

SUSTAINABILITY REPORT 2023

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HIGHLIGHTS 2023



→ SWEDEN'S BEST WORKPLACE AND EUROPE'S 9TH BEST



→ SPEED SEED: AI PROJECT FOR SMARTER SEED TREATMENT



→ VALIO HACKATHON WINNER: INNOVATIVE SOLUTION FOR MORE CONSISTENT MILK PRODUCTION



→ DATA DRIVEN FRAMEWORK TO BOOST SUSTAINABILITY IN THE FOOD CHAIN

TOGETHER, BUILDING A SMARTER MORE SUSTAINABLE FUTURE

In the heart of the food industry's journey towards sustainability, Elvenite stands not just as technology consultants but as partners in innovation alongside our valued customers. This year, we celebrate the collective strides we've made towards a more sustainable future.

Our progress is a shared achievement, powered by the collaboration between Elvenite's technological prowess and the forward-thinking visions of our clients. From implementing AI to optimize resource use, to leveraging data analytics for reducing waste, it's the synergy of our efforts that drives impactful change.

As we unveil our 2023 sustainability report, we reflect on these successes with gratitude and optimism. This journey, marked by mutual learning and shared goals, illustrates our commitment to advancing sustainable practices and strengthening the bonds with our customers.

Looking ahead, we are excited to continue this collaborative path. Together, we will explore new technologies, tackle emerging challenges, and build a sustainable legacy that benefits not only the food industry but also extends to other sectors, enriching our planet and society as a whole.

Mathias Dyberg, CEO.



MAKING THE FOOD INDUSTRY SMARTER

We stand at the intersection of digitalization and business support, dedicated to revolutionizing the food industry. As a consulting firm, we want our expertise and experience to shine through in every solution we provide.

We aim to be a total solution provider in operational development, offering strategic advice, business solutions, and digital tools that empower companies to take command of their operations.

WE ARE PART OF COMBINEDX

Elvenite is part of CombinedX, a publicly listed family of knowledge companies that help businesses and organizations take advantage of the opportunities of digitalization.

2023 IN NUMBERS

Net revenue → **134,1 MKR**

Employees → **95**

Emissions per employee → **1.9 tons**

Gender ratio → **47% women / 53% men**

Rank GPTW Sweden → **#1**

eNPS → **64**



SOME OF OUR CUSTOMERS



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OUR LONG TERM SUSTAINABILITY GOAL



Our vision is to lead and inspire by actively addressing sustainability issues and providing clear examples of how we promote increased sustainability in our projects. We strive to become carbon neutral by 2040 and actively work to halve our emissions per employee by 2030. We aim to become a prominent player in the food industry, known for our strong commitment to sustainability and culture. We want to maintain and grow our position as one of the best places to work in Sweden and Europe.

OUR SUSTAINABILITY GOALS FOR 2023

1 → ENSURING ALL PROJECTS DRIVE CUSTOMER SUSTAINABILITY GOALS

In 2023, we embarked on an ambitious path to ensure that all our projects not only deliver value but also align with sustainability goals, mirroring our customers' environmental ambitions. We have successfully integrated sustainability considerations into our project initiation processes.

This approach has enabled us to start most projects with a foundational sustainability analysis, setting a precedent for future endeavors. Moreover, we are gearing up to launch an internal education program aimed at bolstering our team's capability to embed sustainability into our services and solutions.

3 → CULTIVATING SUSTAINABLE PRACTICES AMONG OUR TEAM

Our approach to fostering sustainability involves gamified challenges and educational sessions that have significantly shaped our company culture towards environmental responsibility.

These engaging and interactive initiatives promote sustainability in a fun and impactful way, benefiting the environment and enhancing team and community well-being. Through these challenges, we demonstrate the effectiveness of gamification in motivating sustainable behavior and the substantial benefits of integrating these practices into our everyday work life.

2 → DEFINE ACTIONS TO REDUCE EMISSIONS AND INCREASE HAND-PRINT

With Climatehero's help, we focused on identifying key emissions and actionable improvements through a materiality analysis. Some of Climatehero's suggestions included improving our travel and procurement policies, prioritizing the purchase of used or reusable equipment, and selecting seasonal meals for conferences.

While implementing these actions has been challenging, particularly regarding employee travel choices, we recognize the importance of strengthening our travel policy and simplifying vendor analysis for purchases in 2024.

We understand that accurate and supplier-specific data is essential for effective emissions calculations and action identification. As a consulting firm, our direct emissions are minimal, but we are committed to leveraging our solutions to help our clients reduce their emissions.

GOAL ACHEIEVEMENT REVIEW

Goal 1



Goal 2



Goal 3



OUR CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS...

SUSTAINABILITY IS TO FULFILL TODAY'S NEEDS WITHOUT JEOPARDIZING THE FUTURE. IT'S A COMPREHENSIVE APPROACH THAT ENCOMPASSES SOCIAL, ENVIRONMENTAL, AND ECONOMIC FACTORS

At Elvenite, we stand at the intersection of digitalization and business support, dedicated to revolutionizing the food industry. As a consulting firm, we want our expertise and experience to shine through in every solution we provide. We aim to be a total solution provider in operational development, offering strategic advice, business solutions, and digital tools that empower companies to take command of their operations.

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...IS TWOFOLD.

INTERNALLY

We promote sustainable practices among our employees both at work and in their personal lives. This includes aspects such as commuting practices, health and well-being initiatives, ensuring a safe work environment that fosters diversity, individuality, and striving for a healthy work-life balance. Additionally, we aim to excel as individuals and as a collective entity, embodying the values of Elvenite.



EXTERNALLY

We actively seek opportunities to contribute to the global goals through projects, partnerships, and initiatives that align with the broader global sustainability agenda.

DIGITAL SOLUTIONS FOR A SUSTAINABLE FOOD INDUSTRY

WE FOCUS ON DELIVERING DIGITAL SOLUTIONS THAT ADDRESS KEY CHALLENGES IN THE FOOD AND BEVERAGE INDUSTRY

Through the digitalization of food production processes, we aim to enhance efficiency and optimize operations. This approach not only reduces food waste but also contributes to a more sustainable use of resources.

Our digital technologies play a crucial role in improving the safety and quality of food production. By enabling better monitoring and traceability, we help minimize the risk of food-related illnesses, ensuring safer consumption. Furthermore, digitization increases access to information about food production. This fosters a more equitable environment, where both large-scale and small-scale producers can leverage digital tools to enhance their operations. By integrating digital solutions, we support the industry's journey towards sustainability, helping to create a more efficient and transparent food production system.



OUR IMPACT ON THE GLOBAL GOALS

SDG 2: ZERO HUNGER

We boost food production efficiency and waste reduction, aiding in hunger elimination.

SDG 3: GOOD HEALTH AND WELL-BEING

Our tech improves food safety, reducing health risks from food consumption.

SDG 4: QUALITY EDUCATION

We support education through partnerships and training, enhancing learning opportunities.

SDG 5: GENDER EQUALITY

We promote gender equality and inclusivity within our workforce.

SDG 7: AFFORDABLE AND CLEAN ENERGY

Our energy-efficient solutions in food production support clean energy goals.

SDG 8: DECENT WORK AND ECONOMIC GROWTH

We ensure a great workplace and sustainable business, boosting economic growth.

SDG 9: INDUSTRY, INNOVATION, AND INFRASTRUCTURE

Our digital innovations drive sustainability and efficiency in the food industry.

SDG 12: RESPONSIBLE CONSUMPTION AND PRODUCTION

Our digitalization efforts foster sustainable consumption and production.

SDG 13: CLIMATE ACTION

We're committed to reducing emissions and achieving carbon neutrality by 2040.

SDG 15: LIFE ON LAND

Our agricultural projects support sustainable land use and biodiversity.

SDG 17: PARTNERSHIPS FOR THE GOALS

Collaborating with various stakeholders, we embody the spirit of partnership necessary to achieve the Sustainable Development Goals.



SUSTAINABILITY WITHIN COMBINEDX

Echoing the global consensus on the necessity of collaboration for the 2030 agenda, CombinedX champions advancing through mutual cooperation and the exchange of best practices.

Our Sustainability Council, comprising sustainability officers from each company, convenes monthly to monitor progress, and exchange insights and expertise. This collaborative approach accelerates our journey towards the global goals, emphasizing that unity is strength and that sharing is caring.

COMBINEDX SUSTAINABILITY GUIDELINES

1. Climate and environmental policy
2. Diversity and equality policy
3. Policy against abuse and harassment
4. Information and IT security
5. Personal data policy
6. Policy against corruption and bribery
7. Whistleblower policy
8. Information and insider policy



OUR HANDPRINT

SPEED SEED: AI PROJECT FOR BETTER SEED TREATMENT

The Speed Seed project, a collaboration between Elvenite and Lantmännen BioAgri, is a groundbreaking example of how tradition and technology can come together to create a sustainable future for agriculture.

By combining advanced data analysis with Lantmännen's extensive knowledge and experience, we have developed a machine learning model that predicts the optimal treatment intensity for each batch of seeds. In practice, this means that farmers, instead of relying on time-consuming test methods, can now depend on data-driven insights. Speed Seed is more than a technology project; it is a meeting place for disciplines where innovation meets tradition to advance agriculture.



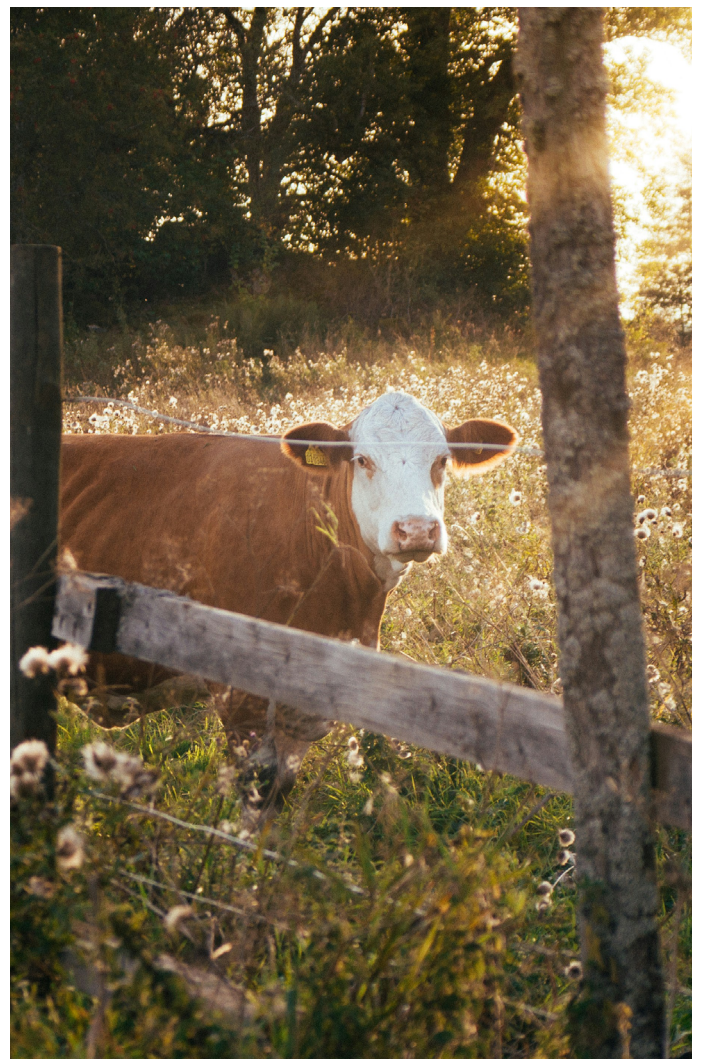
PROGRESS IN SUSTAINABLE FOOD CHAIN THROUGH DATA MANAGEMENT

In 2023, we conducted a research collaboration with CTF at Karlstad University and several companies within the food industry. The research focused on developing data management strategies aimed at addressing sustainability challenges in the food industry and achieving the Agenda 2030 goals. By bringing together knowledge from different parts of the food chain, we were able to identify key factors for successful sustainability initiatives. The result was a framework for how organizations can use data to not only meet but also benefit from sustainability challenges, opening up new opportunities within the industry.



VALIO HACKATHON WINNER: STREAMLINING MILK PRODUCTION

The challenge was to smooth out the seasonal fluctuations in milk production. Our winning entry, a predictive data model, scrutinizes farm-level data to tackle these variations head-on. We pinpointed key factors influencing production disparities, marking a significant stride towards Valio's efficient production scheduling and their 2035 target for climate-neutral milk.



MOVING ERP AND ANALYTICS PLATFORMS TO THE CLOUD

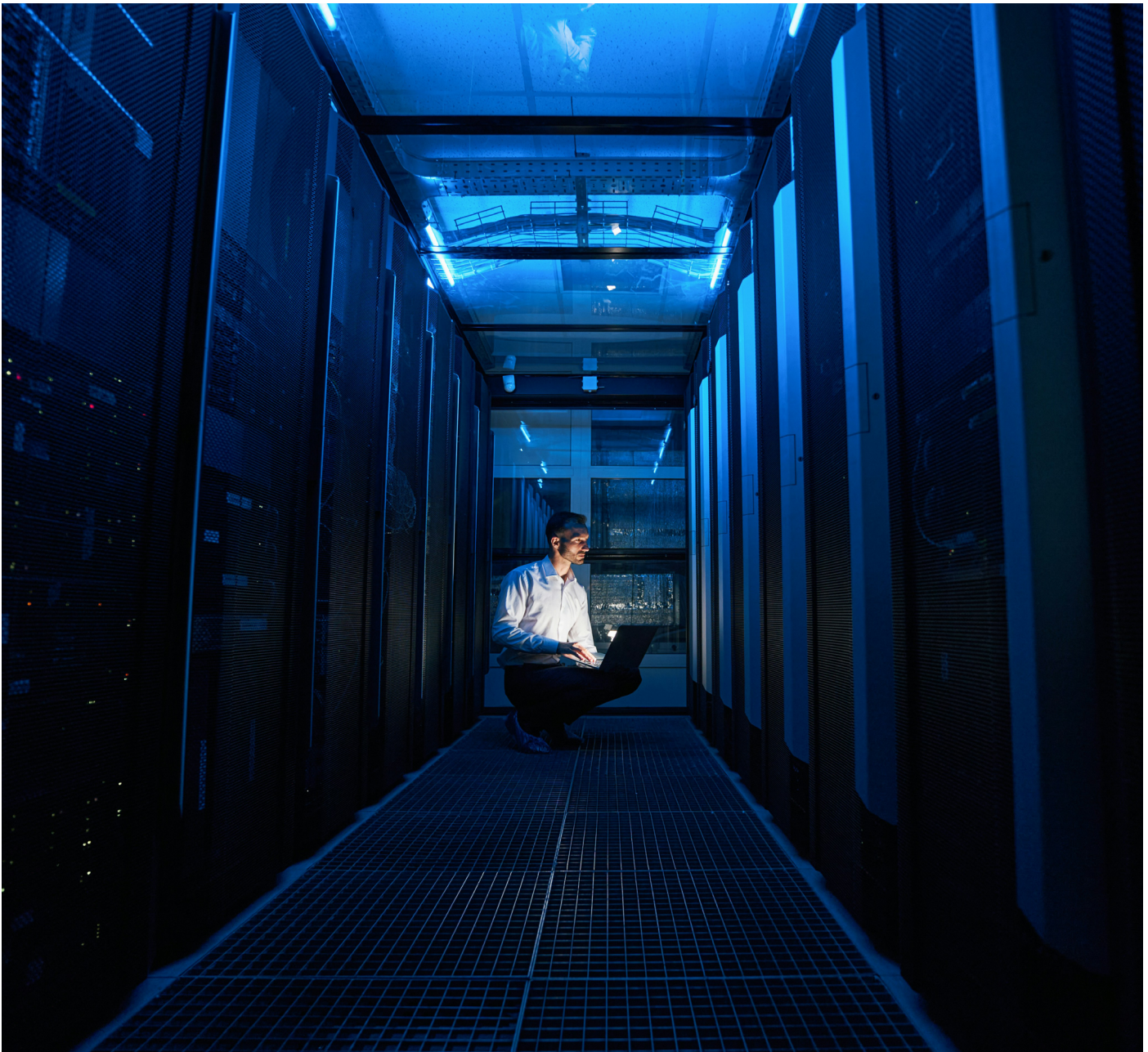


We are committed to enhancing operational efficiency and environmental stewardship by transitioning our clients' ERP and analytics platforms to cloud-based solutions. This strategic approach reduces manual labor and aims to decrease ecological footprints.

Cloud computing is central to these transitions, helping to manage energy more effectively and reduce the power needed for server cooling. Virtualization within the cloud minimizes the requirement for physical servers, thereby potentially reducing hardware needs, energy consumption, and electronic waste.

Our work with various clients, including companies like Elkem known for their focus on environmental responsibility, involves migrating their systems to the cloud. These transitions are intended to support more streamlined operations and align with broader sustainability goals.

By using cloud service providers like AWS, we utilize advanced cloud services that are designed to be energy efficient and support optimal server utilization. These efforts are part of our ongoing commitment to leveraging technology to support sustainable business practices.



SOCIAL COMMITMENT

ELVENITE IS SWEDENS BEST WORKPLACE 2023

GOAL: TOP 3 IN GPTW SWEDEN

RESULT: WE WON AND WERE NAMED SWEDEN'S BEST WORKPLACE

The certification from Great Place to Work essentially confirms that we adhere to the rigorous standards and criteria defining an excellent workplace. It serves as proof that our employees regard the organization as an outstanding place to work. We firmly believe that a robust level of trust within an organization can significantly influence employee engagement, productivity, and financial outcomes. The survey findings steer our continuous endeavours to establish and sustain a workplace culture where each employee enjoys a sense of well-being, recognition, value, and motivation.



ABOUT GREAT PLACE TO WORK

Great Place to Work (GPTW) evaluates workplace cultures and helps organizations enhance employee satisfaction and profitability through annual surveys of 11.5 million employees worldwide. Our participation over the last five years aligns with GPTW's research-driven approach. Top-rated companies in the Trust Index survey are recognized as Sweden's best workplaces.



SYSTEMATIC WORK ENVIRONMENT MANAGEMENT

GOAL: TO INCREASE THE UTILIZATION RATE OF THE HEALTH AND WELLNESS BENEFITS

Elvenite is dedicated to creating a healthy and secure work environment that meets Swedish standards. We take proactive steps to prevent work-related illnesses and accidents, focusing on improving ergonomics, reducing noise, and enhancing lighting. Balancing professional and personal life is key for us, so we support our employees with manageable workloads, stress management resources, remote work options, health benefits, parental leave, and leisure activities to ensure their well-being.

We also promote physical activity and sustainability through initiatives like our annual May challenge, which saw over 1,000 activities completed this year, reflecting our commitment to health and environmental stewardship. A dedicated team meets quarterly to address workplace issues and enhance our environment, underscoring our collective approach to well-being. Additionally, our commitment to sustainability extends to our procurement practices, ensuring we uphold our values in every aspect of our operations.



RESULTS FROM OUR OWN EMPLOYEE SURVEY

GOAL: ENPS >60

RESULT: ENPS 64

As part of our commitment to being a great place to work, we also conduct our own annual employee survey. The results are compared to previous years to track developments in areas related to the physical work environment as well as physical and mental well-being. The surveys provide an opportunity to anonymously address topics and issues that may be difficult to discuss in person. Drawing from the results, we collaborate with our employees to address areas of concern and prioritize enhancing what is already effective and positive.



UTILIZATION RATE OF WELLNESS ALLOWANCE



93%

SUSTAINABLE GROWTH THROUGH OUR OWN TRAINEE PROGRAM

GOAL: SECURE FUTURE COMPETENCE AND ENHANCE ORGANIZATIONAL DIVERSITY

RESULT: 6 TRAINEES, ALL ACCEPTED CONTINUED EMPLOYMENT OFFERS.

For several years now, we have been running our own trainee program in collaboration with sibling companies within CombinedX. Over the course of six months, newly graduated students work in various specialized areas, engaging in both client projects and internal initiatives. They also receive additional training to foster personal development in preparation for their future roles as consultants.

Our ambition is to be a company where both seasoned professionals and junior talents with diverse skills and perspectives thrive and evolve together. We need to grow and plan for the future to avoid potential skill shortages. At the same time, it's particularly exciting to provide young academics with a flying start to their careers. In 2023, 6 trainees graduated at Elvenite and 12 in total within CombinedX.



EQUALITY AT ELVENITE

GOAL: ENSURE GENDER EQUALITY AND PROMOTE INCLUSION OF DIFFERENT AGES AND BACKGROUNDS IN OUR WORKFORCE.

We strive daily to foster gender equality and fairness as an employer. What truly matters to us is your individuality and the expertise you bring, irrespective of gender. Throughout our organization, the gender ratio is nearly equal, with women comprising 47% and men 53%. In our leadership team, five out of nine members are women. By comparison, the gender breakdown in the IT and telecommunications sector in 2022 (number for 2023 not released yet) was 38% women and 62% men, according to the Key Performance Indicators Institute.



PROUD SPONSOR OF KLASSFOTBOLLEN FOR ALMOST A DECADE

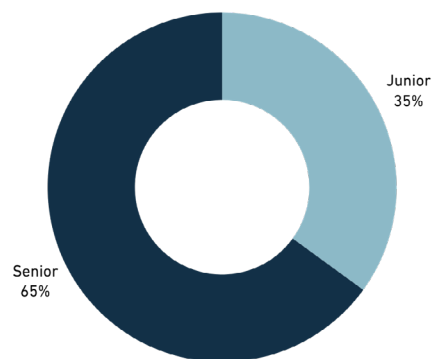
PURPOSE OF SPONSORSHIP: WE SPONSOR YOUTH SPORTS TO PROMOTE PHYSICAL HEALTH, TEAMWORK, AND COMMUNITY SPIRIT, FOSTERING AN INCLUSIVE AND ACTIVE ENVIRONMENT FOR ALL.

Elvenite proudly sponsors Klassfotbollen, a unique soccer league in Karlstad that champions inclusivity by allowing children of all ages to team up and compete, fostering unity and fun among girls and boys alike. Since 2016, we've not only supported this initiative through funding but also by developing its team management and sign-up solutions, and aiding in its marketing efforts.

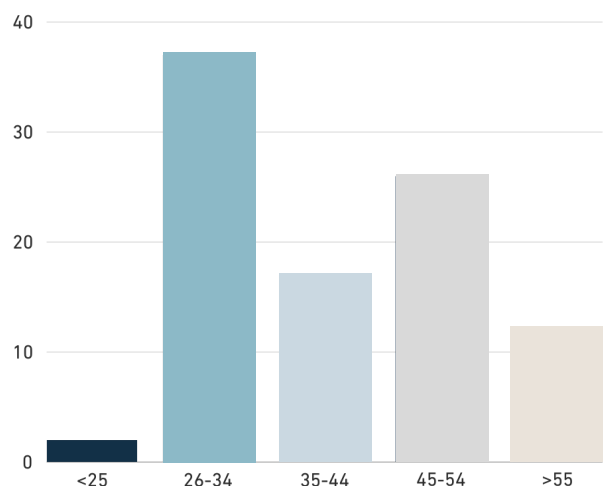
Our commitment extends beyond the pitch; we also contribute 50,000 SEK yearly to youth sports grants, reinforcing our dedication to nurturing young talents and promoting active, healthy lifestyles.



SENIOR VS. JUNIOR EMPLOYEE DISTRIBUTION



AGE DISTRIBUTION AMONG EMPLOYEES



ENVIRONMENTAL RESPONSIBILITY

WE REPORT OUR GREENHOUSE GAS EMISSIONS UNDER THE GHG PROTOCOL, DISTINGUISHING BETWEEN DIRECT (SCOPE 1), INDIRECT FROM PURCHASED ENERGY (SCOPE 2), AND OTHER INDIRECT EMISSIONS (SCOPE 3)

In 2023, we broadened our reporting to fully include Scope 3 emissions, resulting in a projected increase in overall carbon footprint. This rise is attributed to a resurgence in business travel, especially flights, as activities return to pre-pandemic levels. Despite prioritizing train travel, the need for more efficient travel planning and improved data quality is evident. The main source of emissions shifted from purchases to business travel due to expansion and the demands of global clients, with emissions per employee increasing from 1.0 to 1.9 tons. We aim to reduce emissions per employee annually, targeting a 50% reduction by 2030 and net zero by 2040.

Our table presents quantified emissions, noting gaps like server and cooling emissions, due to supplier data limitations.

| GHG/CO2 | Scope 1 | Scope 2 | Scope 3 |
|--|---------|----------|----------|
| GHG Scope 2: Heating | 0 | 0,981953 | 0,120063 |
| GHG Scope 2: Purchased electricity | 0 | 0,788303 | 0,046118 |
| GHG Scope 3: Purchased goods and services | 0 | 0 | 21,25557 |
| GHG Scope 3: Waste generated in operations | 0 | 0 | 10,96453 |
| GHG Scope 3: Business travel | 0 | 0 | 89,45545 |
| GHG Scope 3: Employee commuting | 0 | 0 | 46,85001 |
| SUM | 0 | 1,770257 | 168,6917 |
| CO2 emission per employee | 0 | 0,019891 | 1,895413 |

OFFSETTING OUR EMISSIONS WITH CLIMATE PROJECTS

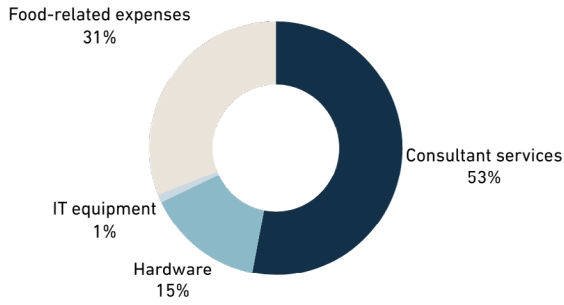
In 2023, we offset our total emissions of 171 tons by supporting diverse climate action projects through the Gold Standard marketplace.

This initiative reflects our commitment to environmental responsibility and global sustainability. By engaging in projects that range from renewable energy to conservation, we're not only neutralizing our carbon footprint but also contributing to sustainable development and community empowerment worldwide. Our investment in these projects underscores our ongoing dedication to a sustainable future.

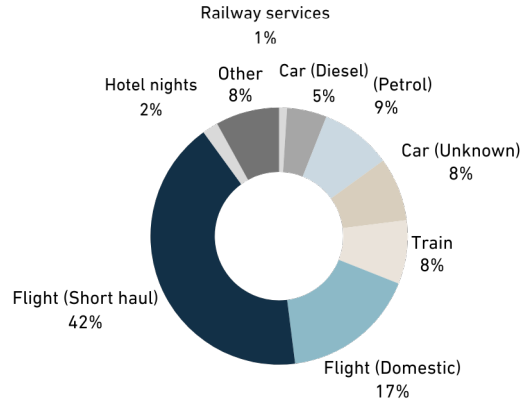
CO2 OFFSET THROUGH CLIMATE COMPENSATION

171 TON

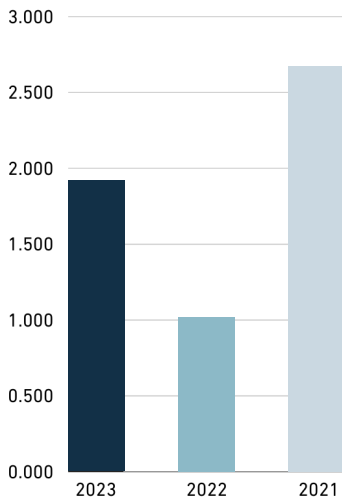
DISTRIBUTION OF CO2 FROM PURCHASES



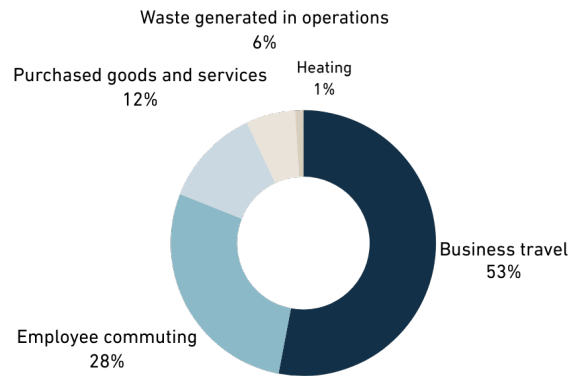
BUSINESS TRAVEL CO2 BREAKDOWN



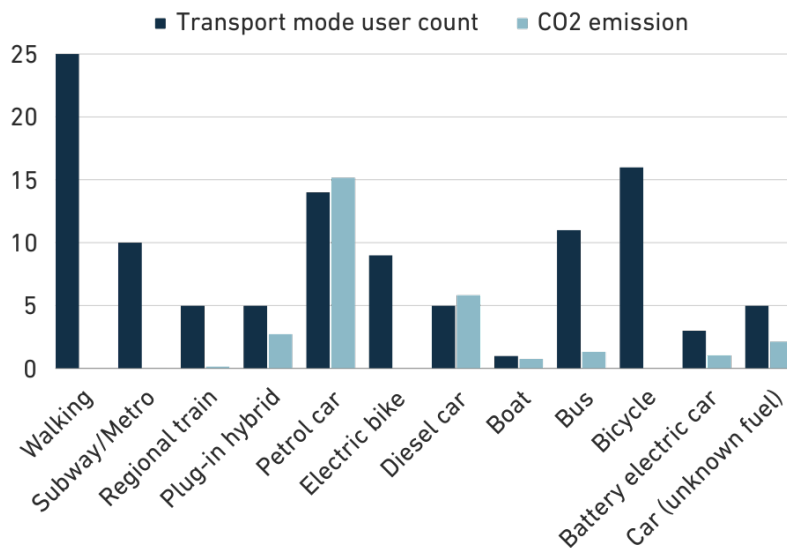
CO2 EMISSIONS PER EMPLOYEE



TOP CONTRIBUTORS TO CO2 EMISSIONS



EMPLOYEE COMMUTING BREAKDOWN



SUSTAINABLE FINANCIAL DEVELOPMENT

Every company plays a crucial role in fostering sustainable development by delivering value-added services to customers and generating employment opportunities and tax revenues for society. Only through these means can prosperity be nurtured.

Companies with robust growth and profitability are best positioned to shoulder this responsibility over time. Moreover, sustainable growth and profitability should not come at the expense of environmental or social responsibilities, nor should they be achieved through unethical business practices or corruption.

Elvenite aspires to be a dependable long term partner for our customers, a responsible employer, and a committed taxpayer. Elvenite achieved a growth rate of 10.4% in 2023, accompanied by strong profitability, with an EBIT of 18.9 million SEK (compared to 16.4 million SEK in 2022). For the fiscal year 2023, Elvenite is set to pay taxes and fees totaling 35.7 million SEK (compared to 30.0 million SEK in 2022).



| Financial development | 2023 | 2022 | 2021 | 2020 |
|------------------------------|-------|-------|-------|------|
| Net revenue | 134,1 | 124,4 | 104,3 | 91,8 |
| Sales growth | 10,4 | 16,5 | 13,6 | |
| EBITDA, MSEK | 19,1 | 16,6 | 16,6 | 9,3 |
| EBITDA, margin % | 14,2 | 13,7 | 16 | 10,2 |
| Operating profit, EBTI, MSEK | 18,9 | 16,4 | 16,3 | 8,8 |
| Operation profit, EBIT % | 14,1 | 13,5 | 15,6 | 9,6 |
| Number of employees | 95 | 89 | 77 | 70 |



REFLECTIONS ON OUR 2023 SUSTAINABILITY EFFORTS

As we reflect on our sustainability work in 2023, our focus as a growing consulting firm has primarily been on the social dimension of sustainability, recognizing our people as our most valuable asset. We were honored with the Great Place to Work award this year, a testament to our culture and community spirit that drive us forward. Particularly appreciated by our colleagues were the competitions and challenges organized by the sustainability group, aimed at enhancing our social, environmental, and economic sustainability. Another key aspect of our work has been developing documentation on how our digitalization solutions contribute to the Agenda 2030. While we have created the materials, we have not yet succeeded in sharing and communicating them effectively. Our focus for 2024 will be to involve more people in our work, enabling more team members to feel comfortable performing mini-analyses of sustainability impacts for our projects.

Sustainability work is complex and there is a great deal to be done. We approach this with humility and a commitment to improve, aiming to help both our clients and ourselves achieve the objectives set forth in the 2030 Agenda. It is a challenging and complex task, but by taking small steps in the right direction, we are making progress. The objectives we aim to achieve are ambitious and present significant challenges. To succeed, it is essential that our sustainability group, especially the management team, prioritizes these efforts alongside day-to-day business activities. Effective stakeholder engagement at all levels is crucial to maintaining a balance between our sustainability goals and other strategic initiatives

We realize the need to standardize and streamline our methods of data measurement and monitoring. Our ambition is to be thought leaders, and we understand the importance of leveraging the data and technology at our disposal to make well-informed decisions. In 2024, we will closely collaborate with the finance department to synchronize these processes, an effort that will become even more crucial as we merge our organization with M3CS next year.



FOCUS 2024

IN ORDER TO ACHIEVE OUR OVERALL SUSTAINABILITY GOAL,
WE DECIDED ON THE FOLLOWING FOCUS FOR 2024



1 → SUSTAINABILITY ANALYSIS IN ALL NEW PROJECTS

We will ensure that all projects incorporates an analysis of how it aligns with and contributes to the global sustainable development goals.

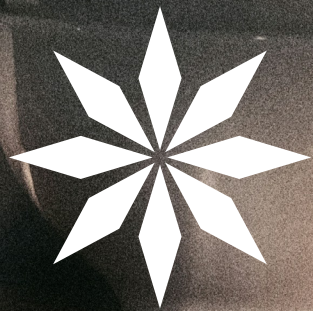
3 → PROMOTE SUSTAINABLE PRACTICES

We will encourage our employees to adopt more sustainable habits by conducting at least 2 sustainability challenges and training sessions.

2 → ENHANCING ENVIRONMENTAL SUSTAINABILITY

We will also implement clear actions to reduce our environmental impact and increase our positive impact.





Elvenite