our position in the manufacturing hierarchy.

Upon identifying any violations, we initiate a constructive dialogue. Depending on the situation, Elkjøp Nordic may actively engage in the resolution process or, alternatively, mandate that the supplier provides regular updates on their corrective actions.

Key activities and results

The Elkjøp Nordic procurement team has been actively engaging with suppliers through various

forms of dialogue, including during quarterly business reviews, factory visits, and information requests. These interactions have also extended to brand factories located in China and Vietnam. In our pursuit of new suppliers, we have increased our due diligence efforts to assess social aspects.

We've been able to update our standard commercial contract to clearly outline our expectations to our product suppliers. This initiative saw over 200 suppliers participate in an online briefing where we communicated the revised terms and conditions. Additionally, we've produced and distributed a video to further explain our expectations and policies. These efforts have resulted in increased supplier awareness and cooperation, with 81% of our kitchen suppliers embracing the new contract.

We are continuously working with onboarding of suppliers to the EcoVadis platform, rated suppliers cover 43% of our revenue as well as 32% of our indirect spend. Throughout the year, EcoVadis introduced a functionality that enables the screening of prospective suppliers. This tool is now accessible to our procurement team members.

To increase awareness and general knowledge, responsible sourcing training has been provided to 262 colleagues. Additionally, we showcased our responsible sourcing initiatives during a HQ Staff meeting attended by roughly 400 individuals. As a result, our colleagues are now more informed about how to integrate responsible sourcing in procurement and supplier follow-up.

On a group level, our Responsible Sourcing Policy for colleagues has been updated. Alongside this our Standards for Responsible Sourcing have been reviewed to align with the Responsible Business Alliance (RBA) Code of Conduct. As part of our responsibilities as members of the RBA these must be shared with all suppliers.

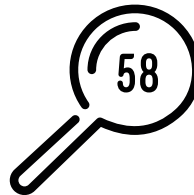
Over the past year, the Slave Free Alliance (SFA) conducted an evaluation of recruitment practices at our main Nordic Distribution Center. The assessment revealed no evidence of modern slavery, yet it provided constructive feedback on enhancing awareness among all staff, including temporary agency workers,

about their rights and important health and safety guidelines. As a result, we will implement management training programs and introduce more stringent ID verification processes.

Our last mile team has successfully completed five social audits of our last mile delivery partners in the Nordic countries, with a focus on ensuring proper contracts, fair payments, and decent wages. Additionally, we have carried out six Health and Safety reviews at various hub sites. Findings are related to unloading safety, evacuation procedures, and fire system checks. The team has followed up on these findings, and the results are improved health and safety for the workers.

For our cleaning services provider we have conducted a social audit, focusing on contracts, payments as well as valid H&S cards. During this audit, a discrepancy was discovered where an employee had not received compensation as stipulated in their contract. We have taken steps to address this issue, and the employee has now been compensated by the service provider.

During the reporting period, 58 social audits were conducted on suppliers of our own private brands. Out of these, four factories in China were flagged for non-compliance, leading to the issuance of “red audits”. Three of these factories exceeded the permissible working hours per week, while one lacked a valid fire safety inspection certificate, and another did not meet the Health & Safety standards. Our Hong Kong team addressed these issues, and follow-up visits confirmed that all discrepancies had been resolved.



Social audits performed at own brand factories

For products that we produce in collaboration with others, we have reviewed BSCI factory audit reports from our Chinese manufacturing partners.



These reports have yielded an overall C rating. Notably, issues concerning adequate working hours were highlighted in four reports, and two reports indicated deviations in the social management system. Currently, we are in dialogue with our collaboration partner on how to address these issues.

We have during the past year handled requests for information from both regular customer and business customers, contact details are available online (responsiblesourcing@elkjop.no). Requests are handled by the Risk & Compliance team in close collaboration with the procurement responsible. Suppliers are contacted if needed and the customer always receives a response within the 3-week requirement.

We believe that the actions we take have a positive effect on both our own workforce as well as workers in the value chain. We want to be a responsible employer as well as influencing our suppliers to work responsibly with sourcing.

Moving forward

Our key focus for our product suppliers is to promote ethical trade as part of our supplier dialogue. We will continue to implement the updated standard agreement and the updated standards for responsible sourcing. We will also persist in onboarding suppliers to EcoVadis and following up on our rated suppliers, despite the challenges we face.

For new potential indirect sourcing suppliers, our priority is to communicate our commitment to responsible sourcing and to assess their management systems. For existing service suppliers, we will ensure that we convey our policies and initiate supplier dialogue when appropriate.

We will maintain our collaboration with Slave Free Alliance to enhance our standards and performance in the year to come.

This report has been approved by The Board of Directors, Elkjop Norge AS:



Fredrik Tønnesen
Chairman of the Board



Linda Frid Andresen
Managing Director



Lill Beate Pedersen
Member of the Board



Thomas Ørsal Hegerlund
Member of the Board



Hans Gunnar Trolläng
Member of the Board



Erik Hultgren Olsen
Member of the Board/Employee representative