



Sustainability Report 2024

Axentia Group AB (publ)

AXENTIA

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AXENTIA

This is Axentia



Axentia Group AB (publ) is a leading developer and manufacturer of digital information systems for public transportation. Axentia offers a portfolio of products and services, such as battery-powered and grid-connected information displays, digital timetables, and innovative cloud-based system solutions for transport authorities. The company's mission is to contribute to a more sustainable society by making public transportation more attractive. In addition to the core product of real-time displays for public transport, the company also offers warning systems to be used, for example, in the event of natural disasters and near nuclear power plants.

Axentia is headquartered in Linköping, Sweden. Since its foundation in 2004, the company has grown into an internationally recognized provider of sustainable and efficient system solutions for public transportation, serving over 300 customers in more than 20 markets. In 2024, the company reported sales of SEK 323 million and employed 64 people.

Innovation and product development have been an integral part of Axentia's DNA since the company's inception. Axentia has its own R&D departments for software and hardware, as well as its own production facility for displays. A strong focus on customer collaboration, combined with agile decision-making and development processes, has strengthened Axentia's innovation capabilities and solidified its technological market position.



Innovation, Sustainability, and Growth

Sustainability as a Business Strategy

Sustainability is integral to Axentia's business strategy.

The company's primary focus is to develop and deliver products and services that encourage more people to use public transport. Axentia supports Agenda 2030 and adheres to principles on human rights, labor environment, environmental responsibility, and anti-corruption, actively contributing to the UN's Sustainable Development Goals.

Key sustainability pillars:

Responsible business

Developing in a stable and profitable manner based on ethical principles.

Climate responsibility

Minimizing environmental impact and promoting a circular economy.

Attractive employer

Fostering a responsible work environment and contributing to a more sustainable society.

The Board of Directors holds overall responsibility for overseeing sustainability initiatives and conducts an annual review of progress.

Market and Competition

The global market for digital transport solutions is characterized by rapid technological development and increasing demands for sustainable and energy-efficient systems. Axentia faces competition from both large multinational players and smaller niche companies that develop digital information solutions for public transport.

Axentia's competitive advantages include:

- **Unique low-power solutions** enabling longer uptime and reduced maintenance costs.
- **Customizable products** that integrate seamlessly with existing systems.
- **Strong innovation capacity** supported by in-house R&D teams for both software and hardware.

Continuous investment in technology and development, combined with a strong culture of innovation, ensures the company's competitive market position.



Product Offering

Axentia's product offering of ultra-low power real-time information displays comprise of the iBus product family. The product offering has been developed to be sustainable and meet the extensive demands in the public transport sector. The product portfolio includes four different display technologies, two that are battery-powered and two that are grid-powered.



Battery-Powered Displays

The company's most energy-efficient displays are powered by batteries and are developed to minimize power consumption and climate impact. Axentia offers two product types in this area: iBus E-paper and iBus LCD displays. Both product types offer a long lifecycle, low maintenance and inherently low total cost of ownership. Albeit operating in an off-grid environment, the displays operate for up to 5 years without battery replacement. Required updates occur in real-time with minimal latency using 4G/5G LTE. As the products are battery-powered, they can be installed in locations with limited, or no, access to the fixed power grid. In addition, it is possible to integrate a solar panel into the display, doubling operating time to up to 10 years.



Grid Connected Displays

Axentia also offers grid-connected displays with low power consumption and optimized design for readability. Light sensors automatically adjust the backlight to ensure optimal visibility in all lighting conditions.

Common for the entire product family is the contribution to making public transport more attractive and more accessible for all travelers. In this way, Axentia contributes to creating a more sustainable society.



Purpose and Objectives

The purpose of Axentia's sustainability report is to transparently outline the company's goals, strategies and governance, as well as responsibilities, risks and opportunities from a sustainability perspective.



The Connection Between Sustainability and Business Model

The company's key sustainability priority is to develop and deliver products and services that encourage more passengers to choose public transport. In this way sustainability is an integrated part of Axentia's business strategy.

Public transport plays a crucial role in people's daily lives. Axentia's sustainability efforts focus on developing products and services that promote the use of public transport. The company's solutions improve the accessibility and accuracy of public transport information, thereby increasing passengers' trust and customer experience in public transport. Whether in urban or rural areas, up-to-date and accurate information ensures that travel plans run smoothly, supporting a shift from private vehicle use to public transportation. This transition not only reduces environmental impact and alleviates infrastructure strain but also fosters long-term sustainability. Public transport is crucial for transitioning to a low-carbon future and is an important component in achieving global climate goals. To meet the goals of the Paris Agreement, aiming at keeping global warming below 2 degrees Celsius and ideally limit it to 1.5 degrees Celsius, society must significantly reduce the consumption of fossil fuels. As urbanization continues to increase, the development and expansion of public transportation systems becomes even more critical in building sustainable communities.



7 AFFORDABLE AND CLEAN ENERGY



8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION





Governance and Responsibilities

The Board of Directors has the overall responsibility for the steering and monitoring of the company's sustainability initiatives and strategic direction.

The Board follows the sustainability work closely and conducts a major review of the area annually.

For operational sustainability work, Axentia has established a dedicated sustainability group composed of employees representing all parts of the organization. This structure enables well-developed strategies while facilitating alignment, follow-up, and engagement across the company.

Quality and Environmental Management System

Axentia has developed a quality and environmental management system (AQEMS), and the company is certified under ISO 9001:2015 and ISO 14001:2015 standards. The company's management system helps to document and improve methods to meet the needs and expectations of customers, stakeholders and other interested parties. To ensure the successful implementation and monitoring of Axentia's sustainability strategy and its key performance indicators, it is essential that these are fully integrated into the company's quality and environmental management system.



Double Materiality Analysis

In 2024, Axentia's sustainability group, consisting of representatives spanning from all parts of the operations, conducted a comprehensive materiality analysis. The analysis followed the methodology outlined in the European Sustainability Reporting Standards (ESRS), ensuring a structured approach that is in line with regulatory requirements and addresses strategic areas of impact.

The process includes defining boundaries by mapping the value chain, identifying relevant internal and external stakeholders, and conducting stakeholder dialogues. Axentia has several stakeholder groups that influence or are impacted by the company's operations, i.e. employees, shareholders, the Board of Directors, suppliers and customers. The company also maintains a continuous

dialogue with other stakeholders, such as credit analysts, debt investors, industry associations and media. This is to ensure that different perspectives are considered. The analysis of the double materiality considers two key dimensions: financial materiality and impact materiality.

The materiality analysis resulted in the following prioritized sustainability issues that are material to the business.

In 2025, the company will develop its sustainability strategy, based on the results of the double materiality analysis. This will involve revising current key performance indicators and action plans.



Axentia's Focus Areas in Sustainability

Environmental Sustainability (E)

Climate responsibility: The company shall minimize environmental impact and contribute to a circular economy.

- ◆ Climate change
- ◆ Circular economy

Social Sustainability (S)

Attractive employer: The company shall be a responsible employer and contribute to a more sustainable society.

- ◆ Own workforce
- ◆ Workers in the value chain
- ◆ Consumers and end-users

Governance (G)

Responsible business: The company shall develop steadily and profitably based on ethical principles.

- ◆ Responsible business practice

Governing Documents for Sustainability Work

Axentia's sustainability efforts is supported by the company's Quality and Management System, but also by several essential governing documents and policies. Below is a selection of Axentia's key sustainability policy documents.

Code of Conduct

The Code of Conduct is one of the company's most important documents in its sustainability work, as it provides the company and its employees with an ethical compass, based on the company's values, that guides how Axentia should act as business partner, employer, employee and contributor to society. All of the company's relationships should be characterized by openness and trust, simplicity and product focus. In this way, the Code of Conduct guides the company's employees to make responsible decisions and contribute to reducing ethical risks. The Code of Conduct outlines principles for compliance in accordance with regulations and requirements. At Axentia, the Code of Conduct

sets the standard for conduct at all levels of the company and promotes integrity, responsibility and respect. The company's onboarding process ensures that all new hires are educated in the Code of Conduct. Axentia regularly reviews and updates the Code, reflecting the company's commitment to continuous improvement and to building trust with the company's various stakeholders.



Whistleblowing Policy

Axentia is committed to adhering to high standards of ethical business conduct. Accordingly, the company's whistleblower policy provides instructions and information to enable the reporting of suspected misconduct. All reports and messages received are handled by an investigation team that ensures objective and confidential treatment. The Company guarantees that cases are handled in accordance with the Act on the Protection of Persons Who Report on Misconduct Act (2021:890).

The principles surrounding the whistleblower function are expressed and communicated in the Code of Conduct.

Anti-Corruption Policy

Axentia's Code of Conduct includes a section focusing on anti-corruption policies. Axentia and its employees may never provide gifts or benefits to customers, suppliers, authorities or other decision-makers for the purpose of obtaining or retaining business. Employees of Axentia are also not allowed to accept gifts or benefits from customers, suppliers or other parties that could affect the objectivity of their decision-making.

Employee Handbook

The employee handbook is an important steering document that outlines the policies, procedures, and guidelines that govern employment at the company. It provides detailed information about employees' rights and obligations as an employee, the company's values and culture, workplace policies, and expectations of professional conduct.

Social Media Policy

The social media policy regulates how employees are expected to act when using social media and AI tools. During the induction, all new hires are provided with the social media policy. The Company regularly reviews and updates the Social Media Policy to ensure that it is up to date.

Environmental Sustainability

Climate Change

Axentia is a manufacturing company where the supply chain becomes a significant focus area, as well as part of the IT and technology sector.

The supply chain is affected by the climate transition through increased demands for awareness of sustainability work, new legal regulations and changed market conditions. Axentia works with short lead times, which places high demands on critical suppliers. In a geographical perspective, Axentia largely cooperates with suppliers in the EU, but is also dependent on a few key suppliers in Asia. With such an outcome comes increasing challenges and risks in the form of increased costs, stricter environmental laws and global environmental goals, as well as challenging logistics flows in the event of extreme weather, raw material availability and deteriorating transport routes.

Climate change entails major changes, both indirectly and directly for companies. But climate change also provides an opportunity to create innovation and a sustainable business model. To address these challenges, Axentia invests in sustainable business, both internally and externally in the form of responsiveness to market demands.

Opportunities in the Green Transition

The transition to sustainable public transport is creating an increased demand for Axentia's advanced, energy-efficient digital displays. These displays improve the passenger experience and contribute to more attractive public transport, which gives us growth opportunities.

In addition, governments around the world are introducing stricter emission standards to promote greener public transport. This creates a growing market for our carbon-reduced display technology, which meets these new regulations. Although climate change affects the entire IT and technology sector, there are strong indications that Axentia's products can play an important role in enabling the green transition in public transport.

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Climate Action

The company's displays are designed to withstand different weather conditions, making them adapted to climate change. The majority of our iBus Display portfolio is battery-powered, sometimes with the addition of a solar panel, ensuring low power consumption and reduced climate impact.



94%

Energy from Renewable Sources



100%

Electricity Consumption in the Company's Plants from Renewable Energy

Axentia has implemented a framework for collecting and calculating greenhouse gas emissions data. In 2024, the company's total emissions amounted to 6,339 tons of CO₂ equivalents (tCO₂e) in scope 1, 2 and 3. To reduce our carbon footprint, we are committed to using renewable energy. Currently, 100% of the electricity used in the company's facilities comes from renewable energy.

Gross Greenhouse Gas Emissions (tCO ₂ e)	2024
Scope 1 Mobile and Stationary Consumption	6
Scope 2 Energy consumption (market-based)	1
Scope 3 Upstream and downstream indirect issuance	6,333
- Scope 3:1 Purchased goods and services	5,957
- Scope 3:2 Capital goods	83
- Scope 3:3 Fuel and energy-related activities	22
- Scope 3:4 Upstream Transportation and Distribution	157
- Scope 3:6 Business travel	113
TOTAL	6,339

The company's total energy consumption, including fuel, electricity and heat, amounts to 387 megawatt hours (MWh), of which 94% stems from renewable sources. Most of the company's emissions are categorized under Scope 3, which highlights the importance of our supply chain and indirect activities in our total carbon footprint.

Partnership for Carbon-Neutral Distribution

Axentia has partnered with a distribution company with a firm commitment to achieving carbon neutrality by 2040. The partnership means that the companies work together to reduce emissions from the companies logistics and distribution processes.

This includes exploring and implementing more sustainable transportation methods, optimizing routes, and using vehicles with lower emissions.

Circular Design and Production

Axentia integrates circularity principles into all stages of the company's product life cycle, from design and manufacturing to maintenance.

This means that the company strives to:

- Design products for longer lifespan and easy repair.
- Use recycled and recyclable materials.
- Minimize waste in the company's production processes.
- Offer services to extend the life of products, such as upgrades and repairs.

This work will reduce the need for new raw materials and reduce waste.

Energy Consumption by Source	Total Unit (MWh)	Share (%)
Fuel (diesel)	5	
Purchased electricity, heating, steam	3	
Total fossil sources	8	2%
Total nuclear sources	15	4%
Biofuel	0	
Electricity, heating, steam	340	
Total renewable sources	340	94%
TOTAL	363	

Circular Economy

Axentia's displays, like IT products in general, rely on critical components and raw materials. These components may be included in various display constructions (E-paper, TFT, LED), batteries, circuit boards and other electronic components. Axentia's products are developed according to eco-design principles with the aim of reducing the amount of materials used and promoting the longevity of product life cycles.

Design and Choice of Materials

Axentia implements the principles of circular economy in its products. This means that the company strives to minimize waste, extend product life cycles and optimize resource use. This enables us to create highly specialized products without redundant



80%

Of the Stainless Steel Provided by
Axentia's Primary Supplier is Recycled

components, optimizing material and energy consumption. By minimizing redundant components, the company not only reduces material used but also improves battery efficiency, extending the life of each display.

Axentia's products are made of stainless steel for its durability and superior corrosion protection, especially in challenging climates. In addition, stainless steel is highly recyclable because it can be recycled continuously without losing its quality or characteristics. This makes stainless steel a sustainable choice for many applications, as it helps to reduce the need for new raw materials and reduce waste generation. 80% of the stainless steel provided by Axentia's primary supplier is recycled.

Maintenance and Durability

The company's battery-powered displays do not need a connection to the mains, which simplifies both installation and ongoing maintenance. The displays do not require continuous maintenance, and battery replacements are needed on average every five years.

Long-Term Use and Easy Repair

The company prioritizes longevity and easy maintenance in our product design. The flexible design of the company's displays allows for easy repairs, reducing downtime and costs, even in the event of damage or vandalism. Customers are encouraged to maintain and repair their products to extend product life, in line with our goal of delivering lasting quality and functionality. In addition, the company promotes the reuse of existing casing when upgrading products, minimizing material consumption and waste.

Interactive Use and Environmental Benefits

For interactive use, e.g. to access detailed timetables and maps, the company offers a version of the iBus E-paper display equipped with buttons. These displays help reduce paper waste by eliminating the need for printed timetables, thereby reducing emissions from vehicles used to distribute and replace paper materials.

Reuse and Recycling

To maximize the reuse of materials, Axentia actively collects and reuses components from used products. This facilitates the company's customers to recycle used batteries in a correct way. By doing so, the company supports sustainable practices that contribute to the circular economy, with a focus on reducing waste and promoting the continuous use of resources.

Axentia works actively to minimize waste in general and collects and reuses components from used products.

One guideline that the company communicates internally and externally is the waste hierarchy. This means that Axentia, together with the company's suppliers, can optimize design, choice of materials and reduced waste in production processes. With close dialogue, the company can thus influence resource efficiency and reduce the proportion of waste that goes to energy recovery or landfill.

In Axentia's own production, the company works actively to reuse. A significant part of the packaging and packing material that is delivered is reused. The packaging material and packaging that is well preserved are sorted out and reused when packaging the company's own products. The company is also well positioned

to keep older product versions of, for example, stainless steel constructions and cabling, as the company can, for example, re-pin cables and carry out simple corrections in sheet metal details.

Climate change creates strengthened supplier collaborations as the sustainability goals are directed in the same direction. By working together to promote the global sustainability goals and actively working to reduce the stages Recycle and Responsible disposal in the waste hierarchy, Axentia creates good conditions for a positive environmental impact.

Chemicals and Electronics Regulations

As Axentia's operations involve the use of electronics, electronic components and batteries, the company is obliged to comply with specific environmental laws, e.g. the WEEE and RoHS directives. This means that the company carefully monitors how these products are used and disposed, and that the company reports this on an ongoing basis to the Swedish Environmental Protection Agency. In addition, the company handles chemicals in its operations, which means that the company must also comply with the REACH regulation. The company continuously keeps up to date with the latest directives to ensure that the company complies with all applicable requirements.

Social Sustainability

Workforce

In 2024, Axentia developed an extensive onboarding process for new hires. The onboarding process allows for customization while ensuring a structured, consistent and efficient onboarding for all new hires. This is of high importance to Axentia as the company is growing.

The onboarding process ensures that each and every one of the new hires receive an introduction to the company and their role, as well as information about existing work environment risks and how these can be minimized.

In 2024, a major focus has been placed on developing and implementing new role descriptions. This work aims to create clearer responsibilities and authority, strengthen the organizational structure and promote a more sustainable work environment for employees.

Axentia is committed to promoting a safe, healthy and collaborative workplace and was awarded the 2024 "Healthy Place to Work" award by OneLab, a preventive occupational health care company. To receive the award, a company must have:

- Conducted a health survey to screen, identify and map health risks in the organization and among employees.
- Provided employees with elevated health risks being consulted by a medical team that provides measures to increase well-being and reduce future health issues.
- Established a plan for preventive health related to both work environment and health issues in the organization.

The company believes in integrating work environment health and safety considerations into all aspects of its operations and prioritizes collective action to ensure that employer, employees and safety representatives work closely together to address challenges in

the workplace. In addition, the company seeks to promote skills development and create a sustainable work environment.

Health and Safety

The CEO has the ultimate responsibility of ensuring that the company's leadership team receives adequate training, knowledge and competence in the work environment. Safety representatives receive the necessary training to fulfil their roles, and the CEO is responsible for ensuring that it happens. In addition, employees receive ongoing information about risks and shortcomings in the work environment and how to prevent ill health and accidents.

In all managers' role descriptions, the responsibility of the work environment is clarified, and there are also work environment delegations assigned to each department. This ensures a structured and responsible management of work environment issues within the organization.

Axentia's safety committee consists of representatives of both the employer and the employees. The task of the safety representative is to represent the employees in work environment issues, work for a safe work environment and participate in safety rounds. The duties include participating in the planning of any changes to work processes, working methods, work organization and assisting in occupational injury reports. In addition, regular assessments are carried out to quickly identify and address risks in the physical, organizational and social work environment. The Committee meets every three months to agree on the most important aspects of occupational health and safety management. Issues addressed include occupational health care, the use of hazardous materials or substances, occupational health and safety training, and rehabilitation. Incidents and accidents are investigated, and measures are taken to prevent them from happening again.



Social Impact	2024
Number of work-related injuries	2
Number of days lost due to injury (days)	0
Annual percentage of employee turnover (%)	3%
Employee survey	Yes

Equal Treatment and Equal Opportunities for All

Axentia is committed to fostering a diverse and inclusive workplace. The gender balance in 2024 was 27% women and 73% men among employees, which is at par with the IT and technology sector in general where men are typically overrepresented. Our current unadjusted gender pay gap stands at 4.47%, which will be followed up at the annual pay survey in May. The company recognizes the importance of improving these metrics and is dedicated to implementing strategies that promote equality and diversity within our organization.

The company strives for an open and inclusive work environment where all individuals are treated with equality and respect. Discrimination or harassment based on age, gender, religion,

sexual orientation, disability, political opinions, or ethnicity will not be tolerated. The company has a strict policy against discrimination and harassment, and it is the responsibility of every employee to report such behavior in the workplace. The company strongly encourages employees who experience or witness harassment or abuse to contact a safety representative, HR department or work environment manager.

Supply Chain Management

Axentia's purchasing department ensures that environmental, social and sustainability-related factors are a natural part of purchasing. This means that the company actively chooses suppliers who apply sustainable methods, such as reducing carbon emissions, using environmentally friendly materials to the greatest extent possible, minimizing waste and largely utilizing green electricity. The company is demanding that its suppliers

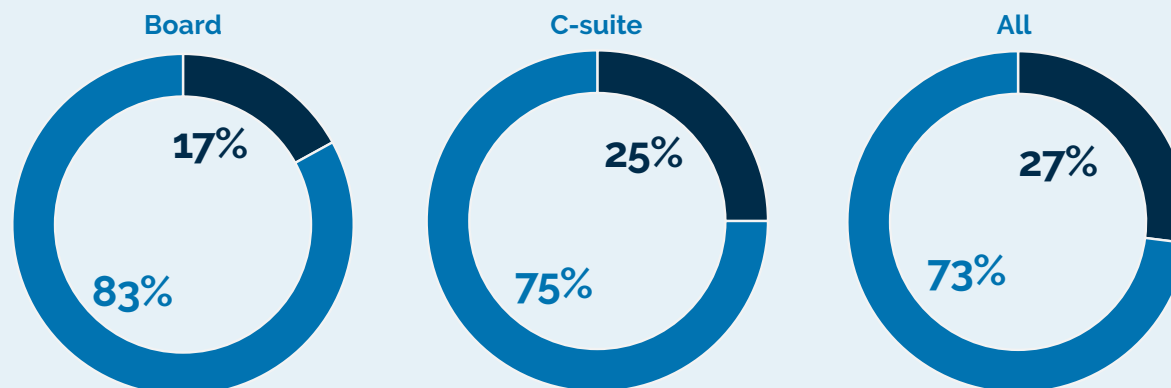
work to promote human rights, relate to legal regulations and take social responsibility, internally and externally.

By evaluating the environmental impact and social responsibility of both potential and existing suppliers, the company promotes ethical business practices and long-term sustainability. Regular evaluations help to strengthen relationships, increase transparency, and improve communication and collaboration. Continuous analyses of suppliers' capacity, financial stability and sustainability work, the company creates a transparent picture of Axentia's value chain. By such, the company ensures high quality of products and services.

The company's employees are obliged to report any deviation. The deviation procedure covers both internal and external deviations. The deviations are reported in the business system Axentia works with and forwarded to the supplier or internal department for action.



Distribution of Women and Men



Governance

Responsible Business

Axentia should grow in a stable and profitable manner based on an ethical approach. The company values the importance of responsible business conduct, which includes professionalism, ethics and morals. The Code of Conduct provides us with an ethical compass, based on the company's values, that clarifies how to behave as a business partner, employer, employee and social actor. All the company's relationships are characterized by openness and trust, simplicity and product focus. Compliance with the Code of Conduct, rules such as tax payments, whistleblower policy and anti-corruption are key building blocks in how Axentia ensures compliance with responsible business conduct.

Cybersecurity

Cybersecurity is a constant focus for Axentia. Risks are continuously evaluated to identify, prioritize, and mitigate potential threats. Axentia has developed a comprehensive set of IT security policies that describe how security is implemented within the organization. These policies cover various aspects, including data encryption, acceptable use, logging, server security, employee IT policies, and incident response planning. The implementation of these policies establishes a robust and secure cybersecurity framework at Axentia.

Axentia has initiated the certification process of the leading international standard on information security, ISO27001 targeting being certified by 2025.

Anti-Corruption

Axentia's Code of Conduct includes a section focusing on anti-corruption policies. Axentia and the company's employees are prohibited from exchanging gifts or benefits to gain business benefits or influence decision-makers. Similarly, employees must not receive any gift that could compromise their fairness. In addition, Axentia strictly prohibits any involvement in any form of money laundering, including the acceptance, facilitation or endorsement of such activities.





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