

The logo consists of the word "SWISS" in a white, bold, sans-serif font, centered within a solid red square. The background of the entire page is a dark red with a complex, glowing circuit board pattern of white and light red lines and dots.

SWISS

Environmental, Social and Governance Report

2024

www.swissit.sk

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< Letter from the CEO

2024 will be remembered as a historic year for the circular economy in the ELKO product portfolio, since this is the year when we started the M&A transaction, which was closed in 2025, acquiring Renewed AB – a Swedish specialist in refurbished electronics. This is a significant step forward in developing a much broader range of circular economy services across the ELKO geography to satisfy increasing demand from both our vendors and customers. We see strong potential for this business segment and solid contribution to driving sustainability in our markets.

We have continued during 2024 our vendor-focused sustainability initiatives like Vendor Scoring and Partner Code of Conduct. In line with ever-evolving legislation, we see our partners developing and adopting their business practices, and we are proud to say that 80% of our vendors have received a score of A or B, underscoring the high quality of our product offers to our customers.

Our partnership with Mitigate has helped us navigate the complexity of reporting requirement changes through this period and significantly improved our data gathering

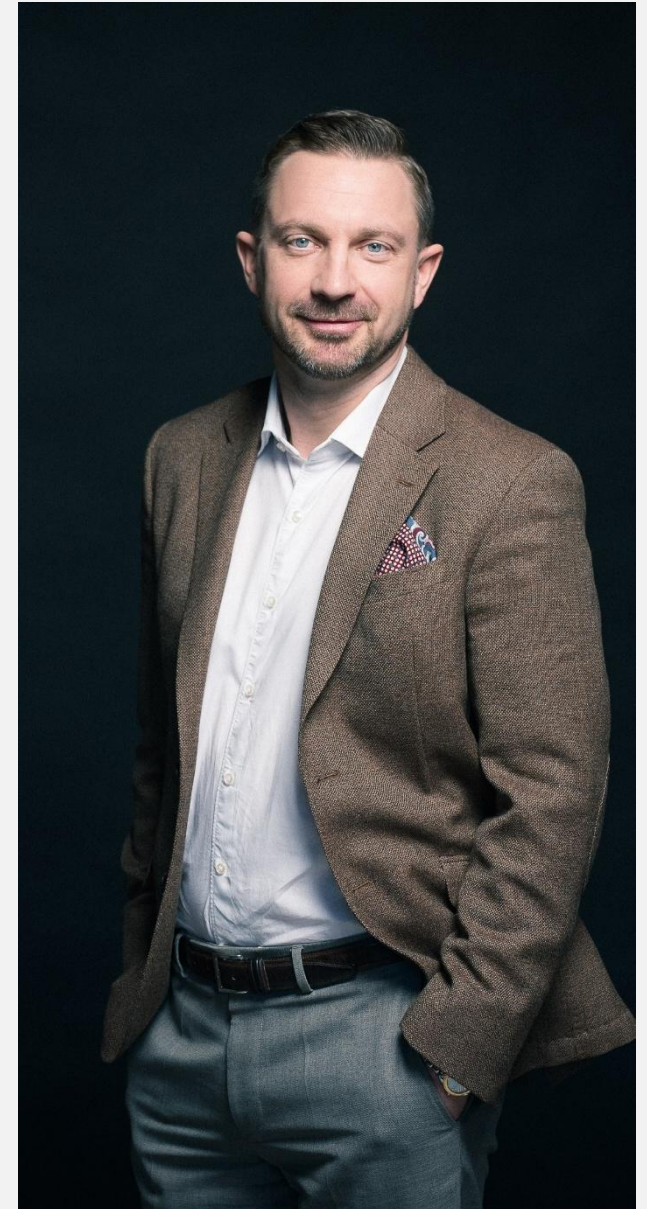
process across multiple geographies and legal entities

One of the key projects launched in ELKO in 2024 has been the LEAN initiative. We are becoming a part of a community of great companies adopting LEAN practices, driving organization-wide employee engagement in improving our processes: eliminating unnecessary actions, minimizing/automating low-value activities, and focusing on enhancing high-value initiatives. While we are still at the beginning of the road, I am certain that the Continuous Improvement path will lead to a more efficient ELKO organization, be more sustainable in the long run, and be able to significantly improve the cooperation experience for our vendors and customers, allowing us to grow the business further

We are proud of the work we have done so far, we are also aware of the challenges ahead, and we have a clear plan to keep building ELKO as an environment-friendly, socially responsible, and well-governed business!

Svens Dinsdorfs

The CEO of ELKO Group



Key 2024 non-financial indicators Elko Group



- 17 offices
- 13 countries
- ▲ 2 HUBs

Awards & rankings

Distributor of the Year 2024 in the Baltics Best Retail Distributor in the Baltics
by Context, ChannelWatch 2024

Family-Friendly Workplace status

by the Latvian Society Integration Foundation, since 2023

Best Investor Relations on First North Bond List

by Nasdaq Baltic Awards, 2023

311th position in the TOP 500 largest companies in CEE

by Coface, 2024

Business Superbrands Slovakia 2023

by Superbands, Brand Council.



UN sustainable development goals

The Sustainable Development Goals (SDGs), also known as the Global Goals, were adopted by the United Nations in 2015 as a universal call to action to end

poverty, protect the planet, and ensure that by 2030 all people enjoy peace and prosperity.

At SWISS, we have acknowledged the importance of working towards helping to achieve these goals and have identified several areas where our operations and sustainability priorities align with the aforementioned SDGs.



1. Health insurance for all our employees, which also includes mental health coverage.
2. Active promotion of a healthy lifestyle by organizing internal events related to such promotion.
3. Regular blood donation and vaccination drives at the workplace.



1. Provide fair wages and promote safe and secure working environments for all employees.
2. Operations in 13 countries where we promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation.



1. Perpetually introducing the newest solutions and products that can help improve the IT infrastructure.
2. Introduce the newest technologies and solutions in our supply chain for more sustainable and efficient group operations.



1. Continuously improving our carbon footprint data and working on policy development to reduce it.
2. Continuously improve our product portfolio by introducing eco-friendlier solutions.
3. Introduce new services and improve operating methods to reduce waste generation.
4. We closely monitor the ESG activities of our suppliers, thus helping our services portfolio to become more sustainable

ESRS 2 General Disclosures

BP-1 General basis for preparation of sustainability statements

Disclosure of general basis for preparation of sustainability statement

SWISS as part of ELKO group has adopted its general basis for 2024 report in accordance to the Corporate Sustainability Reporting Directive (CSRD) and the respective European sustainability reporting standards (ESRS). Using the new approach in the 2024 report, allowed our Group to

present the information in a more structured and governed way without deviations from the requirements and outlines of the new reporting standards.

The preparation basis of the 2024 report was based on the introduction of a new ESG reporting platform developed by Mitigate; it is one of the leading IT solutions development companies in

BP-2 Disclosures in relation to specific circumstances

The focus for the 2024 report was to adapt the report to the requirements outlined by CSRD and ESRS; additionally, we also focused on increasing the data quantity as well as quality for Scope

Latvia and one of the pioneers in ESG software field. The reporting is structured around specific disclosure requirements with each section fully equipped with the necessary data points derived from ESRS.

Basis for preparation of sustainability statement

Individual

3 emission reporting. The 2024 report includes upstream and downstream T&D data which was calculated using not only the new Mitigate ESG platform but also provided by our sector partners.

GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management, and supervisory bodies

Disclosure of how governance bodies ensure that appropriate mechanism for performance monitoring is in place

for the 2024 report the group management was the main driver in establishing the double materiality topics. The involvement of the top

management in the matter is expected to remain on the same level for the upcoming report and the material impacts, risks and

opportunities are to be addressed on an annual basis.

GOV-3 Integration of sustainability-related performance in incentive schemes

Currently, SWISS has not established direct sustainability related performance incentive schemes, however for many employees sustainability related quarterly targets are

set. Our qualitative targets in sustainability encompass a wide range of non-numeric objectives aimed at improving our environmental impact, social responsibility, and corporate governance

practices. We integrate our qualitative sustainability targets into our strategic planning processes, performance evaluations, reporting mechanisms, and stakeholder communications

to ensure that they are embedded in our day-to-day operations and decision-making.

GOV-5 Risk management and internal controls over sustainability reporting

As of 2022, ELKO group has a dedicated employee responsible for overseeing sustainability matters.

This individual's role closely aligns with that of an international project manager, ensuring that sustainability

initiatives are effectively coordinated and implemented across all subsidiaries and that our sustainability efforts

are comprehensive and aligned with international requirements.

SBM-1 Strategy, business model, and value chain

At SWISS, we recognize the importance of sustainability in our business and service model. As one of our core values, fostering long-term relationships across the entire supply chain is paramount to our success. As recent supply

chain surveys have demonstrated, sustainability has become an integral part of partnership decision-making, and thus, we are committed to ensuring that our partners throughout the supply chain can trust in our reputation, rely

on our proven business practices, and continuously improve sustainability aspects in our day-to-day working practices. This commitment to sustainability is not only a reflection of our values but also a strategic imperative

that guides our decision making and operations.

< Environment

E-1 CLIMATE CHANGE

E1-1 Transition plan for climate change mitigation

Disclosure of transition plan for climate change mitigation

At SWISS organization, we strongly emphasize sustainability and reduce our carbon footprint by incorporating renewable

energy sources into our total energy consumption. By leveraging Eurostat data, we are able to assess the availability, trends, and potential of renewable energy sources in different regions where our operations are

located. This data-driven approach allows us to strategically plan and implement initiatives to increase the percentage of renewable sources in our total energy consumption. The energy mix of SWISS is

based on the real consumption of consumed energy in the region, and the share of individual components is an expression of the ratio of the energy mix of energy suppliers.

The national energy mix is an overview of the shares of individual energy sources in the total electricity produced or supplied. It is published

based on the obligation of OKTE, a.s. The national energy mix was determined based on the methodology of the Association of Issuing Bodies

("AIB"). Our commitment to utilizing renewable energy sources, underscores our dedication to sustainability, environmental responsibility

and contributing to a cleaner, greener future for our organization and the communities in which we operate.

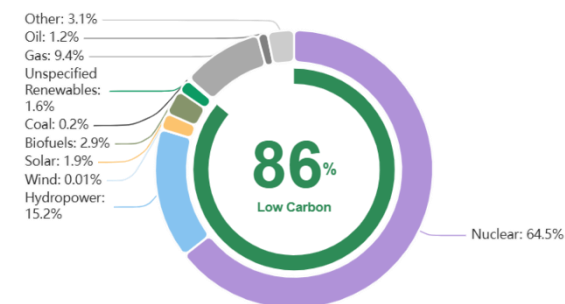
Initiatives framework

Electricity in Slovakia in 2024/2025

In the past 12 months, from August 2024 to July 2025, Slovakia has achieved an impressive milestone by obtaining over 86% of its electricity from low-carbon sources. The bulk of this clean electricity comes from nuclear power, which alone contributes about 64.5%, while hydropower adds roughly 15%. This reliance on low-carbon sources positions Slovakia as a leader in sustainable

electricity generation. On the downside, fossil fuel-based electricity, mainly from gas, still accounts for around 11%, posing challenges for further reducing CO2 emissions. Notably, Slovakia is not just self-sufficient in electricity but also a significant net exporter, supporting neighboring countries in reducing their emissions. To meet future demands, Slovakia plans to electrify sectors such as transport, heating, and industry, which will

require considerably more electricity than is currently available.



Data Sources

For the years 2020 to 2024 the data source is [Ember](#).

For the year 2024/2025 the data source is aggregated data from the last 12 months (2024-08 to 2025-07).

For the months 2024-08 to 2025-07 the data source is [ENTSOE](#).

E1-4 Targets related to climate change mitigation and adaptation

GHG emissions reduction targets

	Retrospective				Milestones and target years			
	2023	2023	2024	% N / N-1	2025	2030	2035	Annual % target / Base year
Scope 1 GHG emissions								
Gross Scope 1 GHG emissions (tCO2eq)	42.8	0.0	49.36	4935.94	40.0	18.0	0.0	1.0
Scope 2 GHG emissions								
Gross location-based Scope 2 GHG emissions (tCO2eq)	-	0.0	0.0	0.0				-
Gross market-based Scope 2 GHG emissions (tCO2eq)	10.0	0.0	8.75	874.61	6.0	3.0	0.0	1.0
Significant scope 3 GHG emissions								
Total Gross indirect (Scope 3) GHG emissions (tCO2eq)	19.82	0.0	35.3	3530.27				-
Purchased Goods and Services	-	0.0	0.0	0.0				-
Capital Goods	-	0.0	0.0	0.0				-
Fuel & Energy Related Activities	-	0.0	0.0	0.0				-
Upstream Transportation and Distribution	-	0.0	4.12	412.19				-
Waste Generated in Operations	-	0.0	14.19	1419.03				-
Business Travel	-	0.0	2.92	292.13				-
Employee Commuting	-	0.0	9.95	994.74				-
Upstream Leased Assets	-	0.0	0.0	0.0				-

	Retrospective				Milestones and target years			Annual % target / Base year
	2023	2023	2024	% N / N-1	2025	2030	2035	
Downstream Transportation and Distribution	-	0.0	4.12	412.19				-
Processing of Sold Products	-	0.0	0.0	0.0				-
Use of Sold Products	-	0.0	0.0	0.0				-
End-of-Life Treatment of Sold Products	-	0.0	0.0	0.0				-
Downstream Leased Assets	-	0.0	0.0	0.0				-
Franchises	-	0.0	0.0	0.0				-
Investments	-	0.0	0.0	0.0				-
Total GHG emissions								
Total GHG emissions (location-based) (tCO2eq)	62.62	0.0	97.1	9710.3	40.0	18.0		-
Total GHG emissions (market-based) (tCO2eq)	72.62	0.0	105.85	10584.91	46.0	21.0		-
Description of expected decarbonization levers and their overall quantitative contributions to achieve GHG emission reduction target								
		2023		2025		2030		2035
GHG emissions (tCO2eq)		72.62		46.0		21.0		0.0

E1-5 Energy consumption and mix

Title	Consumption
Fuel consumption from coal and coal products (MWh)	
Fuel consumption from crude oil and petroleum products (MWh)	
Fuel consumption from natural gas (MWh)	
Fuel consumption from other fossil sources (MWh)	
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	21.85
Total fossil energy consumption (MWh)	21.85
Share of fossil sources in total energy consumption (%)	41.37
Consumption from nuclear sources (MWh)	21.16
Share of consumption from nuclear sources in total energy consumption (%)	40.07
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	9.8
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	
The consumption of self-generated non-fuel renewable energy (MWh)	
Total renewable energy consumption (MWh)	9.8
Share of renewable sources in total energy consumption (%)	18.56
Total energy consumption (MWh)	52.81
Non-renewable energy production (MWh)	
Renewable energy production (MWh)	

E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions

Gross Scopes 1, 2, 3 and Total GHG emissions - GHG emissions per scope

Scope 1: Direct emissions	49.4	Scope 3: Other Indirect emissions	35.3
1. Combustion of fuels in stationary sources	0.0	1. Upstream Transportation and Distribution	4.1
2. Combustion of fuels in mobile sources	49.4	2. Waste Generated in Operations	14.2
3. Fugitive emissions	0.0	3. Business travel	2.9
4. Process emissions from physical or chemical processing	0.0	4. Employee commuting	9.9
		5. Downstream Transportation and Distribution	4.1
Scope 2: Indirect emissions from energy purchases	21.2		
1. Purchased Electricity	8.7		
* Location-based method	0.0		
* Market-based method	8.7		
2. Heat and Steam	12.4		

Total: 105.8

* The emission factors used are listed in Appendix 'Used Emission Factors List.'

SCOPE 1

As a service company, our Scope 1 emissions are relatively limited compared to companies with significant direct emissions from sources such as fossil fuel combustion or industrial processes. In our case, the main component of Scope 1 emissions is the use of company cars for the performance of service and logistic transport services of equipment to service centers While Scope 1 emissions

may not be a major aspect of our environmental footprint as a service provider, we recognize the importance of monitoring and managing all sources of emissions to contribute to a more sustainable future. By addressing emissions related to our leased offices and adopting sustainable practices across our operations, we aim to reduce our carbon footprint and demonstrate our commitment to stewardship for the environment.

SCOPE 2

Emissions encompass the indirect emissions associated with the consumption of purchased electricity, heat, and steam that power our offices and warehouses. Energy utility companies provide this data and reflect the environmental impact of the electricity and energy we use daily. By monitoring and reporting on our Scope 2 emissions, we are taking a proactive approach to understanding and reducing our carbon footprint. We recognize the importance of addressing indirect emissions related to energy consumption, as they play a significant role in our overall environmental impact.

SCOPE 3

Emissions account for **33.36% of our company's total greenhouse gas emissions**, with the most significant sources stemming from **packaging waste disposal through waste separation** and the **environmentally responsible disposal of electronic waste**.

To **reduce SCOPE 3 emissions**, we are implementing **low-carbon supply chain strategies**, **minimizing transportation-related emissions**, and **actively promoting the circular economy**.

Percentage of market-based Scope 2 GHG emissions linked to purchased electricity bundled with instruments

20.04 %

Percentage of GHG Scope 3 calculated using primary data

33.36 %

List of Scope 3 GHG emissions categories included in inventory

Upstream Transportation and Distribution, Waste Generated in Operations, Business Travel, Employee Commuting, Downstream Transportation and Distribution,



E3 Water and marine resources

E3-4 Water consumption

Total water consumption **181 m3**

Disclosure of contextual information regarding water consumption

In the context of water consumption, our data is sourced directly from utility companies, ensuring accuracy and reliability in our reporting. As a company with operations limited to offices and warehouses, we do not currently face any risks associated with water management. Our reliance on water utility providers is paramount, and we trust that they adhere to all relevant regulations and standards across the geographies where we operate. By entrusting our water needs to these providers, we maintain a commitment to responsible water usage and conservation.

SWISS spol s r.o. takes water exclusively from the public water supply. We discharge wastewater back to local treatment plants, while the average quality of discharged

water is in accordance with national standards.



• **Water conservation measures**

- Installation of energy-saving devices, use of sensor batteries, aerators and low-current flushing systems.
- Monitoring and management of water consumption – regular monitoring of water consumption through smart metering systems to identify excessive consumption.
- Internal training on water savings. Raising employees' awareness of efficient water use.
- Campaigns to save water in offices and operations, informational materials, bulletin boards and internal communication.

E5 Circular economy

E5-1 Policies related to resource use and circular economy

Disclosure of whether and how policy addresses sustainable sourcing and use of renewable resources

SWISS company is committed to the **sustainable procurement and efficient utilization of renewable resources** to minimize environmental impact and promote the **circular economy**. This commitment is embedded in our **internal policy**, which establishes clear goals, measures, and monitoring mechanisms.

Our objectives align with **international standards (ISO 14001) and corporate values in environmental responsibility**:

- Increasing the share of renewable energy sources – **Achieve at least 50% of total energy consumption from renewable sources by 2030.**
- Certified raw materials and responsible sourcing – Ensure procurement from FSC-certified sources.
- Minimizing the environmental footprint of the supply chain – Collaborate exclusively with certified suppliers who comply with environmental standards.
- Reducing the carbon footprint – Lower CO₂ emissions related to the procurement and use of renewable resources.

- Promoting the circular economy – Implement 100% recyclable or biodegradable packaging.

Our internal policy defines specific measures and rules to ensure the efficient and environmentally responsible use of renewable resources.

· **Responsible Sourcing of Raw Materials**

- Prioritizing local and certified suppliers.
- Partnering with companies that adhere to ethical and ecological standards.
- Ensuring full traceability of renewable raw materials.

· **Efficient Use of Renewable Energy**

- Investing in solar panels and energy-efficient solutions.
- Supporting the decarbonization of production and logistics processes.
- Transitioning to 100% green energy in offices and facilities.

· **Innovation and Technological Solutions**

- Developing products with a lower environmental footprint.

- Enhancing production efficiency with reduced consumption of natural resources.
- **Responsible Consumption and Recycling**
- Reusing and recycling materials within company operations.
- Eliminating single-use materials and transitioning to sustainable alternatives.
- **Education and Awareness**
- Conducting internal training for employees on the sustainable use of renewable resources.
- Collaborating with experts and environmental organizations to implement innovative solutions.
- Through these measures, our company aims to drive sustainable growth while reducing environmental impact.



Description of whether and how policy addresses waste hierarchy (prevention, preparing for re-use, recycling, other recovery, disposal)

SWISS spol. s r.o. recognizes the importance of sustainable waste management and is committed to prioritizing waste prevention and minimization over waste processing strategies such as recycling or disposal. This commitment aligns with the principles of the circular economy, legislative requirements, and the company's environmental objectives.

Our strategy is based on the **waste management hierarchy**, with priority given to the following steps:

- **Waste Prevention** – Eliminating waste at the procurement, storage, and sales stages.
- **Waste Minimization** – Optimizing processes to reduce waste volume.
- **Reuse of Materials and Packaging** – Utilizing returnable packaging and recyclable materials.
- **Recycling and Waste Recovery** – Sorting and delivering waste for further processing.
- **Waste Disposal** – The last resort when no other options are available.

Internal Measures for Waste Prevention and Minimization

· **Optimization of Procurement Processes**

Reducing the purchase of materials and products that generate significant waste.

Prioritizing suppliers with eco-friendly packaging and sustainable solutions.

Minimizing packaging during transportation and distribution.

· **Efficient Warehouse Management**

Reducing waste from inventory through logistics optimization.

· **Reduction of Single-Use Materials**

Eliminating plastic bags, packaging, and single-use items.

Using biodegradable or recycled materials.

Supporting refill systems and returnable packaging.

· **Reduction of Administrative Waste**

Digitizing documents to decrease paper waste.

Implementing paperless processes (e-invoices, e-documents, electronic communication).

· **Responsible Consumption and Employee Education**

Internal training on waste prevention and effective waste sorting.

Awareness campaigns promoting zero-waste principles.

By implementing these measures, SWISS spol. s r.o. aims to minimize its environmental footprint and contribute to a more sustainable future.

Description of whether and how policy addresses prioritization of strategies to avoid or minimize waste over waste treatment strategies

Business-logistics companies play a key role in **reducing waste before it is generated**. Their strategies focus on **effective inventory management, packaging optimization, reducing administrative waste, and eco-friendly transportation**.

· **Optimization of Procurement and Inventory Processes**

-Limiting the purchase of excess materials – Minimizing the purchase of unnecessary products that could become waste.

- Prioritizing suppliers with eco-friendly solutions – Choosing products with minimalist and recyclable packaging.

- Bulk ordering – Reducing packaging waste from deliveries.

- Improving product storage – Ensuring proper temperature and humidity conditions to prevent product damage.

- Strict quality control upon goods receipt – Reducing waste from defective or damaged goods.

· **Minimization of Packaging Waste in Logistics**

- Reuse of transport packaging – Using returnable plastic boxes, shipping pallets, and recyclable packaging.
- Reducing the amount of filler and protective materials – Optimizing packaging size to minimize waste from plastic films and polystyrene.
- Use of eco-friendly packaging materials – Replacing plastic fillers with paper or biodegradable alternatives.
- Reducing single-use pallets and stretch films – Using reusable pallets and recyclable stretch films.

· **Efficient Packaging and Distribution**

- Optimizing package sizes – Minimizing empty space in packages to reduce packaging material use and shipping units.
- Consolidating shipments – Combining multiple orders into a single shipment to reduce transportation costs and waste.
- Eliminating unnecessary printed invoices and labels – Switching to digital invoices and electronic product labeling.

· **Reducing Administrative Waste**

- Paperless office – Implementing digital processes to reduce paper consumption.
- Electronic documentation – Replacing printed delivery notes, invoices, and orders with electronic versions.
- Printing only when necessary – Using double-sided printing and recycled paper.

· **Eco-Friendly Transportation and Transportation Optimization**

- Route optimization and efficient transport planning – Reducing the number of empty trips and minimizing fuel consumption.
- Switching to alternative fuels and electric vehicles – Investing in low-emission vehicles and using biofuels.
- Maximizing vehicle load capacity – Fully utilizing transport units to reduce energy consumption.

· **Employee Education and Engagement**

- Training on waste prevention – Raising employee awareness of eco-friendly solutions in logistics.
- Incentive programs – Rewarding employees for effective material handling and waste reduction.
- Collaboration with partners on sustainable solutions – Sharing best practices with suppliers and customers.

· **Collaboration with Customers and Suppliers**

- Offering returnable packaging to customers – Encouraging customers to return and reuse packaging.
- Supporting eco-friendly alternatives – Promoting products with lower packaging waste or made from recycled materials.
- Transparent sustainability communication – Informing customers about the measures taken to minimize waste.

< Social

S1 Own workforce

S1-1 Policies related to own workforce

Description of relevant human rights policy commitments relevant to own workforce

At SWISS, we are fully committed to going beyond local laws and other legal regulations of the European Union and we strictly comply with EU laws and directives which they regulate various aspects of business operations, including human rights, child labor, protection against discrimination and other fundamental rights. Our workforce policies are deeply rooted in principles that are in line with strict EU standards in the area of human rights, working practices and non-discrimination. We believe in creating a work environment that respects the dignity and rights of everyone individuals, promotes fair labor practices and supports Diversity and inclusiveness.

By integrating EU laws and human rights principles into our workforce policies, we aim to create a culture of integrity, respect,

and equality for all employees. SWISS and ELKO group are dedicated to promoting a work environment that upholds the highest standards of ethical conduct and values the well-being and rights of every individual within our organization.



Freedom from discrimination

At SWISS, we value all employees and job candidates as unique individuals and welcome the diverse range of experiences and perspectives they bring to our company. We are committed to fostering

an inclusive and equitable workplace where everyone feels respected, valued, and supported.

Our non-discrimination policy is integral to our core values and is embedded within our hiring process as well as everyday work situations. We believe that everyone should be treated with fairness and dignity, regardless of race, sex, gender identification, sexual orientation, national origin, native language, religion, age, disability, marital status, citizenship, genetic information, pregnancy, or any other characteristic protected by law.

We are dedicated to creating a work environment that is free from discrimination, harassment, and bias of any kind. Our policies and practices are designed to promote diversity, equity, and inclusion at all levels of the organization. We actively promote equal opportunities

for all employees and job candidates, and we are committed to providing a supportive and respectful workplace where individuals can thrive and contribute to our shared success.

Child labor

At SWISS, we uphold ethical standards and promote a safe and fair workplace for all employees. We firmly condemn the use of child labor in any form and are committed to ensuring that our internal policies and workplace practices align with national and international labor laws that strictly prohibit child and forced labor; we have

implemented robust measures to prevent and eliminate any instances of child labor within our operations and supply chain. Our commitment to eradicating child labor includes thorough vetting processes for our suppliers, regular audits, and ongoing monitoring to ensure compliance with our strict standards

Policies Related to Own Workforce

Policy Area	Description	Implementation & Monitoring
Fair Wages & Employment	Commitment to paying fair wages above the legal minimum.	Regular wage audits and compliance reviews.
Diversity & Inclusion	Zero tolerance for discrimination based on gender, ethnicity, disability, etc.	DEI training and reporting mechanisms.
Health & Safety	Compliance with workplace safety standards and mental health support.	Monthly safety audits and employee wellness programs.
Training & Development	Investing in employee learning and career growth.	Annual training plans and performance reviews.

Characteristics of undertaking's employees - number of employees by gender

Gender	Number of employees (head count)
Male	23
Female	13
Other	
Not reported	
Total Employees	36

Characteristics of employees' undertaking - information on employees by region

Region	Number of employees (head count)
SK02 - Western Slovakia	25
SK04 - Eastern Slovakia	9
SK03 - Central Slovakia	2

Number of employees who have left undertaking	Percentage of employee turnover
5	12.82 %

S1-9 Diversity metrics

Diversity & Equal Opportunity

SWISS and ELKO Group is continuously working on creating a supporting as well as an open workplace that is not only inclusive but also cultivates diversity. As an international group with offices in 12 countries, our work environment inheres different nationalities, cultures and

religions, well as in everyday work situations.

We believe that a diverse workforce enhances innovation, decision-making, and overall business performance.

Policies & Initiatives for Equal Opportunity

Equal Employment Opportunity (EEO)

Policy: Ensures fair hiring and promotion practices.

Diversity Training Programs: Conducted regularly to build awareness and inclusivity.

Employee Resource Groups

(ERGs): Support underrepresented groups in the workplace.

Flexible Work Policies: Promote work-life balance for employees with diverse needs.

Commitment & Objectives

Providing a safe and hazard-free workplace by identifying and mitigating risks.

- Complying with all local, national, and international safety regulations.
- Fostering a safety-first culture through employee engagement and leadership responsibility.
- Reducing workplace accidents and injuries by implementing proactive safety measures.
- Promoting employee well-being by addressing physical and mental health risks.

Safety

To provide safe working conditions for all ELKO group employees we have developed a health and safety management system for our office as well as warehouse employees which complies with labor protection laws. During employees' first week of employment all employees are introduced to job safety and fire safety instructions, Furthermore, annually we hold safety training, and all employees are

required to sign confirmation that they have gone through training. Fire safety systems are checked and maintained by a certified external company on a monthly basis and a representative of State Fire and Rescue Service checks all of fire safety systems annually. Additionally, at our warehouses work environment risk assessment is performed regularly and we provide accident insurance for our employees.

WE LOVE HOPE

One of the important projects in 2024 was the Hope for a Better Future project, which was jointly organized in Slovakia within the ELKO group. Project of voluntary and charitable activities for 2024 called **WE LOVE HOPE** The motivation for this initiative is the effort to deepen the company's commitment to the communities and environment in which it operates. SWISS believes in the importance of social responsibility and by its involvement in voluntary and charitable activities, it wants to be an example for

other companies in the industry as well as the public.



S1-15 Work-life balance metrics

All employees are entitled to family-related leaves through social policy and (or) collective bargaining agreements

SWISS continuously is becoming increasingly aware of the usefulness of employee Work-life balance programs and thus we are trying to cultivate a culture of Work-life balance in

the workplace. For several years, we have introduced health weeks in the workplace. The initiative includes lectures on healthy eating, the importance of exercise as well as blood donation and vaccination drive at the workplace. The company allows employees, as part of employee benefits, to take

days off for regeneration, the so-called sick day.

In addition, SWISS provides all employees with a contribution to recovery and sports activities with the benefit Multisport program, thus supporting an easier path to improving physical health.

Thanks to the activities of its employees, the company thus contributes to the support of local communities as well as to society-wide solidarity through various initiatives, including donating blood, planting trees, supporting animal shelters, helping orphans or children from orphanages, homeless people and others.

Governance

G1 Business conduct

G1.GOV-1 The role of the administrative, supervisory and management bodies

Disclosure of role of administrative, management and supervisory bodies related to business conduct

For the General governance, ELKO group has incorporated Articles of Association as its main framework. The document serves as an essential supporting

framework of rules and practices by which the board ensures accountability, fairness and transparency in both how the company runs

and how it communicates with its stakeholders.

Management Board

The Management Board consists of five members elected by the Supervisory

Board of the joint-stock company for three years. The chairman of the Management Board who at the same time is the president of the Company, manages the work of the Management Board. The Management Board shall adopt decisions on all issues connected with activity of the Company, except those which are in competence of the General meeting or the Supervisory Board. In accordance with provisions of the Articles of Association, separate decisions of the Management Board require

written consent of the Supervisory Board.

Supervisory Board

The Supervisory Board of the Company consists of four members, who are elected for three years. The Supervisory Board shall approve annual and quarter budgets of economic activity of the Company. Additionally, the written consent of the Supervisory Board is required for the decisions adopted by the Management Board on issues regarding large excesses of annual budget,

approval of large loans or credit, any acquisition or alienation of property rights and other significant measures that can notably affect the general affairs of the company.

The management of the business and the conduct of the affairs of the Company are vested in the directors of departments.

General Meeting

The General meeting is entitled to adopt decisions on issues listed below if at least

80% of the paid share capital of the joint stock company participates, besides the majority of votes which makes not less than 80% of the total number of votes of all shareholders with the right to vote is required. The main decision-making areas for the General Meeting cover amendments of the Articles of Association of the Company, changes in the share capital, reorganization and emission and conversion of the Company's securities

G1-1 Business conduct policies and corporate culture

Description of how the undertaking establishes, develops, promotes and evaluates its corporate culture

Data Privacy

SWISS spol s r.o. and ELKO Group has consistently upheld a robust stance on data

privacy, demonstrating commitment to safeguarding the personal information of individuals. Central to our one

of operational values is a zero-tolerance policy towards any form of non-compliance with data privacy and security

regulations, underscoring our dedication to upholding the highest standards of confidentiality and integrity.

In line with our dedication to data protection, we have implemented stringent measures and procedures to ensure the security and privacy of personal information.

To oversee and enforce compliance with these procedures, we have an dedicated GDPR officer within our organization. The role of the GDPR officer is to provide oversight and guidance on data privacy matters, ensuring that our practices remain in full alignment with the requirements set forth by relevant data protection legislation.

Furthermore, we have established a network of Data Guardians across each department, individuals who have undergone specialized training on data privacy

protocols. By equipping these Data Guardians with in-depth knowledge and expertise in data privacy best practices, we empower them to serve as advocates for data protection within their respective departments, fostering a culture of awareness and accountability.

Through these comprehensive measures and initiatives, the ELKO Group reaffirms its unwavering commitment to data privacy and security, prioritizing the protection of personal information and upholding the trust and confidence of our stakeholders.



Employee Code of Conduct
AS ELKO Group places a strong emphasis on fostering a culture of integrity and ethical conduct within its workforce, as evidenced by our long-standing Employee Code of Conduct. This foundational document outlines a set of guidelines and principles that govern the employer-employee relationship, safeguard the interests of the business, and communicate the company's expectations to all employees.

At the core of our Employee Code of Conduct is a commitment to maintaining a positive and respectful employer-employee relationship, fostering a work environment that values transparency, fairness, and mutual respect. By clearly articulating the behavioral

expectations and standards of professionalism, the Code of Conduct serves as a central guide and reference for employees, empowering them to make informed decisions in their day-to-day interactions and responsibilities.

Moreover, the ELKO Group has established a definitive mission, set of values, and guiding principles that underpin our organizational culture and operations. These foundational elements are intricately woven into the fabric of our Code of Conduct, aligning the standards of professional conduct with the overarching mission and values of the organization

Description of the mechanisms for identifying, reporting and investigating concerns about unlawful behaviour or behaviour in contradiction of its code of conduct or similar internal rules

AML Compliance

Given the expansive global characteristic of the ELKO Group and the inherent complexities associated with operating across multiple jurisdictions, we recognize the heightened exposure to financial and reputational risks. In response to this acknowledgment, we have collaborated with external consultants to develop a robust Anti-Money Laundering

(AML) policy that aligns with both local and international legislation.

Our AML policy serves as a comprehensive framework that enables us to ensure strict adherence to regulatory requirements while effectively mitigating the risks associated with money laundering activities. One of the key functions of this policy is to conduct a thorough risk assessment during the vendor and customer onboarding process, allowing us to determine the risk level associated with each party and tailor our due diligence measures accordingly.

Moreover, the AML policy outlines our approach to

preventing money laundering, encompassing detailed procedures for identifying and verifying vendors and customers, conducting due diligence measures, and implementing ongoing monitoring checks. By adhering to these procedures, we fortify our defenses against illicit financial activities and uphold the integrity of our operations.

Given the potential sale of dual-use products within our portfolio and our market presence in countries subject to sanctions, we have implemented additional procedures within the AML policy to ensure compliance with restrictions on the trade

of dual-use goods. These enhanced measures enable us to navigate the complexities of regulatory compliance while upholding our commitment to ethical business practices.

The pivotal responsibility for overseeing and managing our AML initiatives, procedures, and compliance rests with the Compliance Officer. As the primary custodian of our AML framework, the Compliance Officer plays a pivotal role in ensuring that our policies and practices align with regulatory standards, thus safeguarding our organization against financial and reputational risks associated with money laundering activities.

G1-2 Management of relationships with suppliers

Description of approaches regarding relationships with suppliers, taking account risks related to supply chain and impacts on sustainability matters

Supplier Code of Conduct

In alignment with our commitment to ethical business practices and responsible corporate citizenship, AS ELKO Group has formulated a comprehensive Supplier Code of Conduct that is specifically designed to guide our vendors and other partners within the supply chain. This code serves as a pivotal tool in promoting a culture of accountability, transparency, and sustainability among our business partners.

At the heart of the Supplier Code of Conduct is a shared commitment to upholding responsible business practices and adhering to a set of internationally recognized declarations, conventions, and guidelines pertaining to human rights, labor rights and conditions, environmental responsibility, and anti-corruption measures. We, along with its cooperation partners, are dedicated to honoring these principles and fostering a supply chain ecosystem that prioritizes ethical conduct and social responsibility.

The Supplier Code of Conduct outlines clear standards that are designed to ensure that our supply chain partners align with our values and commitments, upholding high

standards of integrity and sustainability throughout their operations.

Through collaborative efforts and adherence to these ethical standards, we strive to cultivate relationships with suppliers and partners that not only drive business success but also contribute positively to society and the environment.

Procurement Module

The introduction of the Procurement Module in 2022 marked a significant milestone for our organization, as it became an integral part of our ERP system, enhancing the transparency and efficiency of our core business process of ordering goods from suppliers. The module has played a crucial role in improving the

accuracy of forecasting and planning, enabling us to optimize resource usage more effectively.

Through the standardization of processes and the automation of tasks, the Procurement Module has brought about considerable enhancement in the efficiency of our goods procurement process. This has not only streamlined operations but also contributed to cost savings and improved decision-making within the organization.

By the end of 2022, the successful rollout of the module across all operating countries of the Group demonstrated its widespread adoption and the positive

impact it had on our global procurement operations.

In 2023, we continued to build upon this success by focusing on further enhancements to the tool. Improvements in user experience have made the module more intuitive and user-friendly, leading to increased productivity and satisfaction among users. Additionally, by maximizing the value derived from data insights, we have been able to gain deeper visibility into our procurement processes, identify trends, and make data-driven decisions that drive further efficiencies and cost savings.

The continuous improvement and evolution of the

Procurement Module reflects our commitment to leveraging technology to drive innovation, optimize processes, and deliver tangible value to our organization.

Internal Vendor Sustainability Scoring

In 2022, ELKO Group introduced an internal vendor scoring system focused on various aspects of ESG (Environmental, Social, and Governance) matters. This scoring system evaluated vendors based on criteria such as the presence of a CSR report, the guidelines used in the report (such as GRI, Other, UN Development Goals), major environmental goals defined, RBA Membership status, and

Responsible Sourcing and Conflict Minerals Policy. Vendors were then assigned a score ranging from A to D, with A indicating that all major ESG aspects were addressed and only minor issues might be present.

By 2023, the ELKO Group expanded the screening process to cover 99% of its turnover, up from 94% in 2022. This increased scrutiny resulted in 81% of vendors receiving a score of A or B, indicating a higher overall level of compliance with ESG criteria. This improvement suggests that ELKO Group's partners are not only becoming more adept at addressing sustainability

issues but also increasingly conscious and committed to sustainability matters.

The annual screening process remains a cornerstone of ELKO Group's sustainability efforts, with a focus on enhancing the proportion of vendors achieving the top score of A. This ongoing commitment to sustainability scoring reflects ELKO Group's dedication to promoting sustainable practices throughout its supply chain and fostering partnerships with vendors who share its sustainability goals.

G1-3 Prevention and detection of corruption and bribery

Information about procedures in place to prevent, detect, and address allegations or incidents of corruption or bribery

To tackle the possible risks regarding corruption and bribery, SWISS spol s r.o. and ELKO group has adopted an anti-bribery and corruption procedure, which defines the mandatory anti-bribery and

corruption requirements ELKO employees must comply with. Furthermore, it clearly describes the procedure on reporting actual or suspected wrongdoing and following liabilities in case a breach has

been detected. ELKO group has a definite and unequivocal stance against bribery and corruption and the subsequent negative economic and social effects such actions can provoke.

G1-4 Confirmed incidents of corruption or bribery

Information about confirmed incidents of corruption or bribery

In 2023 no incidents were reported.

G1-5 Political influence and lobbying activities

Information about financial or in-kind political contributions

SWISS spol s r.o. and AS ELKO Group does not support any political causes or parties—either directly or indirectly—in any of our organizations.

G1-6 Payment practices

Description of undertaking standard payment terms in number of days by main category of suppliers

Our payment practices are set through tailored agreements with each of our esteemed partners, reflecting our commitment to fostering mutually beneficial relationships built on trust and transparency.

With a proven track *record*, we take pride in our consistent and timely disbursement of payments. By prioritizing accuracy and efficiency in

our financial transactions, we not only demonstrate respect for our partners but also reinforce the foundation of collaboration and trust upon which our partnerships are built.

By consistently meeting our financial obligations in accordance with agreed-upon terms, we strive to cultivate enduring partnerships that are characterized by mutual respect, reliability, and shared success.

SWISS Ltd.

Pestovateľská 13, 82104, Bratislava, Slovakia

T: +421 2 67202080, swiss@swissit.sk

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