



storskogen

ESG Questionnaire

April 2025

General industry

Please list the industry's three biggest sustainability (ESG)-related challenges and briefly describe the process for identifying these challenges:

1. Decarbonization: Achieving Net Zero by 2050, focusing on reducing Scope 1, 2, and 3 emissions.
2. Sustainable Supply Chains: Ensuring suppliers adhere to ESG standards and mitigating risks.
3. Diversity: Improving gender balance in leadership.

Process: Identified through materiality assessments and stakeholder engagement.

Have you conducted any preliminary assessments of your company in relation to the EU Taxonomy? If so, what was the outcome?

Yes, we have conducted assessments over the past three years, which have been disclosed in our annual reports. Our findings indicate that Storskogen has eligible economic activities in the transport, construction and real estate, information and communication, as well as professional, scientific, and technical service sectors—together accounting for less than 3% of our total turnover. We are not reporting on alignment this year, as further enhancements are needed to ensure accurate and comprehensive compliance with the EU Taxonomy framework.

Environment

List the firm's three primary risks related to climate change and if any, the firm's climate-related opportunities:

Primary Climate-Related Risks:

1. Transition Risks:
 - New regulations and carbon pricing could increase operational costs and limit existing business models.
 - Shifting customer preferences toward low-carbon products may create competitive challenges.
2. Physical Risks:
 - More frequent extreme weather events, such as storms and floods, pose risks to infrastructure and supply chains.
3. Cost Increases:
 - Rising prices for energy and raw materials due to climate impacts could increase operating expenses.

Climate-Related Opportunities:

1. Growing Demand for Sustainable Solutions:
 - Increased demand for climate-smart products, renewable energy, and energy-efficient solutions creates new market opportunities.
2. Resource Efficiency:

- Improved efficiency in production processes reduces costs and exposure to energy price volatility.

These risks and opportunities are integrated into Storskogen's overall risk management and strategic planning.

Does the firm anticipate any climate-related investments, and if so, to what extent?

Yes, Storskogen anticipates climate-related investments, particularly in electrified vehicles, renewable energy, and energy-efficient systems. These investments are essential to reducing emissions and achieving the company's Net Zero target by 2050, focusing on improving resource efficiency and minimizing carbon footprints.

Circular economy: How are purchases and waste managed?

At Storskogen, individual companies within our portfolio manage their day-to-day purchasing and waste activities. However, at the group level, we facilitate this process by establishing framework agreements that ensure the procurement of goods and services is both cost-effective and environmentally friendly.

These agreements are strategically designed to support our companies in making sustainable choices easily and affordably. Furthermore, our code of conduct mandates that all purchases should prioritize goods and services with a low environmental impact, directly

supporting waste reduction and recycling initiatives across our operations.

If the firm rely on any scarce resources, please describe what efforts are made to mitigate the risk of those resources becoming scarcer in the future, e.g. recycling, reusing substitutes or improved resource efficiency?

Storskogen's diverse portfolio of companies means that reliance on scarce resources varies by industry. For those that do rely on such resources, the firm promotes recycling, reusing, and seeking sustainable alternatives where possible. Additionally, improving resource efficiency is a key strategy, with an emphasis on minimizing waste and optimizing the use of materials. Each business unit is responsible for identifying potential risks related to scarce resources and implementing measures to ensure long-term sustainability.

Transition-related risks (for example changed customer preferences or legislation): Do you anticipate any risks or opportunities due to the transition to a carbon-neutral society? Is there any risk of the firm's offer being negatively affected? If yes, how has the firm positioned itself to handle that risk?

Opportunities: We see significant opportunities in acquiring companies that offer, or have the potential to offer, products and services that contribute to climate change mitigation or adaptation, both in their own operations and as enablers for others. For our portfolio companies, positioning themselves as leaders in transitioning to a low-carbon

economy presents a competitive advantage, especially if they move faster than the rest of their industry.

Risks: Storskogen consists of many companies with diverse material aspects and risks. The companies most exposed to transition-related risks are those with a high carbon footprint, such as those with large fleets of trucks and cars. For these companies, we are actively exploring solutions like electrification of fleets and alternative fuels to reduce emissions.

We are closely monitoring market trends and regulatory changes to ensure that both high and low-emitting companies within our portfolio can adapt effectively to the carbon-neutral transition.

Have you set a target to become carbon neutral? If so, how have you defined carbon neutrality?

Yes, we have set a target to achieve Net Zero by 2050.

Net Zero for us means reducing our greenhouse gas emissions by 90% for Scope 1 and 2, and 97% for Scope 3 by 2050. The remaining emissions will be offset through certified methods like carbon capture or nature-based solutions. Electrification of vehicles is one of the key decarbonization levers in our transition plan.

Our Net Zero target is now validated by the Science-Based Targets initiative (SBTi).

Targets:

- Scope 1 & 2: 59% reduction by 2034, 90% by 2050.

- Scope 3: 64% reduction by 2034, 97% by 2050

Please list the firm's (1-2) primary means of making a positive environmental impact or minimising negative environmental impact. Please list the corresponding most relevant UN Sustainability Development Goals. What proportion of sales can be directly linked to selected UN SDGs?

Overall connection to the Global Goals for the area of minimized environmental impact:

- Global Goal 12 - Responsible consumption and production

Target 12.6 - Encourage companies to adopt sustainable practices and Sustainability Reporting.

As an owner, Storskogen has a positive impact on target 12.6, mainly by providing the subsidiaries with support and tools to develop their sustainability work.

- Global Goal 13 - Climate Action

Target 13.3 - Build knowledge and capacity to meet climate change.

Storskogen's climate target contribute to increased knowledge and capacity to deal with climate change, which is a clear contribution to target 13.3.

We do not measure proportion of sales in relation to the SDGs.

Social

Does the firm have a history of accidents? If so, how have these been managed? Are there any preventive measures, such as policies?

In 2024 Storskogen Group had 83 serious accidents at work and an IFR at 0,8%. All accidents are followed up to minimize the risk for future accidents. Where accidents are material, we will encourage certification according to ISO 45001.

If applicable, please state your targets for gender and cultural equality and indicate the relevant split of men/women at every level of the firm.

Storskogen's gender equality targets

1. Gender distribution among employees in senior roles in Storskogen's central organisation
In the range of 40–60%.
2. Gender distribution among the individuals appointed by Storskogen to the business units' boards (on an aggregated level)

At year-end, the proportion of women in the entire Group was 28 percent and the proportion of men was 72 percent. In Storskogen's central organisation, the proportion of women was 52 percent, and the proportion of men was 48 percent. In the Group management, the proportion of women was 25 percent, and the proportion of men was 75 percent. In the Board of Directors of the Group, the proportion of women was 40 percent, and the proportion of men was 60 percent. Of the subsidiaries, 40 percent have adopted gender equality and diversity targets.

Does the company conduct any other community engagement activities aside from those directly connected to the business?

Many of our companies are sponsoring different activities in their communities, primary local sports teams and donate to charities such as *Barn cancerfonden* and tree planting projects.

How often does the firm conduct audits of its suppliers and how often do you discover incidents not compliant with your code of conduct?

We apply a group-wide but decentralized, risk-based approach to supplier audits. Each business unit is responsible for identifying high-risk suppliers in its supply chain and ensuring our Supplier Code of Conduct (or an equivalent that meets at least the UN Global Compact's ten principles) is included in contracts. High-risk suppliers are typically audited at least once a year, while lower-risk suppliers may undergo less frequent checks or self-assessments.

Non-compliance with our Code of Conduct is relatively rare. If issues are discovered, we address them promptly in collaboration with the supplier to ensure corrective actions are taken. This approach helps us maintain high standards across our diverse portfolio while allowing each business unit to focus on its specific risks and operational context.

Please list the firm's (1-2) primary means of making a positive social impact or minimising negative social impact. Please list the corresponding most relevant UN SDGs. What proportion of sales can be directly linked to selected UN SDGs?

Overall connection to the Global Goals for the area making a positive social impact or minimising negative social impact:

Global Goal 5 – Gender equality

Target 5.5 – Ensure full participation in leadership and decision-making.

Global Goal 10 – Reduced inequalities

Target 10.3 – Ensure equal opportunities and end discrimination.

On a Storskogen HQ-level we have adopted gender equality targets contribution towards target 5.5, but also on target 10.3.

Global Goal 8 - Decent work and economic growth

Target 8.5 – Full employment and decent work with equal pay.

Storskogen is committed to create employment and jobs with equal pay for equivalent work – which is linked to target 8.5.

Governance

Do all staff members receive continuing education on anti-corruption? Are there any ongoing or historical incidents involving corruption, cartels or any other unethical business conduct? Have any preventive measures been taken?

Yes, Storskogen has a mandatory e-learning for the HQ and relevant employees at all our companies (management, procurement, and sales department).

No ongoing incidents.

Please state the firm's business tax residence (i.e. where the firm pays tax) and explain why that specific tax residence was chosen:

Sweden, due to location of HQ, but we adopt a country-by-country reporting and pay tax in all countries where we have a presence.

How many independent members sits on the Board of Directors?

4/5

Please state if and to what extent, the company has transactions with related parties:

All material transactions with related parties are disclosed in the annual report.

Which KPIs dictate the remuneration to management (are sustainability and diversity goals included)?

Storskogen has remuneration guidelines that are approved by the AGM. Remuneration to the CEO and other members of management comprise market-based fixed salary in line with relevant peers, standard benefits such as healthcare and insurance as well as pension. CEO and management are also eligible for participation in our long-term incentive program (LTIP). The overall aim of remuneration in Storskogen is to promote the company's business strategy, sustainability, and long-term interests.

ESG QUESTIONNAIRE

Describe the company's process for monitoring and reporting ESG issues and performance to senior management/the Board. In your response, please confirm what KPIs are monitored (if any) and how frequently reporting is undertaken.

Storskogen's ESG monitoring and reporting to senior management and the Board is managed by the Sustainability Committee, established in 2023. This committee oversees the relevance of our sustainability goals, compliance with our sustainability policy and legal requirements, and coordinates our sustainability reporting efforts with the audit committee. The committee convenes five times a year to ensure timely and effective oversight.

We monitor key performance indicators (KPIs), including metrics on climate targets (such as emissions reductions for Scope 1, 2, and 3), gender diversity in leadership roles, and progress on our supply chain program. This structured approach ensures the Board is well-informed and able to make decisions based on current and comprehensive ESG data.

Have you signed a Union agreement:

Many of our companies have union agreements. For employees at HQ, we do not have one, but offer equal terms of employment.

Principle Adverse Impacts (numeric answers):

- Revenue (EUR, FY2023): 3,6 billion

- Greenhouse gas emissions tCO₂:
 - Scope 1: 36,560
 - Scope 2: 8,549
 - Scope 3: 1,475,748
- Share of non-renewable energy consumption: 68 % (incl fossil free)
- Share of non-renewable energy production: 0 %
- Energy consumption in GWh: 251
- Tonnes of emissions to water: N/A
- Tonnes of hazardous waste and radioactive waste generated: N/A
- Unadjusted gender pay gap: 0 %
- Board gender diversity: 40-60 % (HQ)

Principle Adverse Impacts (yes/no answers):

- Fossil fuel operations: No
- Sites/operations located in or near to biodiversity sensitive areas where activities negatively affect those areas: No, not to our knowledge.
- Science based target: Yes
- Report to CDP: No
- UN Global Compact Signatory: Yes
- Involved in the manufacture or selling of controversial weapons: No
- Whistle blower policy: Yes
- Supplier code of conduct: Yes