

Interim Financial Report Q1 2023

January 1 - March 31, 2023

Group Development - ESG Highlights

As the Nordic Department Store, we are dedicated to delivering a great shopping experience to our customers. In this pursuit, sustainability is a crucial building block for our long-term business success, ensuring that we meet the needs of our stakeholders. With the help of a clear vision and strategy, we intend to amplify our efforts and share best practices that can influence a more sustainable industry.

Care-For strategy

The sustainability Care-For strategy is the roadmap for how to become the leading e-commerce company in the Nordics. As part of this, Boozt has updated its Care-For strategy and goals to ensure they align with the strategic direction of the business and take into account external trends and overall development in society. To cement our efforts across the relevant areas in alignment with our commitment to the ongoing B Corp certification, Boozt's efforts are focused on four dimensions Environment, Employees, Community and Governance. Within each dimension, Boozt is working with three goal areas and has set 15 new targets to support the sustainability Care-For strategy. Status on the relevant goal areas and targets can be found under the section below 'Development in the quarter'.



● Environment goals
 ● Employee goals
 ● Community goals
 ● Governance goals

| ESG KPIs | Jan 1 - Mar 31, 2023 | Jan 1 - Mar 31, 2022 |
|---|----------------------|----------------------|
| CO ₂ e intensity per order (kg) ¹ | 0.50 | 0.50 |
| Share of renewable electricity (%) ² | 98.3 | 98.2 |
| Share of recycled waste in the Fulfilment Centre (%) ³ | 72.4 | 61.3 |
| Employee Net Promoter Score (eNPS) ⁴ | 57 | 46 |
| Average aggregated participation rate of the employee survey (%) ⁴ | 87 | 71 |

¹ CO₂e intensity per order is related to the emissions from deliveries and returns. Emissions are reported in Well-to-Wheel (WtW). Due to higher data availability, Q1 2022 has been restated. Share of order volume covered in kg CO₂e intensity per order in Q1 2023 is 99.4% (Q1 2022: 98.8%).

² Boozt uses renewable electricity powered by solar, wind and hydropower.

³ The treatment method for the remaining waste is waste-to-energy (WtE).

⁴ Average of the quarter

| GOAL AREA | TARGET |
|-------------------------------------|--|
| Reducing Greenhouse Gas Emissions | By 2024: Set science-based targets and submit them to the Science-based targets initiative |
| | By 2026: Disclose 100% of relevant Scope 3 emissions categories |
| Minimising Waste | By 2026: Increase the share of recycled waste to 80% |
| Driving Responsible Production | By 2024: Develop a scorecard to assess ESG Performance in purchasing decisions for at least 60% of our partner brands |
| Promoting Equality | By 2024: Identify opportunities to further support the governmental parental leave policy for all Boozt Fashion AB employees to continue to promote equality |
| Engaging & Healthy Work Environment | By 2024: Reach above 77% of the aggregated participation rate in our internal employee survey |
| | By 2024: Increase eNPS score to reach the TOP 10 placement in the consumer industry |
| Shaping Employee Development | By 2023: Implement a regular career development review process that includes all Boozt Fashion AB employees |
| Empowering Customers | By 2024: Extend ReBoozt's presence across our markets |
| | By 2026: Provide semi-annual events for our brand partners |
| Engaging Suppliers | By 2023: Ensure 100% of our apparel brand partners are committed to supply chain transparency and to working with the Higg BRM tool |
| | By 2024: Increase collaboration with relevant universities and research institutions to share and learn best practices |
| Involving Communities | By 2024: Increase engagement with third-party ESG rankings and ratings |
| Mitigating Risks | By 2026: Request at least 80% of our brand partners to identify, map and share with us their Tier 1 and 2 suppliers |
| Integrating Sustainability | By 2026: Increase participation to internal training on Sustainability |

Development in the quarter

Environmental

Reducing GHG Emissions

- In February Boozt completed the Scope 3 screening for 2022 emissions data with an extended boundary of our GHG Accounting. Boozt identified and measured all relevant Scope 3 categories (2021: 4 of 9 relevant categories were calculated). As a result, Scope 3 emissions account for 99.8% of the total CO₂e footprint of Boozt.

Employees

Engaging & Healthy Work Environment

- High employee engagement with an aggregated participation rate of 87% in Boozt's monthly employee survey. The resulting Employee Net Promoter Score (eNPS) has improved to a score of 57 (Q1 2022: 46).

Shaping Employee Development

- Launch of Boozt Mentorship Program. This is an initiative to build stronger relationships, development and knowledge sharing internally.

Community

Empowering Customers

- Boozt started implementing the new Made With Care criteria across all categories. This is an ongoing project throughout the year. Boozt will share progress on the development quarterly. We will publish Made With Care relevant KPIs once the process is complete.

Involving Community

- Partnership with Copenhagen Business School: participation in the panel debate with Sustainability as the main topic. The partnership includes marketing and partner events where the primary focus is bridging the gap between companies and students.
- Boozt has been supporting the charity 5 Skoler and their efforts to help children in areas of war, conflict and disaster for many years. In the aftermath of the earthquake in Syria and Turkey, Boozt and its employees donated essential items.

Engaging Suppliers

- Higg BRM joint effort: At this stage, Boozt has nominated and contacted 147 brands representing 68% of our business volume to complete Higg BRM 2022. During the year, Boozt will share more information about how many brand partners have completed Higg BRM 2022.

Governance

Accelerating Transparency

- Boozt scored B- in CDP's Supplier Engagement Rating (SER). B- is on the Management band and higher than the Europe regional average of C, and the same as the Discretionary retail sector average of B-. CDP's annual Supplier Engagement Rating (SER) is designed to evaluate and spur action on corporate supply chain engagement on climate issues, based on the CDP climate change questionnaire.

- Publication of the Annual and Sustainability Report 2022. The ESG Data Summary as well as the GRI Content Index are also accessible for download at <https://www.booztgroup.com/sustainability-reports>.

Integrating Sustainability

- Sustainability Training: Introduction to our Made With Care category and Boozt Sustainability Criteria for the Customer Service Team. This training helps the team understand how Boozt works with sustainability and how to support customers with their sustainability-related requests.
- The updated Care-For Strategy, highlights of the Annual and Sustainability Report 2022, and focus areas for 2023 on upcoming EU reporting legislation were presented to the Board of Directors and Audit Committee.

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