



ESG Report 2023

CBK Group

Introduction

Welcome to CBK Group

Description

BE THE PREFERRED NORDIC
DISTRIBUTOR OF AV &
INFRASTRUCTURE SOLUTIONS

CBK is the leading distributor of comprehensive infrastructure and AV solutions in the Nordic Region. Our leadership is based on a unique commitment to dealers who want to deliver extra value to their customers. We make our customers shine, so that they are preferred as a dealer. To do so, we stand out in key areas; We are the most competent and up-to-date distributor and help our customers see into the future. We are best at putting together a comprehensive and

proper solution – helping the dealer deliver on his customers' needs. Our service attitude is second to none.

OUR VISION

CBK sets a new standard for how a distributor adds value to the customer.

OUR VALUE PROPOSITION

We make our customers shine. Through knowledge, service and a unique commitment, we are a highly valued partner for dealers who want to deliver extra value to their customers.

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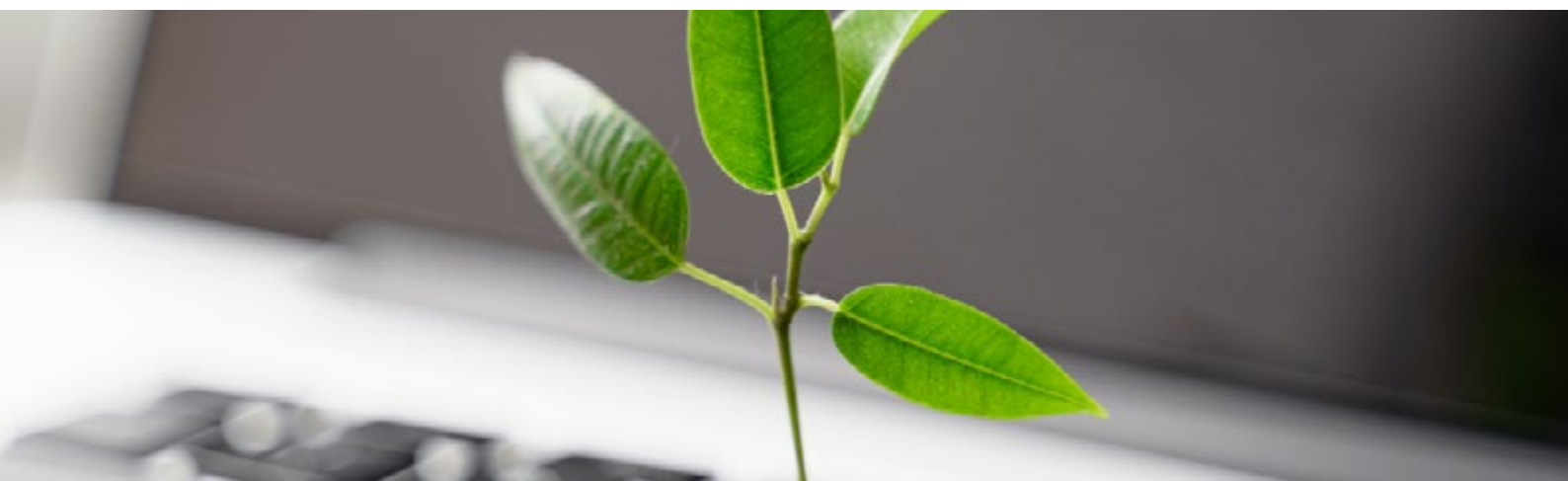
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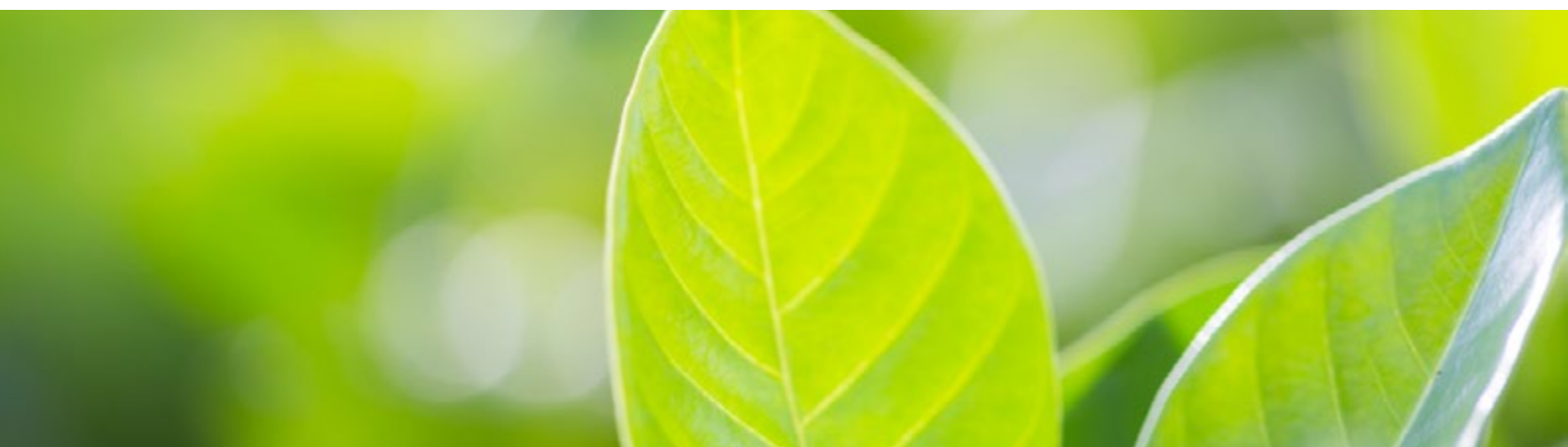
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Highlights 2023

<p>+ 5%</p>  <p>Revenue</p>	<p>+ 10%</p>  <p>Revenue Web</p>
<p>0%</p>  <p>Employee Growth</p>	<p>4,4</p> <p>Engagement</p>  <p>Employee Satisfaction</p>
 <p>United Nations Global Compact</p> <p>Yes</p>	 <p>CERTIFIED ISO 9001 ISO 14001 Quality and environmental management systems</p>  <p>Re-certified ISO</p>



Timeline 2023

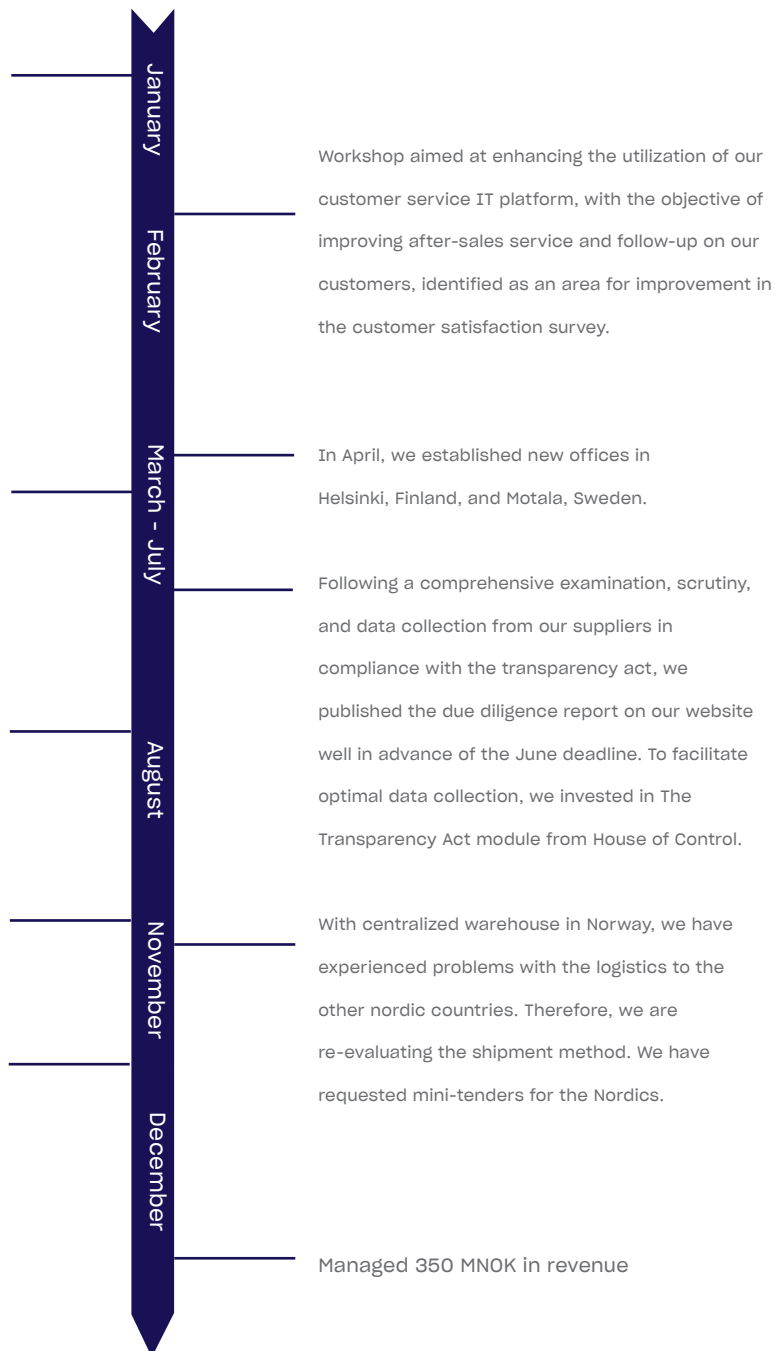
In the beginning of 2023, a comprehensive employee survey was conducted to assess internal satisfaction within the company. Additionally, we distributed an extensive satisfaction survey to our customers to identify areas for improvement.

In May, we were recertified under the ISO 9001 and ISO 14001 standards. We received zero non-conformities, only 2 improvement suggestions, and in September, we received new certificates.

In August, we hired a new staff member with a focus on quality, environmental considerations, and documentation for our products.

Implemented initiatives to enhance the environmental friendliness of our warehouse.

In November, we hired a Logistics Manager responsible for warehouse operations, ensuring prompt and dependable product delivery to our customers throughout the Nordic region. Additionally, he will focus on enhancing return management, optimizing the utilization of the Autostore system, and implementing further efficiency measures.



Our Offerings

Products & Services

CBK imports and distributes AV products, network equipment, cables, components and associated equipment to Norwegian dealers. Step by step, we have developed our business and provided our customers with increasingly valuable solutions. We have main focus on functional solutions, good competence, efficient and sustainable purchasing routines and cost-saving logistics for our resellers.

Our Mission

CBK offers a wide range of IT-products and support hundreds of companies and organisations, in both the private and public sector. Our mission is to deliver extra value to our customers. We want to make our customers shine, so that they are preferred as a dealer. Our task is to putting together a comprehensive, sustainable and proper solution – helping the dealer deliver on his customers' needs.

Where we operate

Average number of employees per country 2023.

Personality

A likeable expert that everyone wants to get hold of

A CBKer lives to make others successful. They are easy to get hold of, nice to be with and passionate about their profession. A CBKer is genuinely interested, curious and thirsty for knowledge, takes pride in being at the forefront and gets extra energy from passing on insights to others. Therefore, CBKers are in demand by people around them both for what they know and the way they are.

Employee Satisfaction

We have invested in an IT system which will survey the satisfaction of the employees in all countries on a quarterly basis. Annual management evaluations will also be sent out. In addition to this, everyone has satisfaction meetings with their leader twice a year. We do this to ensure that all our employees feel comfortable in their workplace. We are also keen to arrange social gatherings to build a close and pleasant environment.



CEO Foreword



“ We prioritize delivering outstanding value through reliability, timeliness, competitive pricing, and a sustainable approach. ”

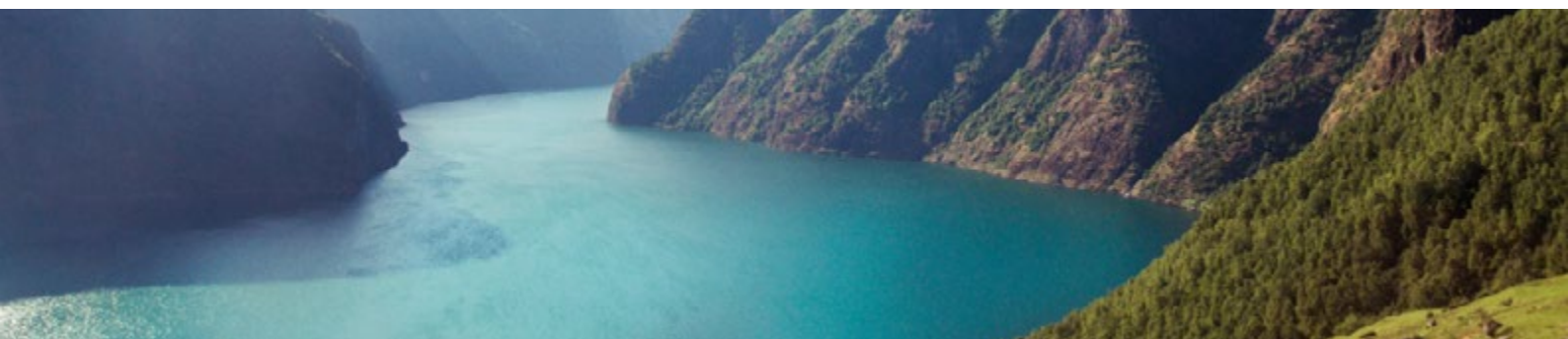
CEO of CBK Group

Ole Blom

Our global community is grappling with significant social challenges, and at CBK Group, we are committed to making a positive contribution. Our emphasis lies in addressing environmental concerns, promoting social justice, and upholding responsible and ethical business practices.

I firmly believe that by actively participating in sustainable development and incorporating Environmental, Social, and Governance (ESG) principles as integral components of our business strategy and management, we will enhance our competitiveness across various domains.

This ESG report serves as a comprehensive guide to our focal areas. Thank you for your interest in our ESG commitment.



Sustainability Focus

Our Focus Areas

The key sustainability priorities are consolidated into three Focus Areas: Sustainable CBK, Sustainable Offerings, and Sustainable Supply Chain. Within CBK, a dedicated team strives to guarantee that the products we acquire embody sustainable design principles. This includes an emphasis on the utilization of reusable materials, an extended product lifespan, favorable working conditions for factory employees, environmentally conscious practices, minimal plastic usage, reduced waste, and the implementation of the most eco-friendly transportation methods available, both to the Nordic region and to our valued customers.



1. SUSTAINABLE CBK

Attractive workplace
Diversity, gender balance and inclusion
Business ethics
Climate smart operations
Responsible financial management



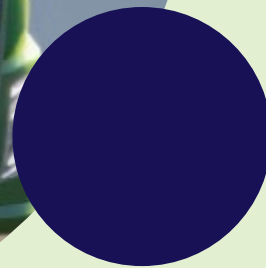
2. SUSTAINABLE OFFERINGS

Integrity and information security
Circular Economy
Digitalisation and innovation for a sustainable society
Partnerships



3. SUSTAINABLE VALUE CHAIN

Value chain management
ISO-14001
ISO-9001
Eco-Friendly shipping
Pre-qualification on products and suppliers
The Transparency Act



Value Chain

Severin Aarnes, Commercial Manager

“ We assess the overall environmental impact, considering every stage from raw material extraction through production, utilization, disposal, and transportation. ”



Value Chain

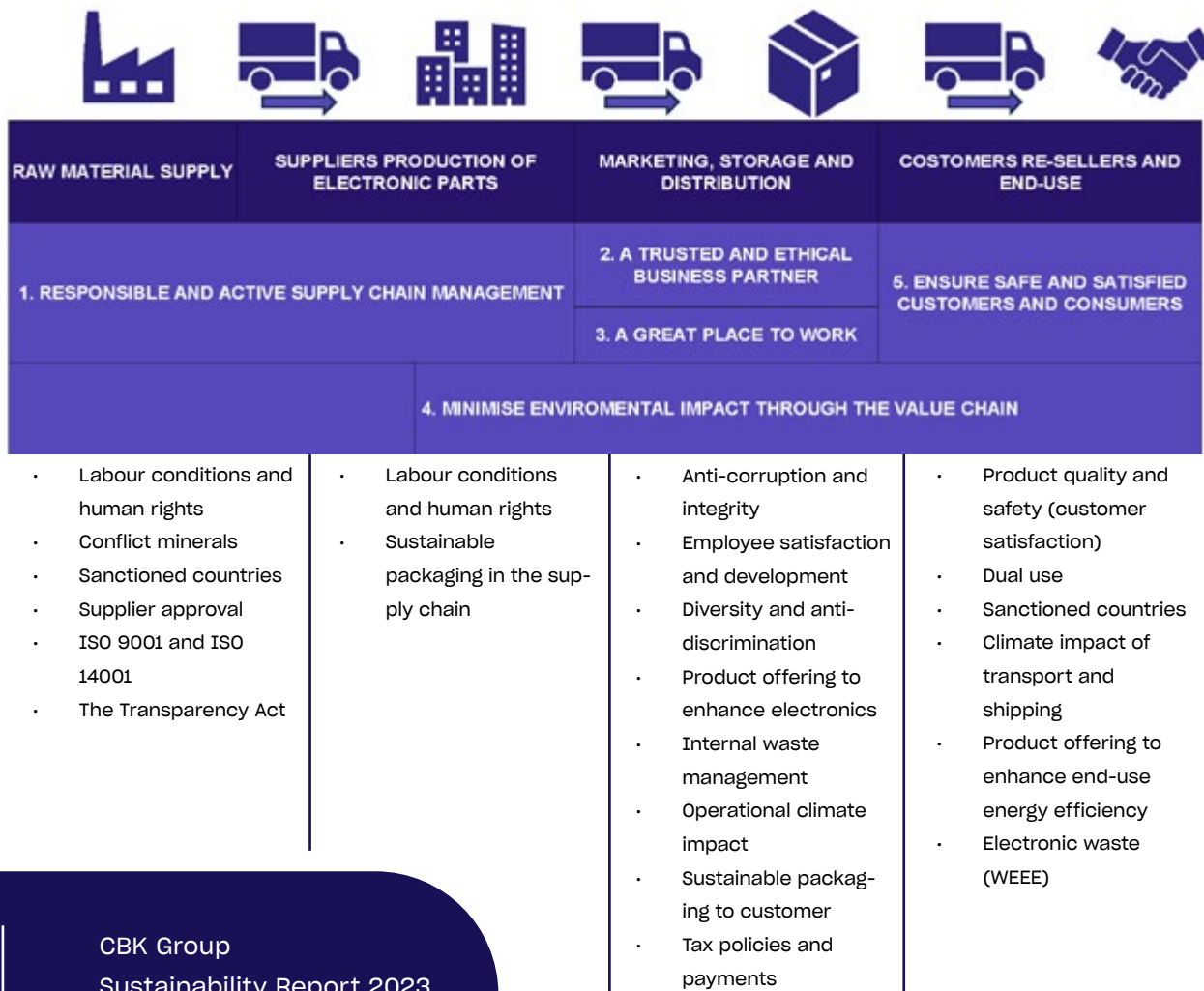
ESG Impact through the Value Chain

A significant aspect of CBK's business involves supplying spare parts for electronic devices, ensuring that the products we procure boast a sustainable design, emphasizing the use of reusable materials and maximizing their lifespan. Through these efforts, CBK actively contributes to a more sustainable and environmentally friendly approach to the burgeoning use of technology hardware. CBK must vigilantly monitor the following key areas:

1. The production conditions of the products.
2. Potential impacts on end-user safety.
3. The potential consequences of dual-use scenarios where products might be utilized for unethical purposes

Electronic waste, packaging, and other product components contribute to environmental impacts throughout the value chain. To effectively manage these impacts, CBK employs efficient stock management, establishes clear supplier requirements, and implements strict guidelines and processes for waste handling and disposal. Additionally, the environmental consequences of production and raw material sourcing are crucial aspects of CBK's footprint.

Examining our value chain, the ESG impacts at each step can be illustrated as follows:



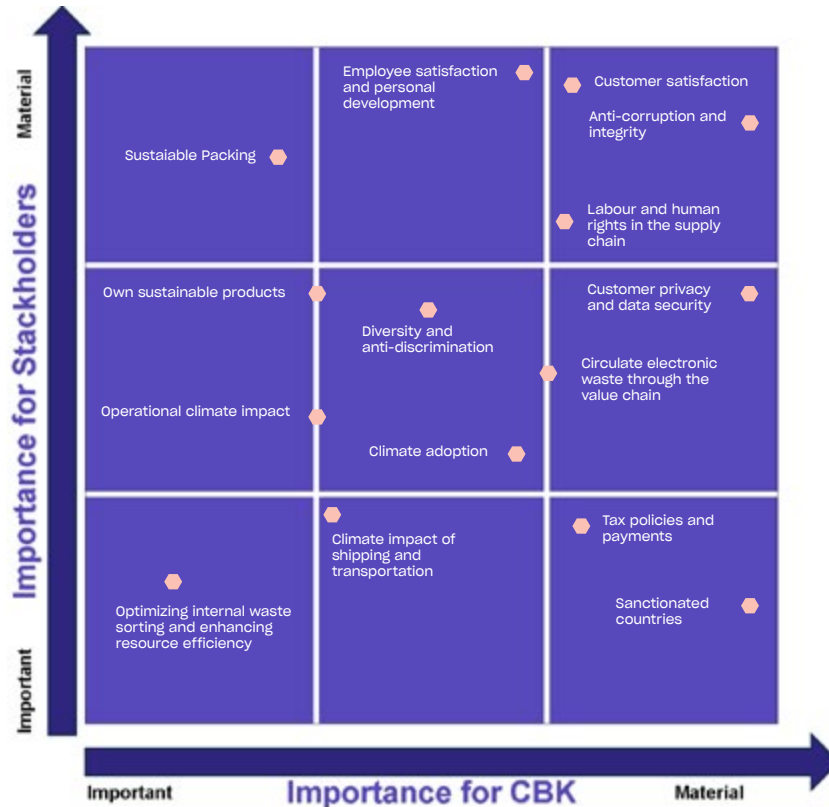
Risks & Opportunities

ESG Impact through the Value Chain

Rapid innovation in the electronic devices sector often results in frequent replacements, contributing to a significant volume of electronic waste left unreused and unrecycled.

CBK addresses the escalating demand from customers and end-users for electronic device maintenance and upgrades. This strategic positioning is a fundamental aspect of our business model. Supplying spare parts and products with software updates, not only extends the life cycle of repaired equipment but also minimizes waste that would otherwise arise from discarded devices.

However, the production of electronic parts and devices can potentially result in adverse environmental impacts or substandard labor conditions, both of which must be avoided. Additionally, there is a risk of certain products being used for unethical purposes or in countries under sanctions. Given CBK's extensive relationship with suppliers and customers globally, there may be instances of corruption and unethical conduct within the value chain. CBK has a unique opportunity to contribute to Sustainable Development Goal 17 (SDG 17) by promoting sustainable consumption and production patterns. This involves effective management of natural resources, waste reduction, increased recycling, and enhanced transparency in supply chains.



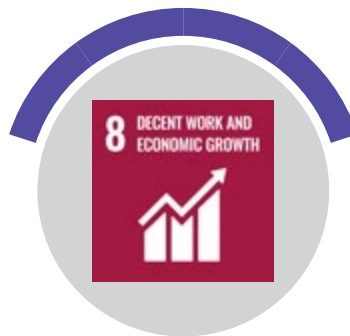
UN Global Compact

UN Sustainable Development Goals

The principles outlined by the United Nations Global Compact guide our interactions with sourcing and trading partners, especially when we act as distributor of products. At CBK, we actively advocate for ethical working conditions and environmental standards within our supply chains. Collaboration with our suppliers and business partners is integral to achieving this goal. To clarify our expectations, we have established policies aligned with the ten principles of the United Nations Global Compact. These policies are mandatory and must be endorsed when forming new partnerships with suppliers. The ten principles encompass human rights, workers' rights, environmental considerations, and anti-corruption measures. Our commitment involves continuous improvement of policies and providing support to our suppliers to ensure compliance with these principles. Our endeavors align with the United Nations Sustainable Development Goals (SDGs), with a specific focus on five goals highlighted in this report:



No.5 Gender equality



No.8 Decent Work & Economic Growth



No.12 Responsible Consumption and production



No.13 Climate Action



No.16 Peace, Justice and Strong Institutions



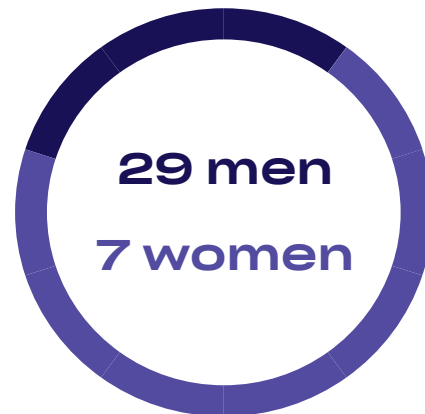
Gender Equality

No.5

In 2023, we did not have many new hires, but we did bring in a new woman. As a result, the percentage of women in CBK is currently 20%, and the aim is to increase this.

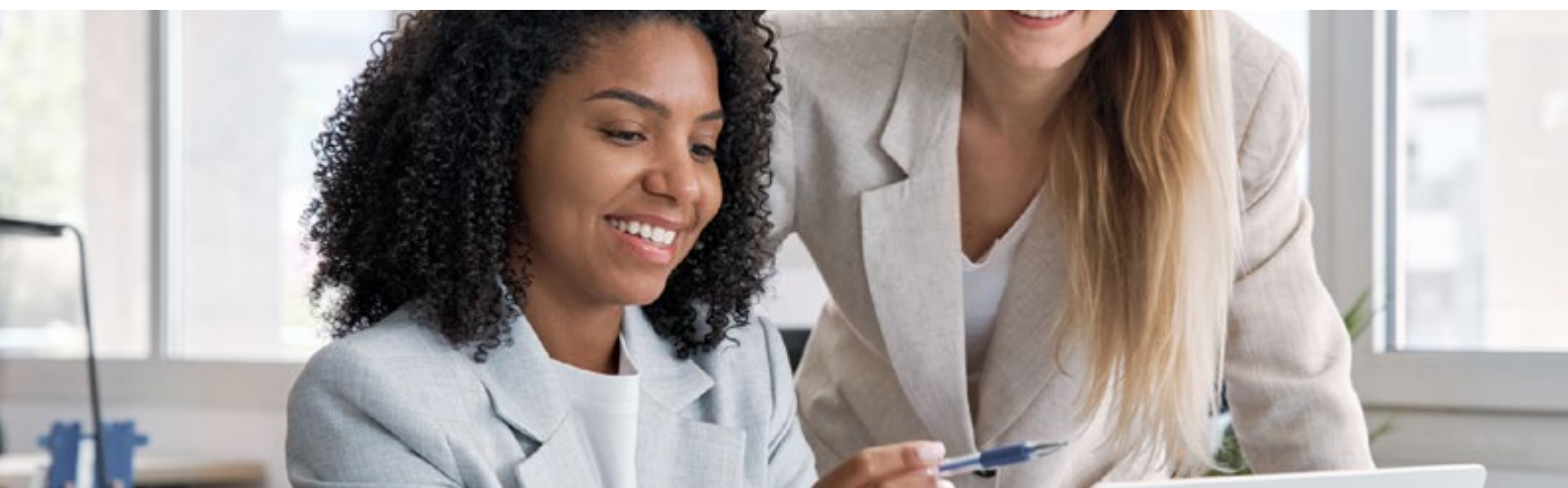
Research indicates that various teams – for instance in phrases of gender and cultural background – carry out higher and are greater worthwhile than homogeneous groups. Unfortunately, gender imbalance and shortage of variety are nevertheless issues in our enterprise and our company.

CBK is devoted to turning this case around, to enhance our joint capacity to innovate and grow, for the sake of our clients, personnel, in addition to candidates. Currently, a significant part of our female personnel work in administration or different non-IT-associated roles. Our intention is to gain more women consulting, and in management roles at every level.



Group goals:

CBK wants to achieve a greater proportion of female employees in all levels of the company. We want to reach a percentage of 30% by 2030. CBK wants to distribute the proportion between women and men among gender-fixed positions.





Sustainable Workplace

No.8

CBK actively advocates for health promotion and takes proactive measures to prevent all forms of health issues. We are committed to providing a secure and inclusive working environment, free from discrimination, where every individual is valued equally. Our approach is systematic, employing a risk-based methodology to identify and prevent illnesses and potential work-related accidents. This framework allows employees to confidentially report injuries or concerns, either by name or anonymously.

All employees are covered by the systematic activities related to health and safety in the workplace. Examples of health and safety topics that are followed up are sickness absence, reported accidents and discrimination.

Newly, a HR-department was established in Eltek Høling AS to ensure better onboarding, follow-up, progression and more. They also invested in a corporate HR-system (Bamboo HR).

CBK aims to be a long-term partner for our customers today, tomorrow and in the years to come. To do this, we need to ensure that our business is stable and profitable. Stability also enables us to attract and retain competent employees, and thanks to our continued growth, we can continue to invest in and develop our employees.

CBK offers top health insurance to all employees, including first in line if, for example, you need an operation, chiropractic appointments, a psychologist, specialist assessments, etc.

In addition to good health insurance, CBK offers free electric car charging, good pension schemes, training, ergonomic office equipment, lunch and fresh fruit delivered to the office.

- 2001 – Established - cables and accessories
- 2002 – Started distribute D-Link in Norway
- 2010 – Eltek Holding AS/Morten Angell acquired CBK
- 2012 – Introduced new private label LinkIT
- 2013 – Started distribute Philips Display in Norway
- 2016 – Introduced new private label Stoltzen
- 2020 – Started distribute Hisense Display in Norway
- 2020 – Moved to top modern storage facility outside Oslo
- 2020 – Invested in AutoStore
- 2020 – ISO-Certification (9001 and 14001)
- 2021 – Introduced a new private label Elivi
- 2021 – Acquisition of Pericad OY, distributor in Finland
- 2021 – Sole distributor for Hisense in the Nordic region
- 2022 – Acquisition of Ekab AB, distributor in Sweden
- 2023 – Centralization of Nordic Warehouse at Skedsmokorset





Responsible Production

No.12

CBK assists in importation, factory contact, shipping from various parts of the world, expertise and distribution directly to end users to dealers where the end user is most often public administration or a privately owned company. Our organization has a separate team that works purposefully to ensure that the products we buy have a sustainable design with a focus on reusable materials and lifespan, factory workers' working and environmental conditions, the least possible plastic and waste as well as the shortest and most environmentally friendly transportation into Norway possible.

Our measuring points when purchasing and sorting sources:

The factories CBK uses must adhere to a code of conduct aligned with international standards on various aspects. They also respond to our Transparency Act examination. We use a dedicated module for oversight, and suppliers not meeting standards undergo follow-up, potentially leading to non-approval.

Packaging: Minimize plastic use, use recyclable and degradable plastic where plastic is needed. Make packaging as compact as possible so that you transport as little "air" as possible, which ensures the lowest possible CO2 emissions per shipment. Ensure that cardboard and paper come from sustainable sources and are 100% recyclable. Products that are to be sold primarily to the public and businesses must not contain unnecessary ink (colour) or glue-based packaging in order to minimize environmentally hostile waste both during production and when waste is to be thrown away/ sorted after use. Minimize the use of plastic strips and other disposable waste.

Product: The products must be designed for the longest possible lifespan. This means rechargeable batteries where possible, or that the product is designed for battery replacement instead and had to buy a new product when the battery was empty. The products must be ensured to be designed by the manufacturer so that they can be repaired and thus be possible to open in the event of a physical fault on the product. In cases where the product has a firmware/software, this must be possible to the greatest extent possible to upgrade with new functionality so that you do not have to change or buy a new product more often than necessary. In cases where hard plastic (PVC or similar in the products) is used, it must be ensured that this is recoverable and recyclable plastic. The products and components that follow (e.g. power adapter) must comply with the current requirements for power consumption and be designed to comply with known regulations from the EU/EEA which come to ensure the lowest possible power consumption.

Shipping: When shipping from other continents to Norway, efforts must be made to use the greatest possible degree of boat transport or rail-based transport where possible. Sources as close as possible to Norway should be chosen if it is possible to choose this to still be competitive in our market. Air transport must only be used when there are no other alternatives or the case has a time limit which means that other transport cannot be used. Good and long-term planning of the flow of goods is necessary to ensure this in both the procurement, sales, dealer and end-customer stages. Local transport and package deliveries must be CO2 compensated, for example Bring climate-neutral business package. It must be ensured that carriers of long-haul goods use rail to the greatest extent possible for the longer distances as well as environmentally friendly courier transport with electric cars, bicycle couriers or the like for the last part of the shipment consumption.



Climate Actions

No.13

At CBK, the environment is an important focus area. We want to appear as a responsible company with a focus on continuous sustainability. We do this by looking at the total environmental impact from raw material extraction via production, use, disposal and transport. In this way, our durable products will enable a more sustainable lifestyle. We work preventively and long-term with the environment as an integral part of our daily operations. We constantly work to carry out environmentally friendly purchases and set equally strict requirements for our manufacturers and suppliers as we do for ourselves. We work purposefully to ensure that the products we buy have a sustainable design, with a focus on reusable materials and lifespan, and environmental conditions on the factories, as little plastic and waste as possible, as well as the shortest and most environmentally friendly transport into Norway possible. The environmental approach must be continuously monitored and where possible improved.

Warehouse with AutoStore:

CBK's efficient warehouse utilizes Autostore with electric robots for efficient goods picking. In 2023, we hired a logistics and warehouse manager to ensure more effective product delivery in the Nordic region and prioritize environmentally friendly shipping methods, implementing initiatives for a greener warehouse.

Eco-friendly shipping:

We offer "eco-friendly transportation" as a shipping option on outgoing transport from our warehouse to our customers.



Environmentally friendly packaging:

We've initiated a project to shift from current plastic and cardboard packaging to 100% environmentally friendly cardboard, especially under our private labels. Additionally, we are promoting the reuse of packaging when dispatching goods from our warehouse to customers.

Electric Cars:

The employees are switching from cars that run on fossil fuel to hybrid or electric cars. In 2023, there were a total of 20 employees with hybrid or electric car.

ISO-14001 Certification:

We In recent years, CBK has increased its focus on sustainable development and social responsibility and established this as an important foundation in the corporate culture. In May 2023, RISE re-certified us within the ISO 9001 and ISO 14001 standards. We received zero non-conformities, and received the new certificates in September 2023.

Solar panels installation on the warehouse roof:

In collaboration with the landlord of the warehouse and office space at Gneisveien 30, we have initiated the process of installing solar panels on the building's roof to enhance energy efficiency.

Group goals:

Ensure all products under our private labels have 100% eco-friendly packaging, and mandate environmentally friendly shipping from CBK to end customers.





Business ethics & Transparency

No.16

CBK's enduring success hinges on conducting business with fairness and ethics. We adhere to the principles outlined in the UN Global Compact, encompassing anti-corruption measures. Our stance on unethical behavior is unequivocal, with a zero-tolerance policy in place, firmly embedded in CBK's code of conduct for both employees and suppliers.

CBK works continuously to minimize the risk of inappropriate or illegal operation of the business internally or in relation to external partners. No country or company is immune to non-compliance, which is why we at CBK continue to work to ensure business ethics and compliance.

We have a strict procedure and a system via "House of Control" for assessing our suppliers/manufacturers as a result of ISO and the Transparency Act.

The procedure includes the purchase of goods and services from suppliers where our annual purchases exceed NOK 50,000, and all suppliers who have a direct influence on the quality of our goods/services (for example logistics services) and are relevant to our significant environmental aspects. New suppliers are asked to respond to our survey before cooperation is assessed, and already approved suppliers are assessed at least once every third year.

Group goals:

All employees and suppliers must be familiar with CBK's Code of Conduct for employees, which also contains policies for anti-corruption. Purchases must also never be made from suppliers who are under review, or who, in the worst case, have been disqualified as a result of unethical working conditions etc.





CBK GROUP

Gneisveien 30
2020 Skedsmokorset
Norge

T +47 22 90 37 00
W www.cbk.no
M salg@cbk.no

Org nr. 995 971 003 MVA
Konto nr. 8101.85.98833