

An aerial photograph of a dense forest with a mix of green and brown trees. A semi-transparent dark blue triangle is in the top-left corner. On the right side, there are three geometric shapes: a white downward-pointing triangle at the top, a light blue triangle pointing right in the middle, and a white downward-pointing triangle at the bottom.

ScandBook SUSTAINABILITY REPORT

2022

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At ScandBook Group, a leading book printing company in Scandinavia, we prioritize sustainability as a fundamental aspect of our operations. Our commitment extends across environmental, social, and governance areas, aligning with internationally recognized guidelines and principles.

” This year marks a significant milestone as we release our first Sustainability Report, in accordance with global GRI standards. This report offers an extensive overview of our sustainability accomplishments and objectives. What sets this report apart is its focus on the sustainability concerns that matter most to our employees, clients, suppliers, and other stakeholders. We determined these priorities through a comprehensive materiality analysis and stakeholder survey.

We place a strong emphasis on reducing the environmental impact of our activities, particularly with regard to climate change. We address various environmental issues, including material consumption, water usage, waste management, and biodiversity impacts. Our commitment is further underlined by attaining various environmental certifications, which are elaborated upon in this report.

Within the social area, we prioritize employee well-being, health and safety, as well as diversity, equality, and inclusion. In 2022, our efforts were centered on improving the working environment, providing comprehensive training for our employees, and maintaining stringent equipment and facility maintenance standards. We remain dedicated to fostering a workplace free from discrimination, and we report that there were no incidents related to this issue last year. Looking ahead, we aim to actively participate in training programs to further enhance our expertise in employee well-being.

In the governance and economic area, we concentrate on business ethics, compliance, supply chain responsibility,

customer satisfaction, and product quality. Managing these aspects in alignment with good governance practices complements our endeavors in social and environmental topics. In the coming years, we will intensify our supplier screening, continually strive to enhance the quality of our products and services, and maintain unwavering adherence to established policies.

This Sustainability Report offers comprehensive insights into our priority sustainability topics, accomplishments, and objectives in each domain. We remain steadfast in our commitments and are dedicated to engaging with all stakeholders as we continue to enhance our sustainability performance.

**Chief Executive Officer
Paulius Juška**



This ScandBook Group's (hereinafter - Scandbook; the Group) Sustainability Report (hereinafter - Sustainability Report), providing an overview of the Group's sustainability performance, is published for the period from 1 January until 31 December 2022. The Group consists of a parent company, ScandBook Holding AB (located in Falun, Sweden), and its two trading subsidiaries and production facilities, ScandBook AB in Sweden and ScandBook UAB in Lithuania.

This is the Group's first annual Sustainability Report, prepared in accordance with the Global Reporting Initiative, GRI standards 2021 updated version. The Sustainability Report is provided for the same period as the annual financial statements. The report was prepared in consultation with external sustainability experts but was not audited.

The Sustainability Report presents the Group's accomplishments and aspirations in the environmental, social and governance (ESG) areas. It reveals how the Group contributes to the United Nations Sustainable Development Goals (SDGs) and adheres to the principles of the Global Compact. This year, the Group has focused on carrying out a materiality analysis, conducting a stakeholder survey and developing a materiality matrix, which helped to identify the most important information for stakeholders.

This Sustainability Report contains the best data available at its publication, but, looking ahead, the Group will continue to improve the quality of the information in the sustainability reports by fully and accurately disclosing all relevant performance indicators.



Questions or feedback on this report and ScandBook's sustainability activities can be submitted through info@scandbook.lt



ScandBook Group is a leading book printing company in Scandinavia. The Group specialises in producing hard and soft cover books of various sizes for publishing houses and other business clients. In addition to printing and binding books, ScandBook also provides various solutions and services for post-book production, such as book mixing, book slipcase and/or shop stand fitting, labelling, shrink wrapping, box or loose packaging, and distribution of books, among many others.

ScandBook's key activities generating sustainability impacts include material sourcing and purchasing, acquisition of printing machinery and its maintenance, employee recruitment, training and professional development, and B2B client management while meeting their ESG-related needs and requirements.



Mission

ScandBook will create good profitability by being the client's first choice as a cooperation partner in book production.



Vision

ScandBook's vision is to:

Become an integrated supplier that meets all the needs of the book publishers for the manufacture and distribution of books.



Strategy

ScandBook's strategy is to be a leading and independent cooperation partner for book publishers by:

- Being target driven book producer, with a high level of client service and a distinct environmental image, of hard and softbound books.
- Offering its customers the market's most flexible and efficient deliveries.
- Gradually expanding its offering to other northern European countries and broadening the product range by both organic growth and acquisition.
- Continuously developing and broadening its range of services to the book publishers.
- Seizing competitive advantages.
- Being well positioned geographically in relation to suppliers and customers, permitting short lead times and low logistics costs.

The Group strives to realise its strategy while considering the environmental, social, and governance impacts of its activities. The Group's key sustainability principles are elaborated further in this report.

More information on ScandBook's business concept, vision and strategy is available on our [website](#).



SUSTAINABILITY AT THE GROUP

Management of the environmental, social and economic impact of the Group is overseen by the Chairman of the Board of Directors (hereinafter - the Board) and the Group's Chief Executive Officer (hereinafter - the CEO). They act in collaboration with the Board members who are responsible for developing, approving, and updating the Group's sustainable development objectives, as well as allocating funding for their implementation. Responsibility for sustainability in day-to-day operations is delegated by the Board to the sustainability working group: responsible managers and employees according to the material sustainability topics, managed by the Quality management specialist. The appointed responsible persons report on the results of environmental, social and economic impact management to the Board in its quarterly meetings. The Sustainability Reports are prepared by the sustainability working group and presented for approval to the CEO and the Chairman of the Board.

Sustainability concerns are reported to the Board as they arise, either informally or during the quarterly Board meetings. In the year 2022, the Board was informed about potential paper supply shortages and delayed paper delivery times. Actions were taken to look into alternatives and new suppliers were tested.

The Group consistently takes actions to enhance the expertise, abilities, and know-how of its governance bodies concerning sustainable development. In the past year, the Group's CEO engaged in training programs focusing on Climate Finance and Sustainable Supply Chains (aligning with ISO standards).

The effectiveness of governance bodies in handling environmental, social, and governance impacts is assessed through ISO 9001, 14001, and 45001 audits, as well as through quarterly Board overviews of the Group's performance and financial outcomes.

ScandBook Group's governance structure

ScandBook's governing bodies consist of the General Meeting of Shareholders, the Board, the CEO, and the auditors. At the Annual General Meeting, the shareholders elect the Board and auditors for 1 year at a time. The Board appoints the President. The auditors examine the annual report and the administration of the Board and the CEO. The Nominating Committee submits proposals for Board members and auditors for election at the General Meeting of Shareholders, which is held within 6 months of the end of the financial year.

The Board in ScandBook is the highest managing body and bears ultimate responsibility for the company's organisation and the management of the company's affairs. In 2022, it consisted of 5 members, out of whom 4 were men and 1 was a woman. The Board's Chairman did not hold other important (high-level management) positions in the Group, and the Board had one employee representative.

The CEO is responsible for the day-to-day management and operation of the company in accordance with the Board's guidelines and directions. The division of labour between the Board and the CEO has been established in written instructions.

In 2022, the registered accounting firm Ernst & Young was elected as auditors with Gunilla Andersson as auditor in charge for the period until the next Annual General Meeting. The Group's auditor reports her observations from examining the financial statements and her assessment of the Group's internal control to the Board.

The potential risk of conflicts of interest amongst the Group's governance bodies is assessed during the annual audit, and the auditor presents its conclusion. In 2022, no conflicts of interest were identified.

| GRI 2-9 | GRI 2-10 | GRI 2-11 | GRI 2-12 | GRI 2-13 |

| GRI 2-14 | GRI 2-15 | GRI 2-16 | GRI 2-17 | GRI 2-18 |

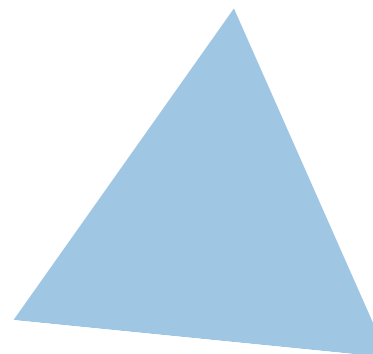
More information on the Group's governance model, the composition of the Board and its selection processes (The Nominating Committee) is provided on our website as well as Annual Reports (in Swedish).

Processes to remediate negative impacts

Depending on the nature of the negative impact, ScandBook shall, by the Group's procedures, investigate the violation, report it to management and the responsible authorities, and undertake to remedy and/or repair the damage. If no specific internal procedure is outlined, the Group will act in accordance with legal requirements.

Whistle-blowing channels

Individuals or other relevant parties who suspect, encounter or have undergone any type of breach by ScandBook Group activity can raise their concerns through anonymous complaints boxes at the Group's physical locations, or send an e-mail to **pasiulymai@scandbook.lt**. All the submitted concerns or reports are examined and addressed according to the company's Code of Conduct and/or locally applicable laws.



At the beginning of 2023, we carried out our first materiality analysis of sustainability topics adhering to GRI standards. The aim of this assessment was to identify our key environmental, social and governance topics to continue developing the Group's sustainability strategy and provide detailed information on their management in sustainability reports.

The results of the materiality analysis are presented later in this report.

Key steps in assessing materiality were as follows:

1. Identification of relevant topics for our sector.

We began the assessment by reviewing topics of interest to businesses in the field of book printing and other closely related sectors and compiled a list of potential sustainability topics. Additionally, we identified topics that are recommended by other acknowledged sustainability standards.

2. Assessment of the topics that are most important to stakeholders.

Continuously engaging with our stakeholders and meeting their expectations is of utmost importance to ensure the sustainability of ScandBook activities. We conducted an anonymous survey to gather information on the most crucial sustainability topics for our Group's stakeholders. We selected four primary stakeholder groups for this survey: our clients, employees, the Board, and suppliers. The survey was conducted in June 2023 by distributing questionnaires to targeted contacts within each stakeholder group.

3. Impact and risk assessment.

We evaluated every sustainability topic with regard to its potential effects on the environment and society, as well as its influence on our Group's performance. During this phase, we discussed the primary risks and opportunities associated with sustainability and their potential financial implications for our Group companies. The final result is summarised in a materiality matrix presented further.



The materiality matrix highlights the key social, environmental, and governance areas that are most significant for ScandBook Group's sustainability efforts. While all these topics bear importance, we've classified and prioritized them based on two factors: their significance to stakeholders and their influence on society, the environment, and the Group's financial performance.

Material topics, represented by the darkest colour in the matrix, are those of utmost importance to stakeholders and wield a profound impact on society, the environment, and the Group's overall results.

The management principles for all material topics are described in accordance with GRI requirements in dedicated chapters in this report.



ENVIRONMENTAL AREA

OUR ACTIONS
IN THIS AREA
ALIGN WITH:



7 AFFORDABLE AND
CLEAN ENERGY



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



13 CLIMATE
ACTION



15 LIFE
ON LAND

As players of the book printing industry, we pay particular attention to mitigating climate change impacts related to our activities. The book symbolizes education and science, emphasizing the importance of respecting our product and its production processes. Our commitment to environmentally friendly solutions is driven by this respect. We face strict demands from both customers and public authorities that prohibit the polluting products. Consequently, as we aspire to be a pioneering force in our industry, we are dedicated to doing everything within our means to reduce and compensate our emissions in the entire value chain.

KEY HIGHLIGHTS IN 2022

We effectively offset our carbon footprint (Scope 1 and Scope 2) by adhering to rigorous environmental standards, fulfilling client expectations, and purchasing carbon credits for those impact areas where we lack control or capacity to reduce emissions.

On January 1 2022, the we have initiated emissions compensation according to Scope 3, with the responsibility to compensate all emissions up to clients' doors (also called "cradle to gate").

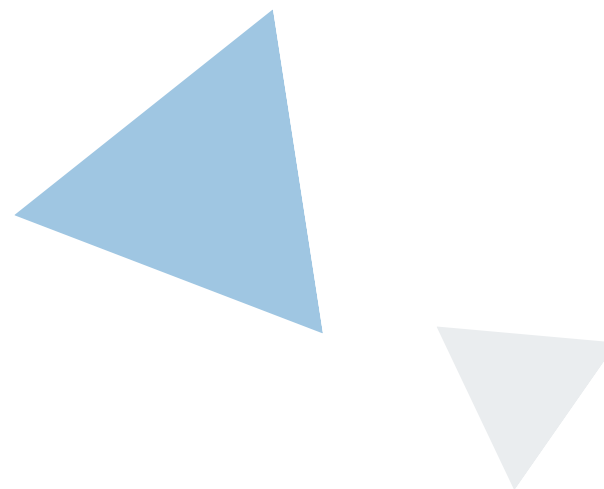
In collaboration with South Pole, we have developed a Best-Practice Document for paper, printing, and publishing operations to establish a unified standard to define and meet the set goals.

To bolster our commitments, we have applied for membership in the Science Based Targets initiative (SBTi). This membership entails setting scientifically-backed goals for reducing our future environmental footprint and executing an action plan to achieve them.

In line with our aim to further reduce our direct emissions, we have installed 350 kW solar modules at Scandbook UAB in 2022.



To manage and reduce our energy use and climate related impacts, our daily operations are guided by ScandBook's Environmental Policy. We review our production chains, using GHG reporting to identify sectors that require the most attention. We then assign tasks to responsible managers accordingly. Our demands extend to supplier and material selection to minimize our overall environmental impact. In recent years, our primary focus has been on Scope 3 emissions, collaborating with suppliers and partners to establish a low-emission value chain.



Data on GHG emissions and energy use

In this report, we share our estimated GHG emissions in CO₂ equivalent, calculated following the Greenhouse Gas Protocol (GHG) and Global Reporting Initiative (GRI) standards. Our total GHG emissions at Scandbook decreased by 3,704 tCO₂e (17%) from 2021 to 2022. This decline can be attributed to reductions in various categories, notably production goods, end-of-life disposal for sold products, and downstream transportation to end-customers.

Our complete Greenhouse gas (GHG) accounting report for 2022 can be found on our [website](#).

ScandBook Greenhouse gas (GHG) accounting report 2022



GHG emissions

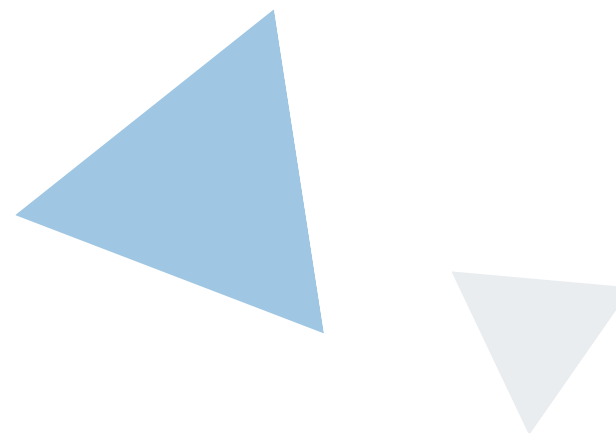
	Measuring unit	2022
Direct (Scope 1) GHG emissions	t CO ₂ e	308.6
Energy indirect (Scope 2) GHG emissions		5
Other indirect (Scope 3) GHG emissions		17,987.6
Total GHG emissions		18,301.2

Notes: Scope 2 is calculated using the market-based method. South Pole adjusted the emission factor for electricity to be more in line with South Pole's approach: instead of a regional grid average, South Pole applied the market-based approach. The market-based approach is best practice and better reflects Scandbook's efforts to reduce emissions from electricity by procuring renewable electricity. The base year for the calculation is 2021, as it is the first year when the Group started to apply the GHG Protocol calculation method. System boundaries were defined by the control approach, which covers all GHG emissions from activities over which Scandbook has operational control. Sources of the emission factors and the global warming potential (GWP) rates used: ClimateCalc, 2023; Ecoinvent v.3.8; IEA, 2022; IPCC, 2014; Swedenergy, 2021. The complete information on the calculation methods and factors used is provided in our [GHG accounting report 2022](#).

Energy consumption within the organisation

	Measuring unit	2022
Total fuel consumption within the organisation from non-renewable sources		
Diesel	TJ	0.29
Petrol	TJ	0.07
Indirect energy consumption by type		
Electricity	MWh	6,117.4
Heating (gas)	MWh	762.0
Total energy consumption within organisation:	TJ	25.13

Notes: Total energy consumption is calculated according to the GRI 302-1 formula. Source of the conversion factors used to convert fuel quantities into TJ: [U.S. Energy information administration](#). Energy conversion calculators (4% error). In liters, the Group consumed a total of 2,167.92 l of petrol and 7,675.14 l of diesel in 2022. The Group does not consume any steam or cooling energy.



As a production company, we prioritize reducing our climate-related impacts. However, we also acknowledge and address other environmental concerns such as material consumption, water use, waste management, and biodiversity impacts. The management of all environmental topics at ScandBook is guided by our [Environmental Policy](#) and ISO 14001 Environmental management standard requirements.

In response to our customers' requests, we have taken action to obtain various environmental certifications for our activities and products, including Ecovadis, ISO, Bookchain, CDP, and more.

Supporting sustainable forestry

Our impacts related to sustainable forestry and biodiversity lie mainly in our supply chain, and they are managed by following the acknowledged standards and obtaining relevant certifications. ScandBook has been assessed and certified as meeting the requirements of The Forest Stewardship Council (FSC) for Chain-of-Custody certification, as well as the Programme's for the Endorsement of Forest Certification (PEFC) standard requirements. The certificates obtained can be found on our [website](#).

FUTURE GOALS


We do not intend to stop here, looking ahead, we plan to create an impact plan by diagnosing specific areas where our activities have the most significant direct or indirect impact on biodiversity and developing an effective action plan to manage it.



Efficient resource use is a core principle in our commitment to continuous environmental improvement. We aim to minimise the environmental impact of our products without compromising our quality standards.

FUTURE GOALS

To continuously search for new ways to optimise processes and equipment to minimise resource usage.




Water management

While water and its consumption are not a significant aspect of our production process, we remain committed to its responsible management. We have invested in equipment that filters and prevents water pollution. While we cannot directly control the generic wastewater within the sewage system, we have implemented additional treatment facilities, which are regularly inspected by environmental authorities.

Our water-related impacts are managed through annual environmental inspections and measurements of sewage and storm water pollution.

KEY HIGHLIGHTS IN 2022

In 2022, we acquired and installed a UV varnish frame washing machine that not only decreases electricity and water consumption but also minimises pollution.



Water consumption

	2022
Total water consumption from all areas	10.326 ML
Amount of water treated (including stormwater)	16.298 ML

At Scandbook, the primary waste is generated during the production process, such as paper trimmings and printing plates. Additionally, there is waste from various packaging materials and containers used for transporting the finished products. The final product does not generate any waste from itself during its use.

To reduce our waste and its impacts, we use recycled or low-emission materials to the greatest extent possible. We optimize production and standardise our products to minimize paper waste or cutting. We loosely pack the finished product on pallets to minimize packaging, and the external packaging used for protection is fully recycled and returned to us for reuse. Almost all of the waste generated at our premises is sent for recycling.

We follow legal procedures to account for and register waste. After sorting, we entrust the waste to a certified third-party waste management company, which undergoes certification and inspections by legal authorities.

KEY
HIGHLIGHTS
IN 2022

We have installed an HP Indigo digital press, which has resulted in a reduction in both waste and the number of printing plates required to complete jobs.



The total weight of waste generated by its utilisation method

	Measurement unit	2022
Sent for recycling	tons	5,565.8
Sent for incineration (non-recyclable waste)		275.8
Sent to landfill		2.4
Total waste generated		5,844

Notes: To determine the loaded waste's weight, we weigh the containers before collection using a truck scale located on our premises. Recyclable waste is sent for recycling, however, we do not control whether the waste is actually recycled.



SOCIAL AREA

OUR ACTIONS
IN THIS AREA
ALIGN WITH:

3 GOOD HEALTH
AND WELL-BEING



4 QUALITY
EDUCATION



5 GENDER
EQUALITY



8 DECENT WORK AND
ECONOMIC GROWTH



10 REDUCED
INEQUALITIES



Employee well-being is one of the priority sustainability topics at ScandBook. In our daily operations and policies, we place a strong emphasis on the topics of occupational health & safety, ensuring and protecting labour rights, and promoting diversity, equality and inclusion.

To ensure employee well-being and safety, we continuously improve the working environment, provide employees with all the necessary training according to the job's specifics, ensure proper maintenance of equipment and premises, and create quality rest areas.

At ScandBook we apply a minimum of 2 weeks notice period provided to employees prior to the implementation of significant operational changes that could substantially affect them.

KEY HIGHLIGHTS
IN 2022

Successfully conducted various staff training, including comprehensive fire drills.

Delivered occupation-specific training tailored to our IT professionals, with a focus on cybersecurity.

Implemented production training programs to ensure safe heavy object lifting techniques and proficient forklift operation among our workforce.

Conducted specialized ISO training for our responsible employees.



Demographics

At the end of last year, there were a total of 196 employees working in both our locations, Lithuania and Sweden. Almost all of our staff were full-time employees working on a permanent employment contract.

The total number of employees split by gender, region and contract types

	Total number	Permanent contract	Temporary contract	Full-time contract	Part-time contract
	2022				
All employees, of which:	196	195	1	191	5
By gender:					
Women	52	51	1	52	0
Men	144	144	0	139	5
By location:					
Lithuania	143	143	0	143	0
Sweden	53	52	1	48	5

Notes: The number of employees is disclosed as a head count and reported as of 30th of December, 2022. The Group does not hire any employees as per non-guaranteed-hours contracts. The Group does not track the information on the total number of third-party workers, providing services to the Group in its premises (e.g. Biuro, Amber, other service and maintenance support companies) who are not employees of the Group. The number of such employees would be relatively small and not material regarding sustainability impacts.

New employee hires and employee turnover

	Total number per category	New employee hires	Rate per category (%)	Employee turnover ¹	Rate per category (%)
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By gender:

Women	52	1	1.92%	0	0%
Men	144	17	11.81%	25	17.36%

By age:

Up to 30	31	5	16.13%	n/a	n/a
30-50	100	12	12.00%	n/a	n/a
More than 50	65	1	1.54%	n/a	n/a

By location:

Lithuania	143	16	11.19%	24	16.78%
Sweden	53	2	3.77%	1	1.89%

Notes: ¹ As per the definition by GRI Standards, employee turnover includes employees who leave the organization voluntarily or due to dismissal, retirement, or death in service.



ScandBook endeavours to provide its employees with a safe, healthy and secure work environment. We comply with and expect our employees to observe all applicable health, safety, environmental and labour laws. Ensuring employee health & safety is one of the key pillars of the Group's policy, controlled not only by its companies but also by external institutions.

We have implemented a health and safety management system in accordance with the requirements of ISO 45001, which covers all our employees, activities, and workplaces. The system is periodically audited or certified by acknowledged organisations and standard setters. Responsible employees in our Group companies are provided with periodic ISO-related training.

Every year, we ensure our employees receive various necessary occupational safety training, such as fire drills, training on the safe lifting of heavy equipment, safe use of forklifts and others. Contracts with medical facilities are in place to ensure quality periodic employee health check-ups.

FUTURE GOALS

To further enhance employee knowledge in occupational safety, by providing comprehensive training.

To address workplace improvement questions.

To continue investing in the most suitable work attire and high-quality tools.

To uphold rigorous equipment and premises maintenance standards.



During the reporting period, there were no high-consequence work-related injuries in the Group. The Group's employees had a total of 6 minor accidents during the year, which happened mainly due to failure to comply with mandatory health and safety procedures.

	Measuring units	2022
Recordable work-related injuries (minor accidents at work)	Number	6
Number of recordable work-related injuries (minor accidents) per 200,000 hours worked ¹	Rate	4.7

Note: ¹ The total recordable injury rate per 200,000 hours worked is calculated using the GRI 403-9 formula. A rate based on 200,000 hours worked is chosen as it is more suitable for organizations similar to our size. If calculated per million hours worked, the rate would be 23.3. The total number of hours worked by all our employees in 2022 was 257,703.5.

Work-related hazards

The Group continuously assesses, identifies and ensures precautionary measures to manage the main risks that could lead to serious health consequences for employees. The main risks identified are:

- Acoustic noise.
- Working at computers (back, neck and shoulder pains, eye strain, etc.).
- Repetitive work movements.
- Manual handling of loads.
- Chemical substances (inks, varnishes), dust.
- Driving vehicles.

To date, the Group has successfully prevented these risks from causing any significant health-related impacts. Looking ahead, the Group's priority is to continue to inform and involve employees in creating a safety culture, so that they handle their tasks with more caution and follow all safety instructions.

ScandBook is committed to creating and maintaining a work environment free of harassment, intimidation and discrimination. All employees and managers must fulfil this commitment by following our principles and policies on equality, non-discrimination, personal privacy and reporting. Employees witnessing or becoming subject to discrimination, harassment or any act of similar kind, have both an obligation and a right to report such conduct to their manager (supervisor), representative of Human Resources or Legal Department. These and additional rules are set in place by our Code of Conduct, Equal Rights Policy, and Whistleblowing Policy.

The policies we have in place proved to be effective as there were no incidents of discrimination identified during the reporting period. However, ScandBook is constantly evolving in accordance with the changing environment, and we continue to provide our employees with the necessary information and training.

FUTURE GOALS

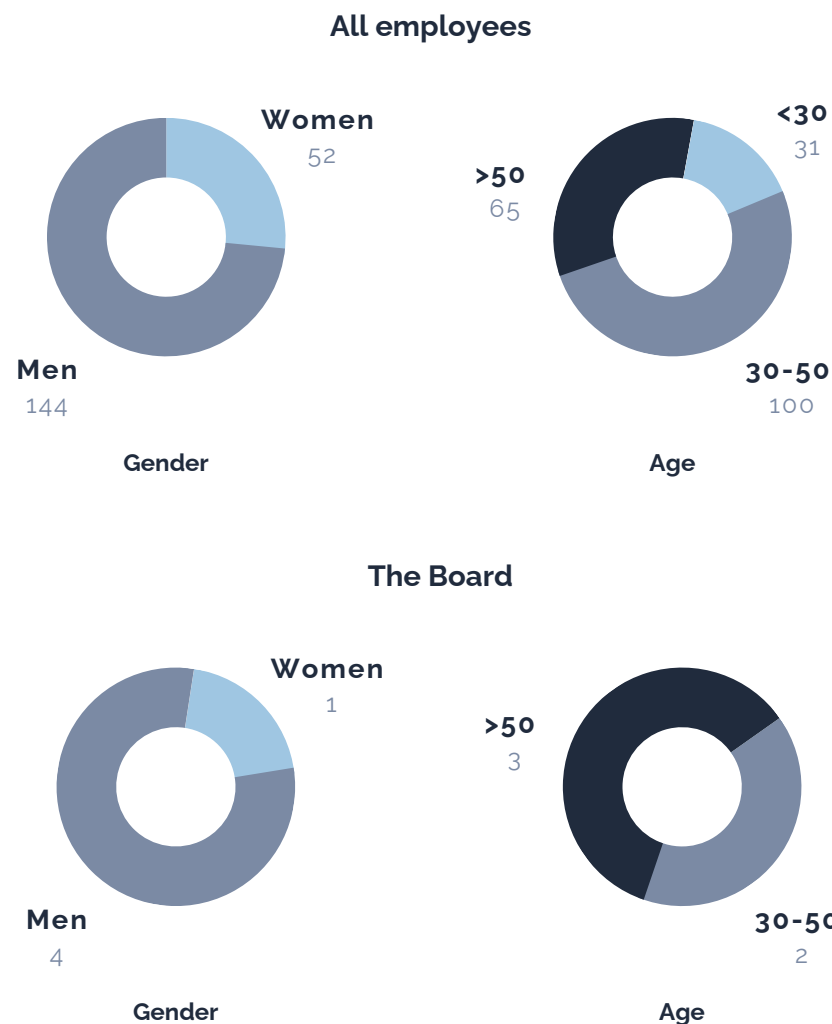
To seek out and actively engage in training programs focused on enhancing our expertise in managing this topic, thereby deepening our employees' knowledge.



Protection of human rights

In 2022, we did not identify any human rights risks or human rights violations within our activities or amongst our suppliers. So far we have not identified any operations or suppliers considered to have significant risk for incidents of child labour, forced or compulsory labour, or in which workers' rights to exercise freedom of association may be at significant risk.

Gender and age diversity at ScandBook, 2022





ECONOMIC (GOVERNANCE) AREA

OUR ACTIONS
IN THIS AREA
ALIGN WITH:



Supplier choice and variety constitute essential elements of ScandBook's sustainability, which are parallel to our energy and climate related impacts. In the context of our industry, responsible management of the supply chain is pivotal, as it directly impacts both product quality and production reliability. Suppliers play a crucial role in sourcing materials such as paper and book components.

At ScandBook, we expect our suppliers to fully comply with our Suppliers code of conduct. We manage this topic by following the ISO standards, obtaining FSC, PEFC and other relevant certifications. It is noteworthy that our most important suppliers possess certificates confirming their compliance with fundamental industry standards, as well as all of our paper suppliers are FSC certified.

Supply chain related impacts are managed both based on our own initiative and in response to the requirements of our clients. We update our strategy annually and conduct regular ISO audits to ensure its effectiveness.

FUTURE GOALS

To continue establishing cooperation agreements with suppliers to ensure the stability and variety of our supplier base.

To conduct a more thorough supplier environmental and social screening in the upcoming years.



KEY HIGHLIGHTS IN 2022

We have renewed our contracts with paper suppliers, a step that has led to further reductions in supply chain-related risks and improvements in production reliability.



Ensuring customer satisfaction and high product quality is one of our key sustainability impacts as well as an integral component of our business model. The success of ScandBook hinges on the delivery of high-quality customer service.

To effectively manage this topic, we have implemented an ISO 9001 quality management system. Additionally, we conduct routine internal audits, which take the form of surveys or client visits. We do our best to assist our clients with any problems they face, work to understand their causes and make plans to prevent them in the future.

Customer feedback is regularly discussed during our Board meetings. When client contracts reach their expiration, we conduct reviews and renewals as necessary. Additionally, we assess our strategy by comparing the workload from each client on a quarterly basis.

FUTURE GOALS

To maintain our practice of contacting clients, conducting client surveys, and relentlessly striving to enhance the quality of our products and services.



KEY HIGHLIGHTS IN 2022

Renewed and extended agreements with clients.

Expanded our customer base across Europe.

Received positive service and quality evaluations from North American customers.



We pursue our business objectives with integrity, adhering to legal requirements and established good governance practices. By effectively managing this topic, we ensure the long-term sustainability and success of ScandBook.

Our everyday actions are guided by principles of ethical business set in our Code of conduct:

- Standard of excellence applies to each and every aspect of our business.
- Ethical and responsible conduct is the basis in all of our operations.
- Individual's rights must be protected, supported and respected.
- Environmental safety is essential for our business.

In our activities we aim to comply with good governance practices recommended by the globally renowned Organisation for Economic Co-operation and Development (OECD). We also support and are guided by the United Nations Global Compact, while promoting its principles on human and workers' rights, environmental protection, and corruption prevention.

To date, our policies and procedures has been proved effective, as during the reporting period there were no recorded incidents of non-compliance with laws and regulations, including no confirmed incidents of corruption.

**0 incidents of non-compliance with laws and regulations;
0 incidents of corruption.**



FUTURE GOALS

To maintain our practice of visiting clients, conducting client surveys, and relentlessly striving to enhance the quality of our products and services.



Statement of use		ScandBook Group has reported in accordance with the GRI Standards for the period from 1 January to 31 December 2022.
GRI 1 used		GRI 1: Foundation 2021
Applicable GRI Sector Standards		Not applicable
GRI 2: General Disclosures 2021		
GRI Standard		Page
1. The organisation and its reporting practices		
2-1	Organizational details	4.p.
2-2	Entities included in the organisation's sustainability reporting	4.p.
2-3	Reporting period, frequency and contact point	4.p.
2-4	Restatements of information	4.p.
2-5	External assurance	4.p.
2. Activities and workers		
2-6	Activities, value chain and other business relationships	5.p.
2-7	Employees	19.p.
2-8	Workers who are not employees	19.p.
3. Governance		
2-9	Governance structure and composition	8.p.
2-10	Nomination and selection of the highest governance body	8.p.
2-11	Chair of the highest governance body	8.p.
2-12	Role of the highest governance body in overseeing the management of impacts	8.p.
2-13	Delegation of responsibility for managing impacts	8.p.
2-14	Role of the highest governance body in sustainability reporting	8.p.

GRI Standard		Page
2-15	Conflicts of interest	8.p.
2-16	Communication of critical concerns	8.p.
2-17	Collective knowledge of the highest governance body	8.p.
2-18	Evaluation of the performance of the highest governance body	8.p.
2-19	Remuneration policy	Information is confidential due to General Data Protection Regulation compliance policies.
2-20	Process to determine remuneration	Information is confidential due to General Data Protection Regulation compliance policies.
2-21	Annual total compensation ratio	Information is confidential due to General Data Protection Regulation compliance policies.
4. Strategy, policies and practices		
2-22	Statement on sustainable development strategy	3.p.
2-23	Policy commitments	7.p.
2-24	Embedding policy commitments	7.p.
2-25	Processes to remediate negative impacts	9.p.
2-26	Mechanisms for seeking advice and raising concerns	9.p.
2-27	Compliance with laws and regulations	26.p.
2-28	Membership associations	We are members of NOPA, Intergraf, Science Based Target Initiative
5. Stakeholder engagement		
2-29	Approach to stakeholder engagement	10.p.
2-30	Collective bargaining agreements	The group does not have collective bargaining agreements with its employees

GRI Standard	Page
GRI 3: Material Topics 2021	
3-1 Process to determine material topics	<u>10 p.</u>
3-2 List of material topics	<u>11 p.</u>
3-3 Management of material topics	<u>11 p.</u>
Economic topics	
GRI 205: Anti-corruption 2016	
205-3 Confirmed incidents of corruption and actions taken	<u>26 p.</u>
Environmental topics	
GRI 302: Energy 2016	
302-1 Energy consumption within the organization	<u>14 p.</u>
GRI 303: Water and Effluents 2018	
303-5 Water consumption	<u>16 p.</u>
GRI 305: Emissions 2016	
305-1 Direct (Scope 1) GHG emissions	<u>14 p.</u>
305-2 Energy indirect (Scope 2) GHG emissions	<u>14 p.</u>
305-3 Other indirect (Scope 3) GHG emissions	<u>14 p.</u>
GRI 306: Waste 2020	
306-1 Waste generation and significant waste-related impacts	<u>17 p.</u>
306-2 Management of significant waste-related impacts	<u>17 p.</u>
306-3 Waste generated	<u>17 p.</u>
GRI 308: Supplier Environmental Assessment 2016	
308-1 New suppliers that were screened using environmental criteria	<u>24 p.</u>

GRI Standard	Page
Social topics	
GRI 401: Employment 2016	
401-1 New employee hires and employee turnover	<u>20 p.</u>
GRI 402: Labor/Management Relations 2016	
402-1 Minimum notice periods regarding operational changes	<u>19 p.</u>
405-1 Diversity of governance bodies and employees	<u>22 p.</u>
GRI 406: Non-discrimination 2016	
406-1 Incidents of discrimination and corrective actions taken	<u>22 p.</u>
GRI 407: Freedom of Association and Collective Bargaining 2016	
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	<u>22 p.</u>
GRI 408: Child Labor 2016	
408-1 Operations and suppliers at significant risk for incidents of child labor	<u>22 p.</u>
GRI 409: Forced or Compulsory Labor 2016	
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	<u>22 p.</u>
GRI 414: Supplier Social Assessment 2016	
414-1 New suppliers that were screened using social criteria	<u>24 p.</u>

At the beginning of this century, the United Nations drafted and published the Global Compact, a set of 10 universal principles to which all organisations seeking to operate in a responsible and sustainable manner are invited to voluntarily adhere. We support these principles in our work and promote their implementation in areas where we can have an impact. Below is a list of all the principles and the pages in this report that describe our activities, ambitions and initiatives in relation to these principles.



	Global Compact principle	Page
1	We support and respect the protection of internationally proclaimed human rights.	22 p.
2	We make sure that we are not complicit in human rights abuses.	22 p.
3	We uphold the freedom of association and the effective recognition of the right to collective bargaining.	22 p.
4	We do not use forced and compulsory labour and work to eliminate all forms of it.	22 p.
5	We do not exploit child labour and work to eliminate all forms of it.	22 p.
6	We do not discriminate and work to eliminate discrimination in respect of employment and occupation.	22 p.
7	We support a precautionary approach to environmental challenges.	22 p.
7	We support a precautionary approach to environmental challenges.	22 p.
8	We undertake initiatives to promote greater environmental responsibility.	12 p.
9	We encourage the development and diffusion of environmentally friendly technologies.	12 p.
10	We do not tolerate corruption and work against corruption in all its forms, including extortion and bribery.	26 p.