



2023

SUSTAINABILITY SUMMARY

ELLOS GROUP

ellos Jotex home  room elpy



This is a summary of Ellos Group’s sustainability work for 2023. The full sustainability reporting can be found in the Ellos Group Annual Report for 2023, which is available at ellosgroup.se.

More information regarding how Ellos Group works with suppliers and human rights can be found in the Human Rights Due Diligence Report, also available at ellosgroup.se

Contents

ELLOS GROUP’S SUSTAINABILITY WORK	4
SUSTAINABILITY OBJECTIVES	7
THE VALUE CHAIN	8
SUSTAINABLE MATERIALS	11
ELLOS GROUP AS AN EMPLOYER	12
COMMUNITY ENGAGEMENT	13

ABOUT ELLOS GROUP

Ellos Group is a leading Nordic shopping destination for fashion and home furnishings with the online stores Ellos, Jotex, and Homeroom as well as payment brand Elpy.

Working closely with our millions of customers, we offer attractive and sustainable products for the woman in the midst of life, her family and home. We continuously develop our business through innovation, creativity, and sustainability, always with focus on our customer.

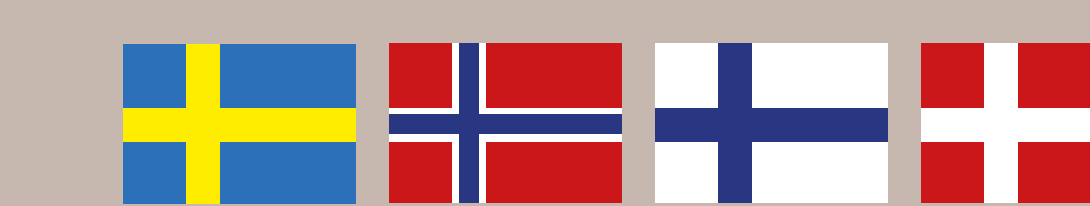
Ellos Group, headquartered in Borås, operates in all Nordic countries and in selected European markets. Ellos Group has approximately 550 employees and a turnover of around SEK 3.4 billion.

ELLOS GROUP
ellos Jotex home room elpy

AROUND
550
EMPLOYEES



SALES & OPERATIONS IN
SWEDEN, NORWAY,
FINLAND & DENMARK



and on selected marketplaces
in Europe

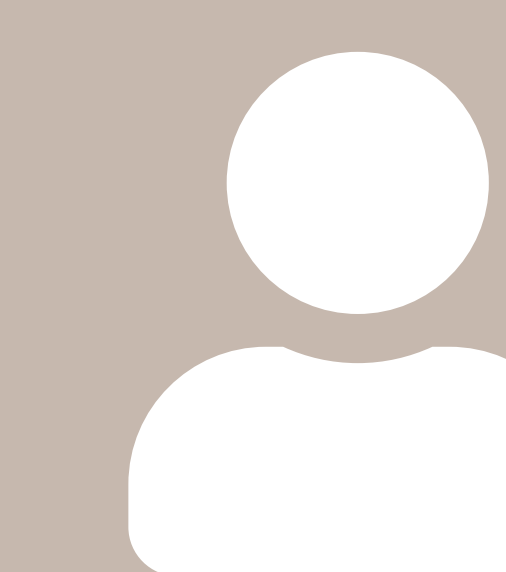


TURNOVER IN SEK:
3.4 BILLION
IN 2023



LOCATED IN
BORÅS
SWEDEN *since 1947*

DESIGN AND PRODUCTION
OF OWN BRANDS AND OVER
700 EXTERNAL BRANDS
in the portfolio



AROUND
2.1 MILLION
ACTIVE CUSTOMERS

* Customers placing an order within the last 12 month.

ELLOS GROUP'S SUSTAINABILITY WORK

At Ellos Group, we recognize that our business has a significant impact on the environment, and we are committed to minimizing it as much as possible. Sustainability is a core part of how we operate, and through careful due diligence, we continuously work to identify and reduce our environmental footprint.

While we strive to offer a modern and convenient online shopping experience, we are also focused on finding long-term, responsible solutions. We remain transparent in our efforts and are dedicated to making meaningful progress for the benefit of our customers, communities, and future generations.

Ellos Group takes responsibility and endeavours to make conscious choices of materials and production processes to reduce the company's climate impact. Close cooperation and systematic working methods with the company's suppliers are used to enable and maintain good working conditions, human rights and environmental considerations in the supply chain. Ellos Group aims to offer our customers high-quality fashion products that they can use for a long time. We encourage our customers to reuse or recycle used clothing, textiles and furniture that they no longer need.



Highlights 2023



46%

recycled polyester and polyamide



100%

suppliers with approved audit reports



-25%

CO2 against base year



49%

female managers

Sustainability ahead



our CO2 impact

Reduce our CO2 impact by 50% by 2030, compared to base year 2020.



our design

Focus on long-lasting and highly repairable designs.



recycled materials

Increase the use of recycled materials in all product categories.



the value chain

Full transparency in our value chain.



FSC-certified wood

Increase the share of FSC-certified wood in our wooden furniture products.

OUR SUSTAINABILITY OBJECTIVES 2025 AND 2030

ELLOS GROUP SUSTAINABILITY OBJECTIVES, AMBITIONS & MILESTONES 2025 AND 2030

OBJECTIVES 2025		2030 AMBITION & MILESTONES	
CSR	Secure that all our products are produced under fair working conditions in Tier 1 and Tier 2, and highrisk full supply chains Factory transparency to customer	CSR	100% transparency in supply chain
CLIMATE	All external brands reporting on emissions 30% green factories Net zero emissions in Scope 1 & 2	CLIMATE	50% green factories 100% of EG's materials are recycled or sustainably sourced Fossil free last mile deliveries Reduction of emissions in line with the global sustainability objectives and the Paris Agreement
PRODUCTS	50% of textile sales to be more sustainable products 50% FSC wood in our furniture 50% recycled polyester & polyamide	PRODUCTS	100% FSC wood in our furniture 100% of EG's materials are recycled or sustainably sourced
PACKAGING	Virgin plastics phased out Styrofoam phased out	PACKAGING	100% sustainable packaging from recycled or other sustainably sourced materials, with a preference for recycled materials

THE VALUE CHAIN

DESIGN AND PROCUREMENT

We take a focused approach to sustainability already in the design and purchasing processes. In these processes, many decisions are taken that affect the consequences the company’s operations have for people and the environment. The choice of supplier, materials and production techniques is important. Among other things, we participate in STICA (Swedish Textile Initiative for Climate Action). Since 2020, we also report our full climate footprint in Scope 1, Scope 2 and Scope 3.

SUPPLIERS AND PRODUCTION

It is essential for our customers, employees, owners and for us that our products are made with respect for the people producing them and for the environment. We are focused on ensuring fair working conditions and compliance with human rights standards across the entire value chain. We believe that close dialogue and cooperation with our suppliers is necessary to achieve this. Ellos Group requires audit protocols from our suppliers to ensure that they comply with Ellos Group’s Supplier Code of Conduct, which monitors both labour requirements and environmental issues. Environmental risks linked to production are mainly managed by requirements in the Ellos Group Supplier Manual.



CODE OF CONDUCT AND ANTI-CORRUPTION

CODE OF CONDUCT FOR SUPPLIERS

We want to ensure that the human rights of the people involved in the production of our products are respected and we want production to have the lowest possible environmental impact.

We strive to ensure that all our products are manufactured in accordance with the Code of Conduct, under fair labour conditions and with respect for human rights. Our suppliers are obliged to comply with our Supplier Code of Conduct, which covers key areas such as child labour, forced labour, discrimination, freedom of association, wages and working hours, occupational health and safety, and environmental aspects.

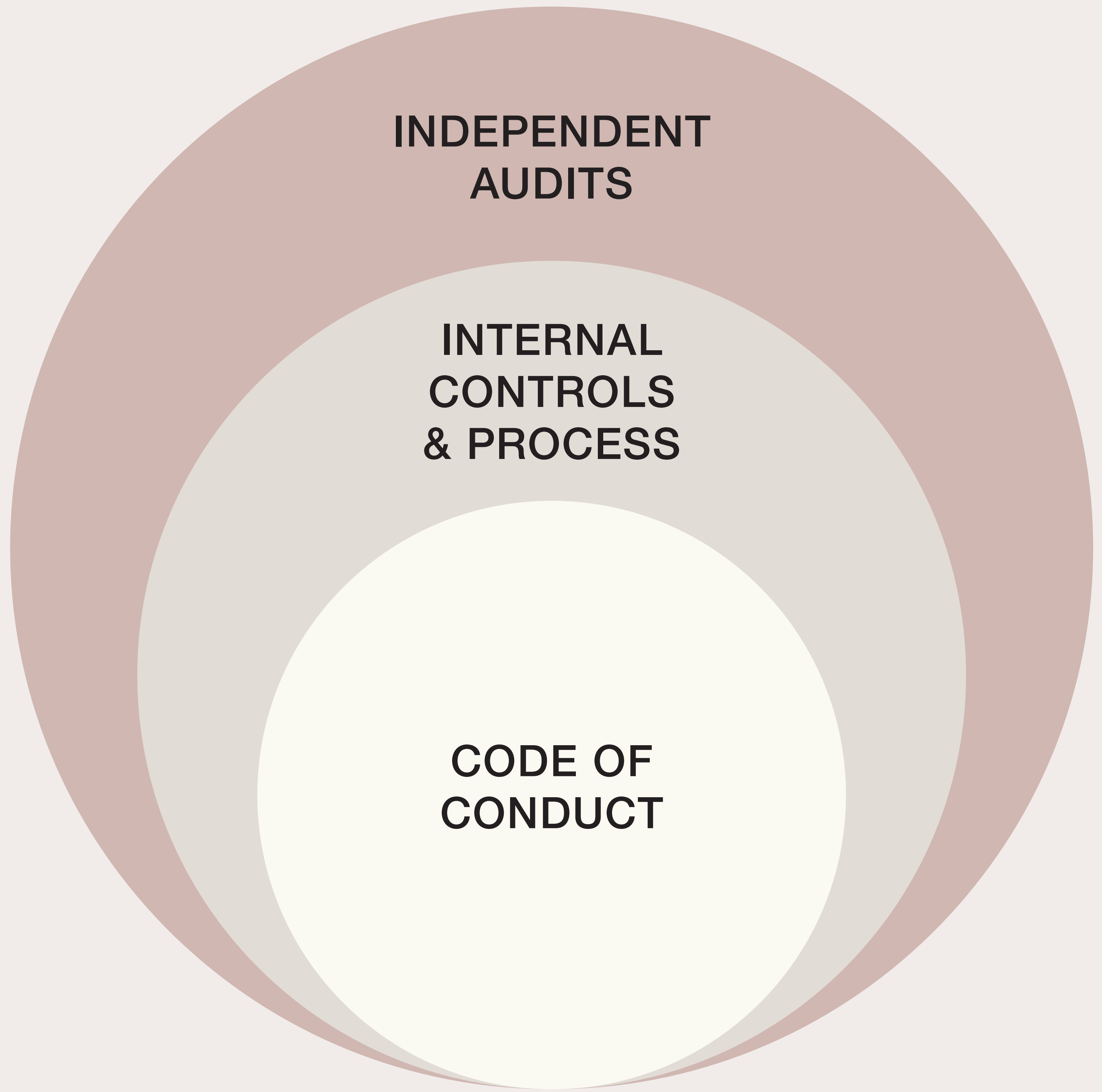
HUMAN RIGHTS

In 2023, the group adopted a new policy for human rights that provides comprehensive principles for how we should exercise due diligence in our work. For Ellos Group it is a high priority to work to promote good social conditions and respect for human rights for the people who produce the company's products.

More information can be found in the Ellos Group Human Rights Due Diligence Report, available on our website.

ANTI-CORRUPTION

Anti-corruption is an issue that is relevant at all stages of the value chain. Ellos Group must ensure good business practices and combat corruption in all meetings with suppliers, customers and other business partners. Ellos Group has a policy for business ethics and anti-corruption as well as a whistleblowing policy.



LOGISTICS AND TRANSPORT

Transportation of the group's products from suppliers to Ellos Group in Borås is primarily made with sea freight (99% of volumes), or with road freight used for shorter distances.

The climate impact from the Group's transports has decreased sharply compared to 2022 (-25%).

The most important sustainability issues in terms of transport are climate impact and working conditions for drivers. The goal is for all transport to the customer to take place with fossil-free deliveries by 2030. Ellos Group cooperates with logistics suppliers to optimise the flow of products and to minimise the negative environmental impact of transport.



SUSTAINABLE MATERIALS

Ellos Group works actively with recycling and reuse of materials. This is done, among other things, through increased purchasing of recycled materials as a replacement for newly produced materials and design solutions that facilitate recycling.

Ellos Group has identified material choices that have a less negative environmental impact, such as cotton through Better Cotton Initiative, (BCI), which involves less consumption and better management of water and chemicals. In 2015, the Group joined the Better Cotton Initiative (BCI) in order to support more sustainable cotton production. Goals have been set to increase the proportion of material which has a lower environmental impact than conventional materials. In 2030, 100% of Ellos Group’s material should be recycled or otherwise more sustainably produced.

Materials	2021	2022	2023
Sustainable cotton, % of total cotton in Ellos Group’s own brands	95%	96%	96%
Recycled, % of total polyester and polyamide in Ellos Group’s own brands	20%	39%	46%
Sustainable product as share of all textile sales of Ellos Group’s own brands	39%	43%	50%
% FSC certified massive wood products in Ellos Group’s own brands	13%	16%	46%





ELLOS GROUP AS AN EMPLOYER

At Ellos Group, we are around 550 employees, working with design and distribution of fashion and home furnishing according to the latest trends. Our customers are the centre of everything we do, and we continuously work to raise their expectations. We have our roots in Borås, Sweden, and this is also where our operations are based. Here is where we design our own brands and this is where we keep the warehousing and distribution hub.

Spreading joy is a big part of our success. We are driven by bringing joy to our customers while having fun with colleagues along the way. It is part of our strong sense of community and lays the foundation for a workplace where everyone sees each other and is seen. Where everyone is respected and everyone's views are heard.

PERSONNEL AND SOCIAL CONDITIONS

Ellos Group aims to create an attractive workplace where employees thrive and develop, and is continuously working to create the appropriate conditions for this. The Group has collective agreements in place and conducts regular employee engagement surveys, and the results of these are followed up at departmental level to try to find opportunities for improvement.

Ellos Group has a number of policies that cover the company's responsibility as an employer and the responsibilities of its employees, including Employee Handbook, Equality Policy, Diversity Policy, Anti-discrimination and Anti-harassment Policy and Whistleblower Policy.

The Group's policies for personnel and social conditions ensure that employees in Ellos Group are aware of their rights and responsibilities as employees of the Group, what is expected of staff and what they can expect of the company and colleagues, which behaviours are not acceptable and how to report any irregularities.

Gender equality and diversity are important issues for Ellos Group. The company seeks to achieve gender balance at various levels of the company and an organisation that reflects our society and our customers in respect of other differences such as ethnic background. The company is actively working on identifying and supporting female employees with the potential to progress to senior positions.

Many people in senior positions have also undergone training in inclusive leadership. At the end of 2023, the proportion of female employees in the company was 63%, in the senior management team 36% and on the Board of directors 56% for most of the year.

COMMUNITY ENGAGEMENT

Ellos Group feels a responsibility towards the community in which we operate, mainly Borås and Västra Götaland, where the Group's own operations are located. We want to be part of what makes Borås an attractive place in which to live and work. As part of this, in 2023 the company sponsored the sports clubs and associations IF Elfsborg, Borås Basket, Borås Hockey, the women's team with its connection to our business and our customer: "the woman in the midst of life".

Ellos Group was particularly involved in IF Elfsborg's CSR work, through which the Group was able to engage with people who are far from the labour market, as well as their women's football programme, known as Flickakademin. During the year, Ellos Group also sponsored Norrby Idrottsförening to help bridge the gap between ethnic and social groups within the city of Borås.

In 2023, Ellos also continued its collaboration with the Cancer Foundation and Rosa Bandet; Together against cancer. Ellos supports them by selling this year's pink ribbons and bracelets, where the revenues go directly to the Cancer Foundation's research and work.



Thank you