NORDIC CLIMATE GROUP

SUSTAINABILITY REPORT 2025

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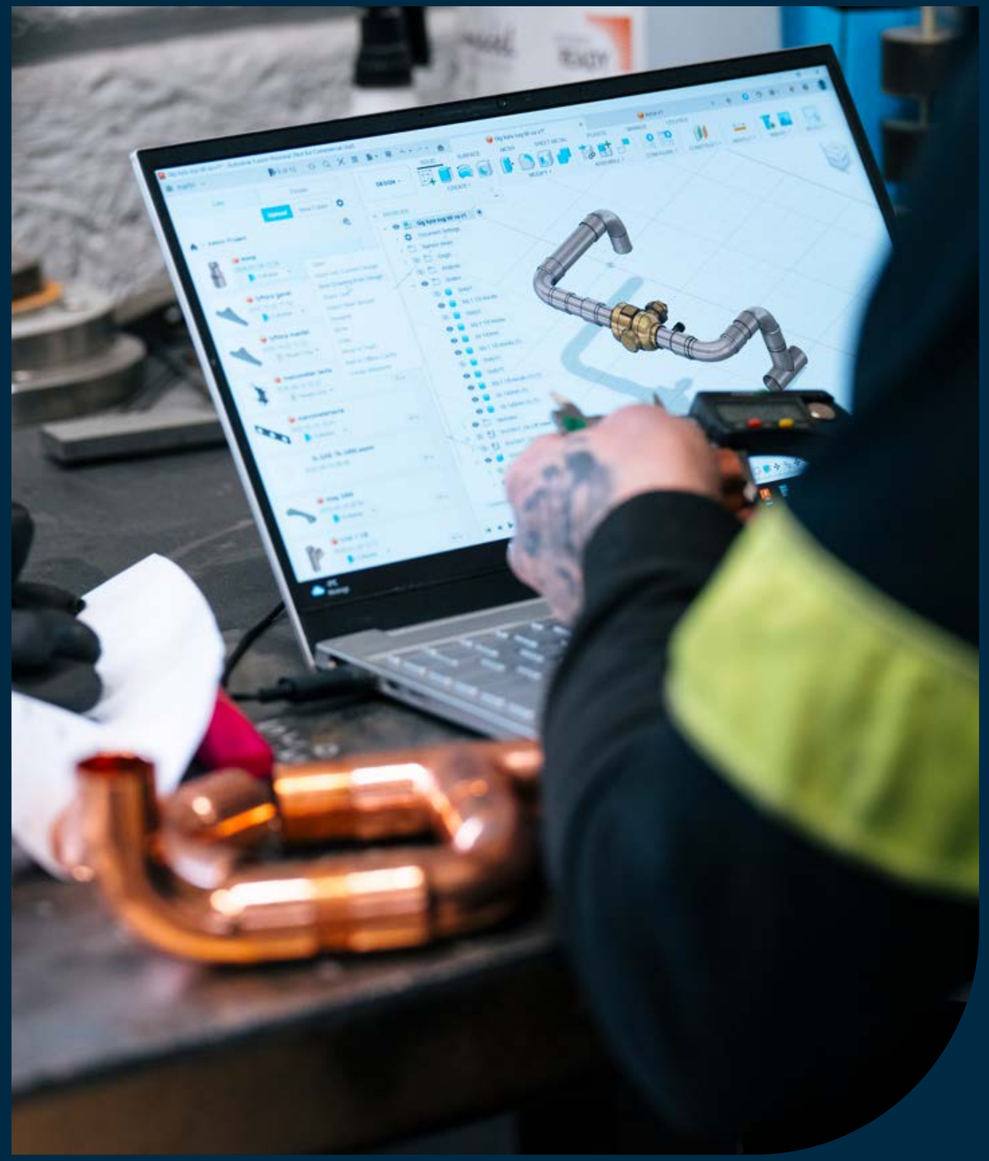
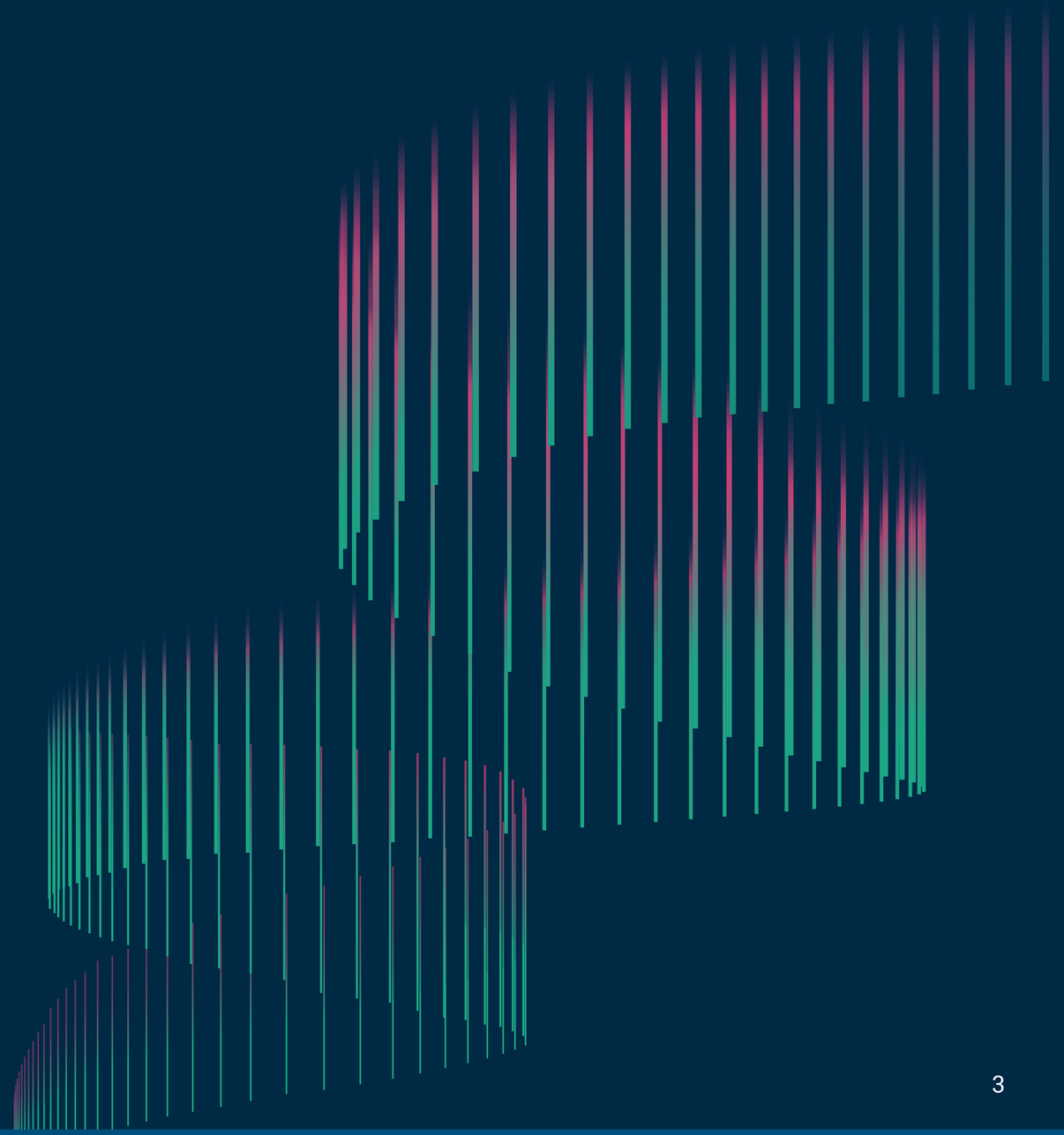
Nordic Climate Group

The parent company in the group is Perfect Climate Holding Europe AB, organization number 559364-1565. All references to 'the year' refer to the financial year 2025-01-01–2025-12-31, unless otherwise stated. The Group includes the following companies:

/// 3BG Cooling BV /// Aircon Holdings Ltd /// Aircon Maintenance Ltd /// Airvek B.V. /// Allcool (N.W.) Ltd /// Andro B.V. /// Anglo Irish Refrigeration Company Ltd /// BLM Kyl & Storkök AB /// Bundgaard Køleteknik. Vejle A/S /// Buskerud Kulde AS /// Buus Ice /// Buus Køle-Service /// Buus Køleteknik /// Cactus Mechanical Ltd /// Climanova BV /// Climanova NV /// Combikøl ApS /// Compair Airconditioning B.V. /// Cooling Systems Holland BV /// Coolref Oy /// Coolserve B.V. /// CSD AIR Conditioning Ltd /// Deltastyr AB /// EK-Kyl AB /// Eliko El & Kylservice AB /// EPTEC Energi AS /// ER Kylinstallation AB /// Findan Køle- Og Elteknik /// Frigotech AB /// Frys-& Kylservice i Östersund AB /// Grenholms Kylservice AB /// GS Kylservice Aktiebolag /// Hilmersson El och Kyl AB /// HP Klimatservice /// HP Kyla och Värme /// Huijbregts Koeltechniek BV /// Ijskoud BV /// Industrikyla i Skara AB /// Installatiebedrijf Bakker BV /// Installatiebedrijf Bakker GCP BV /// Installatiebedrijf Bakker Projects B.V. /// JV Jäähdytysvoima Oy /// Karjalan kylmähuolto Oy /// Karlstad Kylkonsult AB /// Kavanagh Refrigeration Ltd /// KG Nederland BV /// Klimatpartner i Sverige AB /// Klimat-Reglering Peter Nilsson AB /// Kronobergs Kylteknik AB /// Kylanläggningar i Norrköping AB /// Kyl-Bergman Lennart AB /// Kylbolaget Väst AB /// KylClimat Tech KCT AB /// Kyl-Effekt AB /// Kylgruppen AB /// Kylmekano i Karlstad AB /// Kylmästarna i Stockholm AB /// Kyltjänst i Eskilstuna AB /// Kølegruppen A/S /// Labkyl AB /// Lennart Nilsson El & Kylservice AB /// LL:s Kylteknik i Kristianstad AB /// MC Refrigeration Ltd /// MIB Beeher BV /// Multi Kulde Vest AS /// MVJA Group Oy /// MV-Jäähdytys Oy /// NKI-Kyl AB /// Nordfrost Køleservice /// Nordkøl /// P. Dahlmans Kylteknik AB /// Perfect Temperature Group AS /// Polo Kylteknik AB /// Porin Kylmäasennus Oy /// PTG Frionordica Refrigeración SpA /// PTG-Arctic Kulde AS /// PTG-Frionordica AS /// PTG-Helgeland AS /// PTG-Kuldeteknisk AS /// PTG-Multi Kulde AS /// PTG-Rörvik Kulde AS /// PTG-Vest AS /// PVN Køleteknik ApS /// Reftec AS /// SA-AL Køleteknik ApS /// Sami Oy /// SLS Kyla Värme Energi AB /// Storkök-Kyla-Värme Grossisten i Småland AB /// Svebro Kylindustri AB /// T&S Klimaattechniek /// Talotekniikka Hile Oy /// Technical Retail Services Ltd /// Technisch Centrum vd Bijl BV /// Tempra AS /// Termo Kyl i Sydsverige AB /// Tesab AB /// Tim kyla AB /// TR Kyl AB /// TRS Group Holdings Ltd /// Verhaar Koel-en Luchttechniek B.V /// Viking Kulde AS /// Westcold Refrigeration Ltd /// Wester Kylteknik AB /// Winntech AS /// Ørbeck køleteknik ApS ///





/// A DECENTRALISED MODEL FOR GROWTH

Nordic Climate Group brings together carefully selected local companies with strong market positions across Northern Europe. Built on entrepreneurship and decentralisation, we combine local expertise with the strength of a larger group to design, install and service energy-efficient cooling and heating systems across a wide range of applications.

SEK 5.4 billion
in revenue

2 300 employees
close to customers

8 countries
across Northern Europe

450 co-owners
Active in local operations

100 local companies
carefully selected specialists

Founded in 2021
Rapid growth

HOW WE CREATE VALUE

- Energy-efficient cooling and heating systems
- Transition to natural refrigerants (low-GWP)
- Heat recovery and optimised energy use
- Long-term service and lifecycle performance

CEO Comment

SUSTAINABILITY IS NOT ADJACENT TO OUR BUSINESS — IT IS EMBEDDED IN HOW WE CREATE VALUE.

Refrigeration and heating technology are central to the green transition. Our industry sits at the intersection of climate impact, energy efficiency and regulatory transformation. The shift from synthetic refrigerants to natural refrigerants is reshaping markets across Europe. For us, this is not primarily about compliance. It is where we intend to take a leading position.

From the foundation of Nordic Climate Group, the ambition has been clear: to bring together leading local refrigeration entrepreneurs and accelerate the development of sustainable cooling and heating solutions. We deliver solutions that improve energy performance, enable heat recovery and support the transition to low-GWP and natural refrigerants. This reduces climate impact while strengthening our customers' operations and long-term economics.

Our sustainability ambition is inseparable from our business model. We design, install and service energy-efficient cooling and heating systems across a broad range of industries, including commercial buildings, residential properties, industry, healthcare, research facilities and data centres.

The business model combines local entrepreneurship with groupwide capabilities. Local companies operate close to customers, supported by shared methods, competence development and scale advantages. This structure ensures local accountability while enabling technical development and continuous improvement across the Group.

For us, a better climate has multiple dimensions. It means reducing greenhouse gas emissions through natural refrigerants and energy-efficient systems, while also creating indoor climates that enable businesses to operate safely and effectively.

Sustainability at Nordic Climate Group means:

- Leading the transition to natural refrigerants
- Maximising energy efficiency and heat recovery
- Reducing lifecycle climate impact
- Supporting customers through long-term service partnerships
- Building competence across all our companies

Regulation in Europe is accelerating change in our sector. The phase-out of F-gases, the Fit for 55 framework and increasing disclosure requirements are reshaping market conditions, while demands from customers and investors continue to increase. Our climate targets are validated by the Science Based Targets initiative (SBTi), aligning our growth with a 1.5°C pathway. Sustainability therefore strengthens both our regulatory preparedness and our competitiveness.

Our growth reflects a clear conviction: sustainable climate solutions and strong entrepreneurship reinforce each other. As a decentralised group, we combine local accountability with a common strategic direction, enabling both performance and long-term value.

This report outlines our progress and how we continue to develop our business in line with these priorities.

Fredrik Gren, April 2026

/// 2025 HIGHLIGHTS

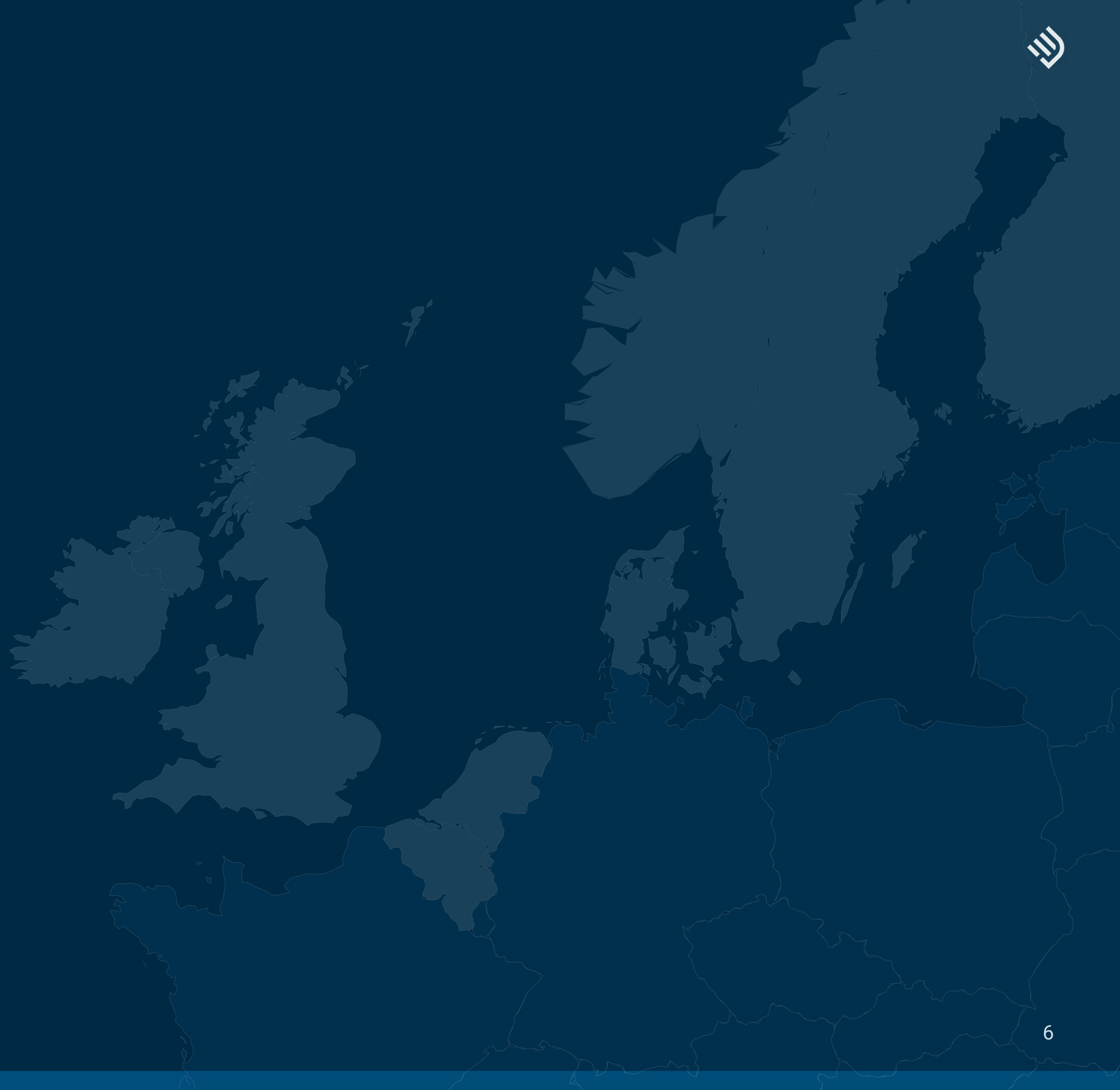
Expanded into new markets
Entered Belgium, the United Kingdom and Ireland.*

Continued acquisitions
20 companies added during the year.

Strong revenue growth
Revenue increased by 30 %.

Sustainability progress
Initiated NCG's first stakeholder dialogue and Double Materiality Assessment.

Strengthened cybersecurity
Increased focus on awareness, IT environments and risk exposure across the Group.



*Markets entered during Q4 2025 are not included in this sustainability report.

/// KEY MARKET DRIVERS

Our market is shaped by structural trends where climate impact, energy efficiency and regulation are increasingly interconnected. These drivers are not only transforming the industry, they are directly shaping demand for our solutions.

LARGE RENOVATION NEED

75 % of Europe's buildings have poor energy performance.* As buildings are a fundamental part of critical infrastructure, this creates significant potential to improve efficiency and reduce emissions.

RISING ENERGY COSTS

Driving demand for energy-efficient solutions that reduce operating costs over time.

ELECTRIFICATION AND DIGITALISATION

Growing demand for cooling in data centres and electrified industries, increasing the need for efficient and reliable systems.

REGULATION

Stricter EU regulation, including the F-gas Regulation, EED, EPBD and CSRD, is accelerating the transition to low-GWP refrigerants, higher energy efficiency and increased transparency, in line with the EU's climate ambitions under the Paris Agreement.**

TIMELINE

The timeline below illustrates the phase-down of high-GWP refrigerants under the EU F-gas Regulation. Regulation is tightening over time, reducing availability through the EU quota system*, impacting both new installations and the servicing of existing systems.**

2024

New EU F-gas Regulation enters into force. Start of an accelerated phase-down of high-GWP refrigerants.

2025 – 2029

Gradual reduction in available volumes of F-gases.
Increasing costs and restrictions for service and use.

2030

Significantly reduced availability of F-gases. Access to refrigerants becomes increasingly constrained, even for servicing existing systems.

*Source: European Commission, Energy Performance of Buildings Directive (EPBD).

** EED: Energy Efficiency Directive. EPBD: Energy Performance of Buildings Directive. CSRD: Corporate Sustainability Reporting Directive. The Paris Agreement aims to limit global warming to well below 2°C, with efforts to reach 1.5°C, guiding the EU's target of climate neutrality.

***The EU F-gas Regulation includes a quota system that limits the total amount of fluorinated gases placed on the EU market each year, gradually reducing availability over time.

1. ABOUT THIS SUSTAINABILITY REPORT

1.1 PURPOSE AND SCOPE

This Sustainability Report ("Report") describes the sustainability performance and priorities of Nordic Climate Group (the "Group" or the "Company"), the parent company of the Group, Perfect Climate Holding AB, corporate identification number 559364-1565, domiciled in Stockholm, Sweden. The Group conducts its business through a network of subsidiary companies. The Report covers the entire Group, including all subsidiaries under the Group's control during the reporting period.

The Report covers the Group's operations for the period 1 January – 31 December 2025 and has been prepared on an aggregated basis, aligned with the reporting and consolidation principles applied in the Group's financial reporting. Unless otherwise stated, the disclosures in this Report relate to the Group's own operations. Where relevant, the Report also includes selected information related to upstream and downstream activities in the value chain.

This Sustainability Report is published annually and has been approved for publication by the Board of Directors. The Report has not been subject to external assurance.

1.2 RELATIONSHIP TO CSRD, ESRS AND THE VSME STANDARD

The Report has been prepared with reference to the principles of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). It applies ESRS-aligned terminology and structure where relevant, while recognising the Group's current stage of reporting maturity and data availability.

To reflect the Group's decentralised structure and current reporting maturity, the Report applies a proportionate approach inspired by the EFRAG VSME standard. The Group considers this Report a stepping stone in its continued transition towards more comprehensive, CSRD-aligned sustainability reporting in future years.

The Group intends to evaluate the scope, timing and readiness for future external assurance as part of its continued CSRD readiness work.

1.3 BASIS OF PREPARATION, MATERIALITY AND LIMITATIONS

The content of this Report has been informed by a Group-level double materiality assessment conducted in February 2026, following the principles set out in CSRD and ESRS. The assessment identified and prioritised sustainability-related impacts, risks and opportunities across the value chain and was based on a qualitative analysis of the Group's business model and value chain, management workshop and a structured stakeholder dialogue, complemented by ongoing stakeholder interactions through day-to-day operations.

Based on the results of the double materiality assessment, the following sustainability matters have been identified as material at this stage and form the basis for this Report:

- E1 Climate Change
- E5 Resource Use and Circular Economy
- S1 Own Workforce
- S2 Workers in the Value Chain
- G1 Business Conduct

Due to the Group's decentralised structure and current stage of reporting maturity and data availability, the Report focuses on the sustainability matters assessed as most material and provides a combination of qualitative disclosures and selected quantitative indicators. Certain disclosures, particularly climate-related metrics, include estimates and assumptions where primary data is not fully available across the Group or the value chain.

The reporting principles for metrics related to each topic are described in the relevant thematic sections of the Report.

1.4 TRANSITION TO CSRD-ALIGNED SUSTAINABILITY REPORTING

The Group has an established sustainability reporting practice, with a particular strength in climate-related disclosures. This includes greenhouse gas emissions reporting across Scopes 1, 2 and 3, quantitative energy consumption data, and science-based climate targets validated by the Science Based Targets initiative (SBTi).

At the same time, the Group's overall sustainability reporting framework remains under development and does not yet constitute full CSRD- or ESRS-compliant reporting. Beyond climate-related disclosures, the Report primarily reflects the Group's current practices, principles and available data, rather than fully developed management systems, Group-wide targets, action plans, KPIs and formalised governance processes.

The Group views this Report as a stepping stone in its continued CSRD readiness journey. Priority areas going forward include strengthening sustainability governance and oversight, improving data quality and coverage across the Group and the value chain, developing action plans and targets for selected material topics, and building internal sustainability competence.

1.5 SOURCES OF ESTIMATION AND UNCERTAINTY

Certain sustainability metrics disclosed in this report, in particular climate-related data, are based on estimates, assumptions and methodologies that involve a degree of uncertainty. This applies for example to greenhouse gas emissions data where primary data is not fully available across the value chain and where estimation techniques and emission factors are used.

The company continuously works to improve data quality, coverage and methodologies. Actual outcomes may differ from estimates as data availability, methodologies and underlying assumptions evolve over time.

1.6 SUSTAINABILITY GOVERNANCE

Responsibility for sustainability matters lies with Group management and the Board of Directors. The Board provides oversight of the Group's sustainability priorities and progress, while Group management is responsible for implementation and follow-up. Sustainability considerations are integrated into relevant management discussions and strategic decision-making.

At the current stage, sustainability governance is under development and does not yet follow a fully formalised Group-wide structure. The Group intends to further strengthen governance, roles and responsibilities for sustainability as part of its continued CSRD readiness work.

1.7 POLICIES AND GOVERNANCE FRAMEWORK

The Group's sustainability work is supported by a set of policies and guidelines that define expectations, responsibilities and ways of working across the organisation and value chain. These policies form the foundation for managing identified impacts, risks and opportunities.

The Group has established a number of key policies, including:

- Code of Conduct
- Supplier Code of Conduct
- Occupational Health and Safety Policy
- Environmental and Climate Policy
- Whistleblowing Policy
- Anti-corruption and bribery Policy
- Relevant operational guidelines and procedures

At the current stage, policies are implemented and managed primarily at local level, reflecting the Group's decentralised operating model. Group-wide structures for policy governance, implementation, follow-up and reporting are under development as part of the Group's continued CSRD readiness work.

The policies support the management of the material sustainability topics identified through the Group's double materiality assessment.

2. BUSINESS MODEL AND VALUE CHAIN

2.1 OVERVIEW OF THE BUSINESS MODEL

The Group's ambition is to be a driving force in the transition to more energy-efficient cooling and heating systems – for a better climate. Cooling and heating account for a significant share of society's energy use. Through energy recovery, system optimisation and the transition to low-GWP and natural refrigerants, the Group supports customers in improving energy efficiency, reducing operating costs and lowering climate impact.

Nordic Climate Group comprises approximately 100 local companies in eight countries. The Group designs, installs and services energy-efficient systems across a wide range of customer segments, including commercial buildings, residential properties, industry, healthcare, research facilities and data centres. The Group's business model is built on local entrepreneurship combined with shared methods, competence and scale – close to customers, with the capabilities of a larger Group.

The Group's operating environment is shaped by sustainability-related trends and increasing regulatory and market requirements. EU legislation such as the F-gas Regulation, the Energy Efficiency Directive (EED) and the Energy Performance of Buildings Directive (EPBD) is tightening requirements on refrigerants and energy performance. At the same time, customers and investors increasingly demand solutions and reporting that support the energy transition and demonstrate responsible business practices.

The Group is committed to acting responsibly and aims to maintain a high sustainability standard. This includes supporting customers in meeting new requirements and enabling the energy transition through solutions with lower climate impact, long service life and improved energy performance, as well as ensuring safe working conditions, competence development and responsible business conduct across the Group and its value chain.

2.1.1 How we create value through our services

WHAT WE DELIVER	HOW WE DELIVER IT	VALUE CREATED
Energy-efficient cooling and heating systems.	Design, installation, service and maintenance.	Lower energy use, reduced operating costs, improved system performance.
Refrigerant transition (low-GWP) and leakage control.	Retrofit, conversion, leakage prevention, refrigerant recovery and handling.	Reduced climate impact, reduced regulatory risk, improved compliance.
Long-term system reliability.	Service agreements, preventive maintenance, optimisation.	Reduced downtime, improved life-cycle costs, increased customer satisfaction.
Responsible replacement and end-of-life handling.	Decommissioning of old systems, recovery of refrigerants, and sorting, recycling and compliant waste handling.	Reduced emissions, increased circular material flows, reduced environmental and compliance risks.

2.1.2 Key sustainability drivers in the operating environment

EXTERNAL DRIVER	WHAT IT MEANS FOR THE GROUP
EU regulation (F-gas, EED, EPBD)	Higher compliance requirements, accelerated transition to low-GWP and energy efficiency.
Customer requirements	Increased demand for energy-efficient solutions, transparency and performance documentation.
Investors and financial sector	Increased focus on sustainability reporting, EU taxonomy alignment and climate targets.

The Group's business model is shaped by sustainability-related trends and increasing regulatory and market requirements, which influence both customer demand and the Group's operating context.

2.2 DESCRIPTION OF THE VALUE CHAIN

The Group's value chain spans from upstream suppliers of equipment, components, refrigerants and subcontracted services to the Group's own operations, including design, installation, service and maintenance activities, and further to customer use-phase performance and end-of-life handling of systems and materials.

The Group's own operations also include enabling functions such as procurement, logistics, IT, HR, finance and governance, which play an important role in ensuring responsible business practices, compliance and consistent ways of working across the Group. In addition, a limited number of entities perform assembly and manufacturing of system solutions.

Sustainability-related impacts, risks and opportunities arise across several stages of the value chain. Key areas include sourcing of equipment and materials, refrigerant handling and recovery, energy use and transport related to installation and service activities, customer use-phase energy efficiency and system performance, and end-of-life treatment, recycling and compliant waste handling.

The value chain overview below forms the basis for the identification of sustainability-related impacts, risks and opportunities and the Group's double materiality assessment.

2.2.1 Value chain overview

	UPSTREAM SUPPLIERS	OWN OPERATIONS*	CUSTOMERS / USE PHASE	END-OF-LIFE / RECYCLING
Typical activities	Equipment, components, refrigerants, subcontractors	Design, installation, service, maintenance, assembly/manufacturing, procurement, logistics, IT, HR, finance, governance	Operation of installed systems and ongoing performance	Decommissioning, refrigerant recovery, sorting, recycling, waste handling
Key sustainability topics	Climate (embedded emissions), chemicals/refrigerants, working conditions and human rights, supplier ethics	Refrigerant leakage and recovery, energy use and transport, occupational health and safety, competence and training, business conduct, compliance	Energy efficiency and system performance, refrigerant choice and leakage prevention	Circular material flows, waste and recycling, refrigerant recovery, emissions reduction
Short description	Responsible sourcing enables low-impact solutions and compliance.	Safe operations, governance and refrigerant handling are critical.	Use-phase performance drives long-term climate impact.	Recovery and recycling reduce emissions and waste.

* Incl. limited assembly/manufacturing and supporting functions.

2.3 DESCRIPTION OF OUR STAKEHOLDERS

The stakeholder groups presented below reflect the Group's assessment of key stakeholders based on its business model, value chain and ongoing interactions. The overview is informed by both day-to-day stakeholder engagement and the stakeholder dialogue conducted in connection with the Group's double materiality assessment process.

Stakeholder relevance, sustainability topics and engagement approaches will continue to be reviewed and further developed as part of the Group's continued CSRD readiness work.

TABLE 2.3

Stakeholder overview

STAKEHOLDER GROUP	DIALOGUE CHANNELS	KEY TOPICS RAISED / CONSIDERED
Customers	Customer meetings in sales and project delivery, customer service engagements, customer satisfaction surveys, procurement processes.	Occupational health and safety, climate and environmental performance, compliance requirements, supplier and product requirements, recycling and circular material flows
Suppliers & business partners	Supplier meetings, supplier assessments, contract negotiations.	Working conditions and human rights, environmental and climate impact, anticorruption and bribery, compliance expectations
Owners & investors	Board meetings, financial reporting, Annual General Meeting, owner dialogue.	Long-term value creation, corporate governance, climate and environmental performance, occupational health and safety, business ethics
Employees	Daily operational dialogue, yearly development talks, employee satisfaction survey, dialogue with unions, intranet and internal communication.	Working conditions, competence development, occupational health and safety, compensation and benefits, diversity and inclusion, values and ethics
Authorities	Regulatory reporting and filings, supervisory inspections, monitoring of emerging EU and national regulation.	Compliance with environmental and energy regulation, F-gas regulation and refrigerant requirements, occupational health and safety, reporting and disclosure requirements
Sector organisations	Industry associations, working groups and forums, knowledge sharing and best practice exchange.	Energy efficiency standards, transition to low-GWP refrigerants, skills development and labour availability, industry guidance on sustainability and compliance

2.4 KEY SUSTAINABILITY-RELATED IMPACTS, RISKS AND DEPENDENCIES

The Group's operations give rise to a range of sustainability-related impacts, risks and opportunities across environmental, social and governance areas.

Key environmental impacts, risks and opportunities are primarily linked to climate change and resource use. This includes greenhouse gas emissions, energy consumption, refrigerant handling and material flows across the value chain. The Group is also dependent on access to energy-efficient technologies, low-GWP refrigerants and reliable suppliers to deliver its services and support the energy transition.

Social impacts and risks are mainly related to working conditions, occupational health and safety, competence development and labour availability within the Group, as well as working conditions and human rights in the value chain. The Group is dependent on skilled employees and responsible business partners to ensure safe operations and high-quality service delivery.

Governance-related risks relate to business ethics, compliance with applicable laws and regulations and effective governance structures. Maintaining trust with customers, employees, owners and authorities is essential for long-term value creation.

These impacts, risks and opportunities form the basis for the identification of material sustainability matters and are further addressed in the thematic sections of this Report.

TABLE 2.4

Key sustainability themes across NCG's value chain

AREA	KEY THEMES (NCG-SPECIFIC)	WHERE IN THE VALUE CHAIN
Environment	Refrigerant handling, leakage prevention and recovery (high GWP), transition to low-GWP refrigerants, energy performance of installed systems, transport and energy use in service activities, decommissioning and compliant waste handling, recycling of metals and components.	Upstream / Own operations / Use phase / End-of-life
Social	Occupational health and safety in installation and service work, competence development and certification requirements, labour availability, working conditions in subcontracted work, human rights and working conditions in the supply chain.	Own operations / Upstream
Governance	Business ethics and anticorruption, compliance with F-gas regulation and other requirements, responsible supplier management, data quality and transparency in sustainability reporting.	Own operations / Upstream

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CONTROLLED RIPENING SYSTEMS FOR FRESH FRUIT QUALITY AND REDUCED WASTE IN THE NETHERLANDS

In the Netherlands, Nordic Climate Group company Coolingservice delivers controlled ripening systems for fruit, enabling a controlled maturation process with consistent quality.

The solution regulates temperature, humidity, airflow and the composition of the air to create stable and controlled conditions. The systems are tailored to product type, volumes and required throughput, supporting a controlled and predictable process while enabling efficient system operation. This allows fruit such as bananas, avocados and mangoes to mature evenly and reach the desired quality at the right time.

By ensuring predictable ripening and consistent quality, the system supports more efficient handling across the supply chain. It enables better planning, reduces variability between batches, helps align supply with demand and contributes to reduced food waste through more controlled and consistent outcomes.

3. DOUBLE MATERIALITY ASSESSMENT

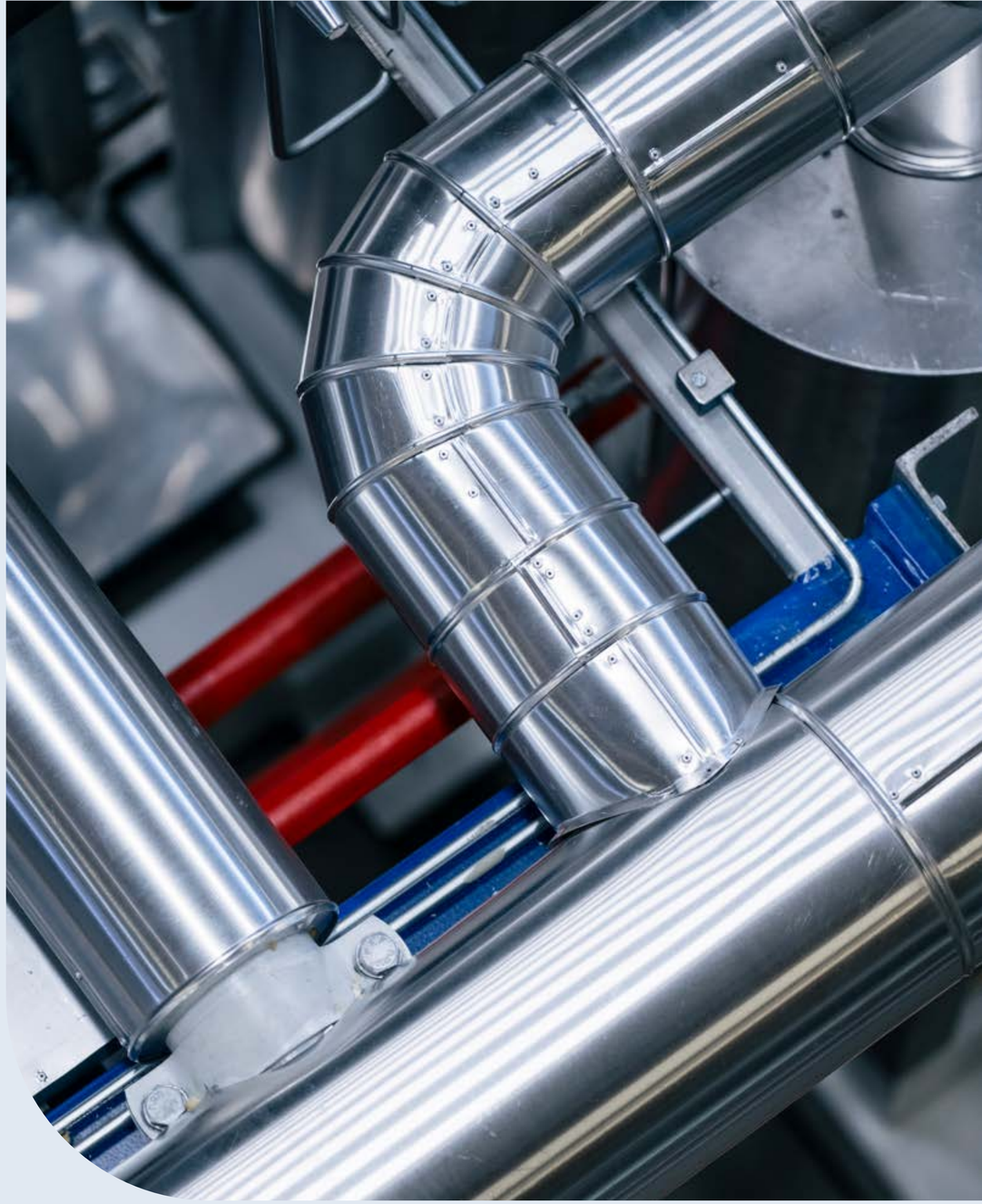
3.1 METHODOLOGY AND PROCESS

The double materiality assessment was conducted during February 2026 and followed the principles set out in the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), applying a proportionate approach.

The assessment was based on a qualitative analysis of the Group's business model, value chain and operating context, combined with internal workshops and management discussions. Sustainability-related impacts, risks and opportunities were identified across the value chain and assessed from both an impact materiality and financial materiality perspective.

Impact materiality was assessed based on the severity of impacts on people and the environment (considering scale, scope and irremediability) and the likelihood of occurrence. Financial materiality was assessed based on the potential magnitude of financial effects on the Group and the likelihood of occurrence. The assessment considered short and long-term time horizons.

Due to the Group's current stage of reporting maturity, the assessment focused on identifying and prioritising the most relevant sustainability matters rather than detailed quantification. The methodology and results will be further refined in future assessments as data availability, internal processes and stakeholder engagement continue to develop.



3.2 STAKEHOLDER INVOLVEMENT

As part of the Group's first double materiality assessment, the Group conducted a structured stakeholder survey across key stakeholder groups in the markets where it operates. Stakeholders were selected based on relevance to the Group's business model and value chain, prioritising those with close interaction with the Group's operations and sustainability impacts, risks and opportunities.

While the survey covered a broad range of stakeholder groups across the Group's key markets, it did not capture all potentially relevant stakeholders in this initial cycle. The selection was designed to ensure representation across different stakeholder categories and geographies, while prioritising those considered most relevant to the Group's operations and sustainability impacts. The Group intends to further expand the scope and coverage of stakeholder engagement in future DMA cycles.

The survey results highlighted regulatory compliance, energy efficiency and customer safety as key areas of importance. Stakeholders also identified sustainable refrigeration solutions as the area where the Group can have the greatest positive impact. Furthermore, access to talent and technical skills was identified as the most significant risk, while opportunities related to energy and resource efficiency were emphasised. Skills development of technicians emerged as a key priority for the coming years.

The results were analysed together with internal assessments and other sources and used to support the identification and prioritisation of material sustainability topics.

These insights were mapped to the Group's identified impacts, risks and opportunities (IROs) and informed both the assessment of impact materiality and financial materiality in line with the ESRS framework.

Workers in the value chain were not engaged directly in this first cycle. Their perspective is instead considered through supplier engagement and existing supplier management processes. The Group intends to further develop value chain stakeholder engagement in future DMA cycles.

3.3 RESULTS

Based on the double materiality assessment, the following sustainability matters have been identified as material at this stage and form the basis for this Report:

- E1 Climate Change
- E5 Resource Use and Circular Economy
- S1 Own Workforce
- S2 Workers in the Value Chain
- G1 Business Conduct

Other ESRS topics were assessed as part of the process but were not identified as material at this stage. These include E2 Pollution, E3 Water and Marine Resources, E4 Biodiversity and Ecosystems, S3 Affected communities.

The material topics are further supported by a set of underlying sub-topics reflecting identified impacts, risks and opportunities. These are presented below together with their classification as impact (I), risk (R) and/or opportunity (O).

The results of the assessment are summarised in the materiality matrix and the overview of reporting topics included in this Report.

3.4 MATERIALITY MATRIX AND REPORTING TOPICS IN SCOPE

The results of the Group's double materiality assessment are presented in the materiality matrix below, illustrating how sustainability matters were assessed from both an impact perspective (on people and the environment) and a financial perspective (potential effects on the Group's financial performance, position and cash flows).

The assessment was conducted using a proportionate approach, focusing on prioritisation and aggregation at ESRS topic level and supported by identified impacts, risks and opportunities. Detailed quantification was not performed for every individual IRO.

This first assessment identified a limited number of material topics, all of which were assessed as material from both an impact and financial perspective (double material). This reflects the nature of the Group's operations, where sustainability aspects are closely linked to business performance, regulatory exposure and customer requirements.

Topics assessed as not material are included in the matrix for transparency but are not part of the reporting scope. See section 3.5 for a summary rationale.

ESRS topics assessed in the double materiality assessment (topic level)

Table 3.4 on page 19 presents the ESRS topics assessed in the Group's double materiality assessment, including the underlying sub-topics used to support the analysis at topic level.

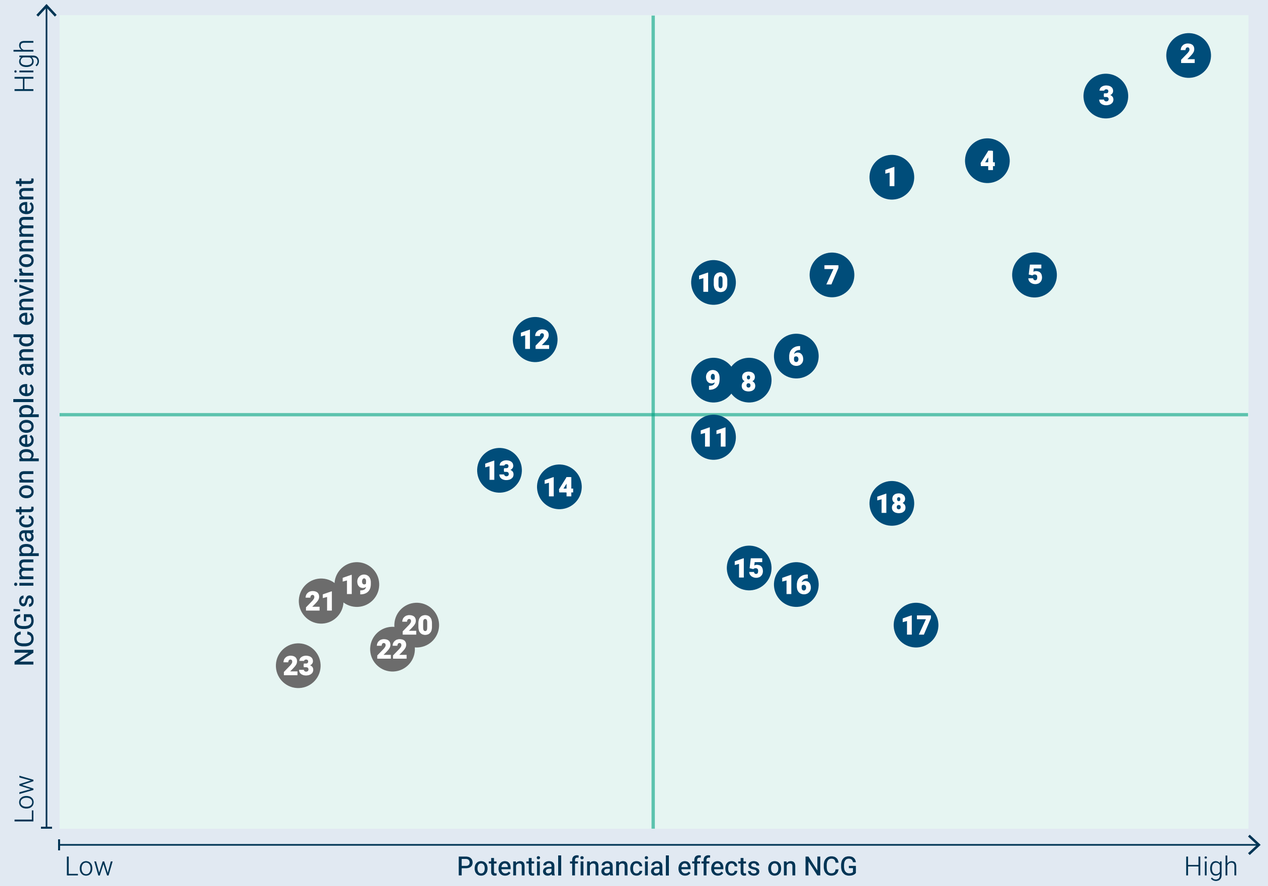
Each sub-topic has been classified according to the type of sustainability-related effect identified:

I (Impact): actual or potential impacts on the environment or people.
R (Risk): potential negative financial effects on the Group.
O (Opportunity): potential positive financial effects for the Group.

Several sub-topics include a combination of classifications, reflecting their dual nature as both impacts and financial risks or opportunities.

TABLE 3.4

Double materiality assessment



Environmental

E1 Climate change

1. GHG emissions – own operations (I/R)
2. GHG emissions – value chain (I/R)
3. Energy efficiency and GHG performance of products and services (I/O)
4. Climate transition capabilities and workforce readiness (R/O)
5. Climate-related transition risks (policy, legal and market) (R)

19. **E2 Pollution**
20. **E3 Water and marine resources**
21. **E4 Biodiversity and ecosystems**

E5 Resource use and circular economy (material)

6. Resource inflows, use and waste management (I/R)
7. End-of-life management of products and material (including refrigerants) (I/R)
8. Circularity and resource efficiency (including take-back & sourcing) (R/O)

● = Material
● = Not material

Social

S1 Own workforce

9. Working conditions, employment terms and retention (R/O)
10. Occupational health and safety (OHS) (I/R)
11. Skills development, training and certification (R/O)

S2 Workers in the value chain

12. Working conditions and health & safety in the value chain (I/R)
13. Human rights in the value chain (including child and forced labour) (I/R)
14. Supplier engagement and responsible sourcing practices (opportunity) (O/R)

22. **S3 Affected communities**
23. **S4 Consumers and end-users**

Governance

G1 Business conduct

15. Business ethics and compliance (R)
16. Whistleblowing mechanism and reporting culture (R)
17. Competition law and public procurement compliance (R)
18. Supplier ESG due diligence and risk management (R/I)

3.5 TOPICS ASSESSED AS NOT MATERIAL

3.5.1 ESRS E2 Pollution (Not material)

The Group's activities mainly involve installation, service and maintenance of cooling and heating systems. Potential leakage of refrigerants is assessed primarily as a climate-related impact due to the global warming potential of fluorinated gases and is therefore addressed under ESRS E1. The Group does not operate industrial production processes and does not cause systematic or material emissions to air, water or soil as defined under ESRS E2. Consequently, ESRS E2 was not assessed as material in this first double materiality assessment.

3.5.2 ESRS E3 Water and marine resources (Not material)

The Group's operations are not water-intensive. Water use is limited and mainly related to normal office and service activities. No material impacts, risks or opportunities related to water withdrawal, consumption or discharges were identified in this first assessment. Consequently, ESRS E3 was not assessed as material in this first double materiality assessment.

3.5.3 ESRS E4 Biodiversity and ecosystems (Not material)

The Group's own operations primarily take place in built environments and do not involve land use change, extraction activities or operations in or near sensitive ecosystems. No material direct impacts on biodiversity were identified in own operations. Potential upstream impacts linked to materials and equipment are considered through supplier management and responsible sourcing practices. Consequently, ESRS E4 was not assessed as material in this first double materiality assessment.

3.5.4 ESRS S3 Affected communities (Not material)

The Group's activities are primarily conducted at customer sites in built environments and are not typically associated with significant impacts on local communities. No material community-related impacts, risks or opportunities were identified in this first assessment. Consequently, ESRS S3 was not assessed as material in this first double materiality assessment.

3.5.5 ESRS S4 Consumers and end-users (Not material)

Customer safety and quality were included in the stakeholder dialogue as core expectations related to the Group's installation and service activities. While these aspects are considered fundamental, the assessment concluded that they are primarily managed through existing technical standards, regulatory compliance and quality processes. The topic was therefore not identified as a separate material topic under ESRS S4, but is addressed as an integral part of operational excellence, occupational health and safety and regulatory compliance.

4. E1 CLIMATE CHANGE

4.1 WHY CLIMATE CHANGE IS A MATERIAL TOPIC

Climate change is a material topic for Nordic Climate Group due to the nature of its business and its central role in the energy performance of buildings, industry and infrastructure. Cooling and heating account for a significant share of society's total energy use. Through energy recovery and the choice of refrigerant, the Group supports customers in increasing energy efficiency, reducing operating costs and lowering climate impact.

Regulatory developments further increase the materiality of climate-related issues. The revised EU F-gas Regulation, which entered into force in 2024, introduces stricter requirements and an accelerated phase-out of high-GWP synthetic refrigerants. From 2027 onwards, supply is expected to become significantly restricted, leading to rising prices and increased risks related to the continued operation and maintenance of older systems. Over time, additional regulatory requirements under the Energy Efficiency Directive (EED), the Energy Performance of Buildings Directive (EPBD) and CSRD will further shape market expectations.

Customer demand is also shifting rapidly. Customers increasingly focus on energy efficiency to improve cost control, operational resilience and climate performance as part of their own transition plans. Refrigerant choice, the ability to recover energy and to avoid technological lock-in are decisive factors that determine both climate impact and long-term operating economics.

4.2 CURRENT APPROACH AND STATUS

Key climate-related business levers

Nordic Climate Group's climate performance is largely driven by operational and commercial choices embedded in its core business. In addition to greenhouse gas emissions outcomes, the Group therefore monitors selected business-relevant indicators that reflect its ability to influence long-term climate impact through system design, energy sourcing and fleet composition. The indicators in table 4.2 and diagram 4.2 illustrate key levers in the Group's climate transition and provide context for the emissions data presented in subsequent sections.

The indicator includes both new installations and refills of existing systems during maintenance.

The share of natural refrigerants is a key climate-related indicator reflecting the Group's transition away from high-GWP synthetic refrigerants and its focus on delivering energy-efficient and future-proof cooling and heating solutions.

Variations between countries reflect differences in market maturity, customer segments and demand, service intensity and regulatory conditions. Overall, the data confirms that natural refrigerants already account for a high and, in most markets, increasing share of the Group's activities, supporting the Group's long-term climate transition.

4.2.1 Share of electric vehicles in the vehicle fleet

The share of electric vehicles is an important lever for reducing Scope 1 emissions from the vehicle fleet. Differences between countries reflect local market conditions, infrastructure availability, vehicle supply and operational requirements.

The transition to electric vehicles is currently constrained by the limited availability of electric service vans that meet operational requirements, particularly in terms of range under load when transporting heavy equipment used by installers.

4.2.2 Share of renewable energy

The share of renewable energy is a key operational indicator reflecting the Group's ability to reduce Scope 2 emissions through energy sourcing choices.

The increasing share of renewable energy reflects the Group's continued progress in aligning its energy sourcing with its climate ambitions, contributing to a structural reduction in market-based Scope 2 emissions over time.

TABLE 4.2

Share of natural refrigerants (%)

COUNTRY	2023	2024	2025
Netherlands	24.5%	27.5%	44.8%
Finland	2.3%	19.3%	12.9%
Denmark	85.0%	63.1%	77.5%
Sweden	72.0%	78.0%	83.7%
Norway	84.4%	86.3%	88.5%
NCG Group	**73.1%**	**69.9%**	**73.8%**

TABLE 4.2.1

Share of electric vehicles in the vehicle fleet (%)

NCG GROUP	2023	2024	2025
Full Electric	7.8%	10.7%	13.5%

Includes fully electric vehicles; plug-in hybrids may be reported separately as data maturity improves.

TABLE 4.2.2

Share of renewable energy (%)

COUNTRY	2023	2024	2025
NCG Group	17.8%	33.0%	42.7%

The indicator reflects the share of renewable electricity and district heating/cooling used in operations, where available.

4.2.3 Greenhouse gas accounting and methodology

The Group reports greenhouse gas emissions in accordance with the Greenhouse Gas Protocol, covering Scope 1, Scope 2 and relevant Scope 3 categories.

Emissions are calculated using a combination of:

- primary data collected directly from group companies and suppliers, and
- estimates where complete primary data is not yet available.

To ensure comparability over time, emissions are reported on a pro forma basis using 2023 as the base year. Full-year emissions from acquired companies are included in both the base year and subsequent reporting years. This approach ensures that growth through acquisitions does not distort emission trends.

In addition to absolute emissions, the Group reports emissions intensity per value added, defined as personnel costs plus EBITDA, enabling monitoring of climate performance independently of business growth. The applied methodology is aligned with the Group's Science Based Targets initiative (SBTi) submission and validation.

Method note:

Due to the Group's acquisition-driven growth model, emissions data for previous years may be subject to recalculation as data quality improves and the organisational boundary evolves.

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ELECTRIFICATION OF THE SERVICE FLEET: COMBINING SUSTAINABILITY AND BUSINESS VALUE

As part of Nordic Climate Group's efforts to reduce climate impact, subsidiary Hilmersson has electrified a significant share of its service fleet. During the reporting period, 10 service vehicles were replaced with electric alternatives, representing more than 50 percent of the total fleet.

The initiative directly addresses Scope 1 emissions and aligns with the Group's strategy to reduce the climate impact of transportation.

"*Electrification is a strategic step to future-proof both our operations and our cost structure*," says Anton Möllerberg, CEO of Hilmersson.

The transition has involved operational challenges, primarily related to the availability of public fast-charging infrastructure and reimbursement models for home charging. Through in-house electrical expertise, the company has established effective charging solutions in employees' homes.

ESTIMATED CLIMATE IMPACT

Based on a comparison with an equivalent diesel-based fleet, the estimated emissions reduction is:

- approximately 1.5–2.0 tonnes of CO_2 per vehicle per year
- approximately 15–20 tonnes of CO_2 per year for 10 vehicles

The estimates are based on average emission levels for light diesel commercial vehicles and the Swedish electricity mix with low climate impact. Actual outcomes may vary depending on driving patterns, energy consumption and charging behaviour.

FINANCIAL IMPACT

The electrification has also delivered clear cost benefits:

- Vehicle tax: approximately EUR 30 per year for electric vehicles, compared to up to EUR 1,700 per year for equivalent diesel vehicles
- Energy cost: approximately 50% lower cost per kilometre
- Total fuel cost: reduced from approximately EUR 35,000 to 17,500 per year

The case demonstrates how targeted investments in electrification can reduce greenhouse gas emissions, lower operating costs and strengthen resilience to future regulatory and market changes.

4.3 GREENHOUSE GAS EMISSIONS OVERVIEW (SCOPE 1–3)

TABLE 4.3

Total greenhouse gas emissions by scope (Scope 1–3)

GHG EMISSIONS (TCO_2E)	2023 (BASE YEAR)	2024	2025
Scope 1 – Direct emissions	5 129	5 330	5 582
Scope 2 – Indirect energy emissions	1 115	1 360	1 178
Scope 3 – Value chain emissions	589 356	544 066	533 974
Total	**595 600**	**550 756**	**540 735**
Emission intensity			
Scope 3 per SEK value add	285.4	246.7	229.7

Total greenhouse gas emissions decreased by approximately 1.8 % in 2025 compared to 2024. When measured per SEK of value added, emissions decreased by around 6.9 %, reflecting improved climate performance relative to economic activity.

The metric emissions per SEK of value added is an intensity indicator that expresses Scope 3 emissions in relation to the Group's economic value creation.

The stronger reduction in emissions per SEK of value added indicates that the Group's economic output is growing faster than its climate impact, supported by increased use of natural refrigerants, a higher share of renewable energy, and the gradual electrification of the vehicle fleet.

4.3.1 Scope 1 and Scope 2 greenhouse gas emissions

Scope 1 emissions mainly arise from fuel consumption in the Group's vehicle fleet, while Scope 2 emissions relate to purchased electricity and district heating/cooling used in operations.

TABLE 4.3.1

Scope 1 and 2 emissions – group overview

GHG EMISSIONS (TCO_2E)	2023 (BASE YEAR)	2024	2025
Scope 1 – Vehicles	5,109	5,284	5,550
Scope 1 – Other direct emissions	19	46	32
Total Scope 1	5,129	5,330	5,582
Scope 2 – Electricity & district heating/cooling	1,115	1,360	1,178
Total Scope 1 & 2	6,244	6,691	6,761

Scope 1 and Scope 2 emissions primarily arise from fuel consumption in the Group's vehicle fleet and energy used in operations, including purchased electricity and district heating and cooling. Changes over time are influenced by business growth, acquisitions, fleet renewal and energy sourcing, as well as ongoing improvements in data availability and quality across markets.

Total Scope 1 and 2 emissions increased slightly in 2025 compared to 2024, mainly driven by a larger vehicle fleet and higher activity levels, partly offset by an increasing share of electric vehicles and renewable energy in the Group's operations.

4.3.2 Scope 3 emissions

Scope 3 emissions account for the majority of the Group's total climate footprint and are primarily driven by emissions from the use of installed systems at customer sites.

Scope 3 emissions account for the majority of Nordic Climate Group's total greenhouse gas footprint and are primarily driven by emissions from the use of sold products at customer sites. The dominance of emissions from the use phase underlines the importance of long-term technology choices, including refrigerant selection and energy efficiency, rather than short-term operational measures. Changes over time are influenced by business growth, acquisitions, the performance and utilisation of installed systems, as well as ongoing improvements in data availability and quality.

Scope 3 emissions intensity is reported for emissions from the use of sold products, as this is the category directly linked to the Group's science-based target and where Nordic Climate Group has the greatest ability to influence emissions through its core business offering.

TABLE 4.3.2

Scope 3 emissions by category

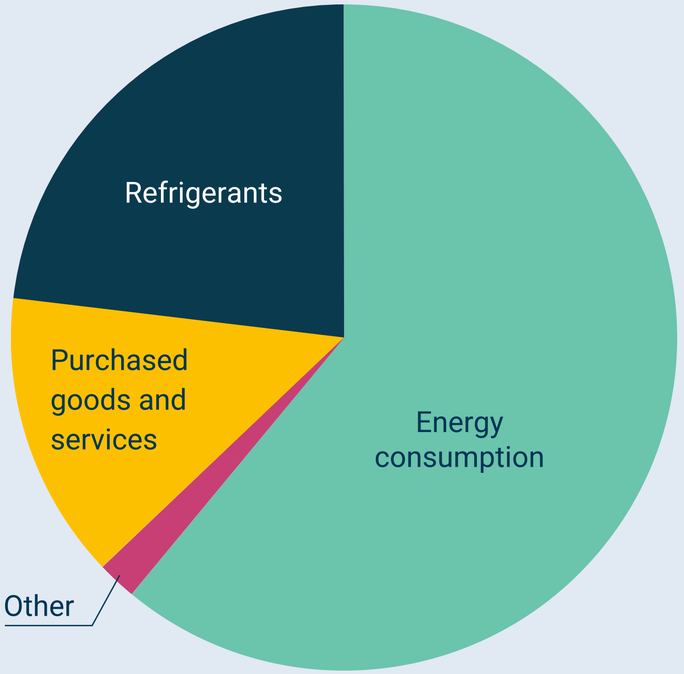
(GHG Protocol – Group level , key categories highlighted)

GHG PROTOCOL SCOPE 3 CATEGORY	DESCRIPTION	2024 (TCO_2E)	2025 (TCO_2E)	SHARE OF SCOPE 3 (2025)
Category 1	Purchased goods and services	67,920	74,753	~14 %
Category 11	Use of sold products – energy consumption	304,954	325,842	~61 %
Category 11	Use of sold products – refrigerants	158,876	123,268	~23 %
Other categories*	Capital goods, transport, fuel- and energy-related activities, business travel, commuting, end-of-life	12,317	10,112	~2 %
Total Scope 3		544,066	533,974	100 %

*Includes GHG Protocol Scope 3 categories 2, 3, 4, 5, 6, 7 and 12.

DIAGRAM 4.3.2

Scope 3 - Distribution Indirect GHG Emissions across contributing sources (tCO2e) - 4.9



4.4 CLIMATE-RELATED RISKS AND OPPORTUNITIES

Risks

Key climate-related risks include:

- regulatory risks linked to the phase-out of high-GWP refrigerants under the EU F-gas Regulation;
- rising costs and supply constraints for synthetic refrigerants;
- increasing expectations from customers, investors and regulators regarding climate performance and transparency.

Opportunities

Climate change also creates significant opportunities:

- growing demand for energy-efficient and future-proof systems;
- transition to natural refrigerants with extremely low climate impact (e.g. CO_2 with GWP 1);
- energy recovery solutions that reduce both emissions and operating costs;
- a strengthened sustainability profile supporting access to green financing.

4.5 TARGETS, PERFORMANCE AND TRANSITION FOCUS

Science-based targets

Nordic Climate Group has set science-based climate targets validated by the Science Based Targets initiative (SBTi), aligned with the Paris Agreement and a 1.5 °C pathway:

- Reduce Scope 1 and 2 emissions by **42% by 2030**, compared to the 2023 base year.
- Reduce Scope 3 emissions from the use of sold products by **51.6% per SEK of value added by 2030**.

In 2025, Scope 1 and 2 emissions increased compared to the 2023 base year, mainly driven by growth in the business and changes in vehicle fleet composition and energy use.

At the same time, Scope 3 emissions intensity decreased relative to the base year, reflecting continued focus on energy efficient system design and sustainable refrigerant choices. Continued progress in these areas is expected to support achievement of the Group's longterm science-based climate targets.

TABLE 4.5

Progress against targets

METRIC	2023 (BASE YEAR)	2024	2025	2030 TARGET	PROGRESS VS BASELINE
Scope 1 & 2 emissions (tCO_2e)	6,244	6,691	6,761	–42%	+8%
Scope 3 – use of sold products (tCO_2e / SEK value added)	Index 100	Index 86	Index 82	–51.6%	-18%

DIAGRAM 4.5.A

SBTi Scope 1+2

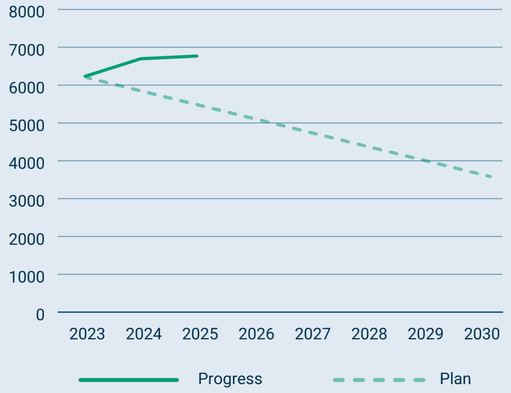


DIAGRAM 4.5.B

SBTi Scope 3

4.6 WAY FORWARD

To support the achievement of its science-based climate targets and its transition towards a low-carbon economy, Nordic Climate Group will continue to integrate climate change mitigation considerations into its operational and commercial decision-making. While a comprehensive transition plan is still under development, the Group has identified priority areas expected to be material for its climate impact and performance going forward.

Key focus areas include the continued transition of the vehicle fleet towards zero- and low-emission alternatives, increased sourcing of renewable electricity across own operations, and an accelerated shift towards solutions based on natural refrigerants where these provide the highest lifecycle value from a climate perspective.

In parallel, the Group will further develop its approach to measuring, monitoring and managing climate-related performance in its core offering across the value chain. This includes strengthening data availability and methodologies related to the share of installations enabling heat recovery and the use of natural refrigerants, as well as developing metrics that better capture the contribution of installed solutions to long-term greenhouse gas emissions reductions.

To operationalise these priorities as part of its climate transition, the Group has identified the following initial actions:

- Increase the share of natural refrigerant volumes
- Assess methodologies to measure the number of system installations using low-GWP or natural refrigerants
- Assess methodologies to measure and report system installations with heat recovery
- Update the Environmental Policy related to climate change to better reflect the Group's commitments and results of the double materiality assessment (DMA)

As part of its continued CSRD readiness work, the Group will further consider how these focus areas may be reflected in its governance, policies and internal processes over time.

4.7 EU TAXONOMY SCREENING

This section presents a high-level, indicative screening of Nordic Climate Group's activities against the EU Taxonomy. The screening is based on currently available information and is intended to provide transparency on potential taxonomy relevance. It does not constitute a full taxonomy alignment analysis.

Nordic Climate Group has performed an initial assessment of its activities in relation to the EU Taxonomy for sustainable activities, in accordance with Article 8 of the EU Taxonomy Regulation.

Based on the nature of the Group's operations, which primarily relate to the installation, maintenance and optimisation of heating and cooling systems, but also manufacturing of heat pumps, the following activities have been identified as potentially relevant under the environmental objective Climate Change Mitigation:

- 3.5 Manufacture of energy efficiency equipment for buildings
- 4.16 Installation and operation of heat pumps
- 7.3 Installation, maintenance and repair of energy efficiency equipment
- 7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings
- 7.6 Installation, maintenance and repair of renewable energy technologies

The assessment has focused on identifying taxonomy-eligible activities. An activity is considered taxonomy-aligned only where all applicable technical screening criteria for climate change mitigation are met.

As this is the Group's first taxonomy assessment, taxonomy relevance has been assessed at a high level and taxonomy alignment has not been determined. Not all installations or services provided by the Group are expected to meet the technical screening criteria.

The Group will continue to develop data collection processes and technical documentation to enable more detailed and comprehensive taxonomy reporting in future reporting period.

5. E5 RESOURCE USE AND CIRCULAR ECONOMY

5.1 WHY RESOURCE USE AND CIRCULARITY ARE MATERIAL TOPICS

Resource use and circularity are material topics for Nordic Climate Group due to the material and energy intensity associated with cooling and heating systems and their long technical lifetimes. Decisions related to system design, material choice and refrigerants have a significant impact on resource efficiency, waste generation and lifecycle costs over several decades.

Cooling and heating systems require substantial amounts of metals, components and technical equipment. If systems are prematurely replaced due to regulatory changes, technical lock-in or insufficient serviceability, this leads to increased resource consumption and unnecessary waste. Conversely, solutions that enable long lifetimes, upgrades and efficient use-phase performance support more circular resource use.

Regulatory developments, including requirements related to energy efficiency, refrigerants and product design, further increase the relevance of circularity. Customers are also increasingly focused on lifecycle costs, operational reliability and future-proof solutions, making resource efficiency and circularity central to long-term value creation.

5.2 CURRENT PRACTICES ACROSS THE VALUE CHAIN

Upstream – suppliers and materials

The Group's upstream resource use primarily relates to the sourcing of equipment, components and refrigerants. While formalised supplier requirements related to circularity are still under development, product selection increasingly considers energy efficiency, durability and serviceability over the system lifecycle.

Supplier dialogue currently focuses on technical performance, regulatory compliance and availability of components and refrigerants, rather than on quantified circularity criteria such as recycled content or material footprints.

Own operations – installation, service and maintenance

Through installation, service and maintenance, Nordic Climate Group plays a key role in extending the lifetime of cooling and heating systems. Preventive maintenance, repairs and system upgrades enable continued use of existing assets and reduce the need for full system replacement. Where technically and economically feasible, retrofit solutions are prioritised over replacement. This includes upgrades to improve energy efficiency, adapt systems to new regulatory requirements and enable continued operation with lower environmental impact.

Handling of replaced components and refrigerants is managed in accordance with applicable regulations, with a focus on safe handling, recovery and appropriate disposal or recycling.

Downstream – use phase and end-of-life

The use phase of installed systems represents the most significant resource and environmental impact over the lifecycle. Energy efficiency, refrigerant choice and system design that enable upgrades are therefore key factors influencing circularity.

Systems designed for refrigerant recovery, component replacement and gradual upgrades support longer lifetimes and reduce the need for resource-intensive replacements. End-of-life handling is managed by Nordic Climate Group or specialised partners, depending on local regulations and contractual arrangements.

When systems are replaced or decommissioned, refrigerants are recovered and transferred to authorised operators for reclamation, recycling or destruction in line with applicable regulations. Equipment and materials are handled through appropriate waste streams to enable recovery and recycling where feasible.

Through these practices, Nordic Climate Group supports responsible lifecycle management of systems and materials in line with circular economy principles.

5.3 RISKS AND OPPORTUNITIES RELATED TO RESOURCE USE AND WASTE

Risks

Key risks related to resource use and circularity include:

- increasing scarcity and price volatility for certain materials and refrigerants;
- regulatory restrictions that may render existing systems or components obsolete;
- increased costs associated with waste handling, recycling and system replacement;
- limited transparency and control over resource use and waste generation in the upstream value chain.

Opportunities

Circularity also creates significant opportunities for Nordic Climate Group:

- strengthened service and retrofit offerings that extend system lifetimes;
- reduced lifecycle costs for customers through durable and upgradeable solutions;
- differentiation through future-proof system design and refrigerant choices;
- closer, long-term customer relationships supported by service-based business models.

By focusing on lifecycle performance rather than short-term installation costs, the Group can contribute to more resource-efficient solutions while strengthening its competitive position.1

5.4 AREAS FOR FUTURE DEVELOPMENT

Going forward, Nordic Climate Group aims to further strengthen its approach to resource efficiency and circularity across the value chain. This includes continued development of principles for system upgrades versus replacement, a stronger lifecycle perspective in refrigerant and system design choices, and gradual improvements in data related to material flows, waste and recycling.

The Group also expects to further develop its approach to supplier engagement, with increased focus on durability, serviceability and circular design, as well as continued integration of circularity considerations into procurement, system design and service offerings.

In this context, several operational focus areas have been identified to support a more consistent and structured approach over time:

- Ensure compliant refrigerant handling, recovery and regulatory reporting
- Increase the use of centrally procured recycling and waste management partners, for both operational waste and dismantled systems
- Strengthen consistency in end-of-life handling practices, including supplier-related requirements on decommissioning, recycling and waste treatment

As part of its continued CSRD-readiness work, Nordic Climate Group will further consider how resource use and circularity can be more systematically measured, managed and reported over time.

6. S1 OWN WORKFORCE

6.1 WHY OWN WORKFORCE IS A MATERIAL TOPIC

Nordic Climate Group's employees are central to the Group's ability to deliver safe, reliable and high-quality cooling and heating solutions. The business is knowledge- and service-intensive, with a strong dependence on skilled technicians, engineers and specialists. Access to competent employees, safe working conditions and an attractive work environment are therefore critical for operational performance, customer satisfaction and long-term value creation.

The Group operates in a market characterised by skills shortages, particularly within technical roles. At the same time, the acquisition-driven growth model places increasing demands on leadership, organisational integration and people processes. Against this backdrop, workforce-related topics such as health and safety, competence development, engagement and retention are considered material.

To support safe and responsible operations, the Group ensures that personnel handling refrigerants are appropriately trained and hold valid certification in accordance with applicable legislation. In the countries where Nordic Climate Group operates — including Sweden, Norway, Finland, Denmark, the United Kingdom, Ireland and the Netherlands — technicians working with fluorinated refrigerants are required to be certified by an accredited body in line with the EU F-gas Regulation and corresponding national regulations, or equivalent frameworks in non-EU jurisdictions. This contributes to the safe handling of refrigerants and helps prevent emissions of fluorinated greenhouse gases.

6.2 WORKFORCE PROFILE

Workforce data is reported at an aggregated group level. Due to the Group's acquisition-driven growth model, workforce composition and reported figures may vary between years as new subsidiaries are included.

TABLE 6.2.A

EMPLOYEES (HEADCOUNT)	2023	2024	2025
Total employees	Approx. 1450	Approx. 1,690	Approx. 1,950
Female	117	163	181

The workforce primarily comprises operational and technical roles supporting installation, service and maintenance activities, complemented by engineering, project management, sales and administrative functions. As the Group continues to grow through acquisitions, the workforce is expanding and becoming increasingly diverse in terms of roles, competencies and geographic footprint.

6.3 WORKING CONDITIONS, HEALTH AND SAFETY

Ensuring safe working conditions is a key priority for Nordic Climate Group. Many roles involve on-site work, technical installations and service activities, which require strong focus on occupational health and safety.

Health and safety practices are primarily managed at local level, in line with applicable national regulations and industry standards. Group-wide frameworks and reporting practices are under continuous development.

TABLE 6.3

KEY WORKFORCE INDICATORS	2023	2024	2025
Occupational accidents (number)	89	127	105
Work-related sick days per employee	Approx. 0.35	Approx. 0.7	Approx. 0.5

Variations in these indicators may reflect differences in local practices, reporting maturity and workforce composition across subsidiaries.

6.4 EMPLOYEE ENGAGEMENT AND DEVELOPMENT

Nordic Climate Group seeks to foster an inclusive and engaging work environment that supports collaboration, competence development and long-term commitment.

Employee engagement is measured through an Employee Net Promoter Score (eNPS), which provides insight into overall satisfaction and employees' willingness to recommend the Group as an employer.

TABLE 6.4

EMPLOYEE ENGAGEMENT (ENPS)	2023	2024	2025
Response rate	-	78	75
eNPS	-	33	33

While engagement initiatives are primarily driven locally, the Group recognises the importance of gradually strengthening a shared culture and employer value proposition across the organisation.

Nordic Climate Group views continuous skills development as a strategic driver of both competitiveness and employee engagement. Across all countries, ongoing initiatives focus on the technical upskilling of technicians, training for project managers, and development in areas such as health and safety, the work environment and leadership.

To further strengthen and harmonise these efforts, a common training platform is being developed under the umbrella of NCG Academy. The aim is to gradually consolidate local initiatives within a shared framework, making learning more accessible across the Group and ensuring that core competencies and leadership capabilities are developed consistently.

The interpretation of eNPS results is traditionally as follows:

6.5 AREAS FOR FUTURE DEVELOPMENT

Going forward, Nordic Climate Group intends to further strengthen its approach to people and competence, with a focus on supporting the technical capabilities required for the energy transition while maintaining high and consistent standards of occupational health and safety across the Group.

Priority areas include developing more consistent group-level frameworks for health and safety, leadership and competence development, strengthening initiatives to attract and retain skilled technicians and engineers, and improving the comparability and quality of workforce-related data across subsidiaries. The Group will also continue to use employee engagement insights, such as eNPS, to inform organisational development and follow-up.

- In this context, the Group has identified the following operational development priorities:
- Maintain valid certification compliance for employees handling refrigerants
- Introduce Group wide training programmes regarding natural refrigerants and energy-efficient system solutions
- Increase structured incident reporting coverage
- Develop and implement a structured approach to identify and share OHS best practices across the Group

As part of its continued CSRD readiness work, Nordic Climate Group will further consider how workforce-related topics can be more systematically governed, measured and reported over time.

6.6 RISK AND OPPORTUNITIES

Risks

Key workforce-related risks include:

- challenges in attracting and retaining skilled employees in a competitive labour market;
- health and safety risks related to on-site installation and service work;
- uneven maturity of HR processes across subsidiaries following acquisitions;
- increased workload and organisational strain during periods of rapid growth;
- local leadership succession.

Opportunities

At the same time, the workforce represents a significant opportunity:

- strengthening technical competence and leadership capabilities supports service quality and growth;
- high employee engagement contributes to productivity, safety and retention;
- a strong employer brand can enhance recruitment and long-term competitiveness.

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AN APPROACH THAT MAKES HEALTH, SAFETY AND THE WORKING ENVIRONMENT PART OF EVERYDAY OPERATIONS

In a business where many tasks involve risk, policies and guidelines are not enough. Health, safety and the working environment need to work in practice, every day, from planning to execution and follow-up.

At PTG Norway, this approach has been shaped through a long-standing focus on these topics under the leadership of Liv Mona Arntzen, Personal and Quality Manager Group, and her team.

"A lot of this work has been about building a structure that reflects how people actually work. If it becomes something you have to remember to do, it often doesn't get done. That's why we've built it into the workflow, so it becomes a natural part of the job."

Risks are identified and linked to clear working procedures, supported by connected systems and shared ways of working. Before each assignment, a structured risk assessment must be completed as part of the workflow.

The approach also covers the full employee lifecycle, from onboarding to development and offboarding. Competence, training and certifications are managed in a consistent way, with clear tracking and reminders when certifications need to be renewed. This creates continuity and a clearer understanding of both competence and development needs over time, something Arntzen highlights as key:

"We work systematically with how people are onboarded, developed and followed up. It gives us a better understanding of both competence and needs over time and helps ensure that nothing is missed."

FROM STRUCTURE TO TANGIBLE IMPROVEMENTS

A key strength of the approach is that it is actively used in daily operations and leads to tangible improvements. By systematically capturing deviations and incidents, patterns become visible and can be acted upon, as Arntzen explains:

"When we start to see patterns in incidents, we use that to adjust how we train and support our people. It's not about reporting for the sake of it, but about understanding what needs to change. For example, we saw recurring incidents related to electrical work among younger technicians. As those patterns became clear, we adjusted the training, which contributed to a reduction in incidents."

Liv Mona Arntzen,
Personal and Quality Manager
Group at PTG Norway.

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ENABLING LEADERSHIP TO ACT

The approach also strengthens how managers work with health, safety and the working environment in practice. Access to relevant data, such as sick leave, workload and competence levels, provides a clearer basis for follow-up and prioritisation. This is reflected in how leaders are able to work more consistently with their teams, as Arntzen describes:

"It gives our leaders a clearer picture of what is happening in their teams. They can follow up on workload, competence and absence, and act earlier when something needs attention. It also supports more consistent performance and development discussions and helps us address issues before they escalate."

SUPPORT THAT WORKS IN PRACTICE

In a decentralised organisation, the approach needs to support daily operations without adding complexity. It provides a shared way of working, while allowing each company to adapt to its own conditions, as Arntzen puts it:

"We need a common way of working, but it also must work in different parts of the organisation. That balance is important if it is going to be used in practice. It gives us a better overview and makes it easier to follow up in a structured way. But most importantly, it helps us take better care of our people and reduce risks in their daily work, while also ensuring safe and reliable environments for our customers."

7. S2 WORKERS IN THE VALUE CHAIN

7.1 WHY WORKERS IN THE VALUE CHAIN ARE A MATERIAL TOPIC

Workers in the value chain are considered a potentially material topic for Nordic Climate Group due to the Group's reliance on suppliers and business partners across the value chain. This includes manufacturers of equipment and components, suppliers of refrigerants and materials, logistics providers and subcontractors involved in installation and service activities.

The Group operates in a sector where parts of the value chain may involve elevated risks related to working conditions, health and safety and labour rights, particularly outside the Group's own operations. Regulatory developments, including the Corporate Sustainability Reporting Directive (CSRD) and forthcoming due diligence requirements, further increase expectations regarding transparency and responsibility for social impacts in the value chain.

7.2 CURRENT APPROACH AND STATUS

At the current stage, Nordic Climate Group has limited formalised processes in place to systematically assess, monitor or manage working conditions among workers in the value chain.

The Group has established a Supplier Code of Conduct, which sets out expectations related to legal compliance, human rights, labour standards, business ethics and environmental responsibility for suppliers. The Supplier Code of Conduct applies to suppliers delivering goods and services to Nordic Climate Group and is intended to form a basis for responsible business conduct across the value chain.

However, the implementation of the Supplier Code of Conduct is still at an early stage. Supplier selection and follow-up are currently primarily driven by commercial, technical and regulatory considerations, such as product quality, performance, availability and compliance with applicable laws. Ethical and social aspects may be addressed through dialogue with suppliers on a case-by-case basis, but there is no group-wide, systematic supplier due diligence process covering labour and human rights aspects.

The Group has not conducted a dedicated assessment of social risks related to workers in the value chain. At present, no structured data is collected regarding working conditions, occupational health and safety or labour practices among suppliers and subcontractors, and no formal monitoring or follow-up mechanisms are in place to assess compliance with the Supplier Code of Conduct.

7.3 AREAS FOR FUTURE DEVELOPMENT

Going forward, Nordic Climate Group intends to gradually strengthen its approach to workers in the value chain. Priority areas include further implementing and operationalising the Group's Supplier Code of Conduct, increasing awareness of social risks in the value chain, and assessing how supplier-related requirements can be proportionately integrated into procurement and supplier management processes.

As part of this development, the Group has identified the following focus area:

- Obtain structured Supplier Code of Conduct sign-off from key and high-risk suppliers

As part of its continued CSRD readiness work, the Group will evaluate how structured supplier due diligence, monitoring and data collection can be developed over time, taking into account the Group's size, resources and acquisition-driven growth model.

Status

S2 is currently an early-stage area for the Group. The section is intentionally descriptive and forward-looking, reflecting limited existing processes while identifying priority areas for future

7.4 RISKS AND OPPORTUNITIES RELATED TO WORKERS IN THE VALUE CHAIN

Risks

Key risks related to workers in the value chain include:

- **lack of transparency regarding labour practices and working conditions among suppliers;**
- **potential exposure to labour rights violations or unsafe working conditions outside the Group's direct control;**
- **reputational and compliance risks arising from increased regulatory and stakeholder expectations;**
- **limited preparedness for future due diligence and reporting requirements.**

Opportunities

At the same time, there are opportunities associated with strengthening the approach to workers in the value chain:

- **increased transparency and risk awareness through structured supplier engagement;**
- **improved alignment with customer, investor and regulatory expectations;**
- **reduced long-term compliance and reputational risks;**
- **the ability to integrate social considerations into procurement practices over time.**

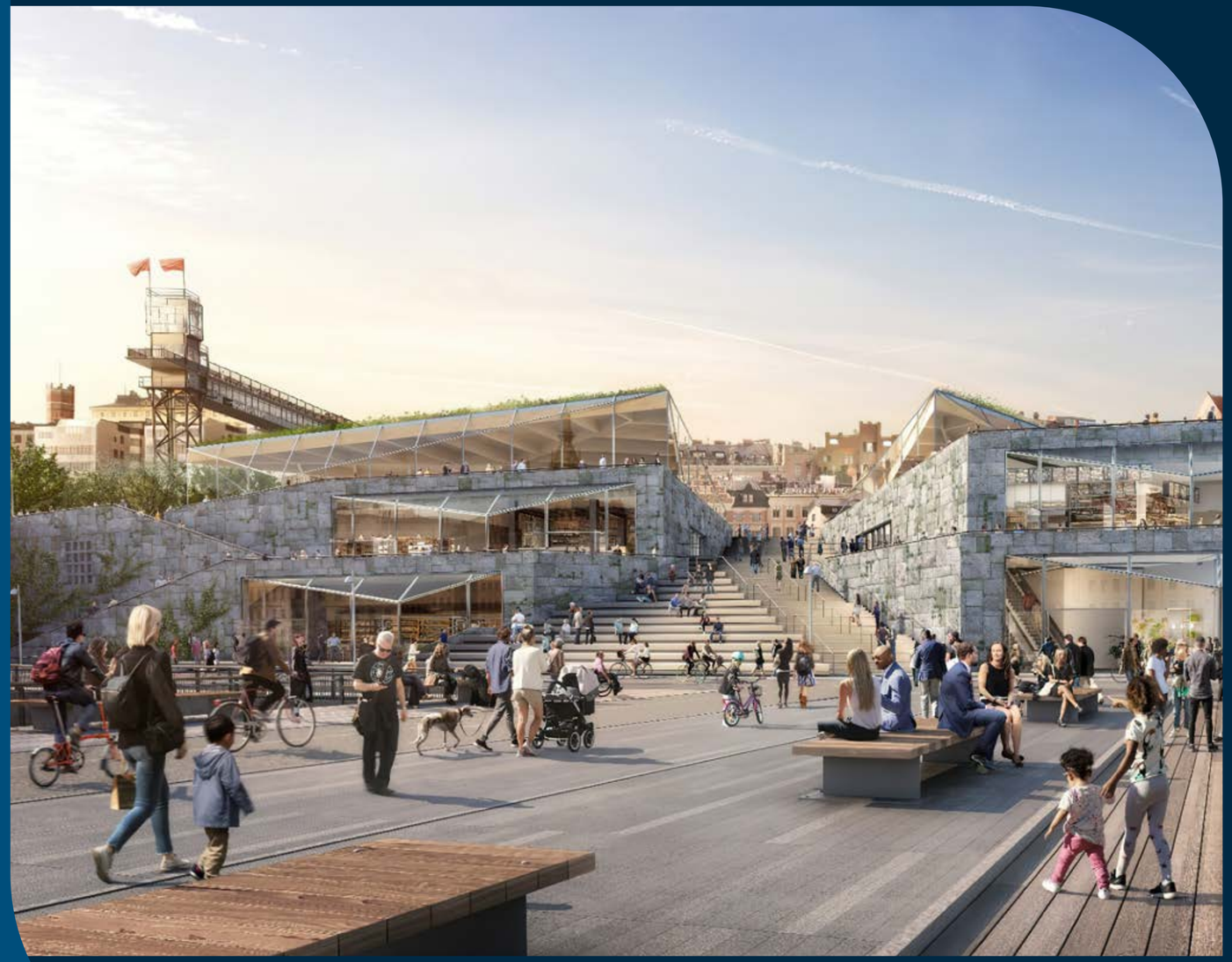

Illustration by DBOX/Foster+Partners.

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INTEGRATED ENERGY SYSTEMS FOR A MAJOR URBAN REDEVELOPMENT IN STOCKHOLM, SWEDEN

In Sweden, Nordic Climate Group company Labkyl is delivering two contracts for Mälarterrassen, part of the Slussen redevelopment in central Stockholm, one of the city's largest ongoing infrastructure and urban development projects, connecting transport, public spaces and new commercial areas.

The project includes energy systems and commercial kitchen cooling for a new restaurant area in a high-demand urban environment, opening during summer 2026.

At the core of the solution is Labkyl's DLE concept, an integrated system combining cooling, heating and hot water, where excess heat is recovered and reused. By connecting multiple energy flows, the system reduces overall energy demand and enables efficient operation across the entire facility.

The solution includes geoenergy and centralised system control, designed to optimise performance and balance energy use over time. By integrating cooling, heating and hot water in one system, excess heat from the cooling process is recovered and reused for heating, reducing overall energy demand while enabling efficient use of recovered heat in an environment with continuous activity and varying demand.

8. G1 BUSINESS CONDUCT

8.1 WHY BUSINESS CONDUCT IS A MATERIAL TOPIC

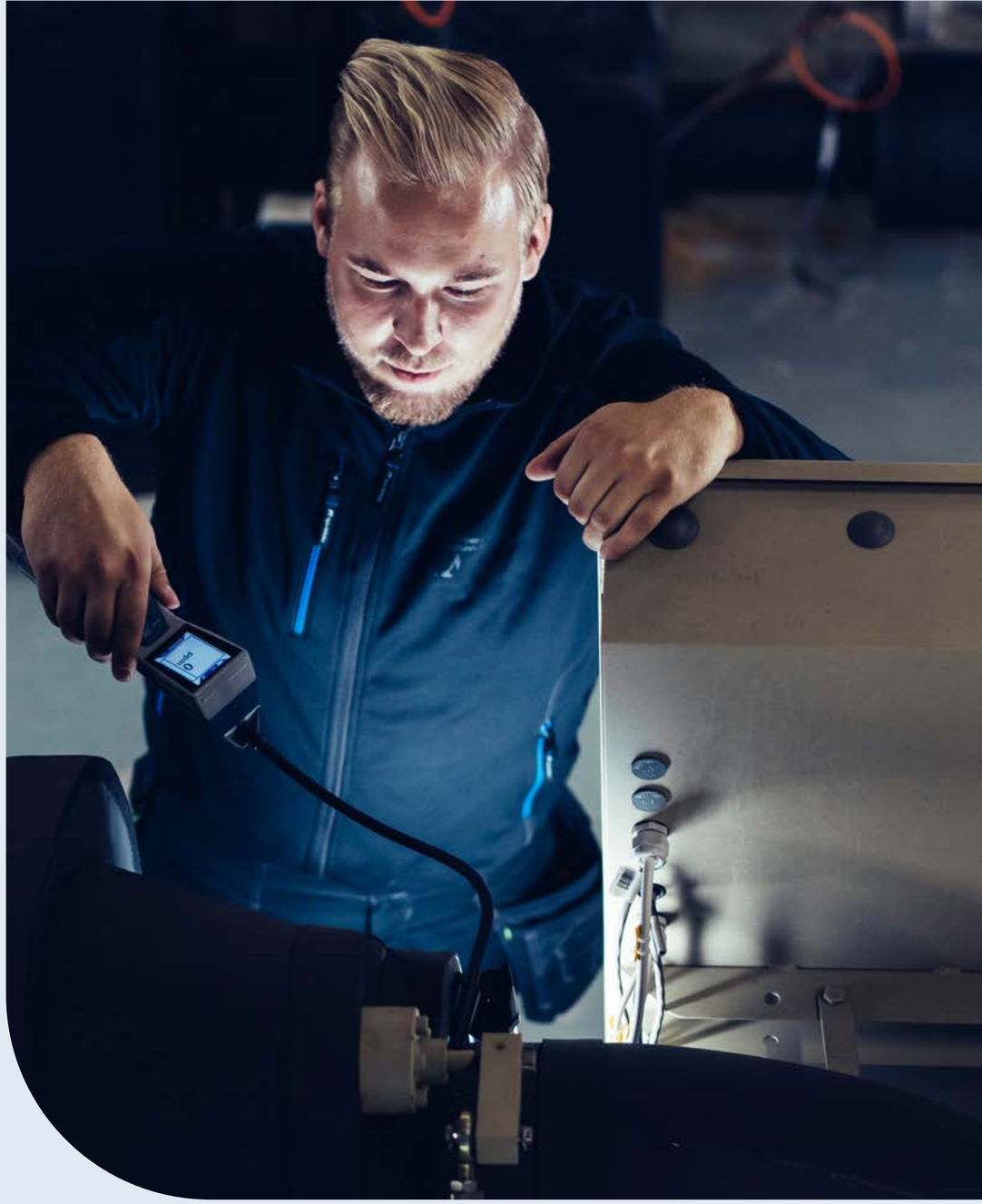
Business conduct is a material topic for Nordic Climate Group due to the importance of trust, integrity and responsible behaviour in relationships with customers, employees, suppliers and other stakeholders. The Group operates in a decentralised and acquisition-driven structure, where consistent ethical standards and compliance with laws and regulations are essential to protect the Group's reputation and long-term value creation.

As the Group continues to grow across multiple markets, expectations related to business ethics, anti-corruption and responsible conduct are increasing from customers, investors and regulators. Ensuring that core principles are understood and applied consistently across the organisation is therefore considered material.

8.2 GOVERNANCE, VALUES AND ETHICAL FRAMEWORK

Nordic Climate Group's approach to business conduct is based on its core values and general principles for responsible business behaviour. Governance and decision-making are characterised by a decentralised operating model, where responsibility for day-to-day operations lies with local management, while overall direction and oversight are provided by Group management and the Board of Directors.

Ethical considerations form part of management discussions and business decisions, although formalised group-wide governance frameworks are still under development. Expectations on responsible behaviour are communicated through leadership, company culture and existing policies at both group and local level.



8.3 CODE OF CONDUCT AND ANTI-CORRUPTION

Nordic Climate Group has established a Code of Conduct that outlines expectations related to ethical behaviour, compliance with laws and regulations, and zero tolerance for corruption and bribery. The Code of Conduct applies to employees across the Group and covers areas such as business integrity, conflicts of interest and responsible conduct in business relationships.

At the current stage, implementation and follow-up of the Code of Conduct are primarily handled at local level. There is no centralised reporting on training completion, incidents or breaches.

To support ethical conduct and enable the reporting of potential misconduct, Nordic Climate Group has implemented a confidential whistleblower function provided by an external service provider (WhistleB). The whistleblower channel allows employees and other relevant stakeholders to report suspected misconduct anonymously and with protection against retaliation. The whistleblower function is governed by a dedicated Whistleblower Policy.

The Group has not identified any confirmed incidents of corruption or bribery during the reporting period.

8.4 AREAS FOR FUTURE DEVELOPMENT

Going forward, Nordic Climate Group aims to further strengthen its approach to business conduct. Priority areas include clarifying and formalising group-wide governance structures, strengthening implementation and awareness of the Code of Conduct, and further developing training, communication and follow-up in a proportionate manner, taking into account the Group's decentralised operating model.

In this context, the Group has identified focus areas to support a more consistent approach over time:

- Roll-out of Code of Conduct and anti-bribery and corruption (ABC) training among relevant employees
- Maintain access to externally managed whistleblowing mechanisms across all entities

As part of its continued CSRD readiness work, the Group will further consider how existing mechanisms, including the whistleblower function, can be more systematically integrated into group-level monitoring, reporting and follow-up related to business conduct over time.

Status

G1 is currently a developing area for the Group. The section reflects existing principles and policies while clearly identifying areas where structure, implementation and follow-up can be strengthened in line with future CSRD expectations.

8.5 RISKS AND OPPORTUNITIES RELATED TO BUSINESS CONDUCT

Risks

Key risks related to business conduct include:

- **inconsistent application of ethical standards across subsidiaries;**
- **limited formalisation and follow-up of group-wide policies;**
- **increased compliance and reputational risks as the Group grows and regulatory expectations increase;**
- **limited preparedness for future CSRD and due diligence requirements.**

Opportunities

Strengthening business conduct also presents opportunities:

- **increased trust among customers, employees and business partners;**
- **reduced compliance and reputational risks;**
- **clearer expectations and guidance for employees in ethical dilemmas;**
- **a stronger foundation for sustainable growth and integration of new acquisitions.**

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ADVANCED PRODUCTION SYSTEMS SUPPORTING THE NORWEGIAN ARMED FORCES SUPPLY CHAIN IN NORWAY

Drytech produces both field rations and products under the REAL Turmat brand at its factory in Ørneveien. From left: Frode Berg (PTG Kuldeteknisk), Trond Hansen (Drytech) and Roar Karlsen (Maritim Sveiseservice). Photo: Jørn Eilertsen.

In Norway, Nordic Climate Group company PTG Kuldeteknisk delivers advanced drying systems supporting the production of field rations supplied to the Norwegian Armed Forces. The project is part of a long-term contract secured by Drytech in Tromsø, with an estimated value of approximately EUR 50 million.

PTG's solutions are an integral part of the production process, where high requirements are placed on quality, hygiene, reliability and energy-efficient operation. The systems are designed to ensure stable and consistent performance in demanding environments, where continuity and precision are critical.

The project is driving increased production capacity and ongoing investments in northern Norway, while engaging a network of local industrial suppliers. This enables a flexible production set-up with shorter lead times and the ability to scale when needed.

PTG contributes with specialised expertise in cooling and drying systems, ensuring that the technical solutions meet strict operational requirements and support efficient, reliable production.

9. CONCLUSIONS AND NEXT STEP

The work presented in this Report reflects the Group's initial steps towards a more structured and integrated approach to sustainability. Through the double materiality assessment, the Group has identified the sustainability matters most relevant to its operations and long-term value creation.

The identified material topics provide a clear focus for current disclosures and for the continued development of governance, processes and data quality. While certain areas remain under development, the Group has established a foundation for consistent and transparent sustainability reporting.

Going forward, the Group will continue to strengthen its approach to sustainability management and reporting, in line with evolving regulatory expectations and business priorities.

APPENDIX

A1. ESRS REFERENCE INDEX

This index illustrates how the content of this Sustainability Report relates to the European Sustainability Reporting Standards (ESRS). The report applies ESRS-aligned terminology and structure where relevant, using a proportionate approach inspired by the EFRAG VSME standard.

The index is not intended as a statement of full compliance with CSRD or ESRS. The scope and level of detail reflect the Group's current stage of reporting maturity and data availability, and will be further developed as part of the company's continued CSRD-readiness work.

Partial indicates proportionate coverage and/or limitations in scope, data availability or consolidation.

"ESRS STANDARD"	REFERENCE	DISCLOSURE REQUIREMENT	COVERED IN THIS REPORT	TYPE OF DISCLOSURE	REPORT REFERENCE	PAGE REFERENCE	COMMENTS / LIMITATIONS
ESRS 2	BP-1	General basis for preparation of the sustainability statement	Partial	Qualitative	1.1 Introduction; 1.3 Basis for preparation	p. 8	Prepared using a proportionate approach inspired by VSME; further alignment with ESRS under development
ESRS 2	BP-2	Disclosures in relation to specific circumstances	Partial	Qualitative	1.3 Scope and boundaries; 1.5 Methodology and estimates	p. 8, 9	Certain disclosures based on estimates and evolving data availability
ESRS 2	GOV-1	Role of the administrative, management and supervisory bodies	Partial	Qualitative	1.6 Sustainability governance	p. 9	Governance structures in place; further formalisation of roles, responsibilities and oversight ongoing
ESRS 2	GOV-2	Information provided to and sustainability matters addressed by administrative, management and supervisory bodies	Partial	Qualitative	1.6 Sustainability governance; 1.7 Policies and governance framework	p. 9	Sustainability topics addressed within governance structures; policy framework established at a general level with further development of implementation and follow-up processes ongoing
ESRS 2	GOV-3	Integration of sustainability-related performance in incentive schemes	No	—	Not disclosed	—	Not disclosed at this stage
ESRS 2	GOV-4	Statement on due diligence	Partial	Qualitative	1.7 Policies and governance framework; 3.1 Double materiality assessment	p. 9, 16	Elements of due diligence described through policies and double materiality assessment; formalised group-wide due diligence framework under development
ESRS 2	GOV-5	Risk management and internal controls over sustainability reporting	Partial	Qualitative	1.5 Sources of estimation and uncertainty; 3.3 Results	p. 9, 17	Risk management and internal controls described at a general level; further development of structured processes and reporting ongoing
ESRS 2	SBM-1	Strategy, business model and value chain	Partial	Qualitative	2.1 Overview of the business model; 2.2 Description of the value chain	p. 10–12	Value chain described at a general level; further detail may be developed over time
ESRS 2	SBM-2	Interests and views of stakeholders	Partial	Qualitative	2.3 Description of our stakeholders	p. 13	Stakeholder dialogue initiated; structured engagement processes under development
ESRS 2	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Partial	Qualitative	2.4 Key sustainability-related impacts, risks and dependencies; 4.5 Targets, performance and transition focus	p. 14	Link between materiality assessment and strategy described at a general level; further integration into business processes under development
ESRS 2	IRO-1	Processes to identify and assess material impacts, risks and opportunities	Partial	Qualitative	3.1 Methodology and process; 3.3 Results	p. 16	Initial Group-level DMA completed; methodology and scope expected to evolve over time
ESRS 2	IRO-2	Disclosure requirements in ESRS covered by the sustainability statement	Partial	Qualitative	ESRS reference index	p. 47–50	Index provided to support transparency; coverage reflects current reporting maturity and scope
ESRS E1	E1-1	Transition plan for climate change mitigation	Partial	Qualitative	4.5 Targets, performance and transition focus (Way forward)	p. 28	Transition plan under development; further detail expected as approach matures
ESRS E1	E1-2	Policies related to climate change mitigation and adaptation	Partial	Qualitative	4.5 Targets, performance and transition focus	p. 28	Climate-related policies referenced; further detail and formalisation ongoing
ESRS E1	E1-3	Actions and resources in relation to climate policies	Partial	Qualitative	4.5 Targets, performance and transition focus	p. 28	Actions identified; implementation and resource allocation developing over time
ESRS E1	E1-4	Targets related to climate change mitigation and adaptation	Yes	Quantitative / KPIs	4.5 Targets, performance and transition focus	p. 28	SBTi-validated targets disclosed and aligned with a 1.5°C pathway

The table continues on the next page →

"ESRS STANDARD"	REFERENCE	DISCLOSURE REQUIREMENT	COVERED IN THIS REPORT	TYPE OF DISCLOSURE	REPORT REFERENCE	PAGE REFERENCE	COMMENTS / LIMITATIONS
ESRS E1	E1-5	Energy consumption and mix	Partial	Quantitative / KPIs	4.2 Current approach and status	p. 22	Indicator disclosed; further development of energy data and breakdowns ongoing
ESRS E1	E1-6	Gross Scope 1, 2, 3 and total GHG emissions	Yes	Quantitative / KPIs	4.3 Greenhouse gas emissions overview	p. 25	Emissions disclosed across scopes; data quality and completeness continue to improve
ESRS E1	E1-7	GHG removals and carbon credits	No	—	Not disclosed	—	Not disclosed at this stage
ESRS E1	E1-8	Internal carbon pricing	No	—	Not disclosed	—	Internal carbon pricing not applied at this stage
ESRS E1	E1-9	Anticipated financial effects from climate risks and opportunities	Partial	Qualitative	4.4 Climate-related risks and opportunities	p. 27	Qualitative assessment provided; quantification may be developed over time
ESRS E5	E5-1	Policies related to resource use and circular economy	Partial	Qualitative	5.2 Current practices across the value chain; 5.4 Areas for future development	p. 31, 32	Circularity integrated in practices; formalised group-wide policies under development
ESRS E5	E5-2	Actions and resources related to resource use and circular economy	Partial	Qualitative	5.2 Current practices across the value chain	p. 31	Actions implemented through operations; further structuring and resource allocation under development
ESRS E5	E5-3	Targets related to resource use and circular economy	No	—	Not disclosed	—	Not disclosed at this stage
ESRS E5	E5-4	Resource inflows	No	—	Not disclosed	—	Data on material inflows and resource use not yet systematically collected
ESRS E5	E5-5	Resource outflows	Partial	Qualitative	5.2 Current practices across the value chain	p. 31	Waste handling and recycling described; quantitative data development ongoing
ESRS E5	E5-6	Anticipated financial effects from resource use and circular economy risks and opportunities	Partial	Qualitative	5.3 Risks and opportunities	p. 32	Qualitative assessment provided; financial quantification not yet developed
ESRS S1	S1-1	Policies related to own workforce	Partial	Qualitative	6.3 Working conditions, health and safety; 6.5 Areas for future development	p. 34, 36	Workforce practices described; further development of group-wide policies ongoing
ESRS S1	S1-2	Processes for engaging with own workforce and workers' representatives	Partial	Qualitative	6.4 Employee engagement and development	p. 35	Engagement measured via eNPS; broader structured processes evolving
ESRS S1	S1-3	Processes to remediate negative impacts and channels for workers to raise concerns	No	—	Not disclosed	—	Not disclosed at this stage
ESRS S1	S1-4	Actions on material impacts and approaches to managing risks and opportunities	Partial	Qualitative	6.6 Risks, opportunities and areas for development	p. 36	Risks and opportunities described; actions being further developed
ESRS S1	S1-5	Targets related to managing material impacts, risks and opportunities	Partial	Qualitative	6.5 Areas for future development	p. 36	Operational priorities defined; further development of measurable targets ongoing
ESRS S1	S1-6	Characteristics of the undertaking's employees	Partial	Quantitative / KPIs	6.2 Workforce profile	p. 34	Workforce data disclosed; further granularity and consistency under development
ESRS S1	S1-7	Characteristics of non-employees in the workforce	No	—	Not disclosed	—	Not disclosed at this stage
ESRS S1	S1-8	Collective bargaining coverage and social dialogue	No	—	Not disclosed	—	Not disclosed at this stage

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"ESRS STANDARD"	REFERENCE	DISCLOSURE REQUIREMENT	COVERED IN THIS REPORT	TYPE OF DISCLOSURE	REPORT REFERENCE	PAGE REFERENCE	COMMENTS / LIMITATIONS
ESRS S1	S1-9	Diversity metrics	Partial	Quantitative / KPIs	6.2 Workforce profile	p. 34	Gender data disclosed; broader diversity metrics under development
ESRS S1	S1-10	Adequate wages	No	—	Not disclosed	—	Not disclosed at this stage
ESRS S1	S1-11	Social protection	No	—	Not disclosed	—	Not disclosed at this stage
ESRS S1	S1-12	Persons with disabilities	No	—	Not disclosed	—	Not disclosed at this stage
ESRS S1	S1-13	Training and skills development metrics	Partial	Qualitative	6.4 Employee engagement and development; 6.5 Areas for future development	p. 35, 36	Training initiatives described; quantitative metrics under development
ESRS S1	S1-14	Health and safety metrics	Partial	Quantitative / KPIs	6.3 Working conditions, health and safety	p. 34	Safety data disclosed; further development of standardised metrics ongoing
ESRS S1	S1-15	Work-life balance metrics	No	—	Not disclosed	—	Not disclosed at this stage
ESRS S2	S2-1	Policies related to workers in the value chain	Partial	Qualitative	7.2 Current approach and status	p. 40	Supplier Code of Conduct established; broader implementation and integration ongoing
ESRS S2	S2-2	Processes for engaging with workers in the value chain	No	—	Not disclosed	—	Structured engagement processes not yet established
ESRS S2	S2-3	Processes to remediate negative impacts and channels to raise concerns	No	—	Not disclosed	—	Not disclosed at this stage
ESRS S2	S2-4	Actions on material impacts and approaches to managing risks and opportunities	Partial	Qualitative	7.3 Areas for future development; 7.4 Risks and opportunities	p. 40	Risks and opportunities described; structured processes under development
ESRS S2	S2-5	Targets related to managing impacts, risks and opportunities	Partial	Qualitative	7.3 Areas for future development	p. 40	Initial focus areas identified; further development of targets expected
ESRS S2	S2-6	Characteristics of workers in the value chain	No	—	Not disclosed	—	Not disclosed at this stage
ESRS S2	S2-7	Non-compliance and incidents	No	—	Not disclosed	—	Not disclosed at this stage
ESRS G1	G1-1	Business conduct policies and corporate culture	Partial	Qualitative	8.2 Governance, values and ethical framework; 8.3 Code of conduct and anti-corruption	p. 42, 43	Code of Conduct and values established; further development of governance and follow-up ongoing
ESRS G1	G1-2	Management of relationships with suppliers	Partial	Qualitative	8.1 Why business conduct is a material topic; 8.3 Code of conduct and anti-corruption	p. 42, 43	Supplier expectations defined; further development of structured processes ongoing
ESRS G1	G1-3	Prevention and detection of corruption and bribery	Partial	Qualitative	8.3 Code of conduct and anti-corruption	p. 43	Whistleblower mechanism in place; further development of monitoring and training tracking ongoing
ESRS G1	G1-4	Confirmed incidents of corruption or bribery	Partial	Qualitative	8.3 Code of conduct and anti-corruption	p. 43	No confirmed incidents identified; reporting processes continue to develop
ESRS G1	G1-5	Political influence and lobbying activities	No	—	Not disclosed	—	Not disclosed at this stage
ESRS G1	G1-6	Payment practices	No	—	Not disclosed	—	Not disclosed at this stage

A2. GREENHOUSE GAS EMISSIONS ACCOUNTING METHODOLOGY

2.1 PURPOSE AND SCOPE

This methodology describes the approach used by Nordic Climate Group to account for and report greenhouse gas (GHG) emissions across its operations and value chain.

The methodology supports:

- annual sustainability reporting
- monitoring progress against climate targets validated by the Science Based Targets initiative
- internal monitoring of climate performance.

Greenhouse gas emissions are calculated in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard and the Corporate Value Chain (Scope 3) Standard.

The inventory includes emissions from:

- Scope 1 – direct emissions from owned or controlled sources
- Scope 2 – indirect emissions from purchased energy
- Scope 3 – other indirect emissions occurring across the value chain.

2.2 DEFINITIONS

For the purpose of this methodology:

Economic Value Added (EVA) is defined as EBITDA plus personnel costs, representing the total value generated by the company before payments to labor and capital.

Operational control refers to the organisational boundary approach defined by the Greenhouse Gas Protocol, where a company accounts for 100% of emissions from operations over which it has operational control.

Use of sold products refers to emissions associated with the operation of cooling and heating systems installed by Nordic Climate Group during their expected operational lifetime.

2.3 REPORTING PERIOD

The greenhouse gas inventory is prepared on an annual basis and covers the reporting period from 1 January to 31 December.

2.4 ORGANISATIONAL BOUNDARY

Nordic Climate Group defines its organisational boundary using the operational control approach.

Under this approach, the company accounts for 100% of greenhouse gas emissions from operations over which it has operational control.

The inventory includes emissions from all subsidiaries within the group across the countries where Nordic Climate Group operates.

2.5 OPERATIONAL BOUNDARY

The GHG inventory includes emissions across Scope 1, Scope 2 and relevant Scope 3 categories.

TABLE A2.5

Overview of scope coverage

SCOPE	MAIN EMISSION SOURCES
Scope 1	Vehicle fuel use and limited stationary combustion
Scope 2	Electricity and heating used in facilities
Scope 3	Purchased goods and services, logistics, refrigerants, and use of sold products

2.5.1 Scope 1 – Direct emissions

Scope 1 emissions arise primarily from:

- fuel consumption in company-owned vehicles
- limited stationary combustion in facilities.

Vehicle fuel consumption represents the largest share of Scope 1 emissions due to the service-based nature of the company's operations.

2.5.2 Scope 2 – Energy indirect emissions

Scope 2 emissions arise from purchased energy used in offices, workshops and other operational facilities, including:

- electricity
- district heating and cooling where applicable.

Electricity-related emissions are calculated using country-specific electricity emission factors based on the national residual electricity mix, reflecting the carbon intensity of electricity generation in each country.

2.5.3 Scope 3 – Value chain emissions

Scope 3 emissions represent the majority of Nordic Climate Group's climate footprint.

Relevant Scope 3 categories include:

- purchased goods and services
- capital goods
- fuel- and energy-related activities
- upstream transportation and distribution
- business travel
- employee commuting
- waste generated in operations
- end-of-life treatment of sold products
- use of sold products (energy consumption and refrigerants).

The Scope 3 categories listed above represent those currently identified as relevant to Nordic Climate Group's value chain and included in the company's greenhouse gas inventory.

Additional Scope 3 categories may be included in future reporting if they become material or if improved data availability enables more robust estimation of emissions.

The use phase of installed cooling and heating systems represents the largest share of total emissions.

2.6 BASE YEAR AND SCIENCE-BASED TARGETS

Nordic Climate Group's climate targets are validated by the Science Based Targets initiative and aligned with a 1.5°C pathway.

The company commits to:

- reducing absolute Scope 1 and Scope 2 emissions by 42% by 2030, compared with the 2023 base year
- reducing Scope 3 emissions from the use of sold products by 51.6% per SEK of value added by 2030.

The base year for emissions reporting is 2023, representing the first year with a structured methodology for emissions accounting.

2.7 BASE YEAR RECALCULATION AND ACQUISITIONS

Nordic Climate Group grows both organically and through acquisitions.

To ensure comparability of emissions over time, emissions are reported on a pro forma basis.

When companies are acquired, emissions from these entities are included in the group's inventory for the full reporting year. For comparability purposes, emissions from acquired entities are incorporated retroactively from the base year (2023) through the current reporting year.

This approach ensures that growth through acquisitions does not distort emissions trends over time.

Where significant structural changes occur, historical emissions data may be recalculated in accordance with the base year recalculation principles of the Greenhouse Gas Protocol.

2.8 DATA SOURCES AND COLLECTION

Emissions calculations are based on a combination of:

- direct activity data
- modelled activity data
- financial proxy data.

Data is collected annually from subsidiaries across the group.

Examples of primary data include:

- fuel consumption from company vehicles
- electricity and heating consumption
- refrigerant quantities used in installations and service
- procurement data for equipment and materials.

Where primary data is not available, emissions are estimated using secondary data sources or modelling approaches.

Reported data is subject to internal validation checks in order to identify inconsistencies or significant deviations compared with previous reporting periods.

2.9 EMISSION FACTORS

Emission factors are used to convert activity data or proxy data into greenhouse gas emissions.

Sources may include:

- national electricity generation statistics
- internationally recognised emission factor databases
- supplier-specific emissions data where available.

Country-specific electricity emission factors are applied in order to reflect differences in electricity generation mixes across the markets where Nordic Climate Group operates.

2.10 CALCULATION METHOD

Emissions are calculated using the general formula:

Emissions =

Activity data or proxy data × Emission factor

Different types of input data are used depending on the emission category.

TABLE 2.10

EMISSION CATEGORY	DATA TYPE
Scope 1 – vehicle fuel	direct activity data
Scope 2 – electricity	direct activity data
Purchased goods and services	spend-based data
Use of sold products – energy	modelled activity data
Refrigerants	physical quantities (kg)

This approach follows methodological guidance from the Greenhouse Gas Protocol for estimating emissions where direct activity data is not available.

2.11 USE OF SOLD PRODUCTS – ENERGY CONSUMPTION AND REFRIGERANTS

Emissions associated with the use phase of installed cooling and heating systems represent a significant share of Nordic Climate Group's total greenhouse gas emissions. Two main emission sources are included in this category:

- electricity consumption during system operation
- refrigerants used in installations and service activities.

2.11.1 Energy consumption modelling

Emissions from the energy use of installed systems are estimated using a segmentation-based modelling approach.

Because Nordic Climate Group installs a large number of systems across different applications and markets, emissions are not calculated individually for each installation. Instead, installations are grouped into representative application segments and modelled using reference systems.

2.11.2 Revenue-based segmentation of installations

Installed projects are grouped into application segments reflecting the primary use of the installed systems (for example retail refrigeration, industrial cooling, commercial buildings or other applications).

The distribution of installations across these segments is estimated using internal business data, including project split and revenue distribution.

Revenue and project distribution data are used as a proxy to estimate the relative distribution of installations across application segments, as detailed installation-level energy performance data is not available for all projects.

For each application segment, a representative reference system ("standard system") is defined. These reference systems reflect typical installations delivered within the segment and are used to estimate expected operational energy consumption.

The modelling approach is designed to provide a consistent estimate of lifecycle emissions across the installed system base rather than project-specific emissions calculations.

The modelling approach represents the installed system base associated with installations delivered during the reporting year.

The distribution of installations across application segments is estimated using internal business data and is intended to reflect the typical mix of systems installed by Nordic Climate Group during the reporting period.

2.11.3 Step 1 – Allocation of installations to application segments

Installations are allocated to predefined application segments based on project split and revenue distribution across business segments.

2.11.4 Step 2 – Reference system definition and annual energy consumption

For each application segment, a representative reference system is defined. Annual electricity consumption is estimated based on typical system characteristics and operating conditions. The number of reference systems per segment is modelled by dividing segment revenue by the cost of the relevant reference system.

TABLE 2.11.4

PRODUCT SEGMENT	MACHINE CAPACITY	COP	LIFETIME	UTILIZATION AT CLIENT SITE	MACHINE WEIGHT (KG)	METAL	PLASTIC	ELECTRONICS
Comfort	6	4.00x	15	25%	56	90%	8%	2%
Commercial	18	3.00x	15	85%	257	90%	8%	2%
Industrial / Process	93	3.30x	20	65%	1 411	90%	8%	2%
		3.50x	16.6 years	55%				

2.11.5 Step 3 – Assumed system lifetime

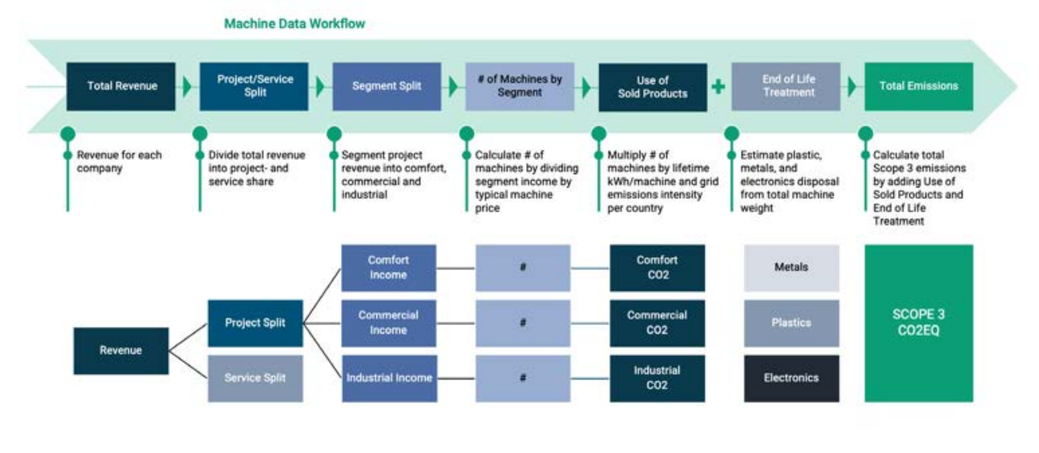
The estimated annual energy consumption is multiplied by an assumed operational lifetime of the system.

2.11.6 Step 4 – Conversion to emissions

Lifetime electricity consumption is converted to emissions using country-specific electricity generation emission factors. Lifecycle emissions therefore depend on both:

- system energy efficiency
- the carbon intensity of national electricity grids.

2.11.7 Method figure – Lifecycle emissions modelling



2.11.8 Refrigerant emissions

Emissions related to refrigerants are calculated based on the quantity of refrigerants used in installations and service operations.

Emissions are calculated using the formula:
Emissions = Refrigerant quantity (kg) × Global Warming Potential (GWP)

Refrigerant quantities are reported by subsidiaries based on refrigerants purchased and used during the reporting year.

2.12 DATA QUALITY, ESTIMATES AND LIMITATIONS

Nordic Climate Group continuously works to improve the completeness and quality of emissions data.

While the majority of emissions calculations are based on primary operational data, several Scope 3 categories rely on modelling and estimation methods. Key sources of uncertainty include:

- the use of spend-based emission factors for certain upstream Scope 3 categories
- modelling assumptions used to estimate energy consumption of installed systems, and retroactive emission estimates for companies acquired after the base year (2023)
- the use of representative system categories rather than project-specific system data
- assumptions regarding operational lifetime of installed equipment
- variations in data quality and reporting practices across subsidiaries.

In addition, Nordic Climate Group operates across multiple European markets with differing energy systems, regulatory environments and customer segments.

Lifecycle emissions from installed systems are therefore strongly influenced by differences in national electricity generation mixes.

Emissions from the use phase of installed systems may also be affected by external factors outside the company's direct operational control, particularly the decarbonisation of electricity grids.

Changes in electricity carbon intensity may therefore influence reported emissions independently of operational improvements within Nordic Climate Group.

2.13 METHODOLOGY UPDATES

The emissions accounting methodology may be refined over time as data availability improves or improved emission factors and modelling approaches become available.

Any significant methodological changes will be transparently disclosed in future sustainability reports.

2.13.1 Refrigerants and regulatory outlook

Refrigerants are a key factor in the climate performance of cooling and heating systems. Their impact is primarily determined by their Global Warming Potential (GWP), but also by regulatory developments and long-term availability.

The table below provides an overview of selected refrigerants relevant to the Group's operations. It combines climate impact data with a forward-looking perspective based on current EU regulation and market developments.

OVERVIEW OF SELECTED REFRIGERANTS

REFRIGERANT	GWP (AR5)	TYPE	REGULATORY STATUS ACCORDING TO EU F-GAS REGULATION	OUTLOOK
R32	677	HFC	Allowed with restrictions	Transitional
R134a	1300	HFC	Restricted and phased out in new equipment	Phasing out
R410A	1924	HFC blend	Restricted and being phased down	Phasing out
R404A	3943	HFC blend	Restricted and phased out in new equipment	Phasing out
R407C	1774	HFC blend	Restricted and being phased down	Phasing out
R407F	1825	HFC blend	Restricted and being phased down	Phasing out
R407A	2107	HFC blend	Restricted and being phased down	Phasing out
R507A	3985	HFC blend	Restricted and phased out in new equipment	Phasing out
R452A	2140	HFO/HFC blend	Restricted and being phased down	Transitional
R452B	698	HFO/HFC blend	Allowed with restrictions	Transitional
R448A	1387	HFO/HFC blend	Allowed with restrictions	Transitional
R449A	1396	FO/HFC blend	Allowed with restrictions	Transitional
R449B	1411	HFO/HFC blend	Allowed with restrictions	Transitional
R450A	601	HFO/HFC blend	Allowed with restrictions	Transitional
R513A	630	HFO/HFC blend	Allowed with restrictions	Transitional
R513B	594	HFO/HFC blend	Allowed with restrictions	Transitional
R454A	237	HFO/HFC blend	Allowed with restrictions	Transitional
R454B	465	HFO/HFC blend	Allowed with restrictions	Transitional
R454C	146	HFO/HFC blend	Allowed with restrictions	Transitional
R455A	146	HFO/HFC blend	Allowed with restrictions	Transitional
R471A	144	HFO/HFC blend	Allowed with restrictions	Transitional
R1234yf	1	HFO	Allowed	Under review
R1234ze(E)	1	HFO	Allowed	Under review
HCFO-1233zd(E)	4	HCFO	Allowed	Under review
CO_2 (R744)	1	Natural	Not subject to EU F-gas restrictions	Future-proof
Ammonia (R717)	0	Natural	Not subject to EU F-gas restrictions	Future-proof
Propane (R290)	3	Natural	Not subject to EU F-gas restrictions	Future-proof
Isobutane (R600a)	3	Natural	Not subject to EU F-gas restrictions	Future-proof
Propylene (R1270)	2	Natural	Not subject to EU F-gas restrictions	Future-proof

Refrigerant classification

Refrigerants are categorised based on regulatory developments, climate impact and long-term availability.

Phasing out

Refrigerants with high climate impact that are being restricted or phased out under current regulation.

Transitional

Lower-GWP alternatives used today, but with regulatory or long-term limitations.

Under review

Refrigerants with low climate impact but uncertain long-term outlook due to evolving regulation, including potential restrictions related to fluorinated substances, such as PFAS.

Future-proof

Refrigerants with very low climate impact and no expected regulatory restrictions.

*Global Warming Potential (GWP_{100}) values are based on the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5), using a 100-year time horizon (CO_2 = 1). Values for refrigerant blends are aligned with EU regulatory and industry reference data.

A3. SUMMARY REPORTED EMISSIONS

3.1 EMISSIONS PER REFRIGERANT TYPE IN GROUP 2025 (KG)

REFRIGERANTS	TOTAL	GWP POTENTIAL ($KGCO^2EQ/KG$)	EMISSION (tCO^2EQ)
R1234	1 405	1	1
R1270	85	2	0
R134A	10 682	1 300	13 887
R227EA	36	3 350	121
R290	1 304	0,06	0
R291	123	0,06	0
R32	2 683	677	1817
R404A	6 229	3 943	24 562
R407A	372	1 923	715
R407C	9 665	1 624	15 696
R407F	235	1 674	393
R410A	16 416	1 924	31 584
R413A	3	1 945	6
R422D	200	2 473	495
R437A	414	1 639	679
R438A	36	2 059	74

REFRIGERANTS	TOTAL	GWP POTENTIAL ($KGCO^2EQ/KG$)	EMISSION (tCO^2EQ)
R442D	23	2 473	57
R448A	3 619	1 273	4 607
R449A	7 382	1 282	9 464
R450A	182	547	100
R452A	8 368	1 945	16 276
R452B	264	676	178
R453A	55	1 765	97
R454B	1 493	467	697
R454C	42	148	6
R455A	246	145	36
R507A	80	3 985	319
R513A	2 111	573	1 209
R600A	58	3	0
R717	13 149	0	0
R744	189 142	1	189
R745	218	1	0
RS24	2	1 371	3
Total	**276 322**		**123 268**

3.2 TOTAL EMISSIONS PER CATEGORY AND YEAR

	GROUP			
	Total (tCO2eq)			Change, %
	2023	2024	2025	% 2024 – 2025
Scope 1	**5 129**	**5 330**	**5 582**	**4,7%**
Mobile Combustion	5 109	5 284	5 550	5,0%
Stationary combustion	19	46	32	(29,8%)
Scope 2	**1 115**	**1 360**	**1 178**	**(13,4%)**
Electricity	1 070	1 260	1 084	(14,0%)
Heat, steam, and cooling	46	100	94	(6,3%)
Scope 3	**589 356**	**544 066**	**533 974**	**(1,9%)**
Purchased goods and services	56 990	67 920	74 753	10,1%
Business travel	612	770	670	(13,0%)
Capital goods	4 195	5 317	3 302	(37,9%)
Upstream transporation and distribution	476	537	471	(12,4%)
Fuel- and Energy-Related Activities	1 406	1 570	1 448	(7,8%)
Use of sold products - Refrigerants	132 333	158 876	123 268	(22,4%)
Use of sold products - Energy consumption	389 606	304 954	325 842	6,8%
End-of-life treatment of sold products	154	171	164	(4,1%)
Waste generated in operations	66	278	117	(58,1%)
Employee commuting	3 516	3 674	3 941	7,3%
Scope 3 Intensity per mSEK Value Add	**285**	**247**	**230**	**(6,9%)**
Total	**595 600**	**550 756**	**540 735**	**(10,5%)**
% EV	8%	11%	14%	26,2%
% Natural Refrigerants	72%	69%	74%	6,2%
Social				
# of FTEs				
Work-related incidents				
Work-related sickness days				
eNPS				

SUSTAINABILITY REPORT 2025

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