

A photograph of a man and a young girl in a park. The man is on the left, smiling, wearing a grey jacket. The girl is on the right, leaning her head on his shoulder, wearing a purple jacket with a circular logo on the sleeve. The background is a blurred park with trees and sunlight. A red diagonal shape is in the bottom left corner.

autocirc

SUSTAINABILITY REPORT 2024

Sustainability Report 2024

As the world's population grows, so does the need for transportation, vehicles, and repairs. At Autocirc, we work towards a sustainable solution to meet this. In this report, we share our progress in creating a circular auto parts industry. With transparency as our foundation, we invite you to learn how we are facing challenges, aligning with EU taxonomy classifications, and inspiring change across our industry.

Sustainability Report

This Sustainability Report constitutes the Sustainability Report in accordance with Chapter 6, Section 6 of the Swedish Annual Accounts Act. It is the Board of Directors that is responsible for the sustainability report. The report includes all companies for the group.

A word from our ESG & Quality Manager
Taxonomy
CSRD
KEY DATA Autocirc Group
On a sustainable basis/Governance
People and Culture
Auditor's statement

ESG & Quality Review

Transparency and efficiency as guiding principles

ESG & Quality Manager
Hanna Wadsten



In 2024, we invested in our ability to track, visualise, and analyse our sustainability efforts across the entire Group. This enables us to reduce our emissions and deliver high-quality reporting in line with complex regulations.

How would you describe Autocirc's 2024 from your perspective as ESG & Quality Manager?

We have laid the groundwork to take the next step in our journey towards a circular transition. A new data management and reporting system was rolled out this year, providing us with precise tools to monitor emissions across the Group. With more detailed data and enhanced visualisation of our internal emissions, identifying opportunities to reduce emissions becomes easier. At the same time, it strengthens our foundation for transparent, high-quality reporting, which is critical to meet both the legislation we are subject to and the expectations of partners and stakeholders.

In what ways is Autocirc a more sustainable Group today compared to a year ago?

We are constantly raising our ambitions and are pleased to see a positive trend when analysing measurable data – for instance, how we are contributing to the Paris Agreement. Our internal carbon intensity is decreasing, which is clear evidence that we are on the right path. Alongside this, we have refined our taxonomy calculations and are proud to report that 65% of our 2024 turnover aligns with the taxonomy. Over the past year, we have worked hard to ensure compliance with minimum safeguard requirements and introduced measures to align our financial activities with the taxonomy's sustainability goals. This also reassures investors that our operations are driving the green transition. Beyond the environment, we have dedicated significant effort to other ESG areas, with social issues and governance taking centre stage through updated policies and internal training. For example, we have revised our Code of Conduct and carried out an ambitious policy review, covering areas like HR, fair competition, anti-corruption, information, and IT.

How have developments in the industry and society influenced your sustainability efforts?

We are seeing a trend where production is moving closer to markets, reinforcing our position as a reliable partner in Europe.

"Our internal carbon intensity is decreasing, which is clear evidence that we are on the right path."

Meanwhile, insurance companies are pushing for sustainability in our sector, and we are a vital link in helping them meet their climate ambitions. Through our collaboration with RISE on The Circular Car project, we're also demonstrating how the industry can act collectively to move forward. Stakeholders from across the automotive value chain are involved, aiming to accelerate the circular transition. Transport accounts for nearly a third of Sweden's greenhouse gas emissions, and we are proud to be part of this ambitious initiative to reduce the industry's climate impact.

How are you working with your internal culture to make Autocirc an attractive workplace?

Collaboration is key to achieving our vision. Not just among people at the same workplace, but also between different companies across country borders. Our greatest asset is our employees and their collective commitment to driving sustainable change in the automotive parts industry. That is why we invest in their health and wellbeing. For instance, we have enhanced expertise in our French companies through significant training initiatives. We place great emphasis on responsible working conditions and continuously develop our human rights due diligence efforts. By setting clear targets linked to key performance indicators, we also prioritise employee wellbeing, with metrics like sick leave serving as an indicator.

Our culture is shaped by working together to shift consumption patterns and pave the way for a circular transition. This makes us an attractive workplace for anyone eager to contribute to this progress – today and in the future.

What will be most important for Autocirc in 2025?

Our primary focus is to keep reducing carbon emissions in our operations and maximising the reuse of car parts. We work based on the requirements of the taxonomy and focus particularly on cutting emissions within Scope 1 and 2. With our new data management platform in place, we have the tools to take our work to the next level.

A big thank you to our team across the Group for excellent collaboration during the year. I look forward to building on the foundation we have established and using our full potential to become an even stronger driver for sustainable transformation in our industry.

Hanna Wadsten
ESG & Quality Manager
Borås, april 2025

EU Taxonomy regulation

The EU Taxonomy provides a framework to define whether a business is contributing to the transition to a sustainable economy. As sustainability is key to Autocirc's business model, Taxonomy alignment is an important indicator for both internal and external stakeholders, ensuring we are fulfilling our commitments.

WE ARE PROUD TO ACHIEVE:

65%

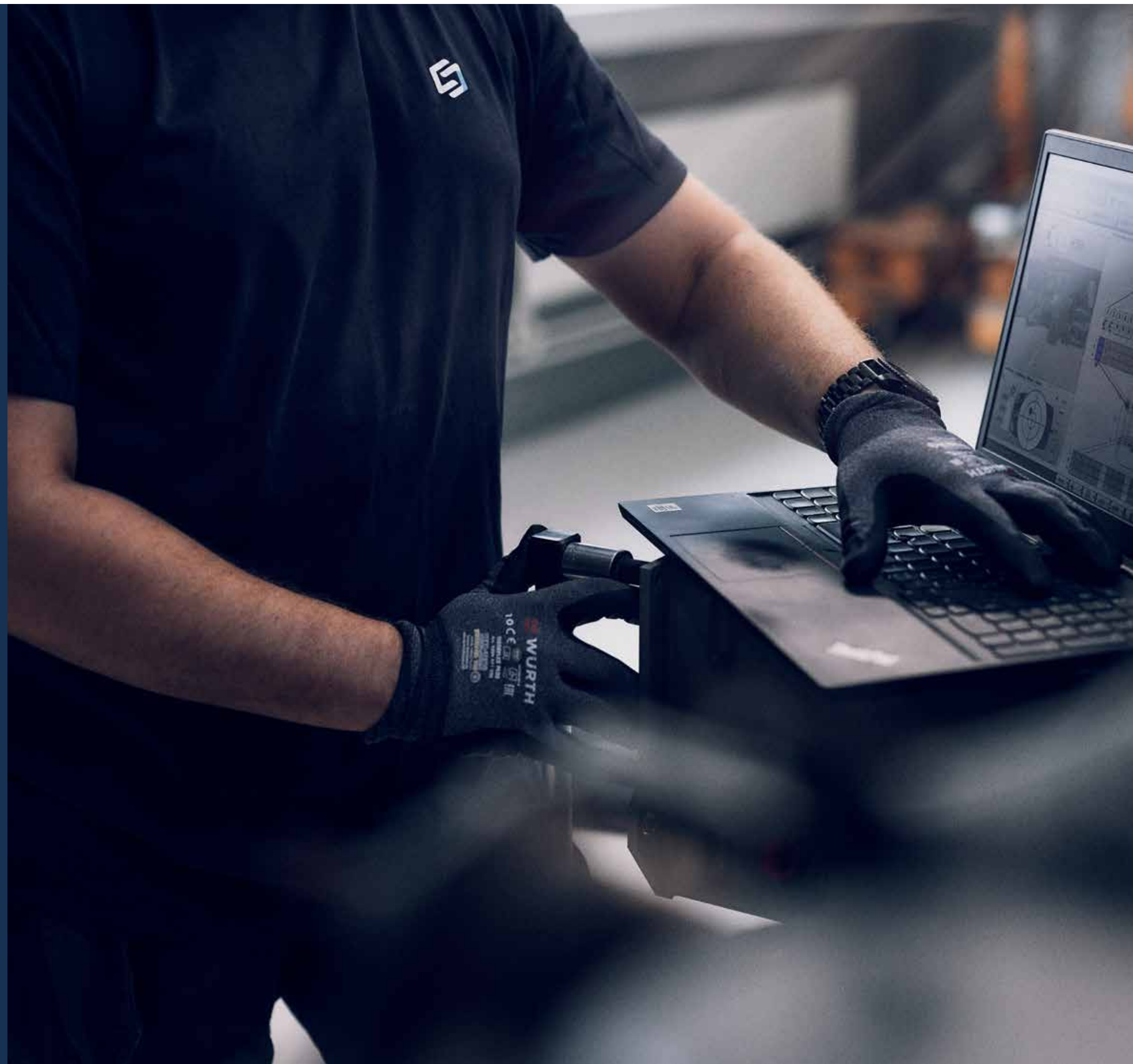
turnover alignment

63%

CapEx alignment

68%

OpEx alignment



Assessment of activities covered by the taxonomy

Relevant economic activities for Autocirc have been assessed based on the Taxonomy Regulation (EU 2020/852) and related delegated acts. The threshold for assessing these activities is that they generate, or will generate, external revenue. The following relevant economic activities were identified for Autocirc Group:

- CE 2.6 - Depollution and dismantling of end-of-life products
- CE 2.7 - Sorting and material recovery of non-hazardous waste
- CE 5.1 - Repair, refurbishment and remanufacturing
- CCM 3.18 - Manufacture of automotive and mobility components
- CCM 4.10 - Storage of electricity
- CCM 6.6 - Freight transport services by road
- CE 5.4 - Sale of second-hand goods



Identified economic activities and descriptions

Depollution and Dismantling of End-of-Life Products – CE 2.6

Applies to Autocirc companies that dismantle vehicles and sell reused parts. Revenues, CapEx, and OpEx have been identified for activities related to the depollution and dismantling of end-of-life vehicles.

Sorting and Material Recovery of Non-Hazardous Waste – CE 2.7

Applies to Autocirc companies that focus on material recovery, i.e. activities handling end-of-life tyres, as well as scrap and metal. Revenues, CapEx and OpEx have been identified.

Repair, Refurbishment and Remanufacturing – CE 5.1

Within Autocirc we work with remanufacturing of vehicle components, which we classify under NACE code C32 (Other Manufacturing). We justify this by noting that remanufacturing is a relatively new phenomenon, a view supported by

the authors of NACE. In the introduction to the explanation of Class C (page 114 of the standard), “remanufacturing” is described as, among other things, “rebuilding or remanufacturing of machinery (e.g. automobile engines, see 29.10)”, which we choose to use. Revenues, CapEx, and OpEx have been identified for activities related to remanufacturing within Autocirc.

Manufacture of Automotive and Mobility Components – CCM 3.18

This economic activity refers to our workshops. It is limited to zero-emission mobile devices, and the reporting of revenue, CapEx, and OpEx for this activity has required splitting the repairs between zero-emission and other vehicles.

Storage of Electricity – CCM 4.10

Our joint venture, Autocirc Battery Recycling AB, is included in the consolidated accounts and therefore included in our Taxonomy reporting. The economic activity within Autocirc Battery Recycling involves the construction and usage of energy storages.

Unlike previous years, we can now report revenue for this activity, and consequently we have identified revenue, CapEx, and OpEx for it.

Freight Transport Services by Road – CCM 6.6

We refer to our towing segment in activity CCM 6.6. We have analysed that none of the transports carried out require a transport permit, as they do not involve waste. Consequently, we classify all transport within Autocirc as “Freight Transport by Road”. Revenues and OpEx for this activity have been identified, and investments in transport vehicles have been reported as CapEx.

Sale of Second-Hand Goods – CE 5.4

We classify our core traders under activity CE 5.4. The economic activity presented in the taxonomy focuses primarily on the sale of second-hand goods, which aligns with the operations of our companies in this segment. Revenues, CapEx, and OpEx have been identified for this activity.

Methodology for identifying eligibility and alignment

In our commitment to transparency and regulatory compliance, we have conducted a thorough assessment of the eligibility and alignment of our identified economic activities under the EU Taxonomy framework.

The assessment process involved evaluating each economic activity against the Taxonomy's Significant Contribution Criteria to determine its eligibility. Following this, we conducted a detailed evaluation of each activity against the Do No Significant Harm (DNSH) criteria, ensuring that no substantial adverse impacts are associated with these activities.

Additionally, at Group level, we have assessed compliance with the OECD Minimum Safeguards, ensuring adherence to fundamental human rights, good governance practices, and ethical business conduct. This holistic approach ensures that our activities align with sustainability objectives while upholding responsible corporate practices. In 2024, neither Autocirc nor its subsidiaries have been convicted in any legal cases regarding human rights, corruption, tax or unfair competition.

This structured methodology provides a robust foundation for sustainable decision-

making and enhances our ability to align our operations with evolving regulatory and market expectations.



"Our holistic approach ensures that our activities align with sustainability objectives while upholding responsible corporate practices."

Accounting principles

Turnover

The Taxonomy uses the same definition of turnover as the Accounting Directive (2013/34/EU) on annual financial statements, consolidated financial statements and related reports (Article 2(5)), i.e., 'normal' turnover.

OpEx

Operating expenses refer to direct costs that are not recognised as assets:

- Research and development
- Building renovation
- Short-term leases
- Maintenance and repair

All other direct expenses pertaining to the daily maintenance of property, plant and equipment carried out by the company or a third party contracted for this purpose, and that are necessary to ensure the continuous and proper functioning of these assets.

CapEx

The Taxonomy uses the same definition of CapEx (capital expenditure) as IFRS. Capital expenditure refers to additions to property, plant and equipment and intangible assets during the financial year before depreciation, amortisation and revaluations, including impairments, for the financial year and

excluding changes in fair value. It also includes additions to property, plant and equipment and intangible assets resulting from business combinations. Capital expenditure includes costs recognised under the following categories:

- IAS 16 Property, Plant and Equipment, paragraphs 73(e) (i) and (iii).
- IAS 38 Intangible Assets, paragraph 118(e) (i).
- IAS 40 Investment Property, paragraphs 76(a) and (b) (for fair value).
- IAS 40 Investment Property, paragraphs 79(d) (i) and (ii) (for cost).
- IAS 41, Agriculture, paragraphs 50(b) and (e).
- IFRS 16 Leases, paragraph 53(h)

Leases that do not result in recognition of the right to use the asset shall not be considered as capital expenditure. However, leases that are recognised in the balance sheet may be relevant for identifying property or leased cars, for example.

CapEx has been defined for 2024 as follows:

CapEx category A is defined by the EU as "Capital expenditure for assets or processes related to Taxonomy-eligible economic activities" (sales-related CapEx).

In other words, if there is a revenue, an investment is often linked to that revenue. In such cases, this investment should be included in category A. This definition applies to all CapEx related to economic activities.

Double counting has been avoided by ensuring that only external sales and separate cost components are included in the summary of the relevant activities.



Taxonomy – Nuclear and fossil gas related activities

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Fossil gas related activities		
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO



Taxonomy – OpEx

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

Financial year 2024	Year			Substantial contribution criteria					
	Code (2)	OpEx (3)	Proportion of OpEx, year 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)
		MSEK	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1 Environmentally sustainable activities (Taxonomy-aligned)

Depollution and dismantling of end-of-life products	CE 2.6	45	60%	N/EL	N/EL	N/EL	EL	EL	N/EL
Sorting and material recovery of non-hazardous waste	CE 2.7	2	3%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
Manufacture of automotive and mobility components	CCM 3.18	1	1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Repair, refurbishment and remanufacturing	CE 5.1	3	4%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		51	68%	%	%	%	%	%	%
Of which enabling		2	3%	3%	%	%	%	%	%
Of which transitional			%	-					

A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)

				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL
Freight transport services by road	CCM 6.6	20	27%	EL	EL	N/EL	N/EL	N/EL	N/EL
Sale of second-hand goods	CE 5.4	4	5%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
OpEx of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		24	32%	27%	27%	-		5%	-
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		75	100%	27%	27%	-	-	5%	-

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

OpEx of Taxonomy- non-eligible activities	0	0%
TOTAL	75	100%

Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) OpEx, year n (18)	Category enabling activity (19)	Category transitional activity (20)
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T

-	Y	Y	Y	-	Y	Y	-	-	-
-	Y	Y	-	-	Y	Y	-	-	-
-	Y	Y	Y	Y	Y	Y	-	E	-
Y	Y	Y	Y	-	-	Y	-	-	-
Y	Y	Y	Y	Y	Y	Y	-		
Y	Y	Y	Y	Y	Y	Y	-	E	
Y	Y	Y	Y	Y	Y	Y	-		T

Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N			
N	Y	-	N	Y	-	Y	-	-	T
N	Y	Y	N	-	-	Y	-	-	-
							-		
							-		

Taxonomy – CapEx

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2024

Financial year 2024	Year			Substantial contribution criteria					
	Code (2)	CapEx (3)	Proportion of CapEx, year 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)
		MSEK	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1 Environmentally sustainable activities (Taxonomy-aligned)

Depollution and dismantling of end-of-life products	CE 2.6	47	59%	N/EL	N/EL	N/EL	EL	EL	N/EL
Manufacture of automotive and mobility components	CCM 3.18	0	0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Repair, refurbishment and remanufacturing	CE 5.1	3	4%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		50	63%	-	-	-	-	-	-
Of which enabling		0	0%	0%	-	-	-	-	-
Of which transitional		0	0%	-					

A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)

				EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL
Freight transport services by road	CCM 6.6	17	21%	EL	EL	N/EL	N/EL	N/EL	N/EL
Storage of electricity	CCM 4.10	10	13%	EL	EL	N/EL	N/EL	N/EL	N/EL
Sale of second-hand goods	CE 5.4	1	1%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
CapEx of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		28	35%	34%	34%	-	-	1%	-
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		78	98%	34%	34%	-	-	1%	-

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

CapEx of Taxonomy- non-eligible activities	2	3%
TOTAL	80	100%

Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) CapEx, year n (18)	Category enabling activity (19)	Category transitional activity (20)
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T

-	Y	Y	Y	-	Y	Y	-	-	-
-	Y	Y	Y	Y	Y	Y	-	E	-
Y	Y	Y	Y	-	-	Y	-	-	-
-	-	-	-	-	-	Y	-		
-	-	-	-	-	-	Y	-	E	
-	-	-	-	-	-	Y	-		T

Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N			
N	Y	-	N	Y	-	Y	-	-	T
-	Y	Y	-	Y	Y	Y	-	E	-
N	Y	Y	N	-	-	Y	-	-	-
							-		
							-		

As part of our commitment to regulatory compliance and enhanced sustainability reporting, we have undertaken significant steps to prepare for the Corporate Sustainability Reporting Directive (CSRD). Our efforts have focused on ensuring a robust and transparent approach to sustainability disclosures.

A key milestone in this process during 2024 has been the proactive review of our double materiality analysis. By refining this analysis, we have gained deeper insights into the material sustainability impacts, risks, and opportunities relevant to our business and stakeholders. This has enabled us to identify

key reporting topics that align with both regulatory requirements and our strategic sustainability objectives.

To support the efficient collection, processing, and management of ESG data, we have implemented a sustainable data management platform. This will enhance our ability to track and analyse sustainability metrics, ensuring accuracy and reliability in our reporting process.

Our CSRD preparations reflect our dedication to sustainability integration, regulatory adherence, and data-driven decision-making. As we move forward,

we remain committed to continuous improvement and transparency in our sustainability reporting practices.

At the time of writing, we are actively reviewing the EU's Omnibus information and ongoing changes related to CSRD. We continue to advance our preparations and closely monitor developments to ensure compliance and adaptability moving forward.

CSRD preparations

KEY DATA – Autocirc Group

The importance of climate data

As we describe in our group-wide "Climate and Environment policy" which was converted from a guiding to a governing document in 2024, we describe our commitment to climate and environment, where we describe that: "We strive to conduct our business in an environmentally sustainable way and constantly work to reduce our environmental and climate footprint. This is done by evaluating and exploring opportunities for improvements in our operations and the synergies found between our subsidiaries. In order to succeed in this and effectively reduce our environmental impact, we need a clear understanding

To effectively reduce our environmental impact, we need a clear understanding of our greenhouse gas (GHG) emissions. By collecting and analysing climate data, we can identify key areas for improvement, set reduction targets, and ensure transparency in our sustainability efforts. Our emissions reporting follows the Greenhouse Gas (GHG) Protocol and covers Scope 1 and Scope 2 emissions.

Scope 1 – Direct Emissions

Scope 1 emissions include all direct emissions from sources that we own or control. This primarily consists of fuel consumption from our operations, including both purchased and reused fuel. By monitoring and optimising our fuel use, we aim to minimise our carbon footprint and transition towards lower-emission alternatives.

Scope 2 – Indirect Emissions from Energy Use

Scope 2 emissions originate from the electricity and district heating we purchase. These emissions are calculated using both the market-based and location-based approaches:

- Market-based emissions reflect the specific electricity contracts we have entered into, such as renewable energy agreements.
- Location-based emissions are calculated based on the average energy mix of the grid where we operate.

By tracking our Scope 2 emissions through both methods, we gain a more comprehensive view of our impact and can make informed decisions to further reduce our energy-related emissions.

	2024
Nr reporting units	77
Scope 1 emissions, tCO ₂ e	6070,36
Scope 2 emissions, tCO ₂ e (location based)	286,25
Scope 2 emissions, tCO ₂ e (marked based)	2425,11
Group CO ₂ e intensity (tCO ₂ e*/revenue SEK million)**	3,35
Energy consumption (Electricity & District heating), MWh	7752,00
Group energy intensity, Electricity & District heating (MWh/revenue SEK million)	3,06
Water consumption, m ³	14321,5
Group water intensity (m ³ /revenue SEK million)	5,65
Total number of employees FTE	1203,14
Number of female employees FTE	165,40
% female employees FTE	13,75%
Sick leave white collar %	2,57%
Sick leave blue collar %	4,60%

* We choose to use marked-based scope 2 as it allows us to see changes over time.

** Scope 1 & 2.

GHG Scope	GHG Category	Sub-category	Emission Factor Source & Method
1	Company facilities: Direct energy - Fuels	Purchased fuels	Sweden-specific emission factors used in Sweden, DEFRA for remaining EU countries . Fuels used for machinery and vehicles. Litres used for majority, km converted to litres when fuel consumption data missing.
1	Company facilities: Direct energy - Fuels	Reused fuels	Sweden-specific emission factors used in Sweden, DEFRA for remaining EU countries Fuels used for machinery and vehicles. Litres.
2	Purchased electricity, heating & cooling for own use	Electricity – market based	Certified renewable % are calculated as 0, the portion of unknown origin via residual mix of individual countries.
2	Purchased electricity, heating & cooling for own use	Electricity – location based	Location-based calculation method calculates with average national mixes.
2	Purchased electricity, heating & cooling for own use	District heating – market based	District heating only in Sweden and Finland. Finland-based emission factors under Scope 2 include upstream production, transportation and losses, Sweden-based emission factors separate Scope 2 from Scope 3 factors.
2	Purchased electricity, heating & cooling for own use	District heating – location based	District heating only in Sweden and Finland. Location-based calculation method calculates with average national mixes for Finland and Sweden respectively



On a sustainable basis/Governance

Our commitment to an ethical and responsible corporate culture continues. In 2024, we have revised and introduced new policies and governing documents to enhance our policy framework, ensuring compliance and good practice while promoting ethical responsibility across the organisation going forward.

Code of Conduct Update

As part of our ongoing commitment to ethical business practices, we have updated our Code of Conduct to ensure alignment with the highest standards of integrity and responsibility. This update reinforces our values and expectations for employees and partners, emphasising transparency, accountability, and ethical decision-making.

People Policy

Recognising that our people are our most valuable asset, we have developed a People Policy to guide how we foster a sustainable and inclusive workplace. This policy underscores our commitment to fair working conditions and a culture that empowers our employees and leaders to reach their full potential. By prioritising employee well-being and professional growth, we aim to create a work environment that is both equitable and inspiring.

Fair Competition Policy

To promote fair competition within the automotive aftermarket industry, we have introduced a Fair Competition Policy. The purpose

of this policy is to prevent anti-competitive practices that could harm consumers or businesses, ensure compliance with national and European Union competition laws, and foster an environment of innovation and excellence.

Anti-Corruption Policy

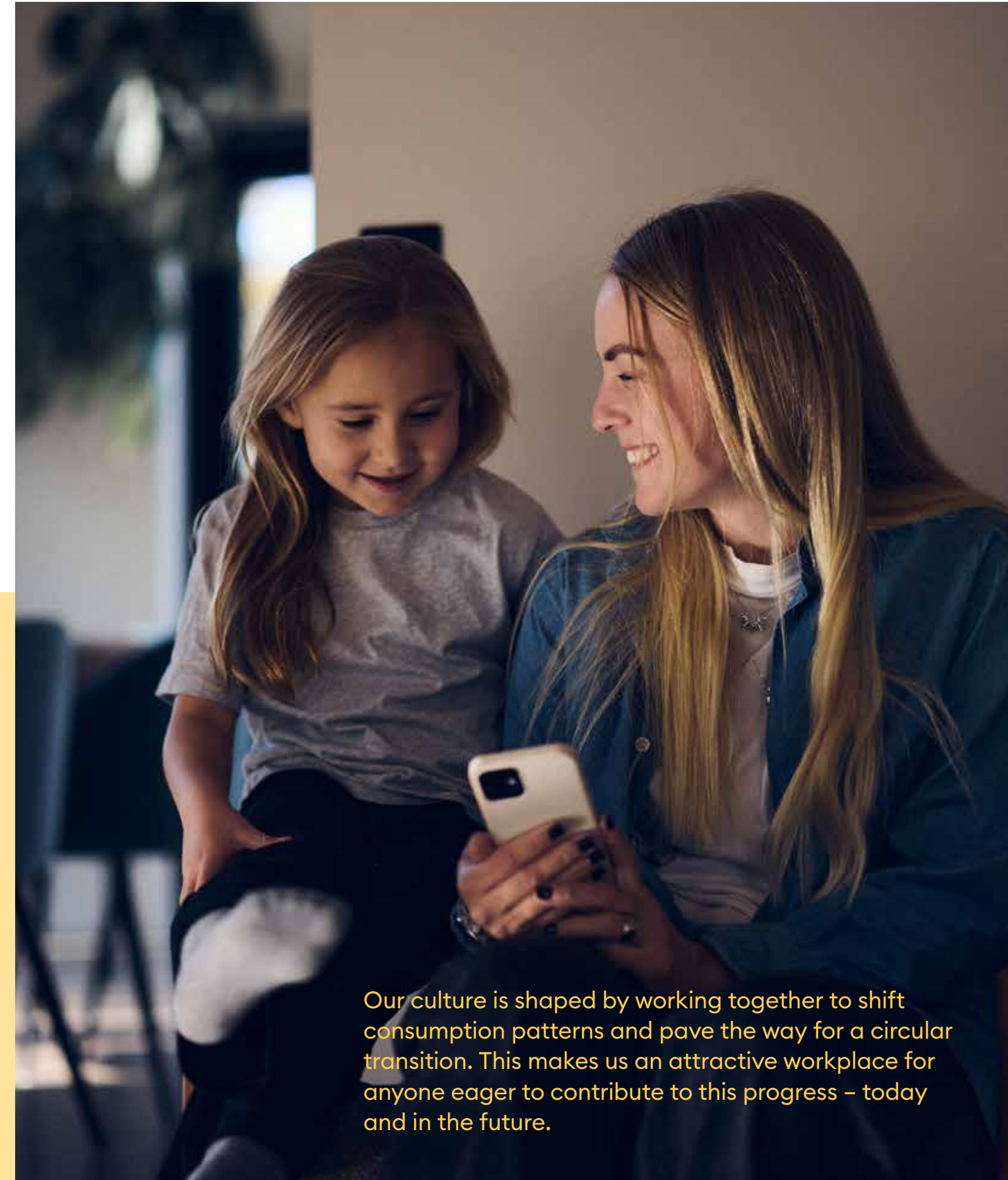
We are committed to upholding the highest standards of ethics and integrity in all aspects of our business operations. As a responsible corporate citizen, we recognise the importance of conducting business in an ethical and transparent manner, free from corruption and bribery. Our Anti-Corruption Policy outlines our firm stance against such activities and provides guidance on how to comply with these principles.

Information Policy

Clear and responsible communication is vital to our operations. Our Information Policy establishes guidelines for all internal and external communication within the Autocirc Group, ensuring consistency, accuracy, and confidentiality in all our interactions.

IT Policy

To maintain the security and efficiency of our digital infrastructure, we have developed an IT Policy that outlines the rules and guidelines governing the use of Autocirc's IT resources. This policy ensures the responsible and secure use of technology, safeguarding both company and employee data.



Our culture is shaped by working together to shift consumption patterns and pave the way for a circular transition. This makes us an attractive workplace for anyone eager to contribute to this progress – today and in the future.

People and culture

Strengthening our commitment to employee well-being and workplace safety

As part of our ongoing sustainability efforts, we continue to prioritise fair and transparent governance, employee well-being, and a safe working environment. This year, we have implemented several key initiatives to further strengthen our HR structures and workplace safety measures.

Enhanced Governance and HR Structures

We have established a Remuneration Committee to ensure fair compensation and to enable continuous development of capabilities for executing our strategy. Additionally, we have introduced a framework for continuous HR data collection, enabling more data-driven decision-making and proactive workforce planning.

Promoting a Safe and Inclusive Work Environment

We remain committed to providing a safe and inclusive workplace, with targeted training and safety measures across our operations:

- Nordics: In Finland and Norway, a review has been conducted to ensure that managers have received relevant training in workplace safety.
- Sweden: Managerial training in key HR areas such as:
 - Structure for pay compensation
 - Work adaptation and rehabilitation
 - Preventing discrimination and harassment



Strengthening Workplace Safety in France

As part of our safety commitment and actions on previous health and safety data, we have launched several assessments and training programs in France to minimise workplace risks and enhance employee protection:

- Noise audit
- Chemical risk audit
- Gestures and postures training
- Road risk training
- Occupational risk assessment

In addition, we have reviewed all Personal Protective Equipment (PPE) in France, including, but not limited to shoes, high-visibility clothing, gloves, glasses, caps, and earplugs.

To deepen our understanding of workplace safety awareness in France, we deployed a safety questionnaire to assess employees' knowledge and culture around safety practices. Based on the findings, employees, managers, and operational staff have taken proactive steps to improve safety communication, including:

- Marking hazardous zones
- Updating the employee welcome booklet
- Producing a safety video on best work practices
- Enhancing traffic management within our facilities

As of October 2024, we have collaborated with IRP Auto Prévention, occupational health services, and a CARSAT-funded occupational health engineer in France to optimise working conditions and adapt job roles to better suit the needs of our employees.

These initiatives reflect our ongoing commitment to fostering a safe, inclusive, and sustainable workplace. By continuously improving our governance, HR policies, and safety measures, we aim to ensure the well-being of our employees while supporting long-term sustainable growth.



Auditor's opinion on the statutory Sustainability Report

To the general meeting of Autocirc Group AB, reg. no. 559382-5689.

Duties and responsibilities

The Board of Directors is responsible for the sustainability report for the year 2024, and for ensuring that it has been prepared in accordance with the Annual Accounts Act.

Focus and Scope of the Review

Our review has been conducted in accordance with FAR's recommendation RevR 12, The Auditor's Opinion on the Statutory Sustainability Report. This means that our review of the sustainability report is different and substantially narrower in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that this review provides us with a sufficient basis for our opinion.

Statement

A sustainability report has been prepared.

Gothenburg on the date shown in our electronic signature
Öhrlings PricewaterhouseCoopers AB

Ulrika Ramsvik

Authorised Public Accountant

Sound Corporate Governance

Autocirc Group AB is a private Swedish corporation headquartered in Borås. Autocirc strives to implement effective corporate governance processes to ensure that the business creates long-term value for shareholders, employees, and other stakeholders.

Autocirc values sound corporate governance to achieve the strategic goals, but that also maintains trusting relationships with the shareholders and other stakeholders. High standards of transparency, reliability and ethical values are guiding principles for the operations. This chapter includes information on corporate governance, set out according to the Corporate Governance Act, for the 2024 financial year.

The Annual General Meeting

The Annual General Meeting (AGM) is the highest decision-making body in Autocirc's corporate governance. The AGM is held within six months of the end of the financial year and usually takes place in Borås. The AGM makes decisions on the Articles of Association and appoints Board members, a Chair of the Board and independent auditors, and decides on the fees. Furthermore, the Annual General Meeting decides on the adoption of the profit and loss account and balance sheet, the appropriation of the company's profit and discharge from liability towards the company for Board members and the CEO.

Additional general meetings of the company may be held during the financial year, for example when decisions are to be taken on the authorisation of an issue of shares, adjustments to share capital or similar. Responsibility for the management and control of the Group is shared between the shareholders via the AGM, the Board of Directors and its committees, the Chief Executive Officer and the external auditor.

The 2024 Annual General Meeting was held on May 23 2024, in Borås. Furthermore, three extraordinary general meetings were held in 2024.

Corporate Governance

Sound corporate governance that has an effective organisational structure and clear internal control and risk management process enables us to run our business with a clear focus on stated objectives.

Function and work of the Board of Directors

The Board of Directors is Autocirc's second highest decision-making body and is appointed by the Annual General Meeting. It currently consists of six members, including a Chairman and a Vice Chairman. Autocirc's Board of Directors is responsible for the company's organisation and operations, while the CEO is responsible for ensuring that it is managed in accordance with approved guidelines and instructions. The Board is responsible for monitoring the company's performance. The CEO is responsible for preparing information and decision-making documents for the Board and, in consultation with the Chairman of the Board, sets the agenda for Board meetings.

The Board has a Compensation Committee that held meetings in 2024 and an Audit Committee that also held meetings in 2024. Both committees have guidelines and instructions for the separate work they perform on behalf of the Board. The duties of the Board of Directors are mainly regulated by the Companies Act and the company's Articles of Association. The rules of procedure govern how work is allocated within the Board.

The Board also adopts instructions for the committees of the Board, an instruction for the CEO and an instruction for financial reporting. The Chairman of the Board ensures that the work of the Board is carried out efficiently and in accordance with its obligations.

The Board of Directors is responsible for the organisation of Autocirc and the management of the company's affairs, which includes:

- Approving overall, long-term strategies and objectives, budgets and business plans.
- Approving guidelines to ensure the business creates long-term value.

- Decisions on acquisitions, investments and sales.
- Identifying how sustainability issues impact the company's risks and business opportunities.
- Ensuring appropriate monitoring and control systems are in place for both the business and the risks associated with it.
- Ensuring there is adequate control of the company's compliance with laws and other regulations relevant to its operations, and compliance with internal policies.
- Ensuring the company's disclosure of information is transparent, accurate, relevant and reliable.

In addition, there are several group-wide reporting procedures and standards that ensure compliance with, and monitoring of the company's rules of procedure, instructions and policies.

During the 2024 financial year, the Board held a number of meetings which were recorded and filed. The Board of Directors monitors the work of the Chief Executive Officer by means of ongoing follow-up of the year's activities, and by ensuring that the organisation, management and internal guidelines of the company are appropriately structured and that satisfactory internal controls are in place. The Board's work in 2024 included decisions on acquisition investments and decisions on the structure of the organisation and its governance.

Board committees and structure

For enhanced internal control, an Audit Committee has been established since 2023. The purpose of the Audit Committee is to strengthen governance and compliance related to financial reporting. Reporting on, among other things, the auditor's review of the company's financial reporting, the company's internal controls, and risk management is made to the Audit Committee. Three representatives from the Board have been appointed to the Audit Committee. The company's CFO, the company's auditor, and the Group Accounting Manager also participate in the meetings. The auditor is responsible for examining the company's annual report and accounts as well as the management of the Board of Directors and the CEO. After each fiscal year, the auditor shall submit an audit report and a Group audit report to the Annual General Meeting. Autocirc Group's auditor for the year has been PwC with Ulrika Ramsvik as the lead auditor. The audit committee annually evaluates the work and independence of the auditor.

The board has also established a separate committee for compensation to senior executives at Autocirc. The committee also work on HR processes and leadership development within the Group.

At the inaugural board meeting on May 23 2024, the following decisions were made: Petteri Saarinen was elected Chairman of Remuneration Committee and Magnus Hammarström as member of the Committee. CEO and CHRO also participates in the Remuneration Committee meetings where CHRO is responsible for the agenda and meeting invitations. Remuneration Committee meetings are held four times per year.

Autocirc, owned by the private equity firm Nordic Capital, is a group of companies that operates according to a decentralised business model. As owner, Autocirc aims to operate in a way that allows the entrepreneurs in the subsidiaries to continue to develop and run the companies in the same spirit as before, with the Group offering opportunities to benefit from economies of scale in various areas. The Group's vision is to connect the best companies in different market segments to the Group. The Group aims to build an an eco-system and connect elements in the value chain to drive profitability and maximise the extracted value/reuse of each part. Autocirc creates long-term, sustainable value growth by building a group of companies with good profitability, stable cash flows, a strong market position and the capacity for continuous development.

