

Axentia 21 ESG Questionnaire	
<p>General Industry</p>	<p>Please list the industry's three biggest sustainability (ESG)-related challenges and briefly describe the process for identifying these challenges.            Answer: Axentia is a part of the IT/technology sector. Key challenges within this sector include long and complex supply chains and dependency on physical materials and components such as batteries, circuit boards and other materials sourced, manufactured, and transported from Asia. The specific risks include raw material dependency, climate impact and social issues. The identification of challenges is based on a value chain analysis and ESG index risk classifications.</p> <p>Have you conducted any preliminary assessments of your company in relation to the EU Taxonomy? If so, what was the outcome?            Answer: Axentia is not yet subject to legal requirements to assess taxonomy eligibility and alignment and has therefore not yet initiated this. A potential eligible activity might be "Climate change mitigation 6.15. Infrastructure enabling low-carbon road transport and public transport".</p>
<p>E Environment</p>	<p>Please list the firm's three primary risks related to climate change and if any, the firm's climate-related opportunities            Answer: 1) Market Demand: The shift towards sustainable public transportation may increase the demand for advanced digital displays that contribute to energy efficiency and improved passenger experiences, providing growth opportunities. 2) Regulatory: As governments implement stricter emissions standards and promote greener public transportation solutions, there is a growing opportunity to supply energy-efficient display technologies that comply with new regulations.            3) Supply Chain Disruption: Climate change increases the risk of disruptions in the supply chain due to more frequent and severe weather events such as storms, floods, or droughts. These events can impact the availability of raw materials and components, delay production, and increase logistics costs, affecting overall business continuity and operational efficiency.</p> <p>Does the firm anticipate any climate-related investments, and if so to what extent?            Answer: A potential need to meet customer demand related to product Life Cycle Assessment (LCA) may require investments in this type of analysis.</p> <p>Circular Economy: how are purchases and waste managed?            Answer: Sourcing and procurement of products and materials are based on a combination of considerations such as technical features, price, and sustainability. For instance, Axentia purchases primarily stainless steel that is recycled up to approximately 80% and purchases materials from local producers where feasible. We employ reusable wooden pallets and cardboard boxes. Additionally, we repurpose packaging materials received from our suppliers for shipments to our customers. All recyclable waste is directed to a nearby distributor, including electronics, tin, cardboard, plastic, and glass. Sea transport is prioritized over air when possible, due to its lower environmental impact. Furthermore, Axentia collaborates with our suppliers to select reusable materials for new construction projects.</p> <p>If the firm rely on any scarce resources, please describe what efforts are made to mitigate the risk of those resources becoming scarcer in the future, e.g. recycling, reusing substitutes or improved resource efficiency?            Answer: Axentia's displays, like IT products in general, are dependent on critical materials in e.g., LED screens, batteries, circuitry, and other electronic components. The materials provide functionalities that are essential for the durability, performance, and efficiency of the displays under various environmental conditions encountered in public transportation settings. To mitigate resource scarcity, Axentia's products are developed through eco-design principles</p>

	<p>with the purpose of reducing the volume of materials and promoting the longevity of product lifecycles.</p> <p>Transition-related risks (for example changed customer preferences or legislation): Do you anticipate any risks or opportunities due to the transition to a carbon-neutral society? Is there any risk of the firm's offer being negatively affected?  Answer: The green transition primarily affects Axentia in a positive way due to our role as an enabler of public transport (see responses to the first question in this section). A potential transition risk is that rapid technology developments may shift customer demands.</p> <p>If yes, how has the firm positioned itself to handle that risk?  Answer: To mitigate such risks, Axentia has an R&amp;D department that works proactively to ensure that the technology keeps pace with advancements in the industry.</p> <p>Have you set a target to become carbon neutral? If so, how have you defined carbon neutrality?  Answer: Axentia is currently conducting its double materiality analysis and will subsequently develop its ESG strategy. As such targets will be formally decided upon completion of the analysis. A potential carbon reduction target will most likely first be a short-term target (5-10 years), where scope 1 and 2 will be subject to carbon neutrality, defined as climate abatement through transitioning to renewable energy sources, electrification, and energy efficiency. Potential targets for scope 3 will be determined after further assessment of scope 3 leverage points in the respective subcategories.</p> <p>Please list the firm's (1-2) primary means of making a positive environmental impact or minimising negative environmental impact.  Answer: Apart from applying eco-design principles when developing our products (material selection, energy efficiency, and long product life spans), Axentia also works to mitigate impact from transportation, for instance by selecting a distribution partner that has made a commitment to be climate neutral by 2040.</p> <p>Please list the corresponding most relevant UN Sustainable Development Goals. What proportion of sales can be directly linked to selected UN SDGs?  Answer: Axentia has identified SDG 7, 9, 11, 12 as applicable. However, SDG 11.2 "Affordable and Sustainable Transport Systems" and "SDG 9.1 Infrastructure and mobility" are directly connected to our products where all sales can be linked to these targets.</p> <p>What proportion of sales can be directly linked to selected UN SDGs?  Answer: See above.</p>
<p>S Social</p>	<p>Does the firm have a history of accidents? If so, how have these been managed? Are there any preventive measures, such as policies?  Answer: No history of accidents, we have a Work Environment Handbook and safety information to mitigate occupational hazards.</p> <p>If applicable, please state your targets for gender and cultural equality and indicate the relative split of men/women at every level of the firm.  Answer: Axentia is currently conducting its double materiality analysis and will subsequently develop an ESG strategy. As such all potential targets will be formally decided upon completion of the analysis. The gender diversity split is:</p> <ul style="list-style-type: none"> <li>• Total: 24% Women 76% Men</li> <li>• C-Suite: 17% Women 83% Men</li> </ul> <p>Does the company conduct any other community engagement activities aside from those directly connected to the business?  Answer: No.</p>

	<p>How often does the firm conduct audits of its suppliers, and how often do you discover incidents not compliant with your code of conduct?  Answer: Axentia conducts site visits of its suppliers, however, will review and update its supply chain management routines as part of the ESG strategy, which will be adopted and implemented during 2024.</p> <p>Please list the firm's (1-2) primary means of making a positive social impact or minimising negative social impact.  Answer: Axentia's most significant social impact is within our company by providing an attractive workplace dedicated to building a strong corporate culture, guided by core values and ethical standards, where we prioritize a safe and engaging work environment. We encourage active employee participation in safety practices and risk identification, as well as professional growth through training and responsibility. Additionally, Axentia offers competitive compensation and benefits, supports work-life balance, and is committed to ensuring a healthy workplace.</p> <p>Please list the corresponding most relevant UN Sustainable Development Goals.  Answer: SDG 8, decent work.</p> <p>What proportion of sales can be directly linked to selected UN SDGs?  Answer: N/A</p>
<p>G  Governance</p>	<p>Do all staff members receive continuing education on anti-corruption?  Answer: As part of the onboarding of new employees, new employees are introduced to the content on Axentia's Code of Conduct where anti-corruption is a mandatory segment.</p> <p>Are there any ongoing or historical incidents involving corruption, cartels or any other unethical business conduct?  Answer: No.</p> <p>Have any preventive measures been taken?  Answer: N/A</p> <p>Please state the firm's business tax residence (i.e. where the firm pays tax) and explain why that specific tax residence was chosen.  Answer: Sweden.</p> <p>How many independent members sits on the Board of Directors?  Answer: Zero.</p> <p>Please state if and to what extent, the company has transactions with related parties.  Answer: Axentia pays an annual monitoring fee to Adelis.</p> <p>Which KPIs dictate the remuneration to management (are sustainability and diversity goals included)?  Answer: Axentia does not connect remuneration to sustainability performance.</p> <p>Describe the company's process for monitoring and reporting ESG issues and performance to senior management/the Board. In your response, please confirm what KPIs are monitored (if any) and how frequently reporting is undertaken.  Answer: Axentia gathers data on the below indicators. Within the coming year, after completion of our double materiality analysis, we will develop an ESG strategy which will</p>

	<p>include revising current ESG objectives, KPIs and action plans. These will be integrated into our management system and monitored annually.</p> <ul style="list-style-type: none"> <li>• Greenhouse gas emissions (scope 1-3)</li> <li>• Share of non-renewable energy consumption and production</li> <li>• Hazardous waste ratio</li> <li>• Gender diversity and gender pay gap.</li> <li>• Work-related accidents</li> <li>• Composition of the workforce including employee turnover</li> <li>• Employee engagement</li> </ul> <p>Have you signed a Union agreement?  Answer: No.</p>
PAI -Principle Adverse Impacts	<p><b>Numeric answers:</b>  Revenue (EUR)  Answer: 30 MEUR</p> <p>Greenhouse gas emissions; Scope 1, Scope 2, Scope 3  Answer: Total: 8378 tCO2e  Scope 1: 9 tCO2e,  Scope 2: 25 tCO2e,  Scope 3: 8344 tCO2e</p> <p>Share of non-renewable energy consumption  Answer: 37%</p> <p>Share of non-renewable energy production  Answer: N/A</p> <p>Energy consumption in GWh  Answer: 0,47 GWh</p> <p>Tonnes of hazardous waste and radioactive waste generated.  Answer: 1,94 tons</p> <p>Unadjusted gender pay gap  Answer: 3,17%</p> <p>Board gender diversity.  Answer: 17% Women 83% Male</p>
PAI -Principle Adverse Impacts	<p><b>Yes/No answers:</b>  Fossil fuel operations  Answer: No.</p> <p>Sites/operations located in or near to biodiversity-sensitive areas where activities negatively affect those areas.  Answer: No.</p> <p>Science Based Target  Answer: No.</p> <p>Reports to CDP  Answer: No.</p> <p>UN Global Compact Signatory  Answer: No.</p>

	<p>Involved in the manufacture or selling of controversial weapons.  <a href="#">Answer: No.</a></p> <p>Whistleblower policy  <a href="#">Answer: Yes.</a></p> <p>Supplier code of conduct  <a href="#">Answer: Yes.</a></p>
--	--

Reporting and transparency	<p>We want to emphasize the importance of the firm's quarterly and annual reports being as detailed (include full P/L, balance sheet and cash flow per business unit and comments by the CEO/CFO) as in the applicable investor presentation circulated prior to the transaction.  <a href="#">Answer: Axentia acknowledges and commits to the above statement.</a></p> <p>Continuous (at least once a year) reporting on outcome for set ESG targets.  <a href="#">Answer: Axentia acknowledges and commits to the above statement.</a></p> <p>We expect the issuer to prepare the answers to the 21-list questions, rather than the bookrunner(s), to promote discussion and development within the company. Please ensure that your answers to the questions are as brief, to-the-point and relevant as possible  <a href="#">Answer: Axentia acknowledges and commits to the above statement.</a></p> <p>We expect the answers to the 21-list questions to be distributed to the market at the same time as investor presentation and other documentation are circulated.  <a href="#">Answer: Axentia acknowledges and commits to the above statement.</a></p>
Best Practice	<p>We strongly encourage issuers of Nordic HY bonds to strive for and set targets within the following areas. (In addition to potentially being included into the bond documentation) Independent board members (at least one independent representative)</p> <ul style="list-style-type: none"> <li>- Gender balance in management and the Board</li> <li>- Cultural diversity in management and the Board</li> <li>- Set a Science Based Target</li> <li>- Disclose Scope 1, 2 and 3 emissions (at least Scope 1 and 2)</li> <li>- Sign the UN Global Compact</li> <li>- Publish the answers to the 21-list questions on the company's webpage.</li> <li>- Provide a yearly update of the company's answers to the 21-list questions.</li> <li>- Engage the service of a third-party assessor to validate ESG targets and KPIs</li> </ul>
Pricing and Liquidity	<p>Although directed to the bookrunners of the transaction, we would like to emphasize the importance of continuously updated/dailypricing of the bonds.</p> <p>We encourage multiple banks in transactions in order to ensure the liquidity of every single bond.</p>