

About this report

Foxway is Europe's leading enabler of circular tech.

Our circular approach ensures that profitability and sustainability are mutually prioritized. We strive to be the first choice for tech services for customers and partners and at the same time the backbone of a circular Europe.

Sustainability is one of the most important and urgent subjects of our times. Environmental, Social, and Governance (ESG) are the three central factors in measuring a company's sustainability and ethical impact. ESG factors, though non-financial, have a material impact on a company's long-term risk and financial performance. Companies that use ESG standards are typically more conscientious, less risky, and more likely to succeed in the long run.

This report describes the relevance of ESG in the industry that Foxway is operating in, and the report assesses Foxway's performance within key material ESG areas. It provides an action plan that aims to mitigate risks and create valuable opportunities. The report is updated annually to monitor progress and keep the company focused on achieving its goal of becoming a more sustainable and future-proof company.

All policies, efforts and results related to the company's ESG performance described in this report involve Foxway's general management team. Both related to decision-making and follow-up on results.

The report is the result of an independent review by the ESG & Sustainability consulting firm MJ Hudson, and the support and work by Sustinere, an Estonian ESG & sustainability consulting firm. The report is commissioned and approved by the board and group management of Foxway.

Note: All judgements are, where possible, based on or backed by analyses conducted by MJ Hudson. In cases involving cross-category comparisons or result classification, judgements are not always based on objective analyses or data. These judgements are intersubjective in the sense that they are agreed between MJ Hudson and management, and in line with the thinking of industry experts and leading NGOs.

Table of contents

00	Message from our CEO	4			
	Introduction	5			
	How data insights can help changing behavior	6			
	My Sustainable Choice	7			
01	About Foxway	9			
	About Foxway	10			
	The Foxway 2025 Plan	13			
	Foxway at a glance 2022	14			
	Positive impact has more than tripled since 2019	15			
	Our new warehouse is a pioneer in sustainable buildings	16			
	Say hello to Kai-Riin	17			
	An industry in transformation	19			
	As a Service enables circular tech	22			
	External factors and societal megatrends that affect the industry and the company	23			
02	Management and Structure	25			
	Management and structure	26			
	Board of Directors	27			
	Group Management Team	28			
	Sustainability in Foxway	29			
	Contribution towards United Nation Sustainable Development Goals	31			
	Stakeholders of Foxway	33			
	Sustainability risks	34			
	Climate risk assessment	37			
	Sustainability frameworks and memberships	38			
03	Sustainability Performance	39			
	Management of key material themes	40			
	Follow up on 2022 Sustainability projects	44			
	Helping organizations to reduce their tech footprint by 50%	45			
	2023 Sustainability projects	46			
	Social and Environmental responsibilities	47			
	Raising awareness of sustainable products	48			
	Climate impact	50			
	Methodology and assumptions	51			
	Energy consumption	58			
	Waste management and water consumption	60			
	Work environment	62			
	Employee well-being	65			
	Employee development	68			
	Responsible business practice	70			
	Sustainable supply chain	72			
	Data security & privacy	73			
04	GRI Content index	76			
	Reporting parameters	83			



Message from our CEO

The year 2022 was a year of unexpected challenges in our macro environment. Europe has been severely tested by political strife, war, and a resulting downturn. Supply-chain disruptions are a continuous struggle, not only for organizations but also for individuals.

A new focus in the European energy sector has created a situation where climate focus and carbon emissions were put aside to secure as low energy prices and as high availability as possible. In this context, Foxway has worked harder than ever to contribute to a positive impact on society, the planet, and our partners.

Together, we have secured and developed into a position where Foxway is leading the tech industry into a transition towards the circular economy, sustainable user behavior, and enabling the eco-system with insights and advisory. This is done not only through collecting and trading IT equipment such as mobiles and laptops, but also through a leading data-centric platform enabling the complete eco-system of circular services. Together with leading in-house tech centers in Europe, we believe we are changing and leading the industry into a new era; the sustainable era.

In 2022 we embraced the mission that we have always been working towards: “enable sustainable tech for everyone”. We made several steps forward by introducing services such as “My Sustainable Choice” for large organizations and the first AI-based trade-in tool for the consumer market.

Furthermore, we made two major acquisitions: Global Resale in UK and DCC in Denmark. The integration of the fantastic companies added almost 230 new committed co-workers and almost 3 bn SEK in revenue, further ensuring a leading position in Europe’s circular tech economy.

Finally, Foxway continuously supports the work and principles of the UN SDGs and as a signatory member of UN Global Compact. We still have the capacity to improve and reduce our footprint, but we are proud to say we are well on track and on target.

We are looking forward to sharing more positive news in this area over the course of the year ahead. During 2023 we will continue to grow our positive impact in the market with continuous growth, improvements, and acquisitions in the industry.

Kind regards,

Martin Backman
CEO at Foxway

00

Introduction


We are on to something huge. We can all feel it. As stated in our sustainability report last year, we had an ambitious goal of circulating more than 1 million units in 2021. We reached that goal and for 2023 we have decided to strive for a figure that was not even imaginable a few years back. The goal is 4 million units, a goal we believe is reachable due to increased demand for sustainable services, among our customers and society at large.

What is the impact of our customers' carbon footprints on the environment and CO₂ emissions? During the last few years, we have discovered how important it is to both understand the lifespan of a product and the value of "additionality".

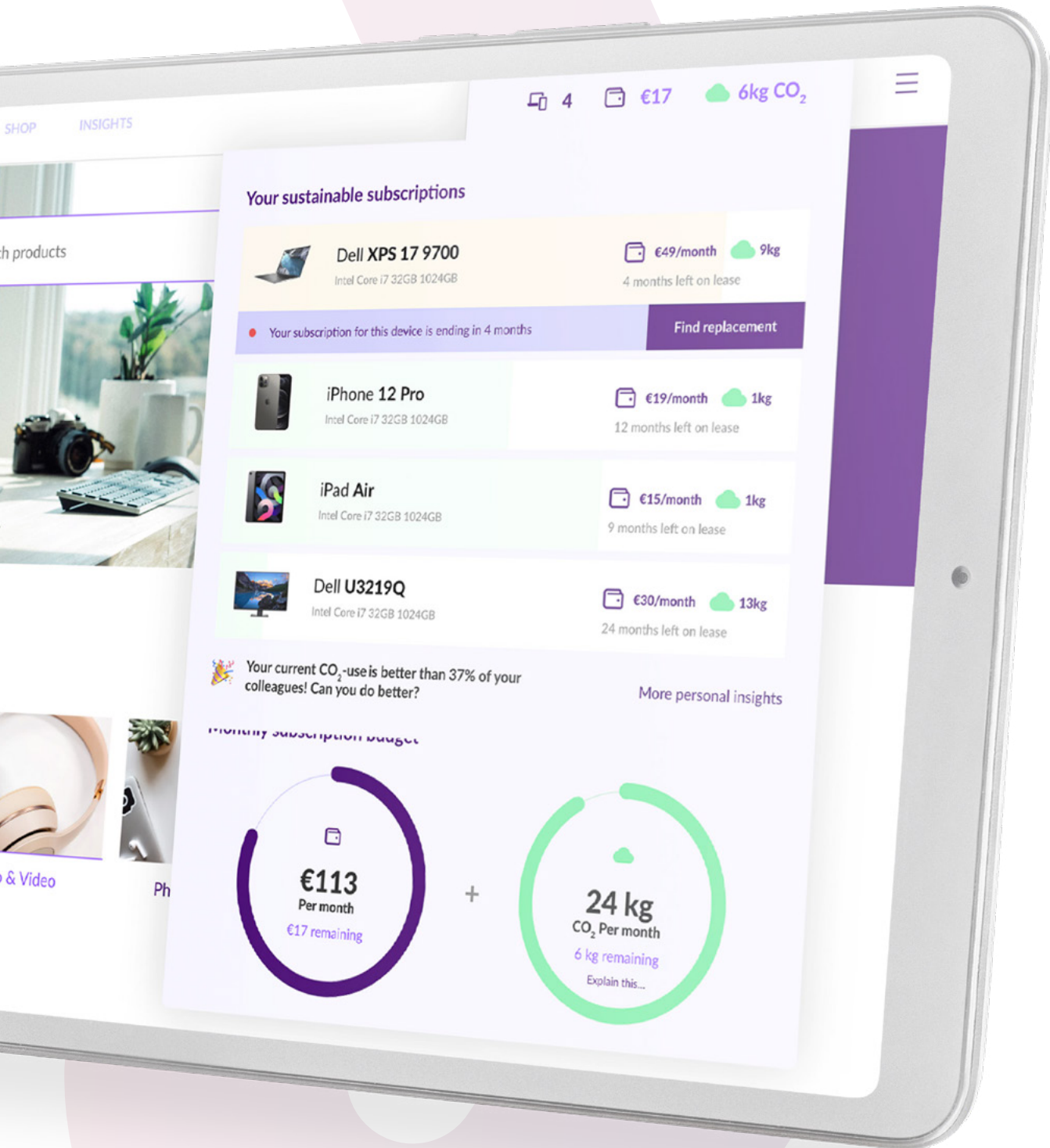
Products can no longer be handled as just a commodity. They should be repaired,

upgraded, and taken care of in order to have a longer life. Many companies and actors in the public sector have begun to set different goals for how to become increasingly sustainable and the awareness among consumers is increasing every day. Often, the focus is on climate impact and CO₂ emissions.

The Climate impact of the use and procurement of IT products is one area that can be influenced within the framework of scope 3, and more and more organizations have written different formulations about this within their climate policies. Unfortunately, this usually finishes there when it comes to tech. This is something we were particularly aware of and was the starting point for Foxway in the development of the service "My Sustainable Choice".



How data insights can help changing behavior



My Sustainable Choice

With “My Sustainable Choice” we are enabling our customers to choose products with a low climate footprint, long durability, and the possibility of reuse. It is about helping our customers to understand their current climate impact and from there be able to make data-driven decisions that lead to improvements.

The solution that we are about to launch is a policy-driven system that combines financial data and sustainability data in one interface, to be used by companies’ central decision-makers and their individual users. The companies set up policy levels centrally that the employees can relate to. If an individual employee chooses to deviate from these and choose a less sustainable alternative, this must be compensated financially (as climate compensation).

All customers and partners who have been involved in the development work so far are very positive and are looking forward to getting started using the system.

At the time of choice for end-users. Reducing tech footprint by 50 %

30_{kg}

Average tech users' consumption in kg/CO₂ per month¹.

15_{kg}

Using Foxway "My Sustainable Choice" the average consumption is reduced by half.

18_{mn}

The yearly effect if EU saved 50% of IT workplace Co₂ Footprint using "My sustainable choice" (18 mn tCo₂/e).

¹ National library of medicine, Foxway handprint reports: ([Mobiles](#), [Laptops](#), [Tablets](#)), TCO Certified

My Sustainable Choice

Analysis & Reporting

Helping the business to reach their sustainability goals - in a science based environment.



01

About
Foxway

About Foxway

Foxway is one of Europe's leading tech companies. We provide circular tech services to large organizations and resellers of consumer electronics.

Our headquarters are in Stockholm, and we have more than 1 300 dedicated employees located in various offices across Europe. Together, we intend to change the tech industry to be and act more sustainable. We are doing this with different services that help our customers or partners to manage mobile phones, computers, and other tech devices in a way that is both cost-efficient and sustainable.

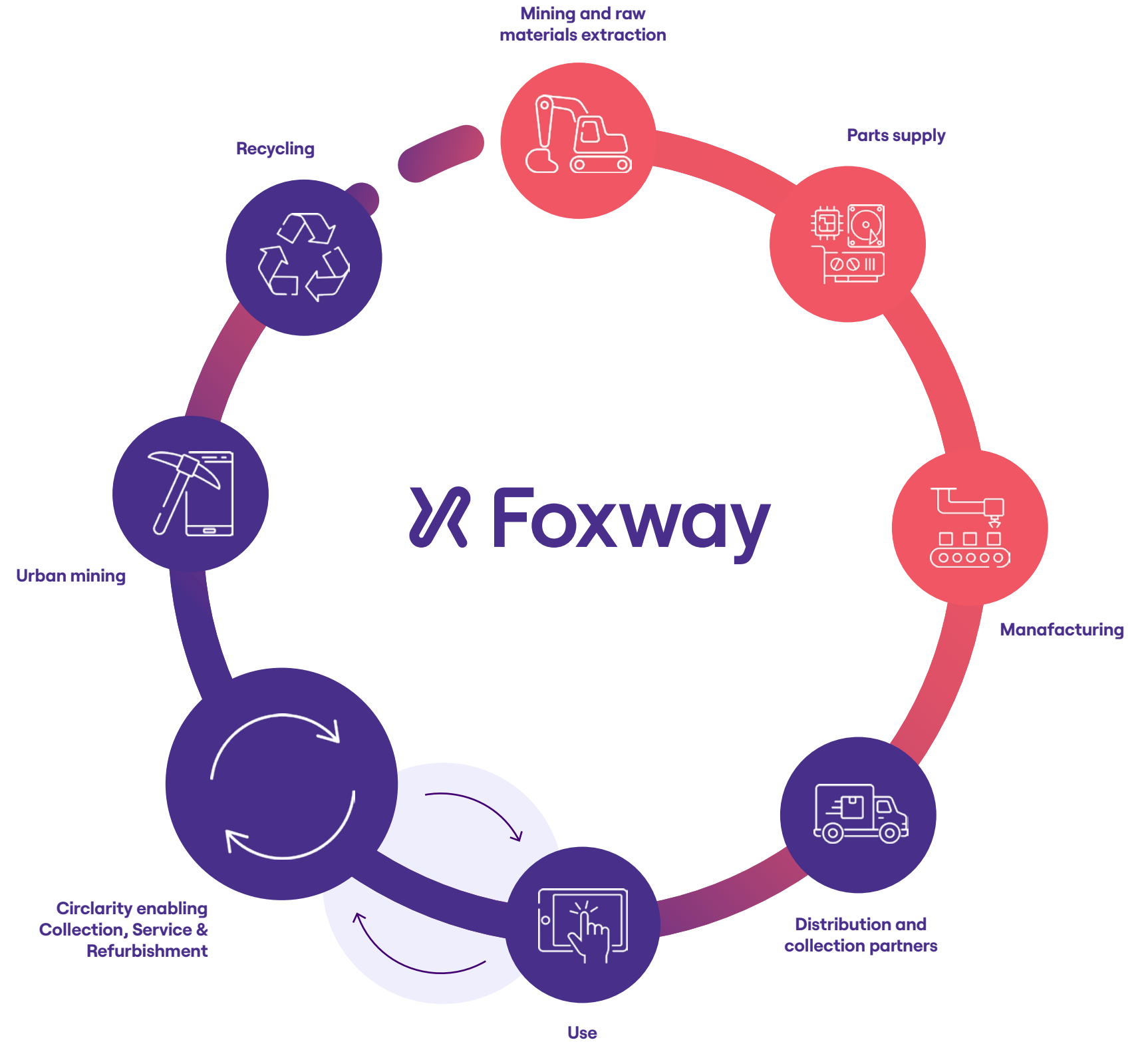
Through our unique circular business model, we have the opportunity to track, repair, and get valuable insight into the lifecycle of tech devices. With our AI-driven tools, we can predict future lifetime and value, which enables not only our partners to make the right sustainable decisions, but also facilitates financial institutions, resellers, and partners to make beneficial financial agreements in the sharing economy.



Foxway’s circular business model offers a lot of opportunities to our partners and customers. We are enabling circular services such as; device as a service, value recovery, and IT asset disposition. Foxway’s value propositions are based on circular management of tech devices and ensuring a second, third, and sometimes even fourth life after the first usage. When the end-of-life is reached for the devices, Foxway ensures secure and sustainable recycling by extracting parts and components (urban mining) and later ensuring that waste materials are recycled for material recovery in an environmentally responsible and compliant way.

Our business model makes us one-of-a-kind in the market. Simply put, we make sure that companies maximize their digitalization but at the same time minimize their carbon footprints. Our way forward is circular.

We enable circular tech.



“Our mission is to enable sustainable tech for everyone. It is a driving force that not only creates internal pride but has also established itself as part of our DNA. We transform the market and at the same time coach our customers to act and buy increasingly sustainably. Everyone should have the opportunity to make more sustainable choices and at the same time be part of the digital society that we have created, which paves the way for the future. With our circular services, we prove that it is possible.”

Emma Lindberg
CMO at Foxway



The Foxway 2025 Plan

Foxway has sustainability and circularity built into our DNA. Everything we do is oriented towards enabling circular tech.

We have energetic, value-driven management and ownership. At Foxway we strive toward an equal human ecology, economy, and way of doing business. With the principle that resources extracted from our planet are to be taken care of, repaired, and circulated, we strive to provide advisory, insights, and a data-driven model for tech Europe. Our ambition is to offer a model that could reduce the environmental footprint of the industry by half. This target is defined through five main ambitions (see right) and models.

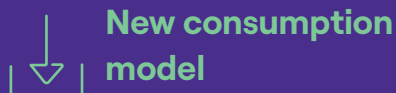
Three pillars of sustainability



Maximize device life

Maximize the lifetime of each device

Repair. Upgrade, and refurbish. Help the industry and the market to choose long life sustainable product.



New consumption model

Own less. Pay for use

Drive the acceleration towards a circular model where customers are paying for use in a Device as a Service model.



Transfer fair

Reduce digital inequality

More income should come from revenue streams related refurbished products



50 %

1:5

0

1/2

1M+

Collect and refurbish at least 5 times more used tech devices than we put into the market.

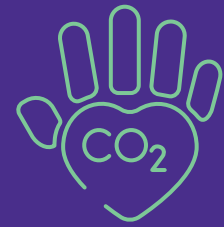
Zero non-avoidable Carbon footprint. - In 2023 we put maximum effort into reducing our scope 1 & 2 emissions as much as possible in a short-term period. The same plan applies to scope 3 emissions by 2025. The remaining emissions will be reduced aligning with SBTi targets that we plan to set by 2024.

Lowest footprint of refurbished devices in the industry. Today we offer refurbished mobiles at a footprint of only 2.27 KG CO₂e and Laptops at 6.65 KG CO₂e. We are committed to decreasing this by 50 % until 2025 ([Mobile Handprint report](#)).

Half of our volume revenue should be targeted to less fortunate groups with a price half to less than 50 % of the original price.

1 M+ users should be offered our “My Sustainable Choice” model for choosing tech devices.

Foxway at a glance 2022



120 948

Tons CO₂e avoided (+38 %)



584

Tons (+ 38 %) Scope
1 & 2 CO₂e emission



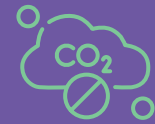
531.71

EUR mn (+ 68 %)
Revenue



1 082 230

Repaired and reused products
(+33 %) *



341 812

tCO₂e Scope 3 emissions
(N.A)



1.09

t CO₂e/Mn € revenue (-19%)
Carbon intensity



1 300

FTE (+57 %)



40 %

Female board
members



31 %

Of women among
employees

* Mobile phones, tablets and PCs

Positive impact has more than tripled since 2019

HANDPRINT, CARBON DIOXIDE EQUIVALENTS 2019-2022

Extending the life of tech products undoubtedly brings environmental benefits, but Foxway hasn't so far quantified the exact impact. To build a stronger foundation for our sustainability efforts (as well as for corresponding communication), calculating the positive impact on the environment is a necessary step.

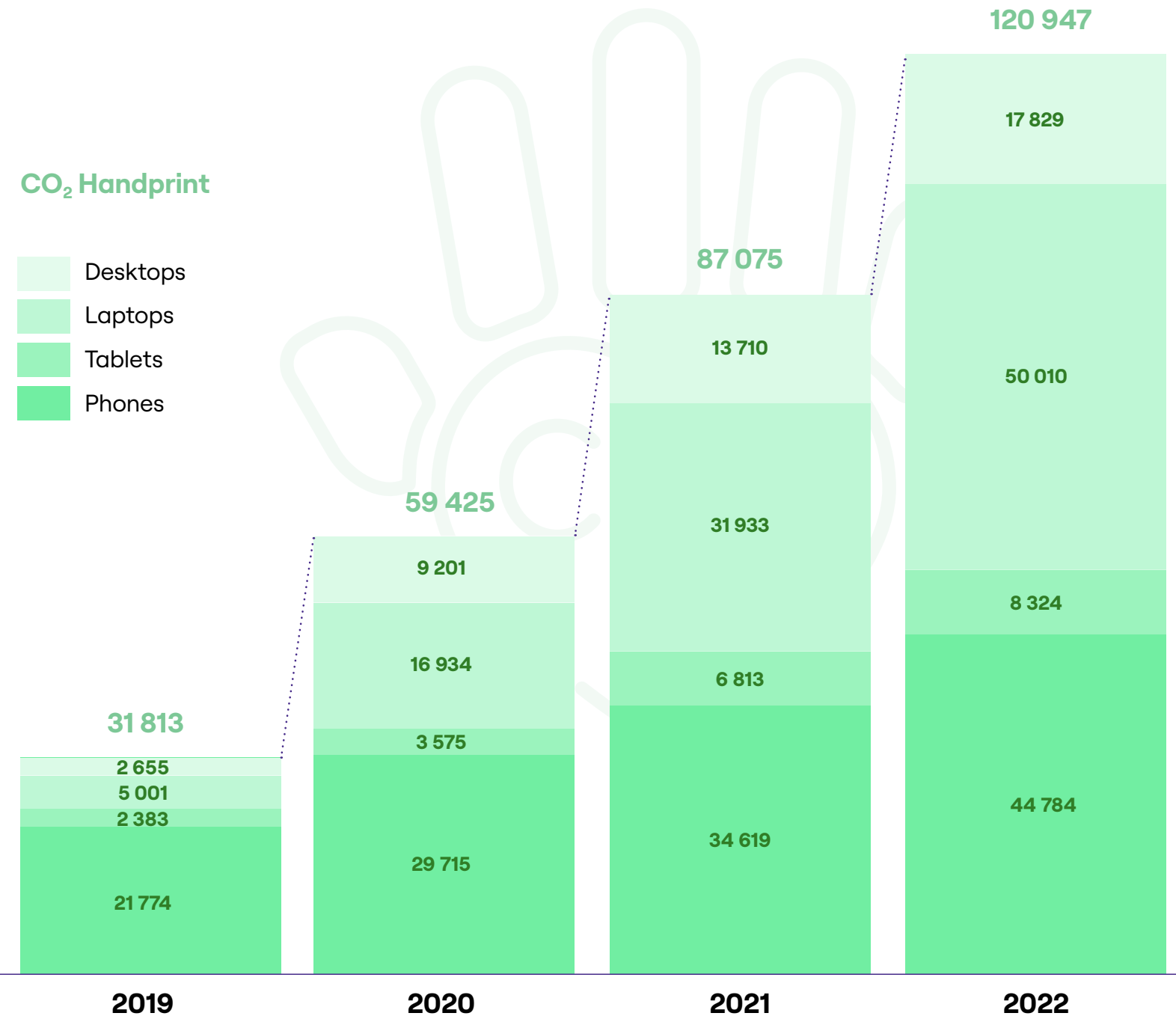
Carbon footprint is the major part of the total amount of greenhouse gas emissions (expressed in carbon dioxide equivalents) that are generated by an individual, event, organization, service, or product. Carbon handprint is the beneficial environmental impact that organizations can achieve and communicate by providing products that help their customer avoid carbon emissions.

Both are measured in CO₂-eq. To put it simply, CO₂-eq (Carbon dioxide equivalent) is used to compare the emissions from various greenhouse gases based on their global warming potential. This is by converting amounts of other gases to the equivalent amount of carbon dioxide with the same global warming potential.

The Handprint calculation itself is a simple equation that is based on carbon footprint calculations following ISO 14040-44 and ISO 14067 standards, which specify principles, requirements, and guidelines for life cycle assessments (see our specific Handprint reports available at www.foxway.com for more details).

CO₂ Handprint

- Desktops
- Laptops
- Tablets
- Phones



Our new warehouse is a pioneer in sustainable buildings

In 2022 we opened our new warehouse and operation facility outside Tartu in Estonia. We process almost two million electronic devices per year in Tartu, and the new facility was essential for meeting the needs of the growing market.

Sustainability is an important part of Foxway's DNA and business model. Therefore, it was important that the new warehouse was an A-energy class building and environmentally friendly. It has geothermal heating, solar panels to cover the energy needs of the building, and an automated lighting system.

Buildings are one of the largest carbon dioxide emitters. Collectively, buildings in the EU are responsible for 40 % of our energy consumption and 36 % of greenhouse gas emissions. Hence, building energy efficiency is crucial to achieve carbon neutrality goals.

The new operations and warehouse facility is a pioneer in sustainable buildings. The 6 500 square meter facility has an energy efficiency score of A and targets net zero operations. The building consumes approximately 500-600 kWh per day. The annual production of panels is around 348 MWh.

Altogether, there are also over 1,200 solar panels generating electricity for the facility. This



system powers the electric vehicle charging stations in the building's parking lot. On a sunny day, the solar system provides more electricity than the building consumes. The excess power gets exported into the utility grid.

Besides an automated lighting system, the entire indoor climate can be monitored and adjusted. For example, ceiling fans help regulate the temperature and circulate the air in the room.

This building also houses a Digital Addressable Lighting Interface (DALI) for controlled energy efficiency. The DALI system runs on automation based on sensors checking for motion or the amount of daylight in the room. Hence, the light turns on only when and where needed.

We are proud to have a building that breathes sustainability from the inside out. We intend for it to become a model for future buildings within Foxway.

Say hello to Kai-Riin

We have many passionate and committed employees at Foxway. One of them is Kai Riin Kriisa, the latest addition to the ESG team. She is our new Strategic ESG advisor & Head of Sustainability and Governance.

“ I have a decade of experience in business consulting. When I started, it was all about growth and maximizing profits, regardless of the impact on the environment. When the topic of sustainability finally started tiptoeing into boardrooms, it was brushed off as another trendy buzzword. Things have obviously changed for the better since then. Today, forward-thinking industry leaders know that sustainability is here to fundamentally change the game. Foxway is one of those companies. In recent years, I've dedicated myself to sustainability advisory, working with companies across various industries to build effective ESG strategies. I'm now thrilled to join the Foxway team and bring my insights to the table to support their ESG agenda and drive sustainable innovation.

Sustainability is a complex issue that requires a holistic and systems-thinking approach to address all the nuances and interrelated challenges. While there may be no straightforward answers, my goal is to contribute to the regeneration of our planet through sustainable practices. At Foxway, I believe we have a unique opportunity to play a leading role in this effort, not just by embracing the circular economy, but also by addressing social justice and reducing the digital divide. With a shared commitment to sustainability, I'm confident we can bring about meaningful positive change for a healthier planet. ”

Kai-Riin Kriisa

Strategic ESG advisor & Head of Sustainability and Governance at Foxway



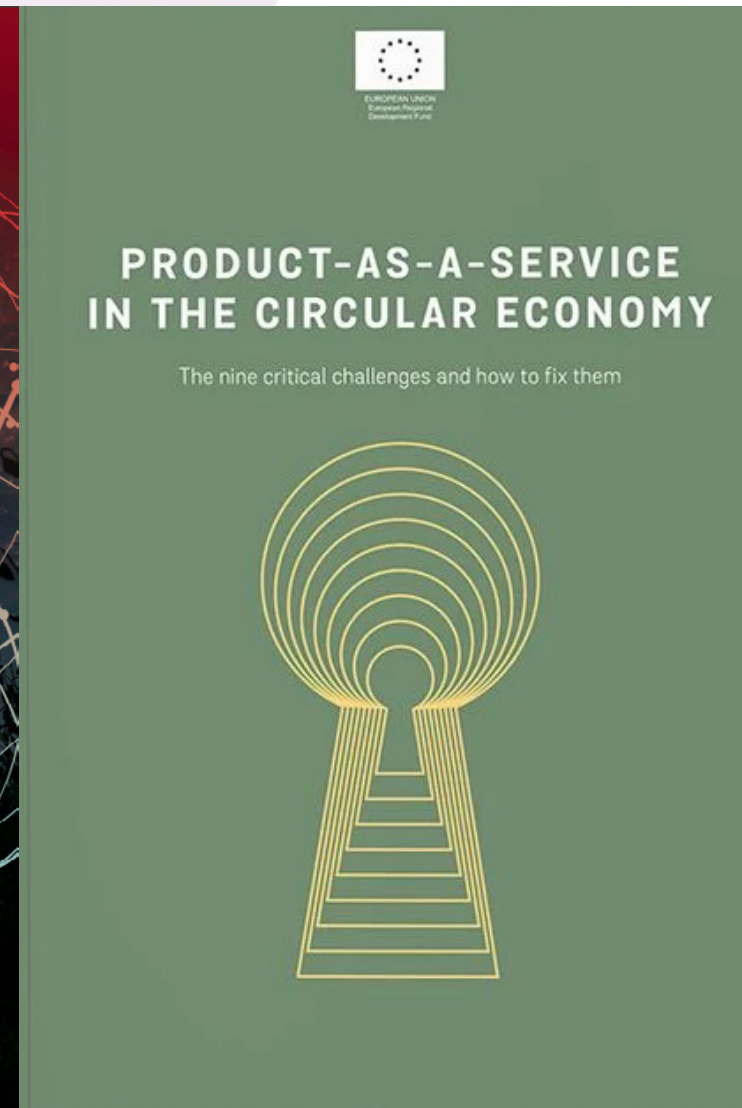
Contribution to industry studies

Foxway is frequently engaged as an advisor, research partner, and contributor to industry reports about ESG and sustainability. As a professional involved in sustainable tech, consider reading and using the learnings and methodology shared in the listed reports below.

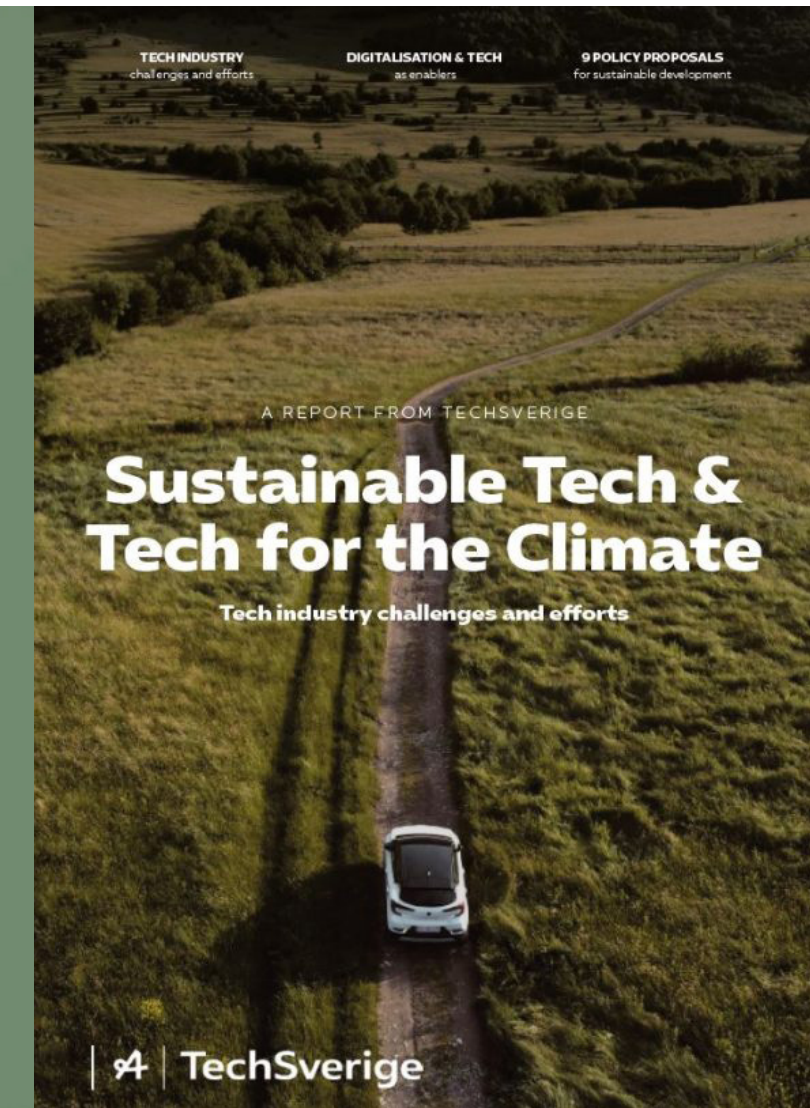
Some of the reports published in 2022 were:



[Strategy paper for circular economy: Mobile devices](#)



[Product-as-a-service in the circular economy](#)



[Sustainable tech & tech for climate](#)

An industry in transformation

Circularity and reuse

The supply chain of IT includes a lot of challenges for the Original Equipment Manufacturers (OEMs). Considerations related to working conditions, conflict minerals, and the use of natural resources need to be addressed when procuring IT.

A sustainable way to respond to this, even if sometimes more costly at the point of first purchase, is to procure technology from well-known suppliers and choose long-life products made in the best technical manner.

Society and customers are increasingly demanding the adoption of circularity principles (e.g. reuse/recycle). Refurbished products not only offer a more sustainable approach to the planet as such but also support the ambitions towards reduction of CO₂ footprint related to Scope 3.

Buying and using a refurbished device is considered as having zero carbon footprint related to the manufacturing since it is re-used. The production usually equals 80 % of the lifecycle footprint of a device and this usage means a significant reduction of the environmental footprint related to IT¹.

¹[ScienceDirect](#)

An industry in transformation (cont.)

Regulations & certifications

Circularity is already finding its way through regulations within the EU. Laws similar to the French Anti waste circularity economy law (20 % reused electronics, in terms of monetary measures, in the public sector) and the UK's initiatives to cut carbon emissions by 30 % for new buildings, could be adopted by other countries in the near future.

Electronic waste (e-waste) is the fastest-growing waste stream in the EU. As of today, less than 40% of waste volume is recycled, but regulatory pressure is increasing. Within the EU, the Waste Electrical and Electronic Equipment (WEEE) Directive sets criteria for the correct collection, treatment, and recovery of e-waste¹. In addition, the EU's circular economy action plan aims to establish a 'right to repair' and improve customer rights to increase the durability of IT equipment. In terms of reporting requirements, the EU's Corporate Sustainability Directive will be enacted in 2025, which will require large companies to provide non-financial reporting disclosures.

¹World Economic Forum

Industry initiatives

For most tenders, sustainability is a key criterion. Some players contribute to transparency by reporting on ESG metrics in sustainability reports, others are signatories to UN Global Compact. There is also a shift towards more disclosure of climate-related risks and opportunities through existing reporting processes in line with the Task Force on Climate-Related Financial Disclosure standards.

Further, the OEMs (manufacturers) have gathered around a self-regulative structure in the Responsible Business Alliance (RBA) aimed at producers to audit and set standards for their production. The RBA organization also offers initiatives such as RMI (responsible mineral initiative), RLI (responsible labor initiative), and RFI (responsible factory initiative).

Our Director of ESG has the word

“Foxway has been striving to become “the circular voice” of the tech industry. As the leading company in Europe that provides truly circular services, we can see an uplift needed for the tech industry.

Basically, the circular tech industry needs to evolve and mature. Foxway is trying to take the lead by offering insights and advisory, true recovery services, and valuable insights to support our offerings and services.

The circular economy is one of the core solutions to reach “Factor 8”¹, a scientific approach which aims to reduce the world’s negative environmental footprint by >50 %. By increasing the lifetime of tech products, promoting higher utilization, and ensuring recycling, the world’s footprint can be reduced by up to 80 % in a generic approach presented by RISE institute in 2022 ([RISE](#)).

Circularity is one of the best ways to both reduce your own organization's CO₂ footprint and do something great for the planet. But to achieve this, science, hands-on common sense, and additional solutions need to be used.

Foxway is leading the way! You are welcome to reach out for a discussion on how we can cooperate to partner up and clean up the industry, beyond the monetary game and greenwashing.”

Stefan Nilsson

Director of ESG and Chief Strategy Officer at Foxway



¹ For more information on Factor 8: [Circularity metrics and indicators](#), [Flood and lake economy](#), [Future circular economy adaptation](#), [How to measure circular economy](#), [Are customers prepared to pay for circular products](#), [The 3 dimensions in factor 8](#).



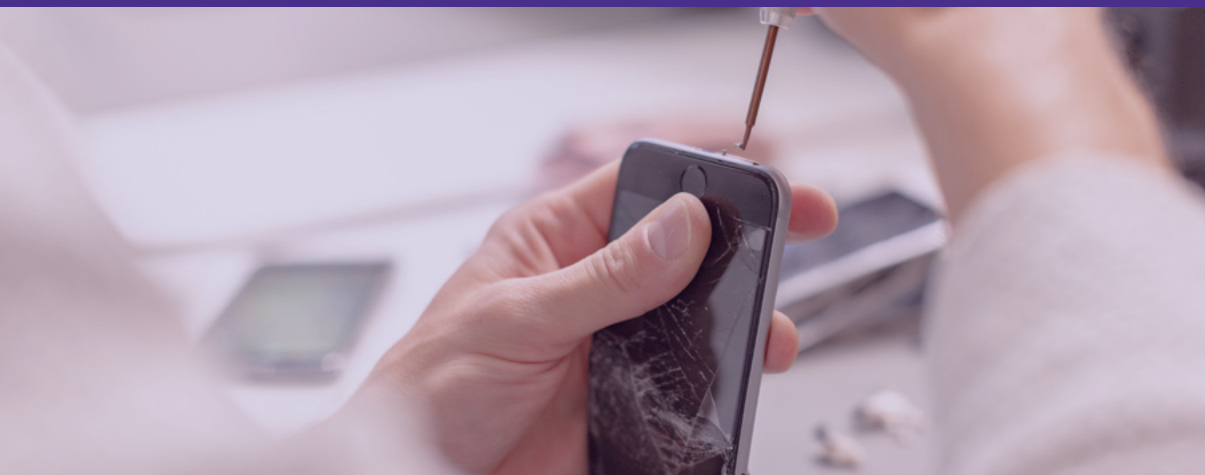
**As a Service
enables circular
tech**

Sustainability trends in the industry

- Companies operating in the IT industry will align with circularity principles. The “as a service” model enables a sustainable future by offering maintenance services and ensuring high levels of material reuse and recycling.
- More stringent regulations regarding the disposal of e-waste are expected. Companies will incorporate circularity principles in the design of products and services (e.g. design for end-of-life) and during the lifetime including the final disposal of equipment.
- Companies are committed to increasing transparency on responsible sourcing. By engaging suppliers, the use of conflicting materials and unfair labor conditions throughout the supply chain can be eliminated. Companies are expected to be transparent in reporting on sustainability progress and ambitions, as well as climate-related risks and opportunities. To align the business towards a future-proof business most organizations need to address their scope 3 carbon footprint. For further information see Green House Gas (GHG) Protocol (<https://ghgprotocol.org/>).
- Many of our partners and customers are already part of science-based targets (<https://sciencebasedtargets.org/>), striving towards net zero. To reach these targets, the inclusion of refurbished tech devices in the end-user portal will be needed and a predicted tailwind in the circular industry.

External factors and societal megatrends that affect the industry and the company

Foxway has a strong position as a leader in the circular economy. Regulations and industry initiatives are paving the way for a new course of managing tech.



→ Circularity (trend)

Industry organizations have identified circular offerings as a key to becoming more sustainable. As an example, [GSMA](#) (the global mobile communication industry) has predicted that the refurbished mobile market will grow 300 % in 10 years.

Foxway is market-leading in the circular tech industry, especially in the recommerce area for mobile phones.

→ GDPR (regulative)

The General Data Protection Regulations (GDPR), introduced in Q2-'18, requires proper data wiping before a device is reused. Companies can face fines of up to EUR 20 million or 4 % of global revenue if they fail to comply.

Foxway can show strong data handling and wiping capabilities, which is critical in winning IT Asset Disposition (ITAD) contracts.

→ The sustainable products initiative (regulative)

The European Commission will aim to ensure that all products placed on the EU market are designed with sustainability objectives in mind and envision extending the lifetime of products (e.g., right to repair). The sustainable products initiative impacts primarily the ICT industries, producing electronic devices more durable and reusable, thus increasing the lifetime of devices.

→ The sustainable products initiative (regulative)

The European Commission will aim to ensure that all products placed on the EU market are designed with sustainability objectives in mind and envision extending the lifetime of products (e.g., right to repair). The sustainable products initiative impacts primarily the ICT industries, producing electronic devices more durable and reusable, thus increasing the lifetime of devices.



→ **Waste from Electrical and Electronic Equipment (WEEE) (regulative)**

Reduction of e-waste, the initiative to reduce e-waste (WEEE) and increase re-use and recycling of municipal waste to >55 %

Foxway can present significant e-waste reduction capabilities, clearly standing out in the market.

→ **Anti-waste circularity economy law (regulative)**

Laws like the French Anti-waste circularity economy law (20 % reused electronics in the public sector) and the UK's initiatives to cut carbon emissions by 30 % for new buildings could be adopted by other countries.

As the demand for refurbished products increases in the public sector, it will allow Foxway to provide its full-service portfolio (enabling full circularity).

→ **Paris Climate Accords (initiative)**

The Paris climate accords enforce organizations to commit to CO₂e emission reductions. Many of our partners and customers have already joined Science Based Targets initiative (SBTi) (<https://sciencebasedtargets.org/>) striving towards a yearly reduction.

Since Foxway is the leading supplier of high-quality second-life tech devices in Europe, we have an important role to play when enabling the targets set by the initiative.

Increased government regulation and initiatives set the product and waste treatment requirements, and collection/recycling targets to make the IT lifecycle more compatible with a circular economy.

2022

Management and Structure

Management and structure

The Foxway group management team (GMT) includes CEO Martin Backman, and representatives from the business divisions and group functions.

All entities and subsidiaries are fully owned by Foxway Group. In 2022, DCC in Denmark was acquired as well as Global Resale in the UK. Both companies are within the same line of business as Foxway. They both have a position in the GMT.

The ESG governance is managed by the principles the board of directors has approved. This includes the ESG report, annual targets, and the Code of Conduct. The GMT implements the decisions throughout the organization and all employees are educated in all matters related to ESG. So far, no conflict of interest has been identified in the board of directors or the GMT as a group.

The management team is responsible for ensuring the business is carried out ethically and according to the law and legislation. Conflicts of interest and remuneration policy are covered in Foxway's Code of Conduct. The remuneration should be at an industry-equal level and is set by each governing function (the board, CEO, GMT, leadership team, and company). Remuneration is set by each manager and is related to the company's KPIs where the ESG targets are included.

Management addresses any violations of the Code of Conduct and takes specific action as necessary. Any breaches are managed through a pre-defined process. Since 2021 Foxway has a whistle-blowing function in place, applying both internally and externally, managed by a third-party law firm (<https://foxway.trumpet-whistleblowing.eu/>). All policies and the overall governance are audited yearly and approved by the board of Foxway.



Board of Directors

Foxway is owned by Norvestor together with employees.

The board has a long experience and mixed skills. They have different nationalities from the Nordic countries.



Jörgen Berg

**Chairman of the Board
Sweden**

Chairman of the Board since September 2020

Background in telecom, re-commerce, and circular business

Previously CEO of Replace and Rework, as well as Managing Director of Redeem Nordics



Malin Anjou

**Board Member
Sweden**

Long experience in start-ups, entrepreneurial companies, consulting, and the IT industry



Marika Af Enehjelm

**Board Member
Finland**

Partner at Norvestor

Background in science, engineering, and investment areas within the IT sector

Currently a Board Member of PHM Group Oy, FVCA – Pääomasijoittajat, Enerva Oy, and Minimax Viking Group



Johann Olav Koss

**Board Member
Norway**

Former 6 gold medal Olympic champion

Long experience in ESG related organizations and operations as the founder of "Right to Play" – a UN-based co-operation giving kids around the world access to the joy of sports



Henning Vold


**Board Member
Norway**

Partner at Norvestor

A well-known expert within investments and growing IT companies in the Nordics

Has led the Foxway development since Norvestor invested in 2019

Martin Backman leads the Group's ongoing operations. Our group management team works closely with every business area in order to provide help and tools which make the business more effective and keep a strong customer focus.



CEO
Martin Backman


Group Management Team



CFO
Erik Källmin



CDO
Mats Frisk



Head of Division CWS
Jonas Grönqvist



Head of Division Distribution
Kent Jeppesen



CHRO
Annika Ploom



CMO
Emma Lindberg



Head of Division Norway
Steinar Aune



Head of Division Global Resale
Chris Farrell



Head of Business Development & Innovation
Ove Lidström



Director Operational Efficiency
Stefan Sanz-Velasco



Director of ESG and Chief Strategy Officer
Stefan Nilsson



Head of Division Recommerce
Jaan Tähiste

Sustainability in Foxway

Material topics

Our ESG approach is built on the understanding of the material ESG aspects for Foxway. Sustainability impacts and material ESG topics of Foxway were identified based on the Sustainability Accounting Standards Board’s (SASB’s) materiality map (for Technology and Communications industry, specifically the hardware industry according to SASB categorization), expanded with Foxway’s own input about material aspects (internal and external ESG expert view, contractual expectations of customers, and industry benchmark).

The main topics where Foxway can make a change for society and our major stakeholders are mainly client use, end-of-life, and sourcing advisory. The priority is focused on these three processes. Highlighted ESG aspects are relevant to Foxway and the industry across its value chain. There are 9 priority material topics that are the most relevant in different stages of our value chain.

	Upstream	Operations		Downstream	
	Sourcing	Platform development and support	Logistics	Client use	End-of-life
Circularity and Climate					
Climate and enegery		Energy & Carbon			
Material circularity				Product life cycle	Efficancy & waste
Customer impact				Awareness on sustainable IT	
Inclusion & Connectivity					
Cooperate Citizenshop				Enabling inclusion & connectivity, social impact initiatives	
Well-being, Security & Integrity					
Employee well-being		Employee health and safety, diversity and well-being			
Cooperate governance		Data security & privacy			Data security & privacy
Supply chain management	Sustainable supply chain				
Business resilience & ESG	Sustainable principles, responsible business conduct				

Following sustainable principles and practicing responsible business conduct (on all stages except “product end-of-life”) includes ESG governance and is not a separate materiality topic but operates as a system that connects impact management and material topics.

Material aspects were defined in 2022 when digital inequality was added as a KPI. No changes have been made regarding material sustainability topics since then. In 2022 we went deeper in implementing dedicated practices within the topics, and we are committed to continue with applying more improvement measures in the coming years.

Foxway has added the aspect of reducing digital inequality and the importance of proper end-of-life management to provide high-quality and affordable devices to groups with less financial capabilities. Our ambition is to have at least half of our revenue sourced from refurbished products, that have been sold at half the original price or less. We will implement the process of the metric to monitor this KPI during 2023.

“ In 2022 several reports were published, supporting the topics of sharing economy and circular economy. One of the most useful reports was the highlighted importance of PaaS (Product as a Service) as an enabler for the circular economy and reducing the footprint. (Cradlenet, EU and Stena recycling report in 2022) as well as RISE Institutes’ approach to Factor 8 (see previously in this report). The science is clear with the following approach:



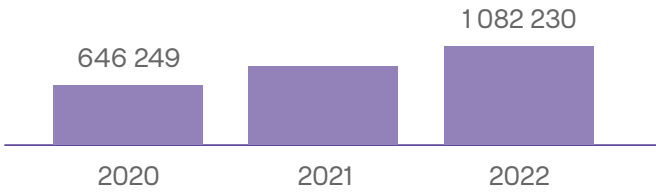
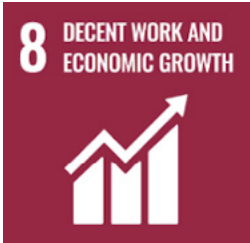
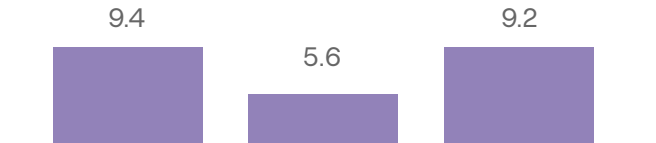
We must care for the resources and CO₂ that we already have spent.

Naturally, the conclusion is that we must evolve and increase circular behavior. By repairing, upgrading, and keeping products viable as long as possible we will manage to reduce the carbon footprint by at least half if the correct methodology is used. Since a major part of the carbon footprint is emitted during the manufacturing process, it makes no sense to replace devices for the sole purpose of consumption of electricity or efficiency. Furthermore, it doesn’t matter where in the lifecycle we use it. With proper management, the total lifetime is limited to product quality, refurbishment processes, and support of operating systems and applications. ”


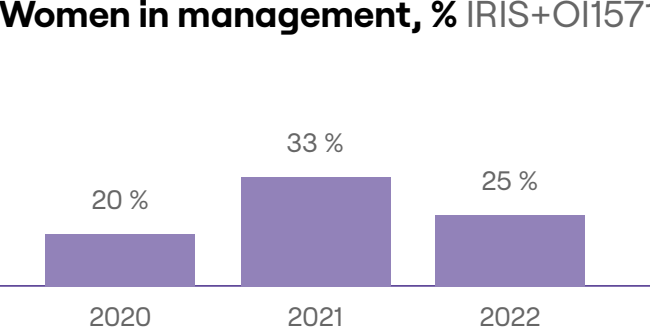

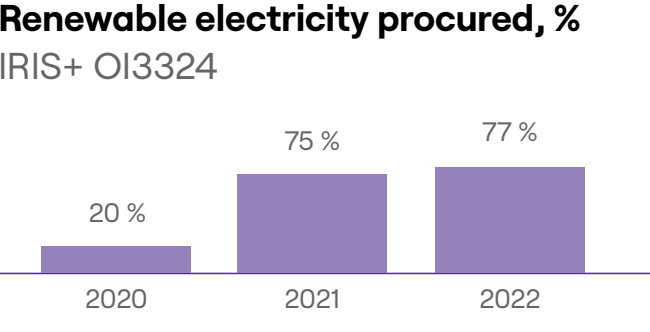

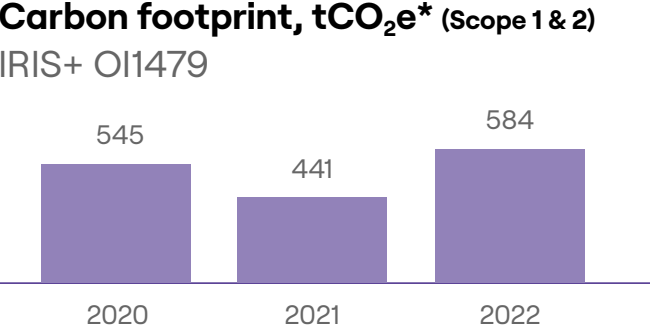
Stefan Nilsson

Director of ESG and Chief Strategy Officer at Foxway

Contribution towards United Nation Sustainable Development Goals

Company activity	SDG	SDG target ¹	SDG indicator	Company KPIs								
Providiing affordable IT solutions to simplify access and inclusion for all		10.2: By 2030, empower and promote the social, economic and political inclusion of all, irrespective of their demographic										
Promoting, enabling and practising IT hardware waste prevention, reduction, recycling and reuse		12.5: By 2030, sustainably reduce waste generation through prevention, reduction, recycling and reuse	12.5.1: National recycle rate, tons of material recycled	<p>Repaired, reused and redeployed products # * IRIS+ OI7920</p>  <table border="1"> <tr> <th>Year</th> <th>Repaired, reused and redeployed products #</th> </tr> <tr> <td>2020</td> <td>646,249</td> </tr> <tr> <td>2021</td> <td>-</td> </tr> <tr> <td>2022</td> <td>1,082,230</td> </tr> </table> <p><i>* Mobile phones, PC and tablets</i></p>	Year	Repaired, reused and redeployed products #	2020	646,249	2021	-	2022	1,082,230
Year	Repaired, reused and redeployed products #											
2020	646,249											
2021	-											
2022	1,082,230											
Providing decent, safe and secure working environment for own employess		8.8: By 2030, protect labour rights and promote safe and secure working environments for all workers	8.8.1: Frequency rate of fatal and non-fatal occupational injuries by sex and migrant status	<p>Accident rate, #/1000 FTE IRIS+ OI3757</p>  <table border="1"> <tr> <th>Year</th> <th>Accident rate, #/1000 FTE</th> </tr> <tr> <td>2020</td> <td>9.4</td> </tr> <tr> <td>2021</td> <td>5.6</td> </tr> <tr> <td>2022</td> <td>9.2</td> </tr> </table>	Year	Accident rate, #/1000 FTE	2020	9.4	2021	5.6	2022	9.2
Year	Accident rate, #/1000 FTE											
2020	9.4											
2021	5.6											
2022	9.2											

¹ UN Sustainable Development Goals

Company activity	SDG	SDG target ¹	SDG indicator	Company KPIs
Promoting diversity as a value and encouraging female leadership		5.5: Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life	5.5.2: Proportion of women in managerial positions	Women in management, % IRIS+OI1571 
Reducing own energy efficiency		7.2: By 2030, increase substantially the share of renewable energy in the global energy mix	12.5.1: Renewable energy share in the total final energy consumption	Renewable electricity procured, % IRIS+ OI3324 
Reducing the carbon footprint of own operations and enabling carbon footprint reduction in the value chain		13.2: Integrate climate measures into (national) policies, strategies and planning	8.8.1: Number of countries that have communicated an integrated plan for adaptability and resilience to climate change; for companies: GHG contribution to national emissions	Carbon footprint, tCO₂e* (Scope 1 & 2) IRIS+ OI1479 

¹ UN Sustainable Development Goals








* During the period, Foxway made new acquisitions and expanded, which increased our carbon footprint. Despite this, our carbon intensity decreased by 19 %.

Foxway’s activities are mapped to the SDGs and relevant targets. Each activity identified contributes to an IRIS+ KPI. Potential for national contribution is assessed using the SDG Report 2021, highlighting countries in the value chain that can benefit from company activities.

Stakeholders of Foxway

Active interaction with Foxway’s major stakeholders has been the main input when defining and identifying our stakeholder’s ESG aspect. Openness, conversations, and collaboration with our stakeholders are part of our daily business. We aim to have very close contact with the stakeholders whom we impact the most, and whose decisions have an impact on our operations in the short and long term.

This is how we engage with our major stakeholder groups:

Stakeholder group	How we engage them	What they expect from us
 Customers and end-users	Interviews and regular customer interactions.	To provide secure management of data, ensuring the most efficient and sustainable life cycle management with refurbishment cycles followed by safe end-of-life. Advisory and insights to support the end-customers sustainability agenda and reduce the climate footprint. Ensuring that OEMs and suppliers follow all relevant Code of Conducts set by major NGOs and industry standards.
 Suppliers and partners	Interviews and regular supplier interactions.	To act responsibly and follow all relevant Code of Conduct set by major NGOs and industry standards. To help our partners to become more competitive and help them and their end-customers to improve the sustainability metrics, such as e-waste, climate footprint, and contribution to the circular economy. Be the advisory partner providing valuable data enabling the ecosystems for trade-in, as-a-service concepts, and availability of reused tech.
 Owners and financial community	Regular meetings, interviews, and management interaction through the board representation.	To be a good example and leader in our industry in all ESG aspects. Be a market leader in our industry to ensure a future-proof value to our owners. Keeping track of our KPIs to enable sustainability linked financing.
 Industry	Membership in relevant organizations.	Actively engage and share our knowledge, learnings, and insights into how to improve the industry. Contribute to the industry organizations with advisory, research insights and regulative related input.
 Society and local communities	Participating in round tables and communicating with representatives from local and national governments. Tax contributions. Supply of technology.	Participate in developing our services to help society strive and evolve into more sustainable and ESG aligned goals. Pay our fair share of taxes and perform transparent financial reporting. Provide high quality tech enabling sustainable tech for everyone.
 Employees	Regular surveys and union representations.	A safe workplace with respect to all major values represented in common industry policies and standards. Further offering meaningful work with opportunities to grow and evolve with.
 Certification Standards, regulatory compliance and NGO	Certification to internationally recognized industry standards. Compliance with local and international regulations. Membership and signatory in relevant organizations.	Following industry standards, regulatory compliance and contributing to membership organizations with insights to improve the ESG topics within the industry.

Sustainability risks

Several sector-specific sustainability-related risks are relevant for Foxway. The table below includes both, internal (risks that may be caused by the operations of Foxway) and external (external risks that may affect the business model and operations of Foxway) risks.

	1. Environmental and social risks in the value chain	2. Transitional risks to business model	3. Operational and continuity risks
Major risks and their severity?	1.1. Failure to integrate environmental aspects into our value chain	2.1. Sustainable production and consumption patterns (increasing market demand)	3.1. Operational environmental footprint (e.g. waste generation, transportation, energy consumption)
Probability	Medium (increasing)	Medium	Medium
Impact on Foxway	Direct and medium but has two sides, it is a risk for the first lifecycle services but adds focus and benefits on the management of second and third lifecycles.	Low Increased focus on sustainable production is a positive event if the focus stays on the long lifetime and reparability of products.	Direct and low Overall, less than 20% of the sustainability effects are on waste/transport and energy consumption, most aspects are regulatory.
How we mitigate the risk?	Offering buffer stock management to clients, adding forecasting services and as-a-service solutions. Increasing the sourcing of used tech equipment. Enhancing our refurbishment capabilities. And further ESG-related principles, offering a properly structured, processed, managed, and checked value chain.	Helping and encouraging our clients to choose long life models when procuring new equipment.	Regular risk assessments and follow-up procedures, internal audits, assessment of environmental aspects and impacts, actions for improvements, and legislative compliance.

Sustainability risks (cont.)

All company risks are allocated to a risk owner (e.g., department manager), who is responsible for mitigation together with his/her department. Universal measures to adapt to and mitigate risks include regulatory compliance, internal audits, regular risk assessments, and action plans.

	1. Environmental and social risks in the value chain	2. Transitional risks to business model	3. Operational and continuity risks
Major risks and their severity?	1.2. Violations of labor conditions and human rights in the value chain	2.2. Climate change and adaptation (regulatory, financial, commercial)	3.2. Employee health and safety risks
Probability	High	High	Low
Impact on Foxway	Indirect and small Even if we manage supply chain control breaches are frequent and affect the complete industry, not Foxway specific.	Indirect and low The demand for “carbon light” products will increase, which is a positive tailwind for Foxway.	Direct and high
How we mitigate the risk?	Foxway source products from well-established OEMs. They follow and report the highest standard related to RBA (Responsible Business Alliance), RLI (Responsible Labor Initiative). More than 98 % of our sourcing volume comes from these partners.	Regular risk assessments and follow-up procedures, internal audits, actions for improvements, legislative compliance. Improved reporting and compliance data are available.	Yearly Risk Inventory and Evaluation (RI&E) in Nordic units, handling employee complaints, follow-up for incidents.

Sustainability risks (cont.)

	1. Environmental and social risks in the value chain	2. Transitional risks to business model	3. Operational and continuity risks
Major risks and their severity?	1.3. Use of conflict minerals in the value chain		3.3. IT and cybersecurity risks
Probability	High		Medium
Impact on Foxway	Low		Medium
How we mitigate the risk?	Foxway sources products from well-established OEMs. They follow and report the highest standard related to RBA (Responsible Business Alliance), and RMI (Responsible Mineral Initiative). More than 98% of our sourcing volume comes from these partners.		Risks and vulnerabilities are assessed on an annual basis. Further, we have created a task force in the GMT team to address related threats and vulnerability concerns. During 2021 we performed simulated attacks and followed up with education on how to prevent threats.

Climate risk assessment



Type of risk

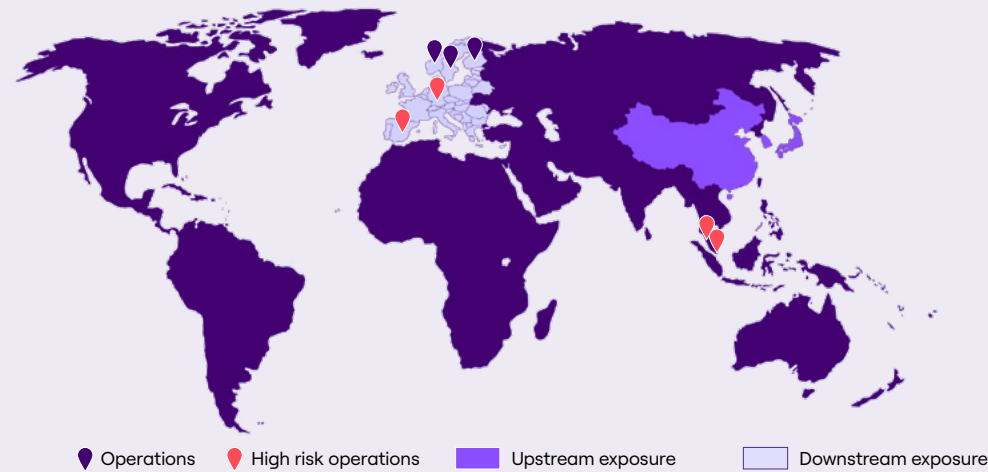
Description

Physical climate risks

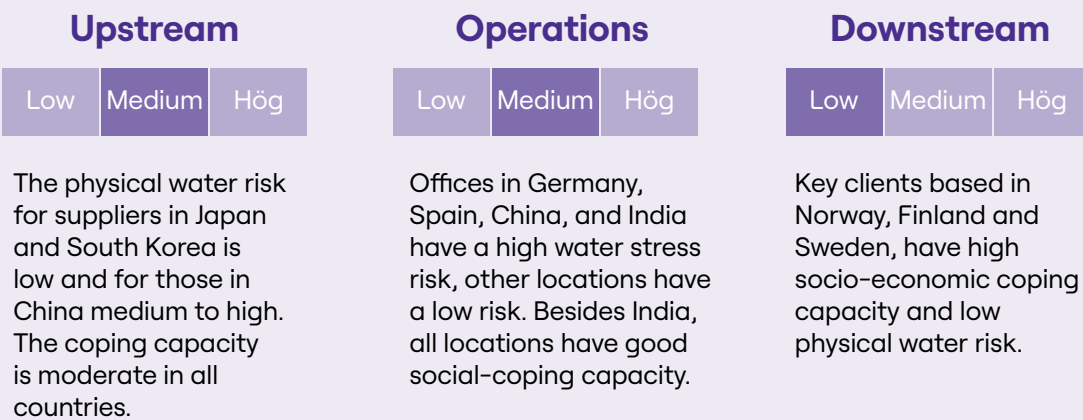
To assess exposure to physical climate risks, a company's geographical presence and its upstream and downstream exposure are considered. The risk score takes water stress and country ESG RepRisk into consideration, retrieved from Aqueduct Water Risk Atlas tool – recognized for physical climate risk assessment by the TCFD.

Exposure

Geographical presence Foxway



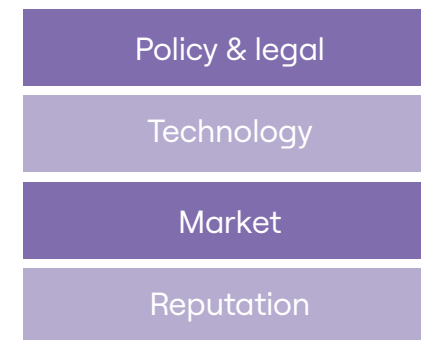
Risk score



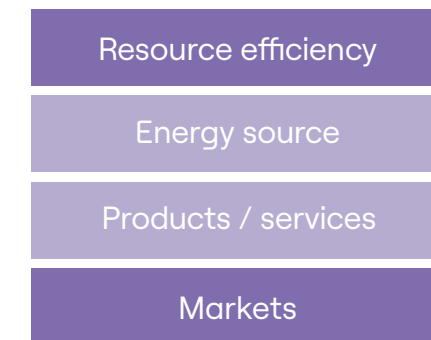
Transition risks and opportunities

The transition risk element captures the risks associated with a shift to a low-carbon economy and the opportunity element portrays how well a company is positioned for a shift to a low-carbon economy. An example of a transition risk element would be high costs associated with the transition to lower emission technology.

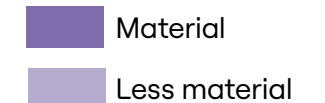
Transition risks



Transition opportunities



Legend:



Transition risks



Policy & legal: Increased pricing of GHG emissions could lead to higher offsetting costs, thus increasing the need of minimizing Foxways carbon emission.

Market: Driven by regulations, there will be demand for more circular, closed-loop IT companies, which could increase competition in the industry.

Transition opportunities



Resource efficiency: Working towards zero e-waste can reduce operating costs (e.g. through waste disposal cost reductions).

Market: More demand for sustainable IT can translate to more business for Foxway – since the product portfolio can serve this demand.

Source: Aqueduct Water Risk Atlas, MJ Hudson analysis, TCFD

Sustainability frameworks and memberships

Relevant sustainability-related memberships are explored. Foxway is part of the following external initiatives and is included in several memberships.

Organization and type of relation	Description	Achievements
Following and monitoring		
RBA - Responsible business alliance	Supply chain control and monitoring of human rights	>97 % of Foxway's suppliers' volume are members of this organization and complying with this
RLI - Responsible mineral initiative	Responsible sourcing of minerals, including the conflict mineral subject.	>97 % of Foxway's suppliers' volume are members of this organization and comply with this
RLI - Responsible labor initiative	Responsible and fair treatment of labor force within the supply chain.	>97 % of Foxway's suppliers' volume are members of this organization and comply with this
RFI - Responsible factory initiative	Responsible and safe management of factories and the workers, environment related to supply chain.	>97 % of Foxway's suppliers' volume are members of this organization and comply with this
Following and signatory		
UN Global Compact	The UN managed organization to reduce and eliminate corruption, discrimination, and abuse of workforce in the world.	Foxway has been a signatory member since April 2021
Members and participating		
Eurefas	An EU oriented organization working towards a stronger refurbishment culture and structured repairing/circular culture in the EU	Foxway was one of the ultimate founders and stakeholders in the organization
Cradlenet	An industry organization working towards a more circular society	Foxway is an active member.
Tech Sverige sustainability board	The Swedish industry organization coordinating efforts to improve sustainability in all aspects of IT	Foxway has been an active participant and advisor to several initiatives related to taxation, measurements of CO ₂ avoidance plus legalization related to return and deposit schemes in Sweden. Furthermore, TechSweden and IDG nominated Foxway as one of the leaders in sustainability 2022
Keep project	Working with product traceability to enable a circular future.	Foxway is a member in the research project which enables IT products to be tracked through the complete life cycle.
Fossil Free Sweden	Target to transform the IT industry towards: <ul style="list-style-type: none"> • 2030: reduce CO₂e emissions by half • 2045: net zero CO₂e emissions 	Foxway is an active member and appointed to the board of calculating avoidance efforts
Targeting to join		
Science Based Targets	The SBTi is the main organization to guide, audit and manage climate change governance and reduction of the CO ₂ footprint.	Foxway has committed to set long-term company-wide emission reductions in line with science-based net-zero with the SBTi. We are aiming for an approved plan with SBTi and to be officially recognized no later than 2024.

03

Sustainability
Performance

Management of key material themes

Energy & Carbon

- Foxway has the policy to minimize all CO₂ emissions wherever possible. Our target is to eliminate all emissions possible by scope 1 & 2 in 2023 and by scope 1-3 by the end of 2025.
- An environmental management process is in place at all locations and is aligned with our environmental policy to start to explore and use fossil fuel-free alternatives, if available in the country of operations.
- Within operations, batch deliveries are promoted, thereby reducing the logistics footprint. In line with the ambition to cut carbon footprints in the value chain, the positive carbon handprint of Foxway's refurbished laptops and mobile phones is quantified – i.e. showcasing the climate impact and advantage.

Product Lifecycle

- Circularity is inherent to Foxway's business model, centered around sustainable IT from use to reuse until scrapping.

- Foxway focuses on maximizing technology lifetime by contributing to all cycles of a product's life.
- (1) Helping clients to choose the best possible tech devices with a long lifetime, mainly “as a service” and going forward as part of “My Sustainable Choice”. Promoting products with the longest possible lifetime = lowest possible yearly footprint.
- (2) Repairing and upgrading products in one of our recycling facilities and sending these back to the client or offering them in a new market. The goal is to give these products a new life as many times as possible.
- (3) Recycling products in a responsible way when these can't be reused anymore. This means extracting as many usable components as possible and sending the different any waste material to the best possible raw material recovery recycling available. The environmental management system is aligned with ISO 14001 standards (certified), and quality is ensured.

Material Use

- Foxway focuses on the sustainable and ethical management of electronic materials and aims to reduce the need for raw, virgin natural resources.
- Core to Foxway's strategy is to have zero e-waste and landfill. Less than 0.05 % of Foxway's waste ended up in landfills in 2022.
- Periodically, Foxway investigates product volumes and documents all supplier's conflict mineral reports in a database. In 2022, >95 % of the volume was assessed. This information is shared with clients upon request.



Employee health and safety

- The health and safety of our employees are high on Foxway’s agenda and evidenced by the management system in place that strictly abides by the ISO 45001 principles.
- Annual work assessments are conducted at all locations to promote the health and safety of all employees – i.e., Risk Inventory & Evaluation. An employee engagement survey is conducted twice annually, which also considers social factors (e.g. work-life balance, employee well-being, and working environments). In 2022, the score resulted in 71 out of 100, which is one point higher than the 2021 score.
- To drive employee competence, we are compiling yearly training and competence development plans and building up different courses for our e-learning platform(s).

“We want Foxway to be a great place to work! This is why we believe it’s important to have a systematic approach to risk assessment, a well working feedback culture, and engaged teams, who drive different initiatives for improvement.”

Annika Ploom
CHRO at Foxway



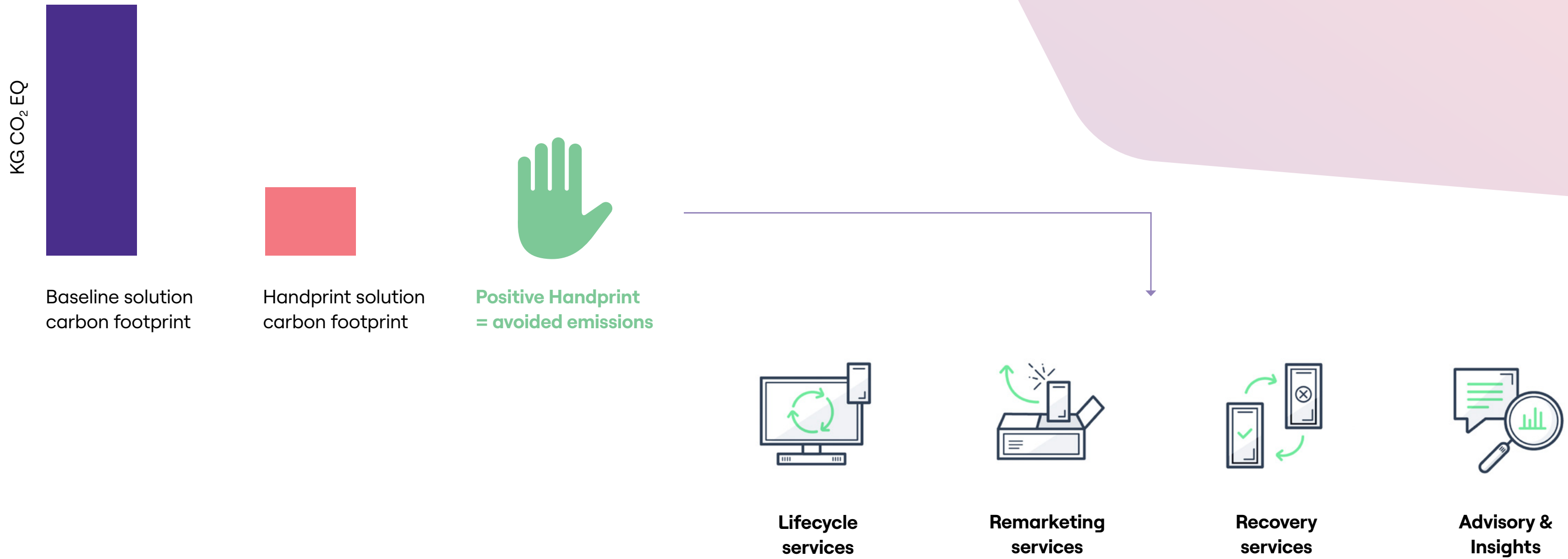
Data Security and Privacy

- We consider managing data securely and privately as highly important. We have established policies and procedures aligned with GDPR requirements and ISO 27001 certification standard for information security management.
- A Chief Information Security Officer has been appointed. Current efforts are devoted to creating a group-wide Information Security Management system.
- External agencies are employed to ensure current and future compliance with GDPR requirements. These agencies also periodically perform IT risk and vulnerability assessments.
- Employees receive training on information and security awareness to reduce the vulnerability of data security incidents. Over the past three years, no data security incident has occurred.

Follow up on 2022 Sustainability projects

Project	Description	Ambition	Progress
KPI development	<p>Foxway will develop a KPI to capture the product life cycle by collaborating with universities and other research institutes.</p> <p>The ambition is to create a cumulative figure that captures the life expectancy of products sold to clients and connect to CO₂e footprint rather than "handprint"</p>	<ul style="list-style-type: none"> Q2 2022: Plan for KPI development, required information and external support – e.g. universities and research institutes. Q3 2022: Initiate a pilot to quantify the product life cycle impact. Q4 2022: Redefine KPI based on feedback/learnings and consider roll-out across the entire organization. 	<p>The project is started internally with pre-defined scope and assumptions. A request to involve a research institute is made and awaits an offer for cooperation. Until then, we are developing the data based on internal insights and assumptions based on "big data" and best practice.</p>
Real-time customer dashboard	<p>In line with the ambition to showcase the positive impact of products & services, Foxway will create a real-time customer dashboard.</p> <p>The aim is to create a dashboard that showcases the real-time handprint analysis for each customer specifically.</p>	<ul style="list-style-type: none"> Q2 2022: Determine design requirements of the dashboard. Q3-Q4 2022: Initiate a pilot dashboard with one client; track customer satisfaction in surveys on dashboards; redefine dashboard practicalities based on customer feedback/learnings and consider roll-out. 	<p>The reporting dashboard / reporting portal is developed and in a "beta test" phase internally and will be deployed to first partners and customers in Q1 2023.</p>
Employee ESG engagement	<p>Foxway will introduce training and development plans to drive ESG engagement within the company.</p> <p>The ambition is to improve ESG awareness and engagement among employees.</p>	<ul style="list-style-type: none"> Q2 2022: Define the scope of training and formalize practicalities (e.g. platform used, budget and external support). Q3 2022: Inform all employees on initiatives and invite them to start thinking about ESG. Q4 2022: Conduct training and evaluate accordingly. 	<p>Together with external expertise we have developed an eight-module based education related to sustainability and ESG topics. The training is introduced and currently available at the Swedish organization for evaluation and the full-scale launch is expected to take place in 2023.</p>

Helping organizations to reduce their tech footprint by 50% (with science based technology and services)



2023 Sustainability projects

A selection of projects has been defined that contribute to Foxway's sustainability ambition(s).

Project	Description	Timeline	Responsibility
Reporting portal & My Sustainable Choice	<ul style="list-style-type: none"> Finalizing a self-managed reporting portal. The portal includes all relevant accurate sustainability data that enables the user to get relevant data such as scope 3 footprint, avoidance data, waste management and other relevant data. Create an API interface enabling partners and customers to present sustainability data to end-users when ordering tech devices. The data will help organizations and end-users to evaluate real sustainability data when choosing a product or service. 	<ul style="list-style-type: none"> Q1 First pilot of reporting portal to end-customer Q3 Launch of "My Sustainable Choice" 	Head of sustainability and innovation
CO ₂ e reductions (Scope 1-2)	<ul style="list-style-type: none"> Implementation of strict travel policies Exchange of all electricity contracts with non-renewable origin Presenting viable project plans to replace all fossil-based heating sources 	<ul style="list-style-type: none"> Q1 All plans and activities mapped and defined Q2 Implementation of suppliers offering 100 % renewable electricity <p>Replacement and travel policies</p>	Division leaders and country managers
Employee ESG engagement	<ul style="list-style-type: none"> Enforce training for all employees Improve and evolve the training to a version 2 Start developing a sustainability course for our partners and clients 	<ul style="list-style-type: none"> By end of Q2 ensure that >75 % of all employees have performed the training and assessment In Q3 launch an updated version of the training platform In Q4 launch the beta version of client and partner training platform 	Director of ESG and HR

Social and Environmental responsibilities

Frequent breaches appear almost every year related to slave labor, conflict minerals, and other topics which make social responsibility challenging to govern.

Furthermore, with a few global organizations supplying most of the technology it's difficult to get the company's voice heard. Nevertheless, Foxway continues to strive towards a responsible supply chain. Mainly by choosing suppliers from OEMs (original equipment manufacturers) that are members of RBA, RMI, RLI, and RFI (previously mentioned).

To enable sustainable tech for everyone, we have a responsibility to ensure that our entire value chain is as transparent, and as sustainable as possible. Foxway's Environmental policy ensures that unified goals and principles were in place for the whole group and all related suppliers and business partners. It will be revised at least once a year to assure relevance to the latest environmental guidelines.

Most of our entities are certified with the Quality Management System (ISO 9001) and the Environmental Management System (ISO 14001) by an external audit program carried out by the Registered Certification Body (RCB). Continuous improvement is supported by internal audits and environmental compliance assessments. Foxway has also started a process to implement a group-managed ISO certification.

Priorities for the past year have been the establishment of a supplier assessment program and the onboarding of suppliers to assess their social and environmental compliance. In addition, we make sure that our upstream and downstream partners share the same values we have set ourselves through our Code of Conduct. We expect our employees to support the company's commitment to contribute to environmentally sustainable business activity. We also encourage our partners to provide us with feedback if they see risks or if environmental impacts have increased.





Raising awareness of sustainable products

25 % of all computers and mobiles manufactured are never recycled¹. Foxway's ambition is to raise awareness that all computers and other tech devices can and should be refurbished and recycled. The environmental positive development is increased through engaging customers and sharing information about the environmental impacts of devices and how to improve the management.

The core business of Foxway focuses on ensuring that as many devices are repaired and reused as possible. Not only by our leading tech center but also by the initial choice of long-life products and sustainable consumer models, such as "tech-as-a-service" Our ambition is that the more Foxway grows, the smaller the tech industry footprint will become.

Foxway makes money out of refurbishing and caring for used devices, not the traditional linear consumerism models. We are continuously working on improving data calculations to better communicate about the prevented impact that our clients contribute by choosing our products and services. We provide hard facts about environmental impacts to customers and guide our clients to become more sustainable by providing services for the entire product cycle. In between, we also

give advice on the lifespan of products. All devices that are reclaimed are redirected to Foxway for maximum utilization.

Currently, customers in our circular offering, the as-service user models are returning >98.5 % of devices that will be put back to the market for at least one more lifecycle. Together with our external trade-in program we recover and remarket 5 units for every new unit put to market.

Last year, we brought back >1.5 million units to the market for another life cycle. We not only help our customers to reduce their current footprint by collecting and trading returned IT equipment. Foxway's core offering consists of delivering, tracking, buying back, refurbishing, and resupplying devices for our clients.

When possible, we also help our customers to choose the most long-life device with the lowest possible environmental footprint over time. A service called "My Sustainable Choice," which promotes devices that are possible to repair, upgrade and keep in working order the longest possible time, to reduce the need for a new device to be produced.

¹ [UN report](#)

“ Foxway has gone from an anonymous brand with an interesting business model – to a source of inspiration for the entire tech industry. And I have been given the task to tell the world about it. At conferences, at a broadcast during COP26 that reached millions, in customers meetings as well as to our teams at Foxway. It has been an amazing ride to far. And the coolest thing is that we are just getting started.

As a customer of Foxway, we help throughout the journey, from manufacturing and reuse in one, two, three and maybe four stages, before the device is recycled in a sustainable way. Last year we put more than 1.5 million units back on the market in a life after the first life cycle. That is more than 5 times as many units that we sell new. It's circularity for real! ”

Ove Lidström

Head of Business Development & Innovation at Foxway



Climate impact

Foxway continuously explores the possibilities of using fossil fuel-free alternatives.

In 2022, the Estonian and Danish sites transitioned to 100 % renewable electricity sources to lower the climate impact that comes from electricity consumption. Furthermore, the new facility is nearly energy neutral with one of the most solar panel-driven facilities in the industry. Soon, we will switch to renewables at the German facility and newly acquired site in Denmark.

The Norway and Sweden sites have procured solely renewable electricity since 2020. Estonia, Denmark, and Germany are the only sites where natural gas is still used for heating purposes. However, from the second half of 2022 the additional warehouse in Estonia utilizes

geothermal heating. Projects are scoped to implement ground source heating systems in new buildings to achieve efficiency.

Further energy-saving policies have been implemented considering lighting, heating, ventilation, and stricter travel policies.

Foxway has committed to set near- and long-term company-wide emission reductions in line with science-based net-zero in guidance of the SBTi framework.

The work toward reducing carbon emissions prioritizes energy usage, resource management, and transportation.

Group carbon footprint intensity

(includes Scope 1 & 2 (3 is deleted) emissions from all locations of the Group, as disclosed below for total amount of Group's carbon footprint)

Per full time employee
(tons CO₂e / FTE 2022)

0.48

Per SEK revenue
(tons CO₂e / FTE 2022)

0.097
(-19 %)

Methodology and assumptions

The assessment was conducted for the fiscal year of 2022 (1 January – 31 December).

Foxway Group’s carbon footprint was calculated following the GHG Protocol standards (Corporate Accounting and Reporting Standard and relevant guidelines from Corporate Value Chain Standard), which are the world’s most widely used greenhouse gas accounting standards. The carbon footprint is expressed in CO₂e or carbon dioxide equivalent which showcases the impact of different greenhouse gases – carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), fluorinated gases (SF₆, NF₃) – in terms of the amount of CO₂ that creates the same global warming potential over a period of one hundred years.

Professional databases (e.g. Ecochain, Idemat), national greenhouse gas inventories, international research reports, scientific literature, and other relevant sources were referenced to identify the appropriate emission factors used for the assessment. An operational control consolidation approach was used for determining the emissions that the company is responsible for.

Scope 2 emissions (indirect emissions from electricity and heat consumption) were calculated using the market-based method which reflects emissions that companies have purposefully chosen (based on contractual instruments). For calculating the emissions from purchased electricity with a standard grid contract (i.e. residual mix), emission factors corresponding to 2021 were used as residual mixes for 2022 that is not yet issued.

All calculations are made by MJ Hudson, from data supplied by Foxway.

Under Scope 3, emissions from the following categories are reported:

- Fuel and energy related activities not included in Scope 1 or Scope 2
- Upstream transportation (import of goods)
- Waste generated in operations (excluding transport)
- Business travel (air, rail, bus, ship & automobile travel)

- Downstream transportation (export of goods)
- Purchased and delivered goods

Location of the origin (import) and destination (export) of goods was mostly provided on a country level, meaning that information about the exact location, e.g. city, was only available in a few cases. In the case that the location was not specified, the assumption was made that the origin or destination of the transport was from or to the capital of the country.

In addition, in Scope 1 and 2 related activities did not take into account renewable energy well-totank emissions, however these calculations will be added in future carbon footprint reports.

Scope 3 Overview

Company at a glance

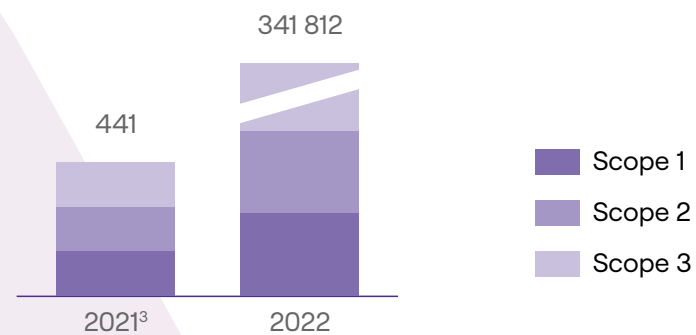
Sector: Foxway
Headquartered: Solna, Sweden
FTE(s): 1128
Revenues: 531 EURm
CSRD applicability: Yes (revenues >40EURm and >250 employees)

Foxway's service-as-a-software offering involves financing, refurbishing, re-deploying and end-of-life solutions for computers, tablets, phones, monitors, and general IT accessories. Through Foxway's circular business model, Foxway is a tech as a service company.

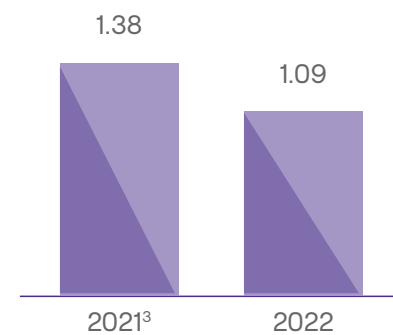
GHG Emissions overview

Total GHG footprint², (tCO₂e)

(Note that other measuring variables was used in 2021, therefore numbers should not be compared)

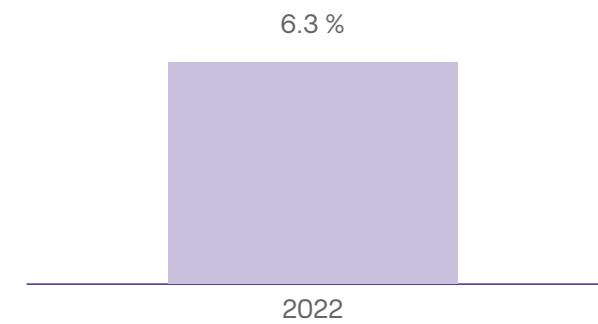


GHG intensity⁴, Scope 1 & 2, (tCO₂e/EURm)

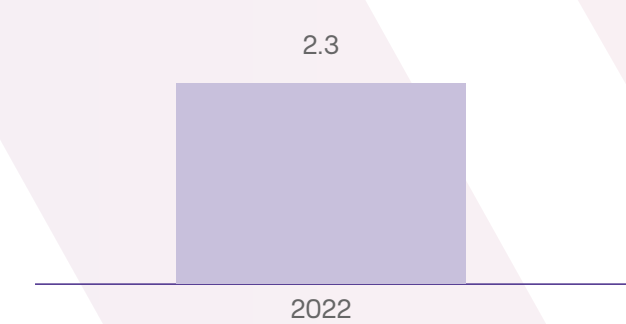


Insights into Scope 3 GHG Emissions

Financial carbon exposure⁵ (revenue impact, % of total)



Data quality score⁶ (4-point scale)



Scope 1 & 2 GHG emissions

- Scope 1 emissions are primarily derived from gas consumption at company locations in Estonia and Denmark.
- Non-renewable electricity procurement is the largest scope 2 contributor.

Scope 3 GHG emissions

- Purchases on behalf of customers and delivery of Tech products make up the absolute majority of Scope 3 emissions.

Improvement measures

- Ensure electrical power come from renewable sources.
- Increase the proportion of additional sales and handling of circular devices.

As defined by the internationally accepted corporate accounting and reporting standard: The Greenhouse Gas Protocol; ² The carbon footprint includes the GHG emissions CO₂, SF₆, CH₄, N₂O, HFCs, PCFS, and is usually expressed in equivalent tons of carbon dioxide (tCO₂e); ³ This is not a like-for-like comparison, as in 2021 only business air travel (scope 3, category 6) was accounted for amongst all material scope 3 sources; ⁴ Sums may vary by one digit due to rounding; ⁵ Based on an average 2022 carbon price of €80,- per tonne of CO₂ (Retrieved from Ember); ⁶ Average scores based on data quality (out of 4, with 4 indicating high data quality) per emission category.

Total GHG emissions overview

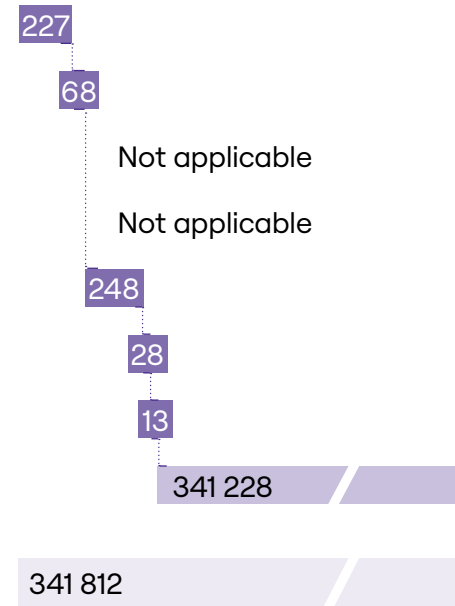
Reporting category¹

Scope 1	Direct GHG emissions that occur from sources that are owned or controlled by the company
Scope 2	GHG emissions from the generation of purchased electricity, heat or steam consumed
Scope 3	Indirect GHG emissions from value chain
Total estimate:	

Source category

- i. Stationary combustion
- ii. Mobile combustion
- iii. Process emissions
- iv. Fugitive emissions
- v. Electricity
- vi. District heating
- vii. Electricity (vehicle use)
- vii. Total Scope 3 (high-level estimate)

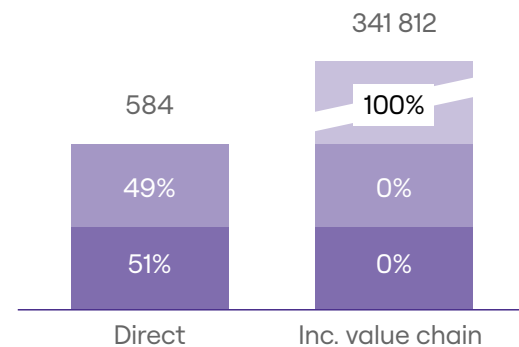
Footprint 2022 (tCO₂e)



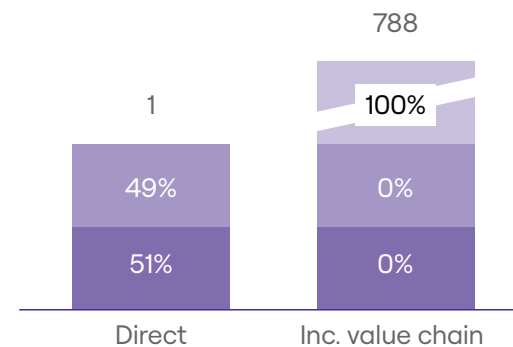
Description

- 112 464 m³ gas consumed by offices
- Based on 27 730 L of diesel & petrol consumption
- Based on non-renewable electricity consumption
- Based on district heating use in Sweden
- Based on electricity consumption of fleet vehicles
- Value chain emissions are mostly driven by capital goods⁷ and upstream transportation & distribution

GHG footprint, 2022 (tCO₂e)

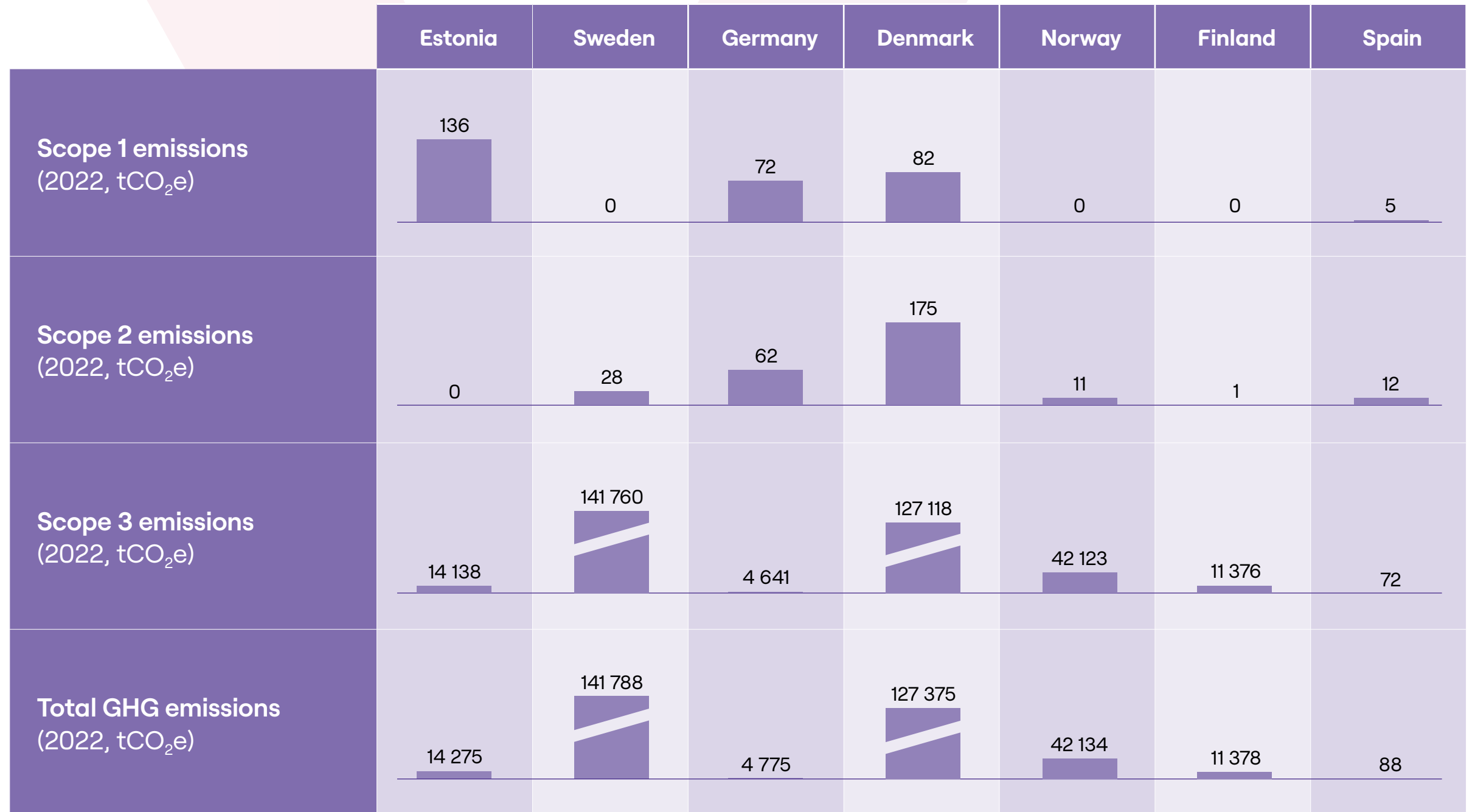


GHG intensity, 2022 (tCO₂e/EURm rev.)



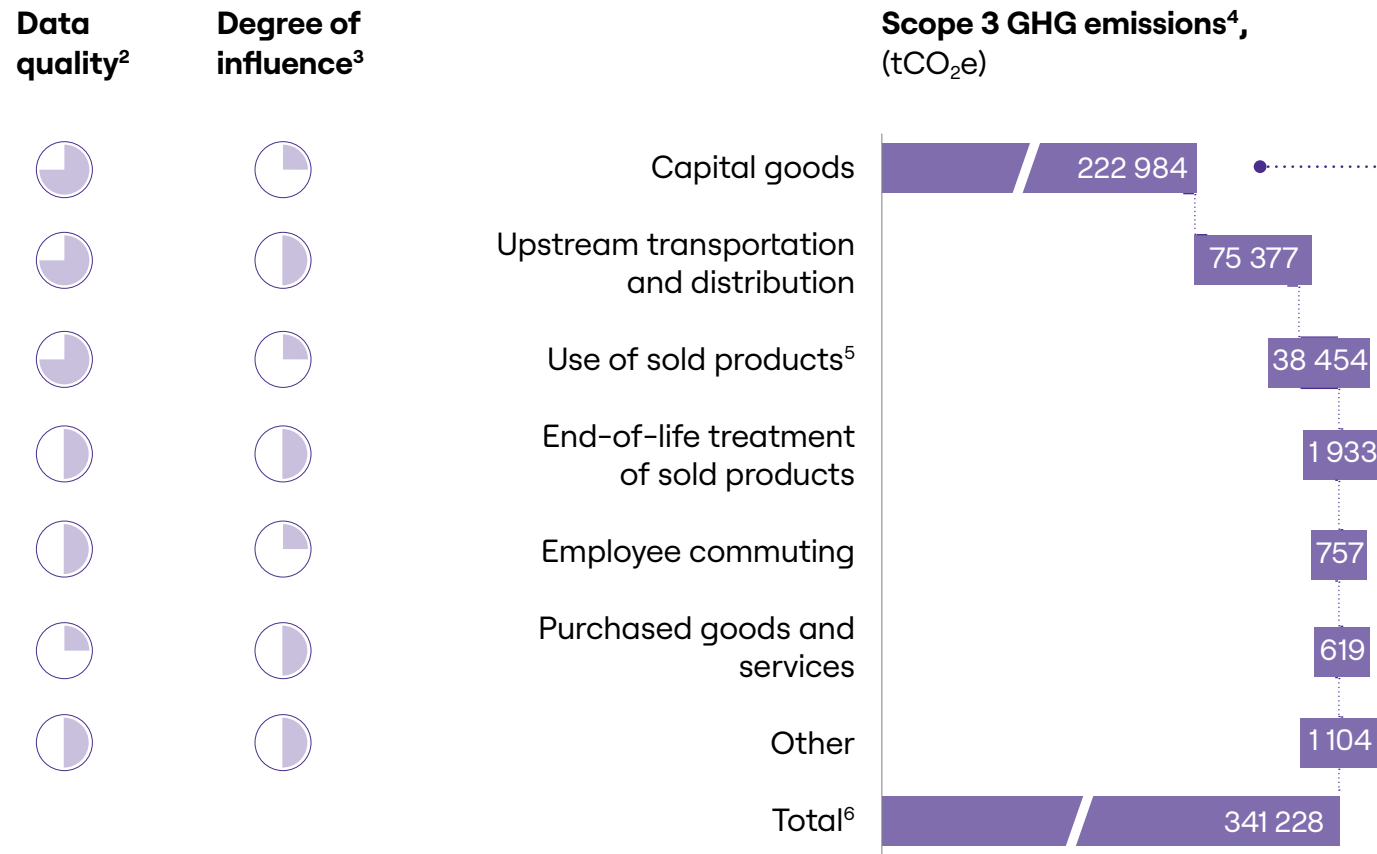
Scope 1
Scope 2
Scope 3

GHG Emissions Breakdown: Per location

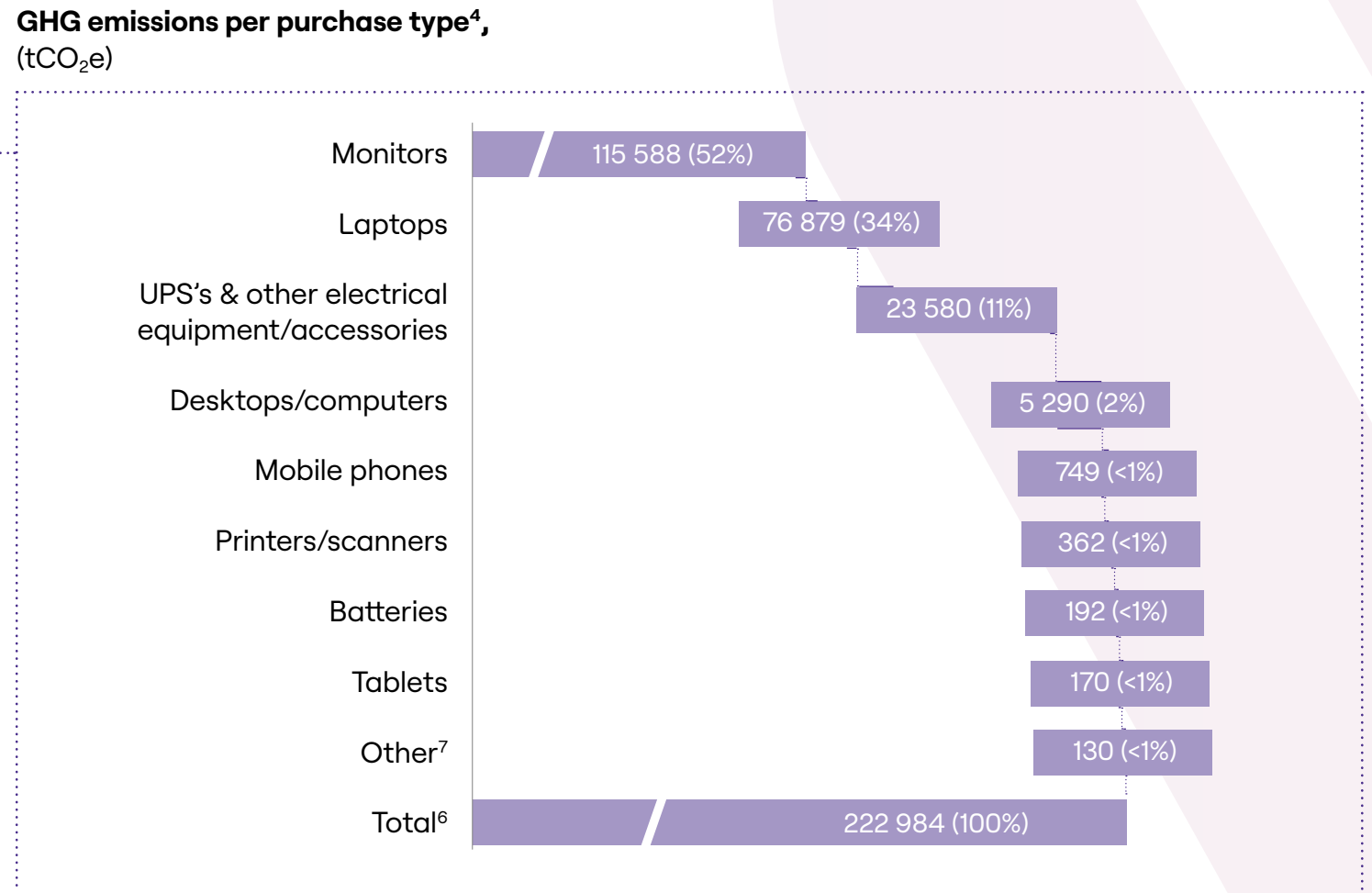


Scope 3 breakdown

Scope 3 footprint 2022 - Top emission categories¹



Breakdown of top emission category 2022



Main takeaways

- Foxway's scope 3 emissions are dominated by capitals goods, specifically due to purchased monitors, uninterruptible power supplies (UPS') and other electrical equipment. Emissions originating from upstream logistics and the electricity consumption of sold goods comprise 33% of Foxway's scope 3 emissions, comparable to the emissions associated solely with purchased monitors, which accounts for 34% of the scope 3 footprint.

¹As defined by the internationally accepted corporate accounting and reporting standard: The Greenhouse Gas Protocol; ²Indicates whether supplier specific (4/4), activity-based (3/4), spend-based (2/4), or estimation-based (1/4) data was used; ³Indicates how much control the reporting company has over the category of emissions generated, with 1/4 indicating little control and 4/4 indicating a high degree of control; ⁴The carbon footprint includes the GHG emissions CO₂, SF₆, CH₄, N₂O, HFCs, PCFS, and is usually expressed in equivalent tons of carbon dioxide (tCO₂e); ⁵Assuming 10kWh of average electricity use per month, per UPS; ⁶Values may differ by one digit due to rounding; ⁷Other electrical equipment includes desktops, keyboards, docking stations, and miscellaneous electrical equipment. Source: Greenhouse Gas Protocol, MJ Hudson analysis

Scope 3 Breakdown: Per location

Emissions per category¹
(2022, tCO₂e)

	Estonia	Sweden	Germany	Denmark	Norway	Finland	Spain
Purchased goods & services	1	0	586	0	27	0	4
Capital goods	4 009	108 843	2 696	100 772		6 663	
Fuel- & energy-related activities	152	6	26	39	3	0	4
Upstream transportation and distribution	214	28 523	10	3 259	39 463	3 873	36
Waste generated in operations	382	68	5	17	11	2	2
Business travel	94	131	35	87	13	5	23
Employee commuting	374	108	36	160	65	10	3
Use of sold products	8 590	3 814	1 222	21 591	2 446	790	
End-of-life treatment of sold products	321	266	25	1 193	96	32	
Total² (tCO₂e)	14 138	141 760	4 641	127 118	42 123	11 376	72

¹As defined by the internationally accepted corporate accounting and reporting standard: The Greenhouse Gas Protocol. Scope 3 categories with zero associated emissions are depicted as such; ²Values may differ by one digit due to rounding. Source: MJ Hudson assessment.

Scope 3 Materiality

Carbon footprint approach

- Companies are not merely responsible for emissions from own operations (Scope 1, or those from procured energy (Scope 2). They are also responsible for indirect emissions originating from their supply chain (Scope 3)
- In general, the majority of corporate emissions originate from Scope 3 sources. Although companies do not always have influence on these Scope 3 emissions, unquestionably at least part of these emissions can be avoided or reduced.
- The reported carbon footprint is in conformance with the GHG Protocol Scope 3 Standard
- The 'operational control' consolidation approach is used to identify which activities in the company's value chain are categorized as scope 1, 2 or 3.
- The organizational boundary of the company entails the full set of locations and subsidiaries under scope of the assessment.
- Material emissions categories are identified through an assessment of the industry's carbon exposure and a discussion with management.

Legend

- ✓ Material and assessed
- ✓ Material but not assessed
- ✗ Not material

Materiality

	Emission category ¹	Materiality	Type of data
S1	Stationary combustion	✓	Provided by company
	Fuels (diesel, petrol, natural gas)	✓	Provided by company
	Fugitive emissions from AC	✗	
	Other fugitive/process emissions	✗	
S2	Purchased electricity	✓	Provided by company
	Purchased heat	✓	Provided by company
S3	Purchased goods and services	✓	Quantity & value of goods
	Capital goods	✓	Quantity & value of goods
	Fuel- and energy-related activities	✓	Consumption data
	Upstream transportation & distribution	✓	Spend-based & supplier data
	Waste generated in operations	✓	Weight per waste stream
	Business travel	✓	Distance & spend-based data
	Employee commuting	✓	Distance travelled
	Upstream leased assets	✗	
	Downstream transportation & distribution	✗	
	Processing of sold products	✗	
	Use of sold products	✓	Electricity consumption
	End-of-life treatment of sold products	✓	Weight per waste stream
	Downstream leased assets	✗	
Franchises	✗		
Investments	✗		

As defined by the internationally accepted corporate accounting and reporting standard: The Greenhouse Gas Protocol.

Energy consumption

Continuous improvements in energy-related performance are sought throughout the company.

At least once a year each office documents specific improvements to reduce energy consumption and improve energy efficiency. Every country manages its own energy management by following the environmental policy urging that fossil-free energy should always be used when available.

Furthermore, we follow the local guidelines by the environmental department by country to minimize energy consumption.

Energy consumption expresses electricity and heating values, including the usage of natural gas for heating purposes. Natural gas consumption has been converted into

resulting energy power (MWh). The group site's energy intensity showcases clearly that Finland and Sweden have the lowest consumption per turnover, even though Spain has a lower energy consumption value in absolute numbers.

In 2022 the total energy consumption within the organization was 3 853 MWh and 112 thousand cubic meters of natural gas was used for heating in Denmark, Germany, and Estonia. Finland uses geothermal energy for heating as well as the new warehouse in Estonia, meaning that heating values are included in the energy consumption values, as geothermal heating needs electricity to operate.

Foxway did not generate any energy (electricity, heating, cooling, and steam) on its own for usage or selling.

Group energy intensity

(includes electricity and heating from all locations as disclosed below in total energy consumption)

Energy consumption (MWh)

3 852.84

Energy intensity (MWh/SEK)

0.64

Energy consumption per key country

	Denmark	Estonia	Finland	Germany	Spain	Sweden	Norway
Electricity (MWh)	409.00	1013.64	49.22	101.56	40.84	334.879	520.15
Non-renewable (MWh)	409.00	0	5.48	101.56	40.84	0	0
Renewable (MWh)	0	1013.64	43.74	0	0	334.879	520.15
Percentage of certified energy	0	100 %	89 %	0	0	100 %	100 %
District heating and cooling (MWh)	0	0	0	0	0	197.05	0
Renewable (MWh)	0	0	0	0	0	N/A	0
Percentage of certified energy	0	0	0	0	0	N/A	0
Gas consumption for heating (m ³)	31 257	63 807	0	17 400	0	0	0
Fossil fuels: petrol, diesel (litre)	7 979	2 890	0	15 000	1 861	22 857	2 695
Fuels from renewable sources	0	0	0	0	0	0	0

Energy from the fuel is used to transport goods between clients and the company. Foxway focuses on providing devices and communicating with clients directly without the use of intermediary vendors. In this way, the company has a better overview of the products and can arrange the take-back, repairs, and redirection to reuse old devices. This also decreases products' life cycle environmental impact as less energy is spent on transporting devices between different parties.

Foxway also utilizes a third-party solution integration through the ERP for logistic planning, called LogTrade. This system is commonly used to consolidate packages into one parcel which goes to the same receiver or postal code. Lowering the distances travelled also helps us lower transportation costs and environmental impact. Foxway only uses leading logistic partners with a high level of sustainability focus and a clear agenda to meet our climate targets. The partners have voyage efficiency and eco-driving principles in place.

Furthermore, for supplies Foxway recommends batch deliveries to reduce transport footprint. Foxway uses partners that use low-emission fuels and implement carbon emission reduction practices across their value chains. To reduce transport carbon emissions, Foxway aims to replace all the company cars with vehicles based on electric/hybrid operation. From 2023 the diesel that is used for internal transport will be replaced with renewable diesel reducing the carbon emissions from the internal transport of goods 90 %.

Waste management and water consumption

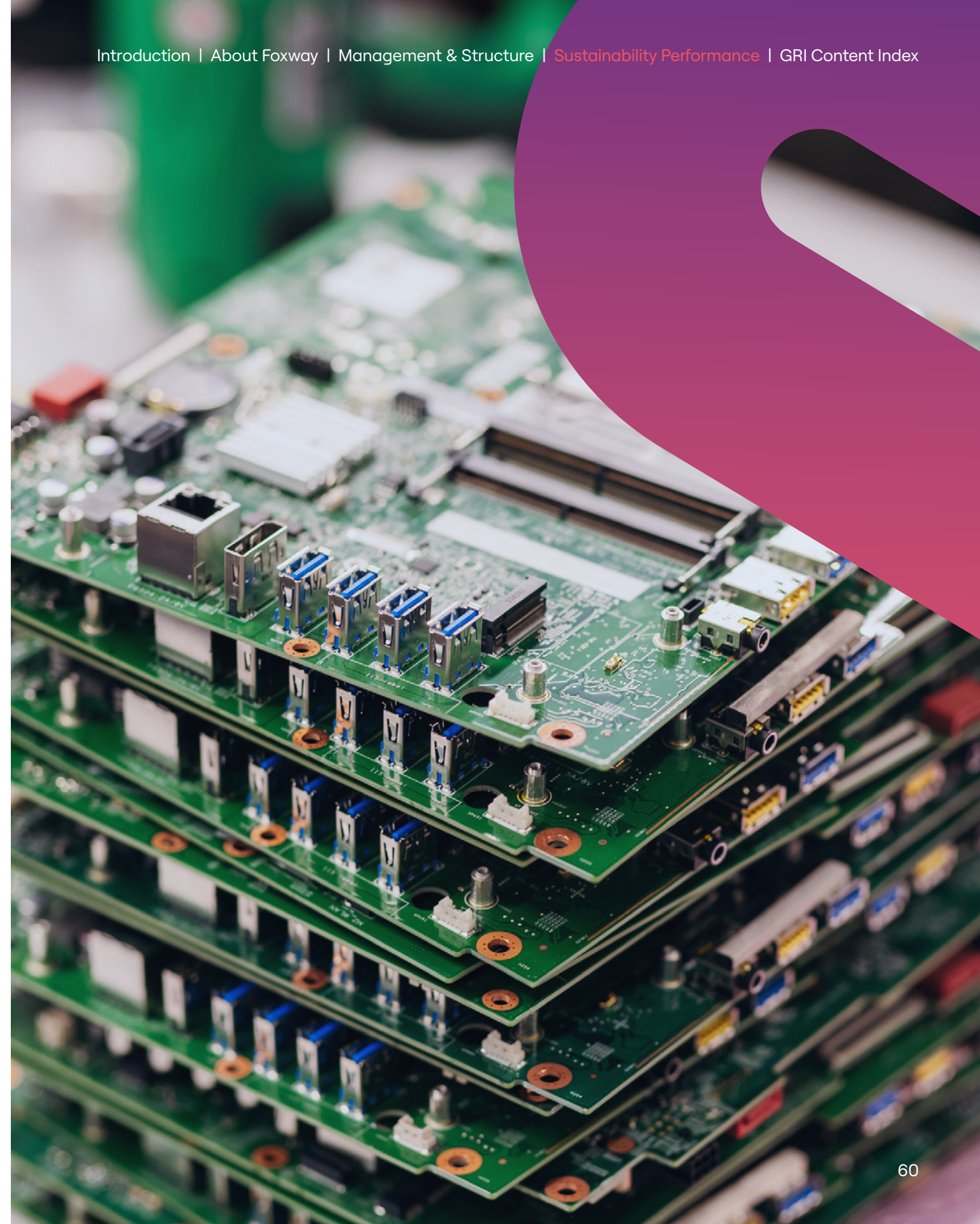
Electronic waste is harmful to both the environment and people if not properly disposed of. However, it is more profitable, energy efficient, and sustainable to reuse and recycle the components together and dispose of them as least as possible.

Foxway focuses on the sustainable and ethical management of electronic materials to replace the need for raw natural resources.

The mission is to have zero e-waste in a landfill. In 2022, less than 0.05 % of Foxway's waste ended up in landfill.

About 81 % of devices collected are repaired and sent to reuse on-site in Foxway and the remaining unusable 19 % is sorted and handed over to licensed waste recyclers for raw material recovery.

We are constantly searching for partners with better practices in recycling the waste we cannot reuse.



Water consumption and waste produced 2022

	Denmark	Estonia	Finland	Germany	Spain	Sweden	Norway
Water consumption (in m³)	541.00	2 473.00	47.00	370.00	159.00	457.00	100.00
Waste (in tons)	53.28	331.15	14.20	23.00	3.67	145.01	27.75
Non-hazardous waste generated	53.28	241.27	14.20	23.00	3.67	127.15	27.75
Non-hazardous waste reused	0	20.51	0	0	0	0	0
Non-hazardous waste recycled*	50.11	192.89	13.30	15.00	N/A	65.00	12.75
Non-hazardous waste recovered	3.17	27.97	0.90	8.00	3.67	62.15	15.00
Non-hazardous waste disposed	0	0	0	0	0	0	0
Hazardous waste generated	0	15.00	0	0	0	17.86	0
Hazardous waste reused	0	0	0	0	0	0	0
Hazardous waste recycled	0	89.88	0	0	0	17.86	0
Hazardous waste recovered	0	0	0	0	0	0	0
Hazardous waste disposed	0	0	0	0	0	0	0

N/A - not available, * Including sorted bio-waste

In 2022 Foxway generated 599 tons of waste of which 491 tons (82 %) were non-hazardous, and 108 tons (18 %) were hazardous waste. Only output waste is included in the data, excluding the processes that are taking place in Foxway facilities e.g. devices that are refurbished for reuse and packaging that is reused by Foxway. The main waste generated is electronic waste that cannot be reused or repaired. That waste is sorted into relevant categories and handed over to a licensed waste recycler for raw material recovery. All sorting and dismantling that we are qualified to do are done on-site. Complex recycling and recovery processes of raw materials are made by third-party partners. All the waste handed over to our partners is reused or recycled in the EU or Japan.

The hazardous waste consists mostly of old batteries and circuit boards that can contain toxic metals such as mercury and lead. In addition, a small number of packages and residues of chemicals are left over from the use in our refurbishing process. For chemicals, we follow the manufacturer's requirements for personal protective equipment, train our employees in the use of chemicals and instruct them in the use of personal protective equipment. Hazardous e-waste is sorted and handed over to a licensed waste processor specialized in recycling the specific e-waste. Residues of chemicals and their packages are processed or incinerated by a company licensed and specialized in hazardous waste processing.

Foxway performs an annual assessment of environmental aspects, which looks at how we can reduce the industry's negative environmental impact.

Work environment

Employment and diversity

Foxway Code of Conduct was updated in 2022. The training was done for all employees to create mutual understanding and identify possible grey zones.

1300 employees (headcount) work at Foxway on a group level.

Foxway employees based on employment type:

Data presented in the table is in full-time equivalents (FTE)

Employee data was compiled from HRM and payroll systems. There are 10 non-guaranteed hours employees in Foxway. 7 of them are female and 3 male employees.

	Foxway total			Sweden			Finland			Spain			Norway			Denmark			Estonia			Germany		
	Tot	F	M	Tot	F	M	Tot	F	M	Tot	F	M	Tot	F	M	Tot	F	M	Tot	F	M	Tot	F	M
Full-time employees	1077.3	324	753.3	268	73	195	20	3	17	24	7	17	72	33	39	114	13	101	538	195	343	41.3	0	41
Part-time employees	14.3	6.3	8	3	0	3	1	0	1	0	0	0	0	0	0	2	0	2	6	4	2	23	23	0
Permanent employees	1063.9	318.7	745.2	249	63	63	21	3	18	24	7	17	72	33	39	115	13	102	541.6	197.4	344.2	41.3	2.3	39
Temporary employees	42	17	25	22	11	11	0	0	0	0	0	0	13	5	8	2	1	1	5	0	5	0	0	0

Last year there were a total of 52 workers (FTE) who were not employees but whose work was controlled by Foxway.

These workers were mostly consultants in different fields who performed tasks like software development, key account management, and employee hiring. All works were agreed upon through cooperation agreement contracts. There weren't any significant fluctuations in the number of employees or workers who are not employees during the reporting period and between reporting periods.

Foxway employs 25 people with a disability.

When appointing managerial positions, we strive to always reward the under-represented gender with equal qualifications, to even out differences between the genders. When working with recruitment companies, our requirement is that at least one female final candidate is presented for each male final candidate.

Board diversity policy got approved in 2021 that includes objectives such as:

- No less than 40 % female representation on the board
- Members need to be at least from 2 nationalities
- Members need to together have experience in IT, finance, and company development

To avoid conflict of interest, two of the board members (40 %) are independent board members without any significant ownership.

Employee diversity

	Foxway total	Sweden	Finland	Spain	Norway	Denmark	Estonia	Germany
Female	31 %	27 %	14 %	29 %	46 %	11 %	38 %	10 %
Male	69 %	73 %	86 %	71 %	54 %	89 %	62 %	90 %
Age under 30	46 %	41 %	33 %	17 %	21 %	26 %	60 %	5 %
Age 30-49	47 %	49 %	52 %	63 %	69 %	45 %	38 %	90 %
Age over 50	7 %	10 %	14 %	21 %	10 %	29 %	2 %	5 %

Diversity of the board (percentage and number)

	Board members	Management group members
Women	40 % (2)	22 % (2)
Men	60 % (3)	78 % (7)
Age under 30	0 % (0)	0 % (0)
Age 30-49	20 % (1)	67 % (6)
Age over 50	80 % (4)	33 % (3)

New employee hires and employee turnover

Ratio of basic salary and remuneration average throughout Foxway is 81 %. This data was gathered through an annual salary survey. Salary and remuneration are reviewed and compared against market data every year.

The highest compensated individual in Foxway received 746 % of compensation compared to median employee compensation excluding the highest compensated individual.

On average during 2022 ratio of women to men production employees' total salary (including bonuses) was 65 % and the ratio of women to men office/administrative employees' total salary (including bonuses) was 77 %. In the table below are ratios at country level. There were no female production employees in Finland and Germany. The data was gathered primarily from payroll systems and monthly salary reports.

	Foxway total	Sweden	Finland	Spain	Norway	Denmark	Estonia	Germany
Employee turnover	29 %	26 %	19 %	21 %	23 %	4 %	36 %	10 %
New female employees	148	26	0	1	8	5	108	0
New male employees	255	54	5	4	9	19	160	4
New employees age under 30	267	47	0	1	7	16	195	1
New employees age 30-50	125	27	5	4	9	6	72	2
New employees age over 50	11	6	0	0	1	2	1	1

Data presented in the table is based on headcounts (as of 31.12.2022)

Ratio of total salary of women to men (incl. bonuses)

	Sweden	Finland	Spain	Norway	Denmark	Estonia	Germany
Production employees	81.8 %	N/A	61.6 %	75.7 %	190.4 %	83 %	N/A
Office/administrative employees	87.7 %	95.5 %	73.4 %	55 %	94.6 %	63.4 %	36.3 %

Data presented in the table is based on total salary and total headcounts of 2022

Employee well-being

We see that employee involvement practices play a huge role in increasing employee well-being and employer brand. We want to have high employee engagement as it has an impact on the overall results for Foxway, the team performance, and the individual contribution and commitment.

So, in 2022 we focused on engaging all employees under Foxway group, identified a new mission and vision, and focused on the implementation of our core values that connects all of us. Together with our leaders, we had a workshop to design Foxway culture and the outcome of that will be presented as our culture playbook. This also helped to develop value-based and inclusive management principles and criteria. To create high engagement, we need to have:

- An inclusive and customer-focused culture.
- We should be known for value-driven leadership, where our leaders act as role models.
- Diversity and inclusion across all operations. All employees should feel that they are seen, appreciated, and respected for who they are. During 2022 we did not have any reported incidents related to discrimination or inclusions.
- We will attract and recruit the talents that care about realizing our vision.
- Develop a growth mindset as one of the core components in our DNA as well as facilitate and emphasize curiosity and learning.
- Everyone who works with us should feel healthy and be able to have balance in life. We shall ensure equal and competitive remuneration within the framework of our remuneration policy.

Milestones with an action plan have been set for this year in order to implement these across the entire group for developing a uniform approach. These consist of different training sessions for employees and developing strategies together with initiatives to boost diversity, inclusion, leadership, value-driven workplace, and fair remuneration.

Employee engagement and information sharing have become more systematic in the previous year. To improve the feedback culture and boost personal development we are implementing a standardized performance management approach throughout the company. The process consists of performance reviews, goal setting, and performance dialogue between manager and employee. In addition, we are holding one-on-one engagement sessions with all employees each year with at least one being a minimum. There are also regular company review meetings with the CEO and employees. On the division level general meetings take place every month.

For better employee engagement a new HRM (Human Resource Management) system was implemented that allows people to connect based on their hobbies and interests and share recognition and wins. It also helps us to get a full picture of the organization and

create standardized processes and approaches throughout the organization. In parallel, we are developing our intranet where we share companywide news for all employees and leaders. On these platforms, everyone has a chance to have a say and give feedback about what is going on in the company.

Twice a year we do employee engagement and well-being surveys with all permanent employees. This also considers social factors such as working hours, fair payment, and working environment. Employee engagement survey results were

70 % in Sweden, Norway and Finland

75 % in Denmark

76 % in Spain

46 % in Germany

67 % in Estonia

The average total being 71 % across the group. The response rate for the survey was remarkably 86 %. Based on the survey results the identified focus areas for future improvements are:

- Leadership development
- One Foxway culture
- Working with the results throughout the organization to really understand the feedback
- Employee well-being, feedback & recognition

Our goal is to reach a 78 % group average well-being score in the next 3 years. Actions that helped our employees to manage stress in 2022:

- Different webinars with external speakers talk about health, parenting, and the importance of a good sleeping routine.
- Established health months tradition twice a year, together with the activity challenge.



The group-wide whistleblowing policy was implemented and cooperation with an external whistleblowing partner was started in 2022. Reporting about incidents is encouraged and matters that are raised get investigated by the whistleblowing committee. It is prohibited to retaliate against people who report or participate in these investigations.

Equal employment opportunities are provided for everyone to promote a respectful working environment.

74 % of employees are covered by collective bargaining agreements in Sweden, in Finland and Spain 100 %, and 1 % in Norway. Overall, 23 % of employees are covered in Foxway.

We compensate for extra or atypical working hours. Collective bargaining agreements are not demanded by the law in all Foxway locations. In countries or legal entities where employees are not covered by collective bargaining agreements, the working conditions are fixed based on local employment law and take into account industry trends.

Employee development

To drive employee competence, an extensive training and development program is in place. Each employee can participate in the courses in an e-learning platform. New employees have a buddy to help them familiarize themselves with the company and benefit from an extensive onboarding program.

- **The average time spent on training female administrative employees was 4.1 hours and male administrative employees were 3.19 hours.**
- **The average time spent on training female production employees was 3.3 hours and male production employees were 8.1 hours.**

In 2022 training plans we focused a lot on health and safety, Foxway culture and values and sustainability topics. A new sustainability e-learning course was launched in the e-learning environment.

Group-wide “Share & Care” program continued, consisting of presentations and workshops for all employees by Foxway’s own employees and also external speakers. One of its main purposes was to provide a networking platform in order to promote integrity amongst Foxway’s employees and raise awareness about health topics and work-life balance. Gatherings took place in a hybrid setting that enabled everyone to participate. These sessions will continue to be 1-3 times per quarter. Our plan is to start with a leadership development course to educate Foxway leaders and create a strong basis for our future growth.

“ Learning and developing ourselves is part of our DNA. We continually strive to improve ourselves – this keeps us focused. Finding and retaining talent is becoming more and more complex nowadays, and therefore having a strategic approach to employee development is crucial. ”

Annika Ploom
CHRO at Foxway

Occupational health & safety

The health and safety of employees are a high priority to Foxway as the goal is to have zero workplace injuries.

Working condition discussions are included in individual communication sessions that take place at least once a year with all employees.

We train our employees to create a safe working environment, including on the use of chemicals, first aid and instruction in the use of personal protective equipment. Precaution measures are in place to avoid injuries and to promote safety. To ensure a safe working environment, health and safety officers are appointed in every department, regular health and safety meetings are held and internal health and safety audits are carried out.

The short-term absenteeism rate was 5.5 % and long-term absenteeism was 2.6 % in 2022.

All accidents are reported to the Human Resources department. After each registered accident, an investigation is conducted by appointed health and safety officers to determine areas of improvement for minimizing repeat injuries. Additional guidance and training is given to employees to ensure safer working practices. In Germany, this task is given to an external consulting company that controls site safety twice a year. After which, an overview of safety risks is given, and measures are taken to eliminate identified high-risk situations.

Work-related injuries in 2022:

- 0 fatalities from work-related injuries.
- 0 high-consequence work-related injuries (excluding fatalities)
- 3 work-related accidents resulted in sick leave

1.03 recordable work-related injuries per 200 000 hours worked (total working hours 2022 in Foxway 1927718.94)

The main type of injuries were finger cuts due to exposure to sharp objects present in electrical equipment. As a result of the internal investigation after the accidents both the employees and leaders have received additional training to prevent similar accidents moving forward.

Responsible business practice

In 2022, the audit program continued to update and improve the ESG management and principles inside the company including auditing environmental impacts and code of conduct compliance.

Foxway works with a diverse sphere of customers, suppliers, partners, and other stakeholders. We recognize that each entity in this value chain has its own independent duty to respect human rights. We expect them to adhere to ethical business conduct, consistent with our own. We are committed to working with our external partners and stakeholders to fulfill this common goal.

Foxway has officially published its internal and suppliers' Code of Conduct. We have educated and walked through this with all coworkers, as well as communicating and highlighting this to all our major suppliers. In this process, we also share the link to our whistleblowing mechanism and channel, open for both external and internal people to report any misconduct.

The Code of Conduct applies to all employees and directors of the company including subsidiaries and majority-owned joint ventures, sales representatives, agents, and others who act on Foxway's behalf.

The supplier code of conduct is the minimum requirement set for all suppliers of Foxway and it is agreed upon before entering any supplier partnership. All our policies and reports are made public on Foxway's [website](#).



The immediate superior or the CEO of the company is responsible for answering any questions relating the code of conduct. All employees have performed an education and walkthrough of the Code of Conduct and relevant policies.

Furthermore, each manager has received an extended responsibility to manage the parts of policy related to his team and operations. We have included responsible business practices and policies in our sustainability education that all employees will participate in during 2023.

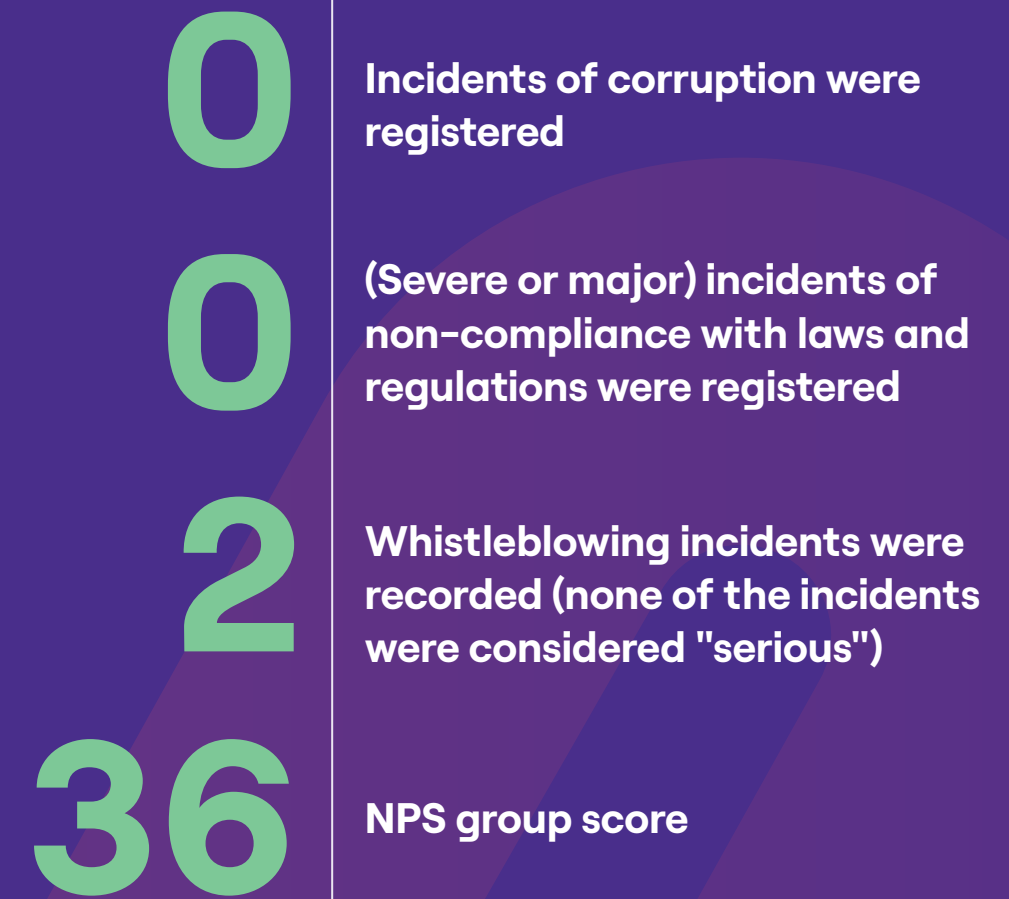
Foxway follows laws and regulations. During 2022 we didn't have any sanctions, fines or complaints about our operations. Our goal is to be one step ahead of our obligations to do more than is expected from us and boost positive impacts.

Many of our end customers and partners use standardized penalties and high-standard SLAs on all levels of services from Foxway. We are measured on a regular basis. During follow-up meetings and reporting of service deliveries, the grievance mechanisms are discussed as a regular part of the agenda. Not only are the services measured automatically but also through ITSM systems and helpdesk services.

Foxway has implemented the NPS methodology (Net Promoter Score) related to all stakeholders. The measurement is a good method to explore the management and performance related to negative impact and feedback.

The targets for Foxway are aiming for the best score in our industry. Further, every customer with recurring contact has an assigned account manager.

Key results of 2022:





Sustainable supply chain

Foxway aims to be an industry leader in sustainability. By focusing on embedding ESG principles within its own operations and supporting companies across the value chain to tackle wider societal and environmental problems together.

We work with partners and suppliers who share our values in terms of social, environmental, and ethical standards of conduct.

The cross-group Supplier Code of Conduct was reviewed in 2022. From hereafter, Foxway’s most significant suppliers and partners are structurally monitored via supplier assessments following our supplier code of conduct. In 2022 all our 184 top suppliers were assessed for social and environmental impacts. No supplier was identified as having a significant actual or potentially negative social or environmental impact. 55 % of new suppliers (in number) were screened using environmental and social criteria, nevertheless >95 % of business volume was screened. A new process was implemented in 2022 so that all the new suppliers will be assessed going forward.

In 2022, we started evaluating our smaller suppliers through an online supplier assessment questionnaire and plan to continue this in the coming years. In the assessment, we follow up on the Supplier Code of Conduct requirements to be met by the reports, policies, and work performed by the supplier and officially presented.

Typical indicators are membership in the UN global compact, RBA, RMI, RLI, RFI mentioned above plus other official reports related to their CSR (Corporate social responsibility work). All public data from our suppliers related to human rights, conflict minerals, and factory security has been validated related to our supplier CoC.

Data security & privacy

Foxway regards its information, including that of its clients, and its information systems, as valuable assets. These assets are fundamentally important to Foxway's business operations and are carefully guarded and preserved. We understand the importance of guarding the information we hold from evolving threats and continually work to enhance the information protection frameworks already in place.

Foxway takes a holistic approach to information protection, which means that technical and operational measures (based on security policies as well as technology standards) go hand in hand. Everyone within Foxway has a role to play in information protection at Foxway.

Beholden to its contractual obligations, Foxway has a responsibility to keep its clients' and its own data safe and, to that end, has implemented group-wide policies and established a group-wide Enterprise IT team. These are foundational elements of how Foxway supports its teams in the delivery of client services.

Foxway also includes provisions in its supplier agreements incorporating applicable information security requirements and requires its suppliers to confirm their compliance with these. Depending on the nature of the supplier's work and the sensitivity of the information provided to the supplier, Foxway evaluates its supplier's compliance with information security requirements using internal and third-party resources.





Actions that have been taken to minimize IT security risks:

- **Definition of Information Security policies at Foxway Group level**
Foxway Group Information Security Policy clauses are directly aligned with ISO 27001:2013 controls and represent the minimum information security baseline expected for all Foxway entities to achieve and maintain their IT Operations.
- **Definition of an Enterprise Risk Management Framework**
The mandate of Enterprise Risk Management (ERM) is to promote risk-informed decision-making and support the effective execution of Foxway's strategic and business plans by implementing a group-wide risk management framework.
- **Continuous supplier security assessment through Panorays platform**
The Panorays platform gives visibility into and controls over third-party security risk through automated vendor questionnaires, assessment of a third-party's external attack surface, and the nature and criticality of the business relationship. The platform also checks vendor compliance with multiple regulations, including the European Union's General Data Protection Regulation (GDPR).
- **Continuous Information Security Awareness training through Nimblr platform**
Web-based weekly security awareness modules for all Foxway employees with attendance records. The platform also provides simulated phishing attempts.

Goals, targets, and initiatives for the future:

- Increase employee awareness of cyber security.
- Have zero IT security breaches and a good reputation regarding IT security.
- Shift Foxway entities' ISO 27001 certifications to a Foxway Group multi-site certification.
- Foxway bug bounty program (in partnership with YesWeHack)

Foxway private program submitted to a specific number of researchers, not subject to external communication. Selected experts will test Foxway platforms within a defined perimeter and will be rewarded for each discovered vulnerability, according to its severity and the quality of the report provided.

IT security and privacy in 2022:

0

Security breaches or hacking incidents were identified

1

External complaints were received concerning breaches of customer privacy

0

Complaints from regulatory bodies concerning breaches of customer privacy.

Foxway uses different system providers as partners for interacting with clients and thus all complaints are first directed to them. We are always ready to delete customer data and deal with data privacy concerns. Client data exchange with our business partners is increasingly shared through using ID codes for sharing as minimal information as possible for doing business.

04

GRI

Content index

Statement of use	Foxway has reported in accordance with the GRI Standards for the period 1/1/2022 – 31/12/2022
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None apply

GRI Standard	Disclosure	Location (name of chapter)	Omission		
			Requirement(s) omitted	Reason	Explanation
				1 - Not applicable 2 - Legal prohibitions 3 - Confidentiality constraints 4 - Information unavailable/incomplete	

Discussions

GRI 2: General Disclosures 2021	2-1 Organizational details	'Reporting parameters' (p. 83)			
	2-2 Entities included in the organization's sustainability reporting	'Reporting parameters' (p. 83)			
	2-3 Reporting period, frequency and contact point	'Reporting parameters' (p. 83)			
	2-4 Restatements of information	'Reporting parameters' (p. 83)			
	2-5 External assurance	'Reporting parameters' (p. 83)			
	2-6 Activities, value chain and other business relationships	'About Foxway' (pp. 10-11)			
	2-7 Employees	'Work environment' (p. 62)			
	2-8 Workers who are not employees	'Work environment' (p. 63)			
	2-9 Governance structure and composition	'Management and structure' (pp. 26-27)	2-9-c	4	
	2-10 Nomination and selection of the highest governance body	'Work environment' (p. 63)			

GRI 2: General Disclosures 2021	2-11 Chair of the highest governance body	'Management and structure' (p. 26)			
	2-12 Role of the highest governance body in overseeing the management of impacts	'Management and structure' (p. 26)			
	2-13 Delegation of responsibility for managing impacts	'Management and structure' (p. 26)	2-13-b	4	ESG governance to be formalized
	2-14 Role of the highest governance body in sustainability reporting	'About this report' (p. 2)			
	2-15 Conflicts of interest	'Management and structure' (p. 26)	2-15-b	4	
	2-16 Communication of critical concerns	'Management and structure', 'Employee well-being' and 'Responsible business practice' (pp. 26, 67, 71)	2-16-a	4	ESG governance to be formalized
	2-17 Collective knowledge of the highest governance body	'Management and structure' (p. 26)	2-17-a	4	
	2-18 Evaluation of the performance of the highest governance body	'Responsible business practice' (p. 70)	2-18-a 2-18-b 2-18-c	4	
	2-19 Remuneration policies	'Management and structure' (p. 26)	2-19-a 2-19-b	4	
	2-20 Process to determine remuneration	'Management and structure' (p. 26)	2-20-a 2-20-b	4	
	2-21 Annual total compensation ratio	'Employment and diversity" (p. 64)	2-21-b	4	
	2-22 Statement on sustainable development strategy	'Message from our CEO' (p. 4)			
	2-23 Policy commitments	'Responsible business practice' (p. 70)			
	2-24 Embedding policy commitment	'Responsible business practice' (pp. 70-71)			

GRI 2: General Disclosures 2021	2-25 Processes to remediate negative impacts	'Responsible business practice' (p. 70)	2-25-a 2-25-b 2-25-c 2-25-d 2-25-e	4	ESG processes to be improved
	2-26 Mechanisms for seeking advice and raising concerns	'Responsible business practice' (pp. 70-71)	2-26-a	4	
	2-27 Compliance with laws and regulations	'Responsible business practice' (p. 71)			
	2-28 Membership associations	'Sustainability frameworks and memberships' (p. 38)			
	2-29 Approach to stakeholder engagement	'Stakeholders of Foxway' (p. 33)			
	2-30 Collective bargaining agreements	'Employee well-being" (p. 67)			
Material topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	'Sustainability in Foxway' (pp. 29-30)			
	3-2 List of material topics	'Sustainability in Foxway' (p. 29)			
Anti corruprion					
GRI 3: Material Topics 2021	3-3 Management of material topics	'Sustainability in Foxway' (p. 30)			
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	'Responsible business practice' (p. 71)			

Materials					
GRI 3: Material Topics 2021	3-3 Management of material topics	'Management of key material themes' (p. 41)			
Energy					
GRI 3: Material Topics 2021	3-3 Management of material topics	'Energy consumption' (pp. 58-59)			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	'Energy consumption' (p. 59)			
	302-3 Energy intensity	'Energy consumption' (pp. 58)			
Emissions					
GRI 3: Material Topics 2021	3-3 Management of material topics	'Climate impact' (pp. 50-51)			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	'Climate impact' (pp. 53-54)			
	305-2 Energy indirect (Scope 2) GHG emissions	'Climate impact' (pp. 53-54)			
	305-3 Other indirect (Scope 3) GHG emissions	'Climate impact' (pp. 54-56)			
	305-4 GHG emissions intensity	'Climate impact' (p. 52)			
Waste					
GRI 3: Material Topics 2021	3-3 Management of material topics	'Waste management and water consumption' (pp. 60-61)			

GRI 306: Waste 2020	306-3 Waste generated	'Waste management and water consumption' (p. 61)			
	306-4 Waste diverted from disposal	'Waste management and water consumption' (p. 61)			
Supplier environmental assessment					
GRI 3: Material Topics 2021	3-3 Management of material topics	'Sustainable supply chain' (p. 72)			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	'Sustainable supply chain' (p. 72)			
Employment					
GRI 3: Material Topics 2021	3-3 Management of material topics	'Employment and diversity' (pp. 63-64)			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	'Employment and diversity' (p. 63)	401-1-a 401-1-b	4	
Occupational health and safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	'Occupational health and safety' (p. 69)			
GRI 403: Occupational Health and Safety 2018	403-9 Work-related injuries	'Occupational health and safety' (p. 69)			
Training and education					
GRI 3: Material Topics 2021	3-3 Management of material topics	'Employee development' (p. 68)			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	'Employee development' (p. 68)			

Diversity and equal opportunity					
GRI 3: Material Topics 2021	3-3 Management of material topics	'Employment and diversity' and 'Employee well-being' (pp. 62-65)			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	'Employment and diversity' (p. 63)			
	405-2 Ratio of basic salary and remuneration of women to men	'Employment and diversity' (p. 64)			
Non-discrimination					
GRI 3: Material Topics 2021	3-3 Management of material topics	'Employment and diversity' and 'Employee well-being' (pp. 62-65)			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	'Employee well-being' (p. 65)			
Supplier social assessment					
GRI 3: Material Topics 2021	3-3 Management of material topics	'Sustainable supply chain' (p. 72)			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	'Sustainable supply chain' (p. 72)			
Customer privacy					
GRI 3: Material Topics 2021	3-3 Management of material topics	'Data security and privacy' (pp. 73-75)			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	'Data security and privacy' (p. 75)			

Reporting parameters

Legal name	Foxway Group AB
Org.nr	559185-5688
NACE sector code	G46.5.2 - Wholesale of electronic and telecommunications equipment and parts
Location of headquarters	Evenemangsgatan 21, Solna, Sverige
Nature of ownership	Privately owned Ltd, owned by Norvestor a leading Norwegian private Equity fund, the founders, the leadership team and a number of employees.
Countries of operations	Sweden, Norway, Finland, Estonia, Denmark, Germany, Spain, UK
Reporting period	1/1/2022 – 31/12/2022
Publication date of the report	March 2023
Contact point for questions about the report	Stefan Nilsson, Director of ESG and Chief Strategy Officer at Foxway phone: +35 1927768811 email: stefan.nilsson@foxway.com

This report includes aggregated information about all entities under Foxway Group AB if not otherwise stated, please note that the UK entity Global Resale was added at end of 2022 and is therefore excluded from this report. There are no restatements of information regarding previous reporting periods.

This report has been approved by the board of Foxway:



Jörgen Berg, Styrelseordförande, Foxway
27 February 2023, Stockholm



Martin Backman, CEO, Foxway
27 February 2023, Stockholm



Foxway.com
hello@foxway.com