

ANNUAL TRANSPARENCY REPORT

The Norwegian Transparency Act requires companies to carry out due diligence activities to ensure they are operating responsibly, respecting both human rights and decent working conditions. To comply with this act, the company needs to conduct human rights due diligence activities in their own operations as well as to their entire supply chain, including business partners. This means that the Elkj p Nordic Group needs to take steps to identify, address, prevent and limit violations of human rights or decent working conditions - whether potential or actual impacts. Required activities include implementing the appropriate policies, processes such as risk assessments, as well as providing remedy for violations. The Act requires companies to report on these activities and make this information available on their corporate websites.

About us

Elkj p 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 11,000 engaged colleagues working in Elkj p Norge AS, Elgiganten AB, Elgiganten A/S, Gigantti Oy, Elcare Nordic AS and Elgiganten Logistik AB.

Elkj p Nordic AS is fully owned by Curry's plc and reports on behalf of the Elkj p group to the Curry's Board. Curry's 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 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.

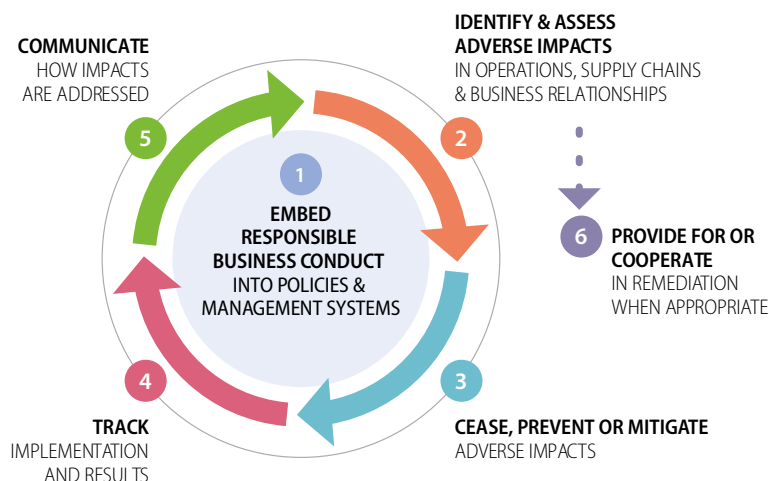
Our approach

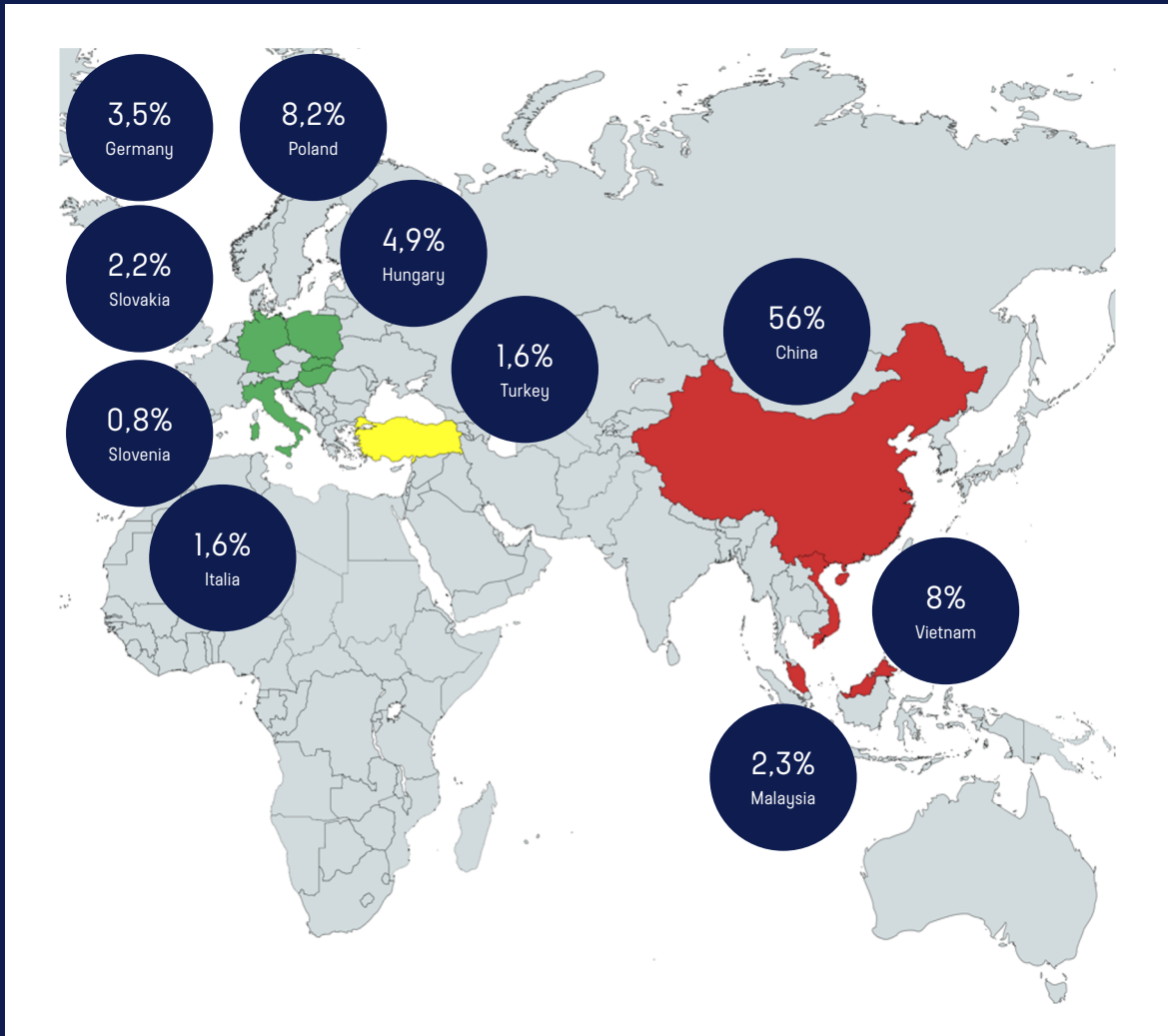
We use the OECD model for due diligence assessments for responsible business conduct. The model has six steps that describe how companies should work towards more responsible and sustainable business practices. We strive for positive due diligence assessments, but that does not mean that our business will not have negative impact on people, society, and the environment, but rather that we as a company are open and honest about challenges in the supply chain and handle this in the best possible way 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, in order 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

One of our focus areas is to ensure that as many of our suppliers as possible are certified through the international certification company EcoVadis. EcoVadis evaluate the supplier's performance in terms of environment, ethics, and social responsibility. Learn more about how we work at Elkjop.no





* Sourcing map that covers 90% of Elkjöp Nordic revenue in FY22/23

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 serious breaches, we will consider terminating the contract.

Elkjöp Nordic’s supply chain

With 273 goods for resale suppliers and products originating from 62 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 ten countries: China (56%), Poland (8.2%), Vietnam (8%), Hungary (4.9%), Germany (3.5%), Malaysia (2.3%), Slovakia (2.2%), Turkey (1.6%), Italy (1.6%) and Slovenia (0.8%).

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, and Vietnam are high risk, Turkey is considered medium risk, while Germany, Poland, Hungary, Slovenia, 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 75% 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

There are two factors that affect the risk of violations of human rights and worker rights in the supply chain for electronic products.

1. **Use of conflict minerals.** The majority of the products we sell contain one or more conflict minerals; exceptions are related to the SDA and kitchen categories. It is a known fact that the extraction of these minerals can be linked to human rights violations and the financing of armed militias. When we assess the risk associated with different product types in our due diligence assessments, conflict minerals are the single most important factor that increases the risk of serious human rights violations in the supply chain for our products.
1. **Working conditions in the country of production.** Electronic products are manufactured in countries where there are known violations of the ILO Convention's requirements for working conditions and workers' rights. In addition, the use of dangerous chemicals in production may be a health risk for factory workers.

During the reporting period, non-conformity associated with indicators of modern slavery has been identified in the supply chain of one of our brand suppliers. We will address this matter as part of our supplier dialog.

We have followed up on suppliers connected to the report issued in 2020, Uyghurs for Sale: "Re-education, Forced Labor, and Surveillance Outside Xinjiang". This report documented that Uyghurs were working under forced labour conditions in several Chinese factories, including factories that are part of the supply chain of electronic goods. We will continue to address the risk related to forced labour going forward by engaging in supplier dialog.

Risks associated with services

In addition to risks associated with our products, we have assessed risks associated with the services we purchase. We have identified risks related to industries such as cleaning, waste management, hired workers and transportation. In these industries, there may be violations of employee rights, such as low pay, forced overtime and lack of employment contracts. In addition, exploitation of vulnerable groups can be a risk factor.



Indirect sourcing suppliers assessed.

During the reporting period, we have identified violations of workers' rights within our transportation and distribution services. We have worked closely with the supplier to rectify the violation, we are also following up on governance of subcontractors for this supplier.

Risks associated with our own brands.

Sandström, Swordfish, Advent, ADX, Arkitect, Goji, I want it, Logik and Matsui are Elkjøp's own brands. In addition, we have some products that we produce in collaboration with Acer and Kenwood. We are currently collaborating with 85 suppliers with production facilities are located in China, Turkey, Taiwan, and Slovenia. Elkjøp's parent company, Curry's Plc, manages the production through its office in Hong Kong. We are aware that there may be risk of violations of employee rights in China, Turkey, and Taiwan. More information on how we manage risks associated with modern slavery is available at currysplc.com



Social audits performed

When we enter into an agreement with a company that will produce our own brands, we require that workers' rights are in line with current international conventions. We also carry out factory visits and audits, where we check whether the requirements we have set are being complied with, throughout our relationship with a supplier. A total of 78 audits have been performed during the reporting period. If we discover deviations, we demand that these are corrected. If serious deviations occur repeatedly, we will terminate the agreement with the collaboration partner. During the reporting period no violations have been reported.

Epoq is our own kitchen range, and elements in the Epoq kitchens are mainly produced in Europe. Wood and stone are key materials. There is a risk of violations of human rights and labour rights in both the timber industry as well as the stone industry. Sourcing of stone from certain African countries as well as India is considered high risk, to avoid this risk we do not offer customers products from these countries. Use of chemicals can also present a risk to the workers during production, this is one of the key reasons we are focusing on Svane certified kitchens. We are also strict on our demands towards our suppliers when it comes to the use of chemicals.



For many of the factories producing our kitchen range, we have access to social audits performed by other companies within the industry, this enables us to have an insight into potential issues within our supply chain.



Risk associated with our own operations

We consider the risks 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 7 to 9.

We believe that it takes diversity of thought, culture, background, and perspective to create truly great customer experiences. In the end of 2022, an Equality and Inclusion policy was communicated to all employees. No harsh or inhumane treatment is allowed and there is zero tolerance for discrimination practices. At our warehouse we are proud that our staff represents over 50 nations, we are committed to fostering an inclusive culture.

Supplier development

An important part of our work with responsible sourcing is to ensure that we use the most effective measures possible to influence our supply chain. To achieve this, we do most where we have the most influence, such as when we produce our own brands or purchase services such as transportation. At the same time, we must help set demands for ethical trade even where we are further down the value chain from where the manufacturing takes place. That is why we also make demands for ethical and responsible value chains when we negotiate with large brand suppliers.

Key activities

During the past year we have established a system to receive and handle requests for information. Contact details are available on [Elkjop.no](https://www.elkjop.no), requests are handled by the compliance team in close collaboration with the business responsibilities.

We have successfully rolled out responsible sourcing training to all our colleagues working with product procurement and business to business customers to increase our knowledge within this area. 186 colleagues have completed the training and awareness has resulted in several beneficial discussions around sourcing.

We have managed to onboard suppliers to the EcoVadis platform, where certified suppliers now cover 45% of our revenue.

During the last few months, we have been working on an update to our standard commercial contract. For next year we aim to communicate these changes to our suppliers along with our responsible sourcing policy. A collaboration with Slave Free Alliance (SFA) was also initiated and an audit of standard contracts used for last mile transportation was completed.

We have completed six social audits in collaboration with our last mile transporters, focusing on working conditions in Norway, Finland, and Sweden. Our audit set-up for these suppliers has also been reviewed by SLA, improvement recommendations have been provided. We are collaborating with the authorities and other stakeholders within the last mile transportation industry to ensure that we are well informed about developments. Among the actions taken this year, a daily survey for last mile drivers was implemented focusing on working conditions.

For our kitchen suppliers, we have reviewed the available social audit reports on factory level. Next year's plan is to create a social audit plan covering the factories where we lack insight today. During the year our team in Hongkong has completed 78 social audits, covering the production of our own brands.

We believe that the actions we take have a positive effect on both our employees and suppliers, we want to be a responsible employer as well as inspire our suppliers to work with responsible sourcing.

Moving forward

In FY 23/24, we aim to further improve our approach to responsible sourcing. Our key focus will be to continue our supplier dialogue, we will contact both the

suppliers considered high risk as well as our strategic suppliers and ask them to provide information about how they address risks in their supply chain. We will also continue to develop our partnership with Slave Free Alliance to improve our practices as well as continue to onboard and follow up on our EcoVadis certified suppliers, our aim is to have 60% of our revenue from certified suppliers within 2023.

When it comes to our indirect sourcing suppliers from across the Nordics, our focus will be to expand our risk assessments to include even more suppliers. There will also be a focus on contract terms and communication of policies to our strategic partners as well as supplier dialog when this is deemed necessary.

This report has been approved by The Board of Directors, Elkjøp Nordic AS:



Bruce Marsh
Chairman of the Board



Fredrik Tønnesen
Managing Director / Member of the Board



Lill Beate Pedersen
Member of the Board



Thomas Ørsal Hegerlund
Member of the Board



Hans Gunnar Trolläng
Member of the Board