

ADDTECH'S SUSTAINABILITY REPORT 2015/2016

PURPOSE AND OBJECTIVE OF THE REPORT

The purpose of this sustainability report is to describe the Addtech Group's objectives, strategies and governance, as well as accountability, risks and opportunities from a sustainability perspective. Its purpose is also to show the Group's results from an economic, environmental and social perspective. By continuously evaluating the business from these perspectives, we visualize savings and improvement potential and minimize our risks. In addition to contributing to the business value, the goal of the sustainability report is to provide customers, employees and shareholders an understanding and knowledge of Addtech's CSR (Corporate Social Responsibility) work.

WE ADD VALUE

Addtech has been working according to the same business concept since 1906 - representing international suppliers on the Nordic market. The business concept has proven successful for over a hundred years, which is testimony to the fact that, despite the industrial trend and varying state of the economy, a link is needed between manufacturers and users, as long as it adds value.

The value is created in our subsidiaries, which feature an endeavour to be the market leader in well-defined niches. Our sales people are business professionals with technical expertise who work closely with our customers and suppliers to cater to various customer requirements. The product range spans standard components to bespoke holistic solutions, all of which have a high expertise and technology content.

Addtech adds value by being an active owner of independent subsidiaries. We constantly grow through acquisitions and are proud today of being a group with more than 120 active subsidiaries. Because our subsidiaries have a high degree of freedom and are themselves responsible for their operations, while forming part of a greater group at the same time, we combine the financial strength, experience and extensive network of a large, listed corporation with the personal commitment and business acumen of the subsidiaries. With our size and strength naturally comes great responsibility with respect to our owners, employees, society and the environment. Our ambition is for Addtech's operations to have a positive effect on our surroundings and to promote long-term sustainable development through economic and technological value creation.

KEY EVENTS IN 2015/2016

- Addtech employees are absolutely crucial for our success. A good corporate culture lays the foundation for job satisfaction, low absenteeism, good relationships and low staff turnover. Addtech is, and should be, a company where work and private life can be balanced. Employee surveys are conducted regularly to ensure a favourable work environment. Group Management and managers attach great importance to the information from the employee survey and are working on making changes based on the results. Addtech strives to achieve a working environment that promotes health and wellness. Based on the most recent employee survey, the Group has identified areas for improvement and carried out initiatives where there was potential to improve working conditions or the work environment, both in the individual subsidiaries and at the Group level. Additional employee surveys and initiatives in this area will be carried out in 2016.
- Suppliers are an important stakeholder group in Addtech's sustainability efforts. An analysis of suppliers' sustainability and relationship to Addtech's Code of Conduct has continued during the year and efforts to obtain more responses continue. No significant inadequacies have emerged among the suppliers to date. During the year more companies participated in the supplier evaluation and additional companies will be channelled into this evaluation during the financial year 2016/2017. The goal is that the dialogue with suppliers will strengthen their sustainability work and motivate them to integrate it into their business models so that we can add value together in the same direction.

ABOUT THIS SUSTAINABILITY REPORT

Addtech publishes an annual sustainability report. The report is a key part of the sustainability work as it highlights these issues in the Group so that employees, owners and other stakeholders receive the opportunity to learn about how the sustainability work is being developed. Reported topics include the Group's use of energy, climate impact, employee turnover and employees' occupational health and safety.

The report complies with application level C of the Global Reporting Initiatives (GRI) G3 and pertains to the 2015/2016 financial year, with comparative data from the 2014/2015 financial year. Unless otherwise indicated, the sustainability report encompasses the operations of the Group as a whole. During the year 2016/2017, work has begun with the objective of the Group being able to report according to GRI G4 in the financial year 2016/2017.

This sustainability report has not been reviewed by the Company's auditors.

ABOUT ADDTECH

Addtech is a technology trading group that provides technological and economic value added in the link between manufacturers and customers. Addtech operates in selected niches in the market for advanced technology products and solutions. Its customers primarily operate in the manufacturing industry and public sector.

Addtech has just over 2000 employees in more than 120 subsidiaries that operate under their own brands. The majority of Addtech's operations is concentrated to the Nordic countries. The Group also operates in 14 countries outside the Nordic region, and also exports to a further 20 or so countries. Group sales are around SEK 6,2 billion and the Addtech shares are listed on the Nasdaq OMX in Stockholm.

Our operating companies endeavour to be the market leader in their niches. The companies are bound together by Addtech's corporate culture where business acumen and technological expertise are key, and where the flexibility, personal approach and efficiency of small companies is combined with the Group's extensive network, resources and financial strength. Addtech pursues long-term developmental work in the area of sustainability, comprising all subsidiaries in the Group. Sustainability is about taking long-term responsibility for the sustainable development of employees, the environment and profitability.

STRATEGY AND GOVERNANCE

Addtech's vision is to be the leading value-adding tech provider. To achieve that vision we must run our business sustainably. Addtech aims to meet the sustainability requirements and expectations set by customers, shareholders and employees and to promote sustainable technological development.

The Group's sustainability work involves Addtech taking long-term responsibility for the sustainable development of employees, the environment and profitability. Global and local requirements to reduce emissions and increase sustainability in society are turning sustainable products and solutions into a means of competition in the technology trading market. Addtech strives to be a better choice than the competitors and actively works to meet this demand. We do so through our subsidiaries, which are dedicated to meeting this demand by developing and offering solutions that increase our customers' energy efficiency and reduce their environmental impact. Our subsidiaries already provide technical value creation that reduces customers' energy consumption and makes them more sustainable. By continuing to develop sustainable solutions for our customers we increase our competitiveness while also contributing to a sustainable society.

Addtech's subsidiaries have extensive experience with meeting market requirements regarding quality and environmental certifications, and sustainability is a strategic issue within the Group. Addtech has a dedicated Corporate Social Responsibility (CSR) Council composed of representatives from its different business areas. The aim of the Council is to plan and decide on activities that contribute to strategic sustainability thinking in areas concerning working conditions, the environment and ethics. The Group's sustainability work has resulted in our Code of Conduct being implemented in all subsidiaries, an annual sustainability report according to Global Reporting Initiative (GRI) guidelines application level C and supplier audits. A Group-wide employee survey has also been introduced, which in turn has led to the introduction of a regular employee dialogue and situational leadership.

Addtech's corporate structure and operations, with over 120 subsidiaries, present a challenge in terms of achieving rapid results in sustainability work, since many units have to introduce completely or partially new processes. The work paves the way for more attractive customer offerings, greater cost reductions and improved quality and HR measures.

SUSTAINABLE DEVELOPMENT AT ADDTECH

At Addtech we aim to continue to create value for our shareholders, employees, society and the environment. We summarise it into three categories - added Economic, Social and Environmental value.



ADDED ECONOMIC VALUE

Economic strength is a cornerstone for investing in sustainable development, and Addtech is dedicated to ensuring that we are both competitive and cost-efficient. In a constantly changing world, companies must develop to survive in the long term. Addtech's overall vision is to be the leader in value-added technology trading through clearly defined growth, profitability and development requirements. These concepts are thus fundamental to Addtech's sustainability work.

ADDED SOCIAL VALUE

A fundamental factor in Addtech's sustainable development is taking account of all the people affected by our operations. This includes our customers, suppliers, employees, collaboration partners and the communities in which we operate. In order to sustain our good reputation, Addtech shall maintain high quality and ethics in all of its undertakings. A substantial part of our subsidiaries' success derives from sound relationships with the community and mutual trust and commitment.

Addtech's subsidiaries strive to be attractive employers and to provide their employees with sound personal development opportunities. In order to identify areas of improvement, we conduct for instance employee surveys that then form the basis of skills development and business acumen in the Group. Addtech knows the importance of safeguarding our most important resource - our staff. Addtech's Code of Conduct acts as a compass for each employee and our suppliers are encouraged to work in line with it.

ADDED ENVIRONMENTAL VALUE

The subsidiaries work actively with finding energy efficient solutions for our customers. Around half of the electricity used in the Group comes from renewable sources. Our goal is to constantly increase this proportion. The Group's companies are primarily engaged in technology trading, so the operations have a limited direct impact on the environment. We continually work with improvement measures in the areas where we ourselves can make a difference. Our indirect environmental impact rests with our suppliers. We hope that supplier surveys will provide a better overview of how our suppliers work with CSR matters and encourage them to change for the better.

The Addtech Group's environmental policy is part of our Code of Conduct, and expresses our intention to shoulder our part of the responsibility of improving the environment and working to promote lasting sustainable development. We work proactively to continually reduce the Group's direct and indirect environmental impact. Ecocycle thinking and conservation of natural resources must form an important starting point for the Group's business operations. Important decisions shall take due account of environmental consequences in order to create long-term value for the Group's customers, employees, shareholders and society at large. Environmental activities shall be conducted within the scope of our business concept and be closely integrated into operational activities. This implies that in the long term the whole lifecycle of the products and services we provide shall be taken into account. We can maintain a holistic view of environmental issues through a high level of competence among our employees and by constantly developing our knowledge of environmental consequences.

Environmental conservation measures shall be implemented to the extent they are technically feasible, reasonable in terms of business economics and environmentally justified. Suppliers are encouraged to operate in line with our environmental policy. Suppliers shall also be familiar with and comply with requirements defined by national legislation, statutes and industry standards. Suppliers shall as a minimum requirement operate a secure system for management of hazardous materials and waste.

REPORT CONTENT AND BOUNDARIES

The sustainability report refers to the 2015/2016 financial year, with comparative data from the 2014/2015 financial year. Unless otherwise indicated, the report encompasses the operations of the Group as a whole.

During the 2015/2016 financial year Addtech's shareholdings in AddLife were distributed through an IPO on Nasdaq Stockholm. As a consequence, all data in this report refer to continuing operations, with retroactivity for the 2014/2015 financial year.

The following sections provide an account of Addtech's sustainability work from different stakeholder perspectives, with results for the Group being presented in the form of relevant indicators and key ratios. Unless otherwise indicated, the figures are accumulated values for 2015/2016 from the Group's more than 120 companies. Ten acquisitions were implemented during the year, affecting the outcomes for the environmental and work environment indicator data reported, compared to the preceding year. Acquisitions constitute a central part of Addtech's growth strategy and are therefore expected to continue to affect several areas in the sustainability report in the years ahead. The measured values presented have not been adjusted to compensate for the increased number of companies; instead they constitute the actual figures for the Group.

Addtech's corporate structure and operations, with more than 120 operating companies, is a challenge when it comes to achieving rapid results in sustainability work, and many units will introduce completely or partly new processes. This work paves the way for adding further value, for example through more attractive offers to customers, larger cost cuts, and improved work on quality and HR. The measurement data presented in this sustainability report are based as far as possible on actual measured values from the Group's companies, or from the Group's suppliers. In cases where the Group's companies or suppliers have been unable to obtain actual figures, reasonable estimates based on available calculation tools and models were made.

One of Addtech's goals for its sustainability work is to continually improve the accuracy of the measurement data obtained from the Group's companies, and from our suppliers.

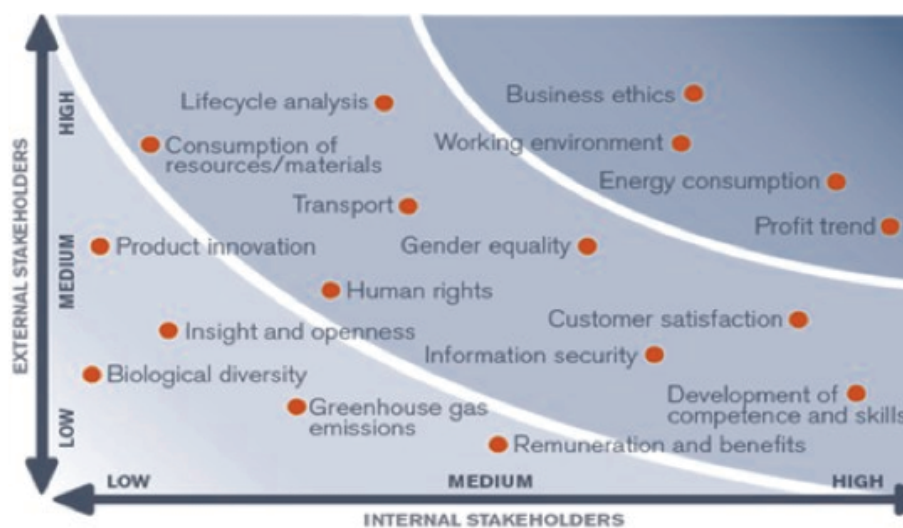
OUR STAKEHOLDERS

Addtech has identified five important stakeholder groups for the Group: customers, suppliers, employees, shareholders and the community. Addtech strives to maintain an open dialogue with the Group's stakeholders on how the operations are conducted, and to explain priorities, decisions and the results achieved. Addtech considers this to be fundamental to the Group's ability to focus on the right issues in its sustainability work.

Information on the major sustainability issues is communicated to stakeholders mainly via the sustainability report. Dialogue with stakeholders is conducted partly at Group level, but also by Group companies to a substantial extent. The decentralised organisation with autonomous subsidiaries that work closely with its customers and suppliers creates a natural and continuous dialogue. Following dialogue with the Group's stakeholders, Group management, in consultation with the Board of Directors, decides on which sustainability issues are of major importance to the Group and on Group-wide working methods and targets.

To ensure that Addtech is working and reporting on the areas of most importance to operations and stakeholders both an internal and external stakeholder analysis has been conducted. The internal stakeholders represented Addtech's four business areas and the external stakeholders comprised key customers and major shareholders. The dialogue with stakeholders showed that they value Addtech's heightened engagement in sustainability matters. Based on the stakeholder analysis, Addtech prepared a communication and action plan for how the Company is to establish the work more firmly in the Group, and produced information material about what the sustainability work involves. The latter is used both internally and externally.

The results of the stakeholder analysis showed that the matters with the highest priority were business ethics, occupational environment, energy consumption and earnings trend. During this financial year, Addtech continued to work on these areas.



The table "Economic value generated and distributed" illustrates how the value generated by the Group's operations has grown and been distributed to various stakeholder groups. During the year, Addtech did not receive any substantial financial support from the public sector.

Economic value generated and distributed			
SEKm	Stakeholder	2014/2015	2013/2014
Income	Customers	6,155	5,719
Economic value generated		6,155	5,719
Manufacturing costs	Suppliers	4,506	4,132
Salaries and remuneration*	Employees	1,206	1,156
Payments to providers of capital	Lenders	22	24
Payments to providers of capital	Shareholders	217	200
Payments to governments	Public sector	160	100
Economic value distributed		6,111	5,612
Remaining in company		44	107

* Total salaries and other remuneration consists of salaries and pensions for employees, including amounts paid to the public sector (payroll taxes, social security contributions, etc.) on behalf of the employees.

SHAREHOLDERS

Addtech strives to generate an attractive return and growth in value for investors in Addtech shares. Dialogue with shareholders is mainly conducted at the AGM and through the Group's Investor Relations function.

More information about Addtech's ownership structure is available in the 2015/2016 annual report.

Read more about Addtech from an investor point of view on Addtech's website.

ADDED ECONOMIC VALUE

Addtech's overall objective is to be the leader in value-adding technology trading by being the most competent and long-term partner for customers, suppliers and employees. This places demands on the Group which can be summarised as growth, profitability and development.

LONG-TERM PROFITABLE GROWTH

Growth is the basis of long-term profitability. Without growth, the Company cannot develop its operations. For Addtech, growth is thus a primary fundamental requirement for securing our survival in the long term.

Growth in the Group is measured as earnings growth, or the earnings expansion target. This is a long-term target measured over a business cycle, in which period average annual earnings growth shall be 15 percent. Growth is achieved through strategic efforts to focus on expansive markets, concentrated on leading suppliers and a constant customer focus. The profitability target for each subsidiary is a minimum of 45 percent, measured using the relationship between operating profit (P) and working capital (WC). The P/WC model encourages high operating profit and low levels of tied-up capital. When combined with the growth target of 15 percent, this enables self-funded long-term profitable growth. Constant development is required to generate earnings growth and high profitability.

Long-term profitable growth means long-term sustainability and is important not just for Addtech as a group and for our employees; sustainability also creates long-term value for shareholders. Addtech's share price performance and dividend trend for its shareholders is one more way in which the Company adds value.

ADDED SOCIAL VALUE

The key to Addtech's further sustainable development and success is in the long-term relationships we have built up with our employees, customers and suppliers, and we always endeavour to be a responsible player in the community. It is important that Addtech's subsidiaries set a good example in terms of being reliable, ethical and respected employers. Freedom with responsibility is a fundamental principle for Addtech. It has imbued the operations for over a hundred years. A large part of Addtech's long-term sustainability is based on that approach, and we hope for at least another hundred years of freedom with responsibility.

EMPLOYEES

OUR MOST IMPORTANT RESOURCE

Addtech's employees are vital for our success. A good corporate culture makes for comfort, low absenteeism and good relationships and low staff turnover. Addtech is, and should be, a company where work and private life can coexist. Responsibility and freedom are two of Addtech's core values and are summarised as "Freedom with responsibility", but never freedom without responsibility or responsibility without freedom. Addtech organises its business on the basis of decentralised responsibility for profitability and earnings. This involves a high degree of responsibility for the subsidiaries, but with great freedom to, for example, choose the types of suppliers to be appointed and the types of customers to focus on. Motivated, creative and decisive employees who can prioritise work tasks yet who can lift their gaze and look ahead at Addtech are fundamental to this working. In order to succeed in this, Addtech works to maintain an open and positive approach to people, capitalising on the full potential of employees, whatever their position and level of responsibility. Addtech emphasises the importance of taking account of the distinctive character of each individual employee. It is the very differences that create the dynamics that have made Addtech successful.

ADDTECHS CODE OF CONDUCT

Addtech's Code of Conduct is a foundation stone for our sustainability work and has long been an integral part of the operations. The Group's Code of Conduct acts as a compass for our employees and includes all important issues in the environment, human rights, working terms and conditions and corruption. (Its complete scope is listed below). The Code is based on the UN's Global Compact, ILO's Core Conventions, and the OECD Guidelines for Multinational Enterprises, and it is aimed at our operations and those of our suppliers. The Group's Code of Conduct as adopted by the Board applies to all companies in the Group and is available on the Addtech website www.addtech.com/csr and is readily available to all our employees on the Addtech intranet.

The Group complies with prevailing laws and regulations in the countries where it operates. While subsidiaries and employees are also expected to comply with Addtech's Code of Conduct, Addtech also strives for our suppliers to adhere to it too, even in cases where it is more far-reaching than national laws and statutes.

THE ADDTECH GROUP'S CODE OF CONDUCT COMPRISES THE FOLLOWING:

■ Working conditions	■ Child labour	■ Political involvement
■ Working environment	■ Application	■ Relationship with the community
■ Wages and work	■ Responsibility for employees	■ Environmental policy
■ Equality	■ Disciplinary measures	■ Anti-corruption
■ Discrimination	■ Freedom of association and right to collective wage negotiation	■ Communication
■ Forced labour		■ Follow-up

EMPLOYEES

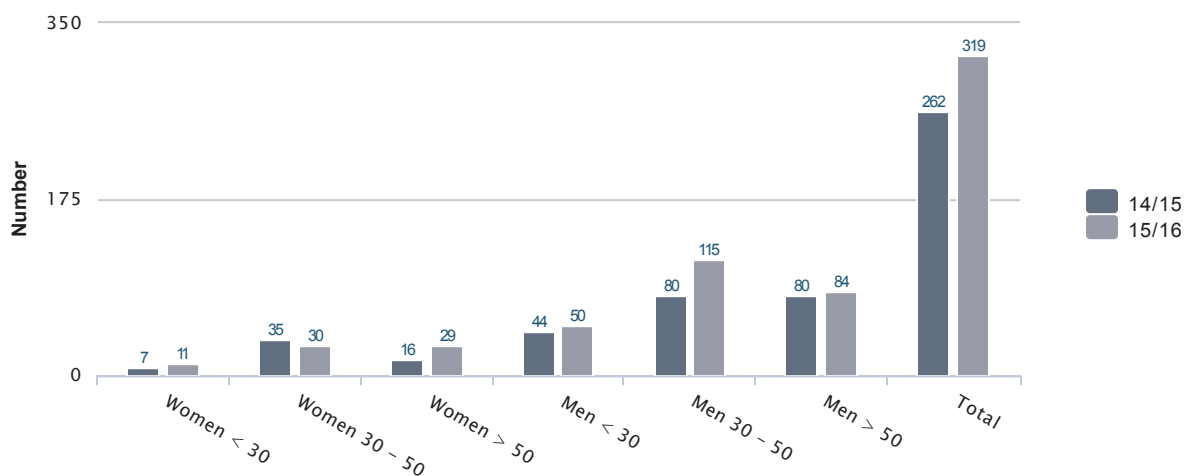
Addtech aims to regularly conduct employee questionnaires and has to the date conducted three. The questionnaire follows up Addtech's long-term and strategic HR development work, and the survey identifies the Group's and subsidiaries' strengths and weaknesses as an employer as well as mapping areas for improvement. Addtech has consistently achieved good results and in general has very satisfied employees. This year's survey demonstrated additional improvement in the work environment – largely thanks to the introduction of more structured performance appraisals with employees.

The aim of the employee survey is to identify areas in which the subsidiaries and Group currently perform well as an employer, and identify areas of improvement at the same time. From a Group perspective, the survey enables Addtech to offer support to the subsidiaries where there are common needs, while disseminating knowledge and ideas from successful companies throughout the Group.

Addtech's Group management encourages each managing director at each subsidiary to prepare a plan of action based on the individual results of the company, as the subsidiaries' size and preconditions vary. Some subsidiaries have several hundred employees with a smoothly running HR department, while others are small consisting of a handful of people. The results of the survey form the basis of long-term, strategic staff development work in the Group. Addtech's ambition is to conduct annual employee surveys in order to identify changes.

RATE OF EMPLOYEE TURNOVER

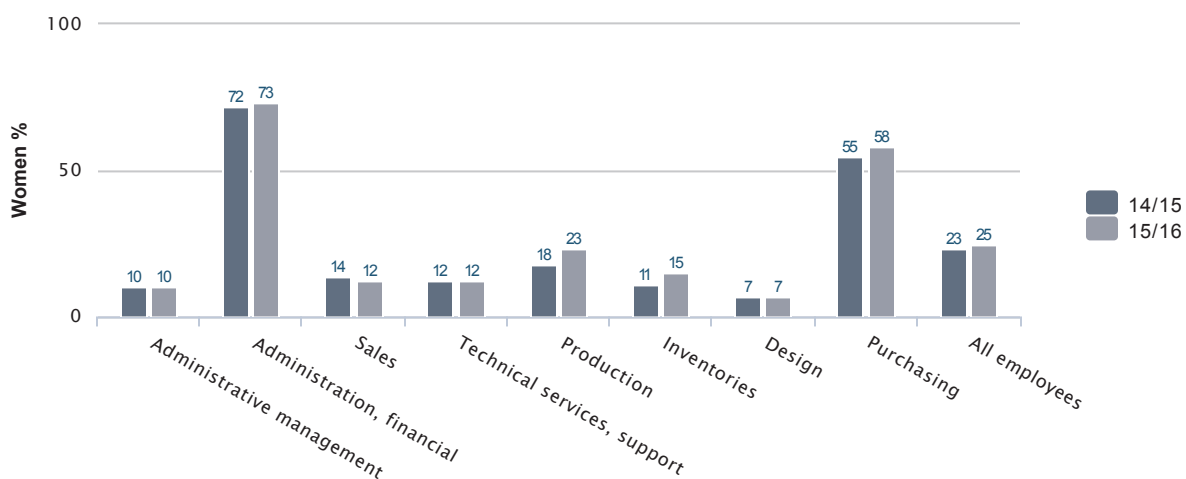
Rate of employee turnover



During the year, employee turnover was 18 percent (13 percent). The table above provides a more detailed picture of the Group's employee turnover, by gender and age. The increase in employee turnover primarily among men aged 30-50 is attributable to production in Poland, which closed during the year. Addtech is at heart a Nordic enterprise; around 85 percent of the Group's employees work in one of the Nordic countries.

GENDER DISTRIBUTION

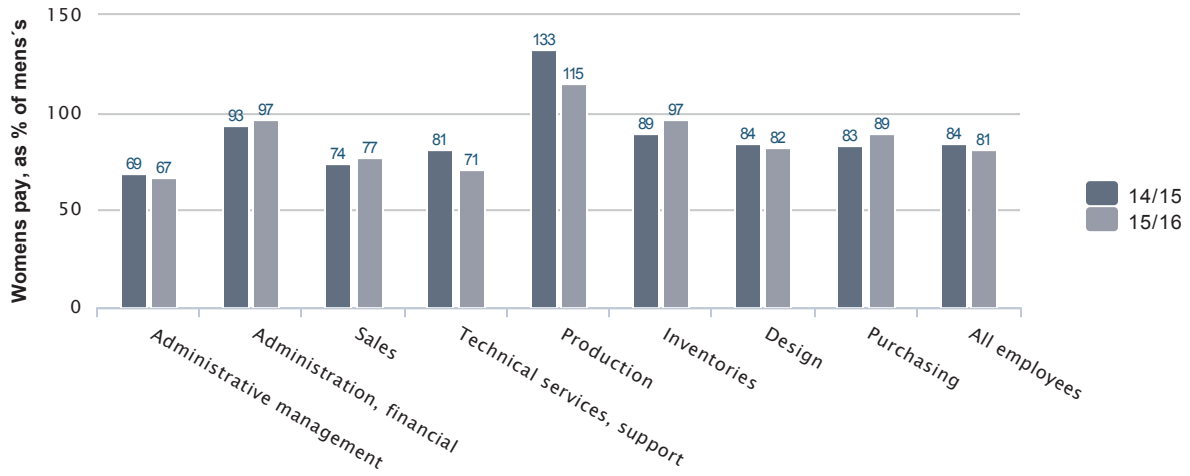
Gender distribution



The technology trading industry has historically been male dominated and this is also apparent in the proportion of female applicants to institutes of technology in Sweden in relation to male applicants. Addtech's ambition is, by being an attractive employer, to continually increase the proportion of women in the Group. The proportion of women and men in the Group shall at least reflect the general gender distribution in the industry, and the proportion of graduates from institutes of technology. Addtech is in line with the distribution in Sweden's technical courses, where the proportion of female applicants and accepted candidates is 30 percent. Between the 2014/2015 and 2015/2016 financial years we see small improvements and the Group continues the long-term work with recruiting more women. Key figures for the gender breakdown between men and women in different functions at Addtech are shown in the table above.

WAGE DIFFERENCES

Wage differential

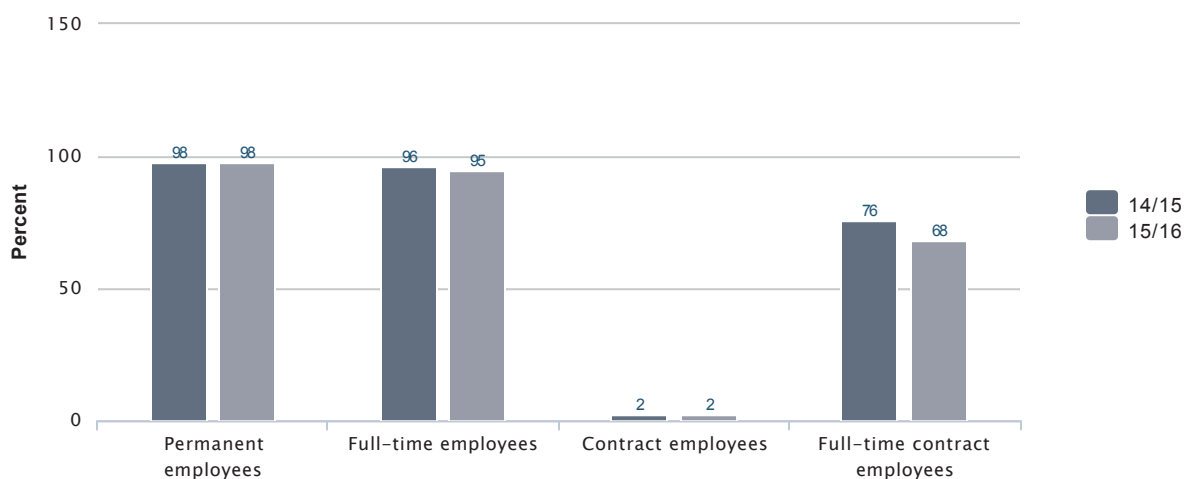


Wage differences for men and women in the Group vary between different areas of position. Addtech has identified an uneven distribution in the salaries of men and women. However, it ought to be mentioned that no account was taken of age, scope of period of work, previous experience, training or productivity. Addtech obviously strives to ensure that all employees in the Group, irrespective of gender, are given equal opportunities for remuneration for equivalent work, and is working actively to break down the old pattern.

The apparently skewed relationship shown in the table above between women’s and men’s salaries in production is due to the fact that the majority of the women working in production are in the Nordic countries, while a large proportion of the men are employed in countries as Poland and China with lower salary levels.

PERMANENT EMPLOYEES

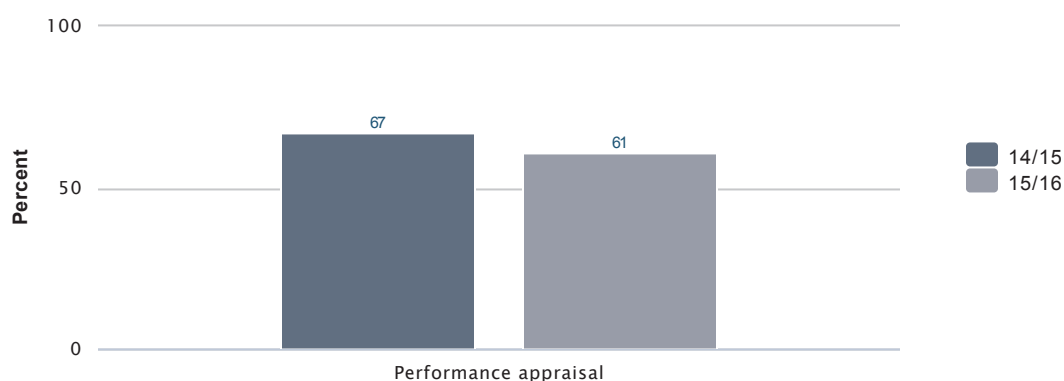
Permanent employees



Permanent employees make up the majority of the Group's workforce. Contracted employees are primarily appointed to replace ordinary employees in the event of illness or other leave. Providing secure employment is not only a work environment issue but also important in order to have a business continuity and to build long-term relationships. The table above shows a breakdown of permanent and contracted employees.

PERFORMANCE APPRAISAL

Number of employees who have regular performance appraisal dialogues



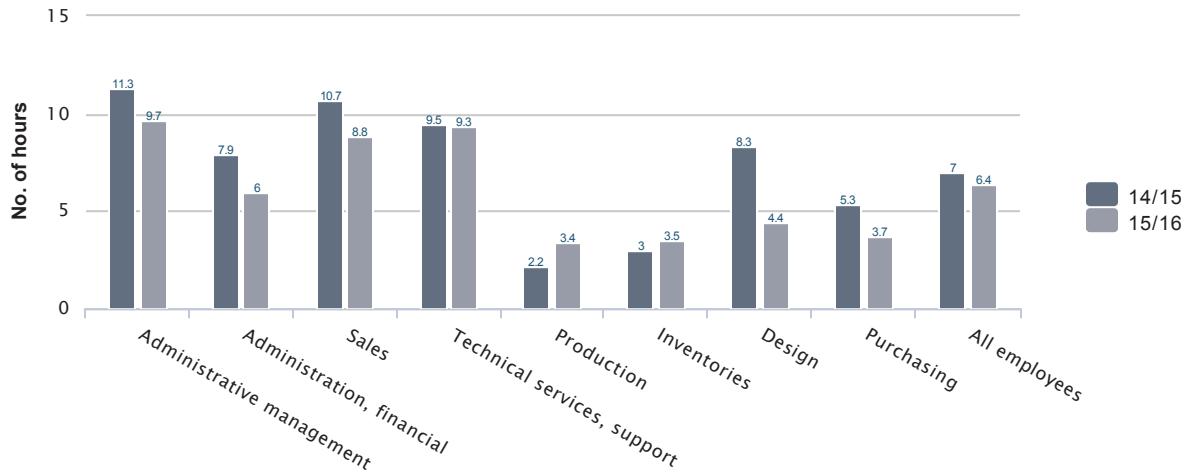
Dialogue with the Group's employees takes place at each company in the Group, for example in connection with the annual performance appraisal. Addtech's development and competitiveness are strongly linked to the skills development and wellbeing of its employees. The Group companies strive to be attractive employers that offer our employees solid personal development opportunities.

One ambition in the Group is that all employees should have a personal performance appraisal meeting with their immediate manager each year. An important part of the performance appraisal is to identify ways of improving the expertise and wellbeing of the employee. Another is to increase contentment and job satisfaction in the workplace.

Over the coming year, Addtech will continue to review the procedures and tools that are available to Group companies, in order to increase the proportion of performance appraisals conducted. Special efforts are made for newly acquired companies.

HOURS OF TRAINING

Hours of training



To develop the skills of our employees is to develop Addtech's operations. To this end, we run our own Business School, for instance. For over a decade, the Addtech Business School has trained about a hundred Addtech employees each year in areas such as Group corporate culture, business acumen and presentation and negotiation techniques. The table above shows the number of training days per employee and per employee category during the year:

The term "training" is defined as:

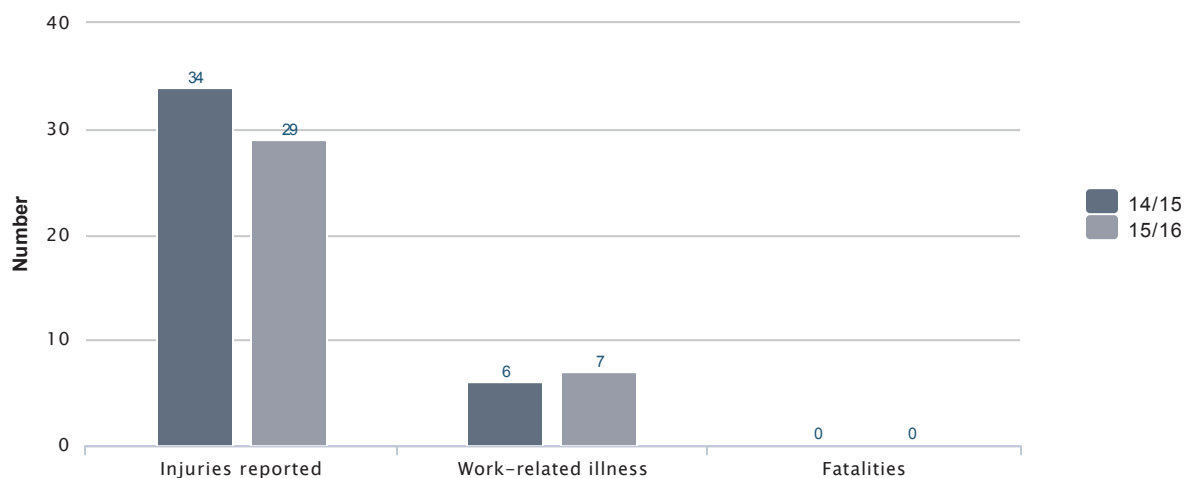
- All types of professional courses and training
- Paid leave granted to employees by the Company for training
- External training paid for wholly or partly by the company
- Training on special topics such as health and safety
- Training at suppliers

Direct instructions by a manager in the workplace are not included.



HEALTH AND SAFETY

Health and safety



Health and safety forms a priority area for Addtech. The Group has a zero vision for work-related accidents, illnesses and incidents, and an ambition to focus constantly on promoting better health and wellbeing among our employees. In Addtech's various production-based units, there are potential risks of work-related illnesses and accidents. However, there are also risks of accidents in the sales process, for example during travel to and from customers and when visiting to customers' factories or other facilities. The Health and Safety table provides an overview of Addtech's results in this area. No work-related fatalities occurred during the year.

BRIBERY AND CORRUPTION

As a technology trading group, Addtech cannot ignore the possibility of our employees being subjected to bribery, particularly in connection with purchases in countries where corruption is generally more extensive. The trend in corruption in various countries where Addtech operates is monitored constantly, for example via the Transparency International website (www.transparency.org). Business ethics has always been high on the Group's agenda and are an issue that is constantly addressed in, for instance, the Group's own Business School. The Group has zero tolerance towards corruption, and the fact that no cases of corruption occurred during the year (0) is thus in line with our expectations.

CUSTOMERS

Contact with our customers is handled through Addtech's subsidiaries. More rigorous sustainability demands from our customers are emerging more and more clearly. For instance, our customers are starting to perform CSR screening on their suppliers - that is, Addtech Group subsidiaries. In order to continue to be a valuable link between manufacturer and user, Addtech must progress in line with the heightened demand and be able to present its' sustainability work in a satisfying way.

The Group's subsidiaries are active in a host of different markets and a variety of industries; this involves different types of customer requirements. However, it may be said in general terms that many of the requirements relate to safety in workplaces and the environment. The requirements for resource consumption, energy efficiency and environmental impact, however, has increased in recent years, which in turn means increased demands on Addtech's companies to provide solutions and products that meet these requirements.

At some of the Group's companies, enquiries relating to REACH (the EU's regulation on the Registration, Evaluation, Authorisation & Restriction of Chemicals) are also common. Furthermore, demands that Addtech and eventually our own subcontractors comply with international conventions on human rights are also expressed.

SUPPLIERS

The majority of the sales generated by Addtech companies comes from the resale of products and solutions of global and market-leading suppliers. Addtech has a large number of suppliers worldwide and more than 70% of the Group's purchases are from suppliers outside the Nordics in Europe, the US and Asia. Relationships with our suppliers are often longstanding and feature close collaboration on how the supplier's products can be used in a variety of customer applications. Many suppliers have worked with Addtech subsidiaries for decades. However, there is always a certain amount of supplier turnover, and Addtech is constantly on the hunt for new partners and agency companies that can complement or boost our existing business. Our close relationship with suppliers is highly positive in terms of both the operations and CSR. We continually work with deepening these relationships and ensuring that our suppliers meet a good requirement level in relation to their employees and the environment.

As parts of a technology trading group with operations in a large number of countries, business ethics risks pose a potential threat to the Group's companies. Addtech's goal in terms of linking the issue of responsibility to our suppliers is clear. In 2010/2011, the Group's Code of Conduct was updated and now expressly describes the Group's expectations as to how suppliers should act in relation to both the environment and their employees. The Code is available at www.addtech.com/csr.

The good reputation of Addtech and our subsidiaries is one of our strongest competitive assets. Any infringements of Addtech policy on human rights and occupational conditions would therefore have a considerable detrimental impact on stakeholder confidence. No incidents of infringements of human rights were reported either in 2014/2015 or earlier years.

SUPPLIER SURVEY

Addtech works continuously on deepening supplier relationships and ensuring that they meet a good level of requirements in relation to their employees and the environment. As part of these efforts, at the end of 2011/2012 Addtech conducted its first supplier survey. The analysis of the suppliers' sustainability and relationship to Addtech's Code of Conduct has continued during the year and efforts to obtain more responses continue. No significant inadequacies have emerged among the suppliers to date. During the year more companies participated in the supplier evaluation and additional companies will be channelled into this evaluation during the financial year 2016/2017.

The objective of supplier surveys is to ensure that Addtech works with responsible suppliers. Addtech's ambition is to raise expectations on suppliers and emphasise the importance of suppliers assuming social and environmental responsibility so that the entire value chain works towards the same objective.

SOCIETY

Addtech's most important positive impact on society lies in our contribution to economic and social growth in the form of jobs and taxpayers, as well as the Group's own tax payments. We also strive for our products to bring efficiency improvements and to cut energy consumption for our customers.

In line with the Addtech philosophy of decentralised responsibility, no Group-wide projects connected to social commitment are conducted apart from our subsidiaries working towards a sustainable technological development. The subsidiaries are responsible for taking into account their surroundings and maintaining a good dialogue with the surrounding society.

ADDED ENVIRONMENTAL VALUE

A strong intention to safeguard the environment forms part of Addtech's business strategy. The aim is to minimise Addtech's impact on the environment by working to reduce waste, increase the share of renewable energy and use natural resources more efficiently and cautiously. Addtech's main operations consist today of technology sales and distribution in around 30 countries. The proportion of Group companies which conduct their own production comprising the use of raw materials, chemicals and fossil fuels increased during the year. However, production represents only a limited proportion of the Group's operations. So, Addtech's main direct impact on climate is from the transportation of finished goods, and business travel. The majority of Group purchases is from suppliers outside the Nordics in Europe, the US and Asia, necessitating a high transport volume. The aggregated environmental impact of the products provided by our companies also includes production operations at our suppliers and eventually also how customers use the products. We consequently seek to take the entire lifecycle of our operations into account in the Group's constant improvement work. We are also constantly working to develop more sustainable products and solutions that help our customers reduce their environmental impact. In this way, we can make a difference on a larger scale.

Addtech's major environmental aspects may be summarised as follows:

- Transport of goods and employees
- Use/consumption of energy, raw materials and chemicals
- Emissions and waste from production

The Group's emission-related risks are mainly associated with carbon dioxide emissions. Such emissions are caused primarily through combustion of fossil fuels in the Group's own operations, chiefly through the transport of goods and employees, and also indirectly through procurement of electricity generated by the combustion of fossil fuels.

The Group has not, either during the year or in previous years, been subject to any fines relating to breaches of environmental legislation.

Nearly half of the electricity used in the Group comes from renewable sources. Ambitious work is underway to constantly increase that share.

ADDTECH'S ENVIRONMENTAL POLICY

The Addtech Group's environmental policy, which is part of our Code of Conduct, expresses our intention to shoulder our part of the responsibility of improving the environment and working to promote lasting sustainable development. Environmental activities shall be conducted within the scope of our business concept and be closely integrated into operational activities. Environmental measures shall be implemented to the extent they are technically feasible, reasonable from a business economic viewpoint and environmentally justified. Responsibility for ongoing environmental work rests with each individual company in the Group. The environmental policy involves the Addtech companies working according to the following points:

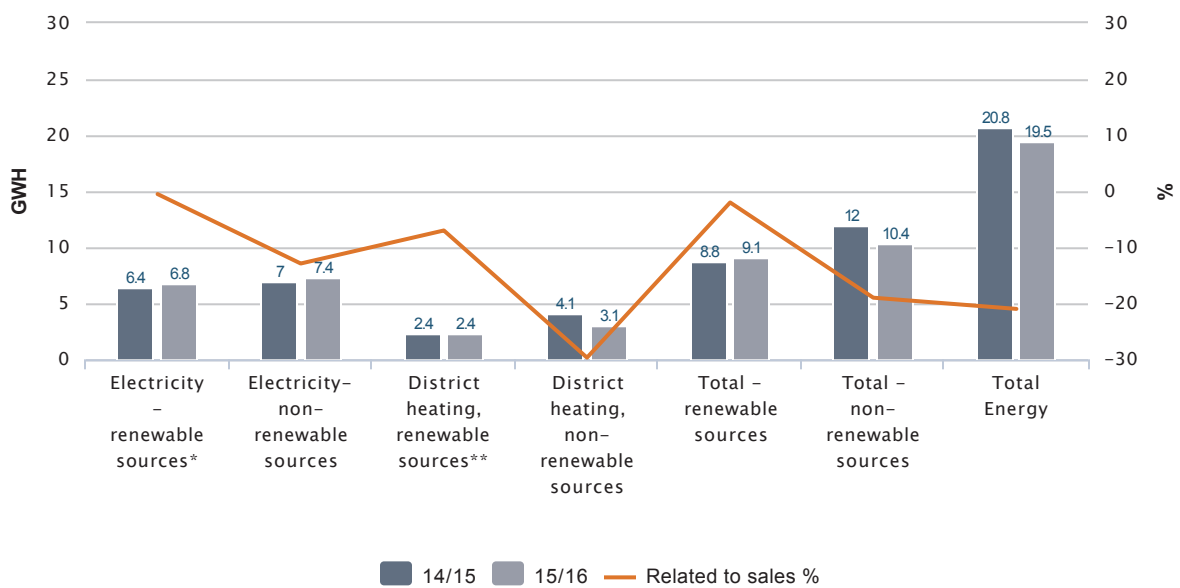
- Addtech shall minimise the occurrence of waste and prevent any risks of emissions
- Environmental performance shall be taken into account in the choice of products and transport methods
- Addtech shall constantly encourage its employees and suppliers to perform open and committed environmental work
- Addtech's environmental work shall lead to constant improvements, and prevailing legal requirements are minimum requirements for the operations

ADDTECH'S ENERGY CONSUMPTION

During the year, the Group's total energy consumption declined to 19.5 GWh (20.8 GWh). Out of the energy consumption, electricity consumption accounts for 72 percent (69) comprises electricity and 28 percent (31) district heating. Out of the total energy, 47 percent (42) came from renewable sources, an increase of 5 percentage points (-5).

In relation to sales, the proportion of renewable energy sources decreased by 2 percent (-16), while the proportion of non-renewable sources decreased by 19 percent. One of Addtech's overarching goals is to reduce energy consumption over time relative to our sales and to strive to continuously increase the proportion of renewable-source energy used in its operations. The table displays energy consumption development at Addtech.

Energy consumption



The figures in the orange fields above the bar charts show the change in relation to Group sales.

* Solar energy, wind power and hydropower

** Biofuel, waste heat, waste (70 percent renewable)

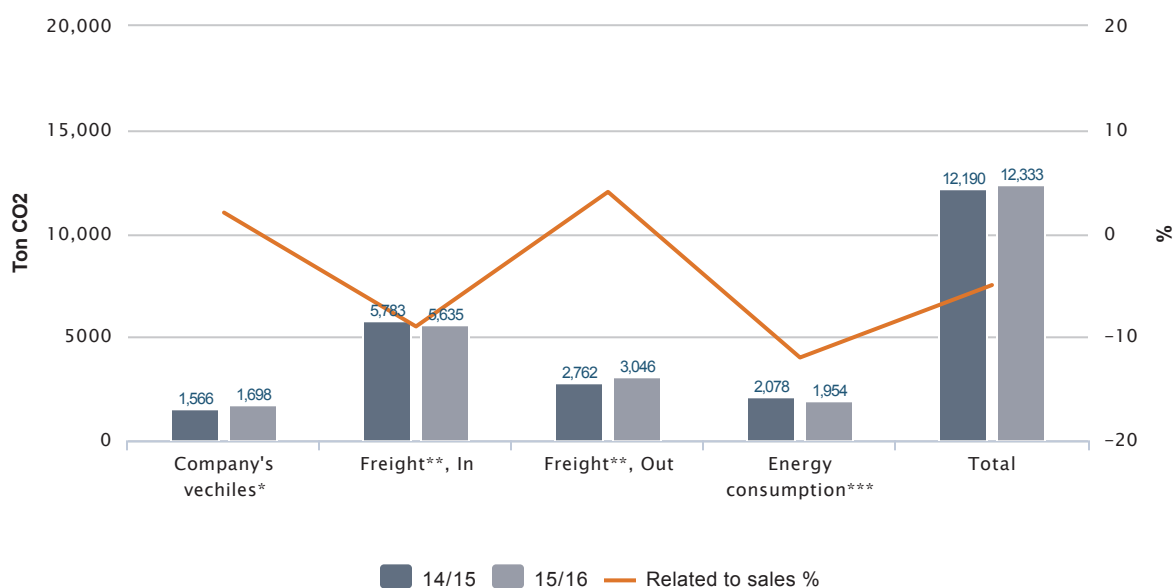
CLIMATE IMPACT

Addtech's impact on the climate principally comprises carbon dioxide emissions. Combustion of fossil fuels also produces emissions of other greenhouse gases, but Addtech has concluded that carbon dioxide emissions represent the biggest threat from the Group's operations.

In the calculation of carbon dioxide emissions arising from electricity generation, the calculation was based on Nordic electricity generation, where 1 kWh is estimated to generate 0.1 kg CO₂.

In addition to emissions arising from the internal use of fossil fuels and electricity, carbon dioxide emissions are also generated by various kinds of transport, including transport of materials and products, as well as employee travel. Addtech reports carbon dioxide emissions for employee travel and for materials and product transport according to the table below, which shows the Group's CO₂ emissions.

CO₂ emission



*Based on reported number of kilometres driven and the average emission of CO₂/km from the Group's vehicle fleet.

**Based on reports from transport providers, plus own calculations using ecotransit.org.

***Based on Nordic electricity generation, where 1 kWh is estimated to generate 0.1 kg CO₂.

THE WAY FORWARD

The basis of sustainable long-term growth for Addtech lies in the balance between economic and social requirements with account taken of long-term environmental aspects. Addtech must therefore actively address new issues, opportunities and problem situations in order to enable positive change and progress. Addtech's vision is to be the leader in value-creating technology trading. Being the leader involves working to influence the trend in the industry and actively selecting the route to be taken by the Company - not being propelled along by other forces. The future for Addtech lies in being a part of pursuing a sustainable technological development.

GRI INDEX

Each year, the Addtech Group reports on its CSR work by producing a sustainability report that follows the guidelines of the Global Reporting Initiatives (GRI). This index shows which questions that have been answered and where you can find the answers. Source AR = Annual Report, SR = Sustainability Report. The report complies with the guidelines of the Global Reporting Initiative (GRI), application level C.

STANDARD DISCLOSURES	Source Page
1 Strategy & Analysis	
1.1 Statement from CEO about vision and strategy	AR 2-3
2 Organisational Profile	
2.1 Name of the organisation	AR 97
2.2 Primary brands, products, and/or services	AR 8-9
2.3 Operational structure of the organisation	AR 7
2.4 Location of organisation's headquarters	AR 97
2.5 Countries where the organisation operates	AR 8-9, 11
2.6 Nature of ownership and legal form	AR 24, 97
2.7 Markets served	AR 8-9, 11
2.8 Scale of the reporting organisation	AR 1
2.9 Significant changes during the reporting period	AR 14
2.10 Awards received in the reporting period	Not applicable
3 Report Parameters	
<i>Report profile</i>	
3.1 Reporting period	SR 2-4
3.2 Date of most recent report	SR 1
3.3 Reporting cycle	SR 4
3.4 Contact point for questions regarding the report or its contents	AR 97
<i>Report Content and Boundaries</i>	
3.5 Process for defining report content	AR 48
3.6 Boundaries of the report	SR 3-4
3.7 Limitations on the scope or boundary of the report	SR 3-4
3.8 Basis for reporting on subsidiaries and outsourced operations	AR, 48-58, 4 SR
3.10 Effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement	SR 3-4
<i>Table of Contents according to GRI</i>	
3.12 Table identifying the location of the Standard Disclosures in the report	SR 17-19

4 Governance, Commitments, and Engagement

Governance

4.1	Governance structure of the organisation	AR	28-39
4.2	Indication on whether the Chair of the highest governance body (Board) is also an executive officer	AR	36-37
4.3	Information on whether the CEO is part of the highest governance body	AR	36-37
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body or Company management	AR	103
4.8	Internally developed statements of mission of values, codes of conduct, and principles relevant to economic, environmental, and social performance	AR	12-13

Stakeholder Communication

4.14	Stakeholder groups engaged by the organisation	SR	4
4.15	Basis for identification and selection of stakeholders with whom to engage	SR	4
4.16	Approaches to stakeholder engagement	SR	4-7, 11-13
4.17	Key topics and concerns raised through stakeholder dialogues and the organisation's response to them	SR	2, 4, 11-13

Labour Practices and Decent Work Performance Indicators*

Employees - Employment

LA1	Total workforce	AR	68
LA2	Rate of employee turnover	SR	8
LA7	Rates of injury and occupational diseases	SR	12

Employees - Training and education

LA10	Average hours of training	SR	11
LA12	Percentage of employees receiving regular performance and career development reviews	SR	10

Diversity and equal opportunity

LA13	Composition of governance bodies based on indicators of diversity	AR	36-37
LA14	Ratio of basic salary of men to women	SR	9

Economic Performance Indicators*

Economic Performance

EC1	Economic value generated and distributed	SR	5
EC4	Financial assistance received from public sector	SR	5

Environmental Performance Indicators*

Energy

EN4	Indirect energy consumption by primary source	SR	15
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Compliance

EN28 Compliance with environmental laws and regulations SR 13-14

Emissions, Effluence and Waste

EN29 Environmental impacts of transporting products and other goods and transporting members of the workforce SR 16

Social Performance Indicators*

Corruption

S04 Actions taken in response to incidents of corruption SR 12

Product Responsibility Performance Indicators*

Compliance

S04 Compliance with laws and regulations concerning the provision and use of products and services SR 13-14

* The outcome of these performance indicators is reported on www.addtech.com