



ESG-REPORT 2023



Asetek, a global leader in mechatronic innovation, is a Danish garage-to-stock-exchange success story. Founded in 2000, Asetek established its innovative position as the leading OEM developer and producer of the all-in-one liquid cooler for all major PC & Enthusiast gaming brands. In 2021, Asetek introduced its line of products for next level immersive SimSports gaming experiences. Asetek is headquartered in Denmark and has operations in China, Taiwan and the United States with a total of 134 employees. In 2023 Asetek recorded revenue of \$ 76.3 million.

.....

Asetek A/S
Visiting address: Assensvej 2
DK-9220 Aalborg East
Denmark

Phone: +45 9645 0047
Email: investor.relations@asetek.com
www.asetek.com

CVR number: 3488 0522

.....

This report provides a status on Asetek's work on Corporate Social Responsibility (CSR) for the fiscal year of 2023, covering the period from January 1st 2023 to December 31st 2023. The report is part of the management commentary section in Asetek's 2023 annual report as stated in section 99a and 99d of the Danish Financial Statements Act, through which Denmark has implemented Directive 2014/95/EU on non-financial reporting. This report is published March 8, 2024.

CONTENT

Asetek in brief	4	Article – Life-cycle assessment	21
CEO statement	6	Society	22
2023 in brief	7	Article – Dedicated ESG resources	24
Our business model explained	8	People	25
Commitment and strategy	10	Business partners	27
Goals	14	Data	28
Governance	15	Definitions and comments	31
The UN sustainable development goals	17		
Products and operations	18		

FOUNDED ON INNOVATION. DRIVEN BY EXCELLENCE

Asetek has been an innovative force in the global liquid cooling manufacturing industry for more than 25 years. In 2021, we introduced products for SimSports gaming. Asetek is headquartered in Denmark and has operations in China, Taiwan and the United States with a total of 134 employees. The Asetek share is listed on Oslo Stock Exchange and Nasdaq Copenhagen. In 2023 the company recorded revenue of 76.3 million USD.

Who we are

We are a high-tech company and a global leader in mechatronic innovation, focusing on gaming hardware. Since our foundation we have disrupted the PC cooling market, setting new standards for performance and efficiency. In 2021, we continued to leverage our extensive capabilities with software, hardware and mechanics and entered into the world of sim racing as Asetek SimSports®. We are a diverse and agile organization located close to key electronic manufacturing hubs in South-East Asia.

What we do

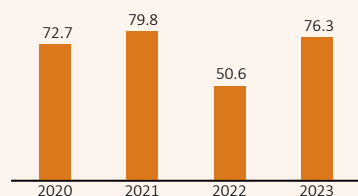
Asetek is a world-leading developer and manufacturer of high-quality gaming hardware. Since 2000, we have been designing, manufacturing, and selling high-quality cooling solutions to most major PC and Enthusiast gaming brands. In 2021, we introduced our line of products for next-level immersive SimSports gaming experiences, offering every sim racer in the world the possibility to push limits and redefining what's possible.

Why we do it

With our market leading and high-quality product offering, our goal is to meet our clients' requirements for performance, design and longer product lifecycles. Our product development centers around our customers' needs and reflect an innovative engineering approach combined with superior performance. The Asetek brand name has become synonymous with high product quality in all categories, which is confirmed by great reviews and feedback from gamers and hardware enthusiasts around the world. We are in business to push limits and redefining what's possible.



Revenue per year, (million USD)



REVENUE 2023

\$76.3
million

GROSS PROFIT 2023

\$34.7
million

9.7%
of revenue invested
in research and
development in 2023

KEY CONCEPTS FOR UNDERSTANDING ASETEK

CUSTOMERS – a global customer base

We design, manufacture, and sell gaming hardware for next-level immersive gaming experiences. We serve some of the world's leading PC & Enthusiast gaming brands. In 2021, we introduced our line of products for next-level immersive SimSports gaming experiences, offering every sim racer in the world the possibility to push limits and redefining what's possible.

REACH – well-balanced and global

We have a longstanding local presence in some key electronic manufacturing hubs in South-East Asia. Our headquarter is in Aalborg, north Jutland, Denmark with presence of senior executives in North America. We have a global platform with a solid supply chain creating long-term value for all stakeholders.

PEOPLE – an international organization

We believe that a diverse workforce and an inclusive workplace is a prerequisite for staying competitive, now and in the future. Our highly skilled employees are based in three continents, all sharing the common purpose of challenging industry standards driven by innovation and operational excellence.

INNOVATION – we are a high-tech company

Asetek is a global leader in mechatronic innovation. Our journey began almost 25 years ago when we disrupted the PC cooling market with our ground-breaking all-in-one liquid cooler, setting new standards for performance and efficiency. In 2021, we continued to leverage our extensive capabilities with software, hardware and mechanics and entered into the world of sim racing as Asetek SimSports®. Our goal is to transform the sim racing scene, pushing limits and redefining what's possible.

HISTORY – founded on innovation

Our history is rooted in innovation that solved a key challenge of performance limitations caused by computer processors running hot. This innovation, still leading today, is the foundation that took Asetek to a world-leading market position within liquid cooling. Since 2021, we are on a mission to become market-leader in the rapidly growing market for sim hardware.



WE ARE CONTINUING SUSTAINABILITY EFFORTS

The year 2023 marked a significant and positive turn for Asetek, following the challenges we faced in 2022. Our activities saw considerable growth, though we continue to navigate a difficult market landscape, challenged by ongoing geopolitical tensions.

We observed a shift in investor focus in 2023, moving from ESG topics back to more traditional financial metrics. This shift could be attributed to Asetek's financial activities, including capital raising, or possibly to the broader geopolitical climate.

Against this backdrop, we remained committed to innovation and developed new products in both our established Liquid Cooling sector and our growing SimSports division. This dual focus underscores our dedication to diversification and growth.

Concurrently, we have been enhancing our ESG systems, reporting, and performance. While some areas have reached a stable operating phase, others represent new frontiers for us. We are actively building our capacity to comply with the EU Corporate Sustainability Reporting Directive (CSRD), and we have started implementing the EU Taxonomy reporting framework. As new EU regulations in 2023 required unprecedented resources for implementation, we also advanced in our work on the life-cycle assessment of our cooling products, identifying several opportunities for optimization. In line with our product development and operations, we made

"We are actively building our capacity to comply with the EU Corporate Sustainability Reporting Directive (CSRD), and we have started implementing the EU Taxonomy reporting framework"

progress in rolling out our code of conduct to key suppliers and engaged in dialogues to set expectations and discuss implementation strategies.

These actions are fundamental to our dedication to sustainability and responsible business practices, and they align with the evolving dynamics of our markets. We anticipate maintaining this momentum into 2024 as our business continues to expand and gain traction.

André S. Eriksen, Founder and CEO



SELECTED HIGHLIGHTS 2023

In 2023 Asetek over-achieved the communicated financial guidance from the start of the year and reported the second best financial results in the company's history. Notable milestones during the year included several product launches within the SimSports segment to broaden the product offering as well as a number of product launches within Liquid Cooling. During the year, Asetek also carried out a successful listing of its shares on Nasdaq Copenhagen.

Increasing ESG capacity: Asetek began implementing EU's CSRD and Taxonomy reporting frameworks in 2023.

2023

Asetek passed a milestone when a total of 11 million products were sold and shipped since the foundation of the company in 2000

Data Management: The company advanced its ESG data management processes and control frameworks.

54

New Liquid Cooling products launched during 2023

ESG Engagement: Asetek received its first ESG impact assessments from suppliers in the cooling segment.



Environmental Impact: Asetek developed a preliminary life-cycle assessment for cooling products.

Diversity: Asetek maintains a balanced gender distribution in its Board of Directors with 40% women.

37

New SimSports products launched during 2023



Responsible business relations: A Code of Conduct for Responsible Business Relationships was rolled out to crucial suppliers in the SimSports segment.

2023 Selected Financial Key Figures

Fiscal Year	2023	2022	2021	2020	2019
Comprehensive Income (\$000's)					
Revenue	76,332	50,650	79,803	72,750	54,334
Income before tax	8,498	-5,878	1,397	9,426	1,454
Ratios & Metrics					
Organic growth	50,7%	36,5%	9,7%	33,9%	-19,3%
Share price (DKK)	3,9	8,46	30,58	76,74	23,52
Market capitalization (\$000's)	38,400	35,202	119,825	323,054	90,205
Business Drivers					
Sealed loop units shipped (000's)	1,165	797	1,386	1,201	895
Revenue per employee (\$000's)	570	362	528	661	560
Number of employees	134	140	151	110	97
Balance Sheet (\$000's)					
Total assets	102,575	78,615	75,354	71,393	54,105
Total equity	65,764	42,748	48,388	47,525	39,008
Investment in property, plant and equipment, net	24,902	22,215	8,322	2,597	1,127
Investment in intangible assets, net	2,561	3,405	10,196	2,887	1,441

A GLOBAL PLATFORM SUPPORTING GROWTH

Asetek's leading position is based mainly on the competitive strength that originates from the company's operational excellence in offering high-quality gaming hardware products. During almost 25 years, Asetek has built up a wealth of experience that is unique among companies in our industry and is recognized for premium quality.

Innovation and product development

Product development is and always has been the main focus for Asetek. Since its inception, the company has successfully launched innovative products with high quality. Asetek's R&D team and technology lab are based in Aalborg, Denmark. These teams are responsible for innovation, concept and design of our products and also manage collaboration with Asetek's global customer base to define requirements and develop cutting edge technology. We continuously try to keep our R&D teams close to the customers, which encourages faster, more responsive and effective feedback for improvements to our existing product range as well as new developments. The Aalborg team works closely with the R&D team in Xiamen, China, to identify the optimal sources for the necessary components to fulfill specific customer requirements.

Sourcing and production

Asetek's manufacturing and logistics team in Xiamen, China, evaluates and sources components and suppliers for the finished product to be assembled, allowing us greater control over product quality. Our cooling solutions are assembled by the company's principal contract manufacturer based in Xiamen and from 2023, a similar contract manufacturer produces many of our SimSports products. Asetek's business model concentrates primarily on having contractual relationship with Tier-1 contract manufacturers.

A quality team is divided in two groups: one in Denmark and one in Xiamen. Their main focus is to conduct ongoing inspections to ensure control over all aspects of quality and compliance with a growing number of regulated parameters.

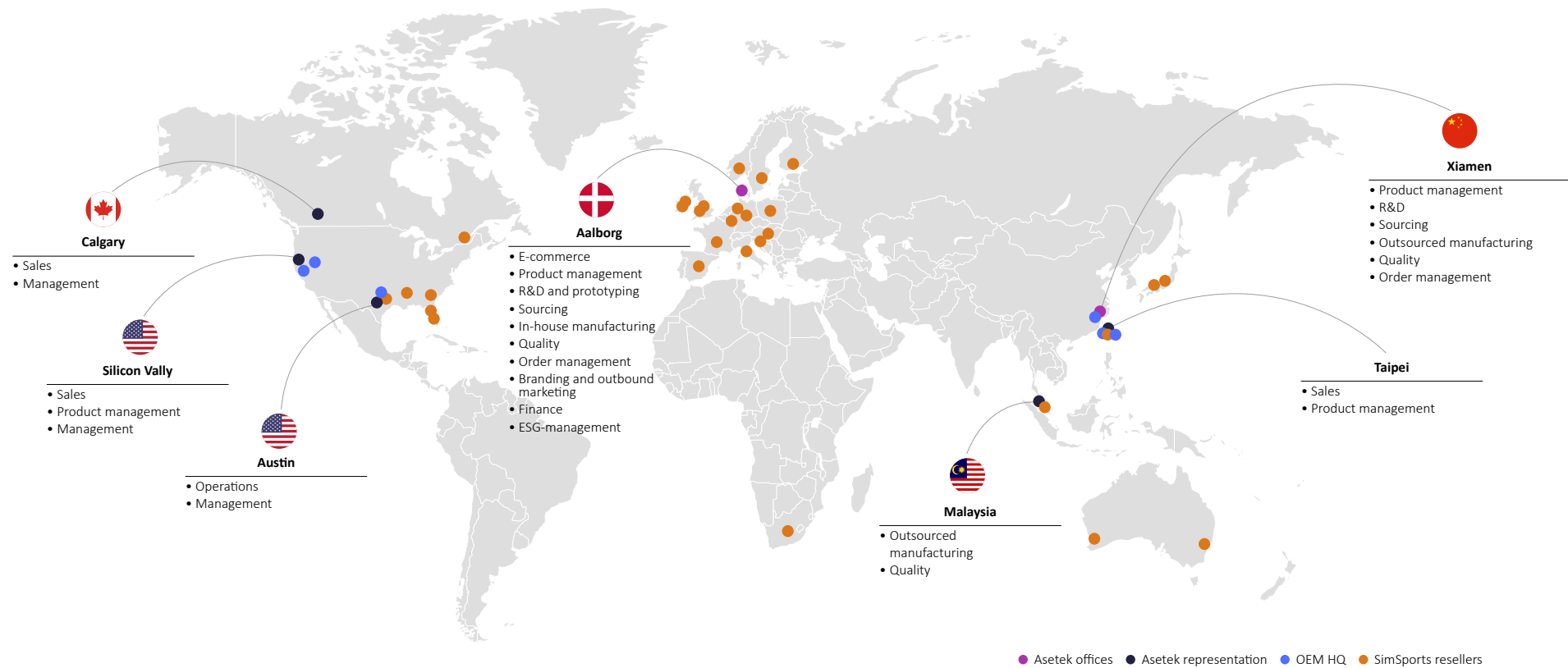
Logistics and sales

Finished products are primarily delivered directly to customer hubs in China, with smaller quantities shipped directly to Europe and USA. Logistics are often outsourced, and except our own webshop for SimSports products, our partners handle deliveries to end-users themselves.

Liquid coolers are sold through two channels. The main sales channel is a white-label approach, meaning products are sold as a standalone product to partners who are in turn selling it under their label. Asetek's liquid coolers are also sold to partners using it as a component to build a complete PC, which is then sold to end-users. Sales of SimSports products is done either directly to end-users through our webshop to or to resellers, selling both online and via physical stores to end-users.



Asetek's ESG-management originates from the headquarter in Denmark from where it is distributed to Asetek's other operations in China, Taiwan and the United States. Further Asetek has included their two tier-1 contract manufacturers, which operates in China and Malaysia, respectively, as these play a key role in regard to the Company's overall environmental- and social impact.



OUR COMMITMENT AND STRATEGY

Our Sustainability Framework

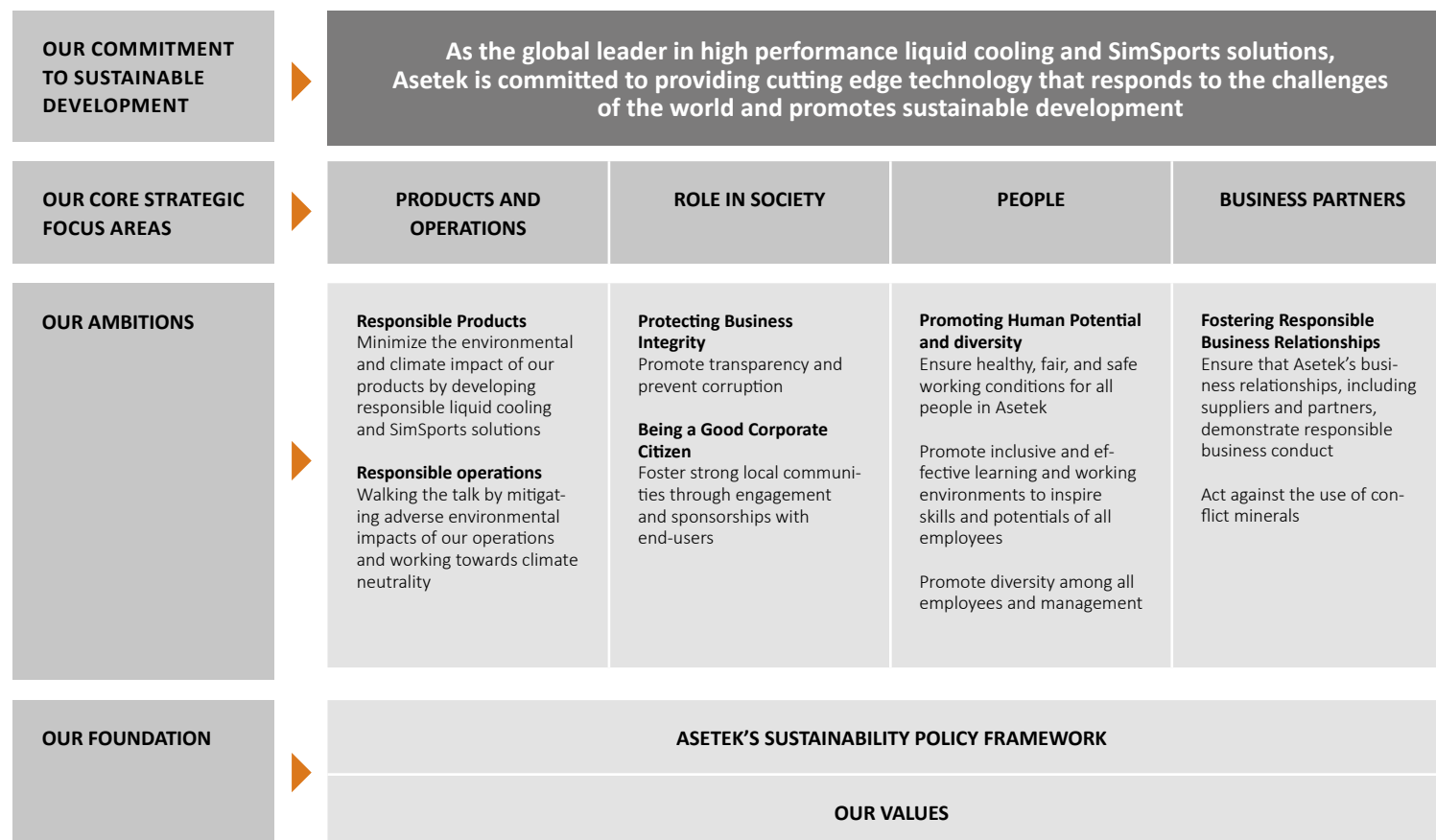
Asetek's Sustainability Framework outlines our general commitment to sustainable development and how it is supported by a number of strategic focus areas and overall ambitions for addressing our material sustainability matters. The framework was formulated in 2020 and continued to manifest our strategic guidance in 2023.

Our material topics and stakeholders

It is central to our goals and efforts that we continuously address the topics that are most relevant to Asetek, our surrounding business environment, and society.

Our current materiality assessment has identified 25 topics that cover all our business areas. Among these are topics concerning climate impact, product design, suppliers, human rights and lobbying among the most relevant.

Our stakeholder analysis is primarily aimed at creating a good foundation for ensuring that our goals and actions cover the requirements and desires of our internal and external stakeholders in the best possible way. Our most significant stakeholders are owners, b2b and b2c customers, the board of directors, employees, the EU and politicians.



OVERVIEW OF OUR MATERIAL TOPICS

CATEGORY	TOPIC						
Society	Responsible purchasing	Conflict metals	Local engagement	Anti-corruption	Human Rights		
Finance	Responsible sales	CSR data and reporting	CSR communication	CSR compliance	Lobbying	Tax matters	CSR organisation
Environment	CO ₂ emissions	Energy consumption	Waste	Packaging			
Products	Product design	Hazardous substances	Safe end-of-use disposal	Product information			
Employees	Employee satisfaction	Diversity	Discrimination	Training	Stress		

We have prioritized seven material topics for Asetek to work on in the strategy period from 2020–2023.

OVERVIEW OF OUR MOST MATERIAL TOPICS

MATERIAL TOPIC	ABOUT	PAGE
Responsible purchasing	Ensuring that that our work on responsible purchasing is at least equal to standard practice in the area, globally recognized principles, and advisory industry standards	28
CSR data and reporting	Ensuring effective and systematic ESG data management and continuous reporting on our development and actual results to our primary stakeholders	11
Lobbying	Conducting responsible lobbying in our mission to change the rules of the game in the market for cooling solutions	19
CSR communication (internal and external)	Increasing our CSR and ESG communications efforts internally and externally to improve transparency, awareness, knowledge, and initiative	19
CSR compliance	Ensuring a solid and appropriate foundation of policy commitments and obligations that drive our future work and help us avoid adverse impacts on internationally recognized principles for responsible business conduct (UNGPs/OECD/RBA)	11
CO ₂ emissions	Taking our own medicine by reducing CO ₂ e emission to enhance our integrity as per our climate mitigating product solutions	18
Product design	implementing a holistic approach to sustainability in our product design and use phases, fx life cycle considerations, circular economy etc., besides being the market leader in energy-efficient cooling systems	16

Preparing for a new era of sustainability practices

The introduction of EU's CSRD and Taxonomy requirements in 2023 represents the beginning of a whole new era of sustainability practices and reporting in the business community. Installing the requirements require an unprecedented amount of resources and a concerted effort by all covered companies including Asetek. But the requirements are also a steppingstone to further understand our sustainability-related impacts, risks and opportunities across our business activities and value chains and thereby take targeted actions.

In 2023, we began implementing the overall frameworks for EU's CSRD and Taxonomy requirements which was the primary focus of our ESG activities during the year.

Understanding our context and impacts

We have revisited our materiality assessment as a starting point for the implementation of the new EU CSRD reporting requirements. This includes establishing a process for double materiality assessment (DMA) to identify material impacts, risks and opportunities for Asetek.

In 2023, we initiated an adverse impact analysis informed by the due diligence criteria stated in the CSRD and informed by the UN Guiding Principles on Business and Human Rights and OECD Guidelines. The scope of the analysis included a comprehensive analysis of our value chains to identify potential adverse impacts on people and planet.

In 2024, a financial materiality assessment will be added to assemble and finish our first full DMA as a basis for implementing the CSRD reporting requirements.

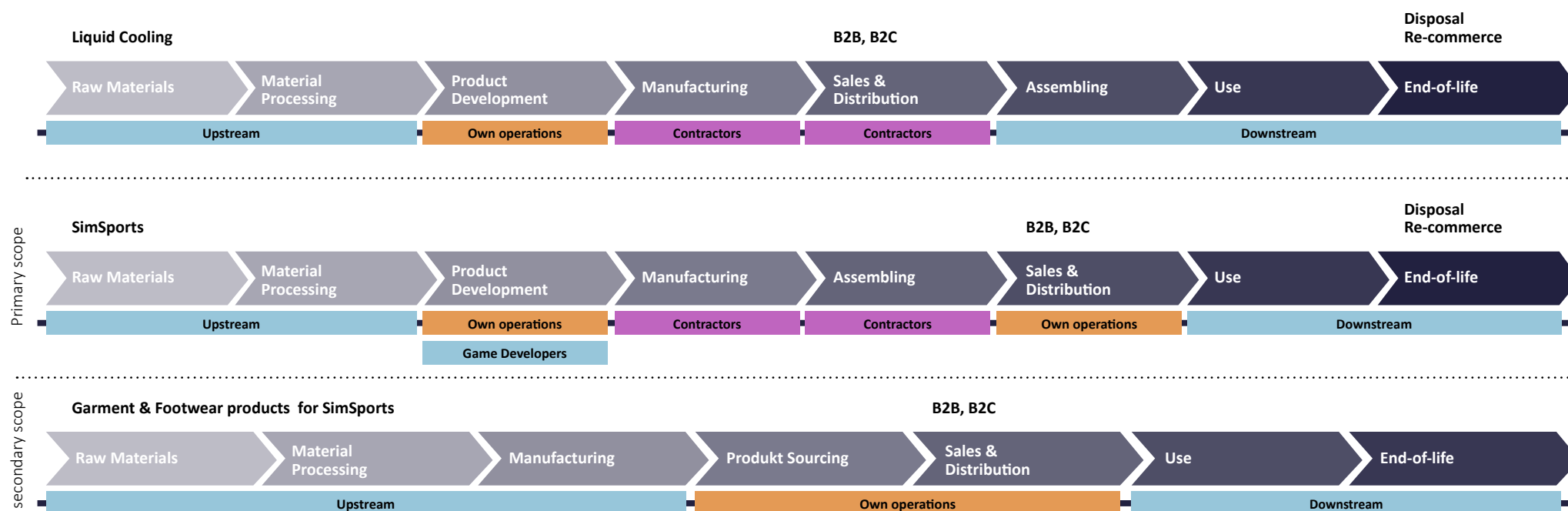
New perspectives on risk

Being a fast-moving technology company that sources, develops, manufactures, and distributes high-tech cooling and SimSports solutions globally is inevitably associated with the risk of causing, contributing, or being linked to adverse impacts on human rights, the environment, climate, and anti-corruption.

The preliminary results of our impact assessment in 2023 have increased our understanding of potential adverse impacts that Asetek may be exposed to. These concern, among other things, issues related to climate impacts, diversity, labour rights, and health and safety conditions in our upstream activities and own workforce. Further, Asetek may be exposed to adverse impacts on issues related to end-of-life of our products, and consumers and end-users in the gaming industry.

This preliminary adverse impact assessment has shed light on a range of potential impacts that Asetek may be exposed to, and the results listed above are not exhaustive. Hence, our adverse impact analysis should neither be taken as a final assessment of Asetek's impact materiality, nor as a representation of our actual impacts but as the first step in an updated due diligence process according to the CSRD and our own policy statements on the matter. We have conducted the analysis on potential impacts based on both the information we have about our value chains and general research. Determining whether Asetek is exposed to actual adverse impacts is an assessment that will be continuously informed by our due diligence work and activity-based data from our suppliers and business relations. We will finish our preliminary double materiality assessment in 2024 including a financial materiality assessment.

VALUE CHAINS FOR ASETEK



As a consequence of the new perspectives on risk that we obtain through our analysis work, we are focused on maintaining and continuously developing an agile organization that adheres to sound practices and strengthens its resilience to avoid adverse impacts on our business, our customers and society at large.

We aim to hedge risks through strategy, policy commitments, and due diligence practices that align with globally recognized principles for responsible business conduct, industry standards and EU regulations.

Voluntary adopting of the EU Taxonomy

The EU Taxonomy functions as complex framework, designed to categorize economic activities based on their sustainability credentials. Its primary aim is to forge a unified understanding and precise criteria for what constitutes sustainable practices, thereby fostering transparency. This framework plays a pivotal role in shielding investors from misleading claims of environmental virtue (greenwashing), while encouraging corporations to integrate eco-friendly operations. It addresses the issue of market inconsistency and is instrumental in channeling investments towards sectors that are in urgent need of sustainable development.

It's important to note that activities deemed eligible under the Taxonomy may not inherently be sustainable but are recognized for their potential to contribute to achieving one or more of the EU's six delineated environmental goals, as stipulated in Article 9 of the Taxonomy Regulation:

1. Mitigating climate change
2. Adapting to climate change
3. Promoting the sustainable utilization and conservation of water and marine resources
4. Facilitating the shift towards a circular economy
5. Preventing and controlling pollution
6. Safeguarding and rejuvenating biodiversity and ecosystems

Asetek is committed to adopting sustainable practices, especially in the development of liquid cooling and SimSports solutions. Hence, we acknowledge the significance of frameworks like the EU Taxonomy that will enter into force for Asetek in 2025. We therefore began implementing the taxonomy into our reporting practices in 2023 and the project will be concluded in 2024. Our forthcoming reporting initiative is a testament to our commitment to sustainable development that enables us to take a proactive approach to strategies and actions in our business development.



OUR GOALS

Annually, we assess the progress towards our objectives to ensure they align closely with our commitments and the realities of our business. This evaluation prompted several adjustments in 2023, particularly in response to the introduction of the EU’s CSRD and Taxonomy regulations, which have significantly affected all aspects of our ESG processes and data management.

We view the EU’s new standards as a positive development for the business community, promising to enhance and better align ESG practices. These standards resonate with much of the work Asetek has undertaken in previous years. Therefore, we plan to shape our future goals and strategies in harmony with these new benchmarks, building on our past efforts to continuously build an ever more sustainable and responsible business model.

MAIN GOALS FROM 2020-2023	STATUS
Asetek's operations are climate-compensated (Scope 1 + 2) by 2023	Completed
We have reduced our absolute CO2 emissions by a minimum of 50% (index year 2019)	To be revisited in 2024
We have conducted an LCA assessment on 100% of our products	In progress. First preliminary LCA was developed in 2023.
100% of our crucial suppliers have signed Asetek's Responsible Business Relationships Code of Conduct	Completed for cooling business Completed for SimSports
100% of our employees have a high understanding of Asetek's goals within sustainability	To be revisited in 2024
We systematically collect quantitative data for all our ESG policy areas to ensure a high-quality standard of our sustainability data and the ability to monitor progress of our efforts	In progress. Updating will take place in 2023 and 2024 due to new standards in the EU CSRD and Taxonomy regulations
Our goals align 100% with Responsible Business Alliance Code of Conduct (RBA)	Completed in 2022
We have defined and implemented a process for continuously identifying, preventing, or mitigating potential and/or actual adverse impacts according to the principles reflected in our ESG policy commitments and the UNGPs/OECD:	Completed in 2022. Updates began in 2023 according to CSRD requirements.

The goals are further described in later sections of this report and more goals will be presented in each chapter.



ESG GOVERNANCE IN ASETEK

ESG Management

Our ESG committee was established in 2020, and in 2023 the board of directors continued to assess the impacts, risks, opportunities, and progress of Asetek's ESG efforts and decide which initiatives are relevant to launch, adjust or discard.

The committee consists of VP's and managers that cover all areas of Asetek's operations. Asetek's CFO continued as head of the committee and to report to the board of directors.

Our ESG Project Manager coordinates our ESG and sustainability projects. She reports directly to the CFO and the sustainability steering committee meets with the project manager bi-monthly to discuss and coordinate progress or issues.

Asetek's ESG Policy Framework

Asetek's ESG Policy Framework ensures a solid and appropriate foundation and obligations that drive our future work.

We expand the Policy Framework with more relevant policy commitments when appropriate for our business conduct. Looking forward, the policy framework will be informed by the CSRD requirements that sets new standards for policy commitments.

Asetek's Commitment to Sustainable Development (our general ESG policy) and Asetek's Business Relationships Code of Conduct (our expectations to all business relations including suppliers) are fundamental to all other policies.

Our general and associated policies support our business decision making at all levels and provide a frame of reference for how we want to deal with business opportunities and risks. Our general commitment as well as the other policies are applicable to all Asetek's products, services, and organizational units as well as our business relations.



KEY MESSAGES IN OUR POLICY COMMITMENTS

Rule of law	We respect the rule of law and comply with national regulations in all countries in which we operate.
Human Rights	We respect human rights by embedding this policy commitment in all our policies and processes in line with the UN Guiding Principles on Business and Human Rights (UNGPs).
Environment (including climate)	We commit to promoting and supporting environmentally sustainable practices. We will continuously work to reduce our own adverse environmental impacts by applying and developing climate and environmentally friendly services, solutions, and technologies in our operations and product range.
Anti-corruption	We commit to being open and transparent about our business activities. We will not accept any form of bribery, corruption, or fraud.
Business relationships	We expect all our business relationships to meet the same global minimum standard for responsible business conduct (UNGPs/OECD) to which we hold ourselves accountable.
Data Ethics	We commit to comply with all applicable data and privacy laws and regulations. We expect employees to prevent and mitigate all data and privacy risks and to inform, through our management system or grievance mechanisms, any breach of this expectation or doubts that our expectations are being met.

Read more about Asetek's Commitment to Sustainability here: <https://ir.asetek.com/Commitment-to-Sustainable-Development>

Read more about Asetek's Data Ethics Policy here: <https://ir.asetek.com/Ethics-Policy>

Read more about Asetek's Business Relationships Code of Conduct here: <https://ir.asetek.com/Code-of-Conduct>

How we measure progress

We want to ensure a high-quality standard of our sustainability data and thereby a robust basis for monitoring and reporting on our policy commitments, our efforts, and results. In 2023, we continued developing a sustainability KPI structure and data collection process based on leading data calculation and reporting standards. We improved our data management by developing data manuals for all current data points. This work will continue in 2024 as we continue the implementation of CSRD requirements.

Having an adverse impact assessment process in place means that we can identify and address actual and potential adverse impacts in our business practices and value chain according to the principles reflected in the UNGPs/OECD. Further, in 2024 we will be able to measure financial risks as we will implement a process for financial materiality as part of our double materiality assessment under CSRD.



WE SUPPORT THE UN SUSTAINABLE DEVELOPMENT GOALS

With Asetek's Commitment to Sustainable Development and our concrete actions, we seek to contribute to the UN Sustainable Development Goals (SDGs) in the best possible way. The global goals continue to give us a frame of reference in our strategy and a perspective on the business opportunities that lie within our sustainability work. For 2023 we maintained the focus on the same global goals.

ASETEK HAS PRIORITIZED THE FOLLOWING SDGS	8 DECENT WORK AND ECONOMIC GROWTH 	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	13 CLIMATE ACTION 
ABOUT	Promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Ensuring sustainable consumption and production patterns	Taking urgent action to combat climate change and its impacts
HOW WE CONTRIBUTE (a brief overview)	<p>Asetek believes in promoting and developing talent across the organization with</p> <p>Asetek employs and supports apprentices across the organization, both in workshop, finance, R&D, and marketing.</p>	<p>We work to implement life-cycle-assessments of our product lines and production methods to improve cradle to cradle design and production practices.</p> <p>We reduce material use by designing ever more resource efficient product.</p> <p>Asetek excludes more hazardous substances from our products and packaging than required by law.</p>	<p>Our life-cycle-assessments informs our product development in terms of designs and material use with less climate impact.</p> <p>Asetek has compensated all Scope 1 and 2 carbon emissions with certified carbon credits.</p>

OUR PRODUCTS AND OPERATIONS

2023 HIGHLIGHTS

- // Maintained high product performance in terms of energy efficiency
- // Conducted a preliminary life-cycle-assessment on our cooling products
- // 0 non-compliance cases in 2023 with reference to EU Regulation

Responsible products

Our approach

For 2023, our approach to climate and environment issues remained unchanged. It is Asetek’s ambition to minimize the environmental and climate impact of our products by developing liquid cooling and SimSports solutions that are responsible in

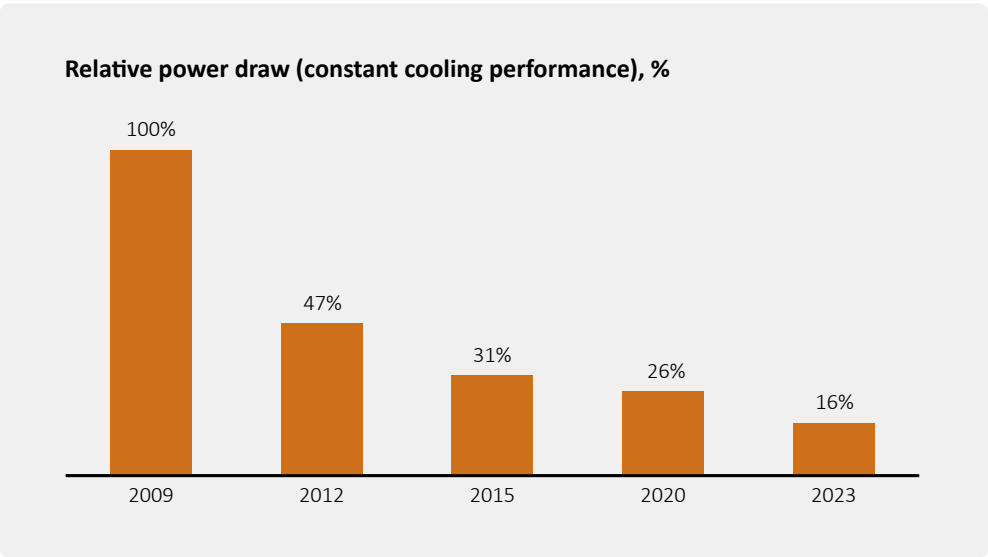
all relevant aspects of the product’s lifecycle and performance. Energy efficiency is a trademark of our cooling products but we are also on a mission to better understand our products’ lifecycles, our material use and how we can integrate circular product design practices into our innovation processes.

OUR GOALS FOR 2023 WERE	STATUS
We have conducted LCA assessments on our 4 liquid cooling platforms that comprise all products in the category	First preliminary LCA completed
We have completed a substitution assessment of 100% of our product materials with respect to use of alternative, sustainable materials	Completed for our cooling segment. Work in progress for our SimSports devision
We have integrated LCA assessments into our design processes	In progress
We continue to lead energy efficiency within the liquid cooling category	Completed

Our actions and results in 2023

The below figure shows the relationship between Asetek’s pump generations used in our cooling products for gamers and enthusiasts and the power needed to achieve the same thermal performance in °C/W, which is a performance parameter widely used in the industry.

As seen in the figure, Asetek has reduced the amount of power needed to achieve the same thermal performance to 16 % in 2023, compared with the amount needed in 2009. The percentage in 2023 has been the same since 2021 because it relates to the same product generation.



Product design

Since the launch of our sustainability strategy in 2020, we have been conducting comprehensive analysis of our material and resource use year-by-year to assess opportunities for optimizing product designs and production processes in terms of sustainability impacts.

We achieved our 2023 sub-goals related to expanding our product life-cycle assessment (LCA) initiative. In collaboration with two students from Aalborg University, we carried out an initial life-cycle assessment of our newest cooling product line. This assessment revealed potential reductions in CO₂ emissions exceeding 50% through the substitution of various virgin metal components with recycled metals. Additionally, we discovered opportunities to extend the use-phase of our products. Our forthcoming steps involve developing a strategy on how to implement comprehensive LCAs across our products and refining our offerings based on these insights.

We did not meet our goal of including the SimSports product line in our LCA project. We will revisit this goal during 2024.

In 2024, we will continue to investigate opportunities for substitution materials with more sustain-

able alternatives and reduce material use through optimized designs. Furthermore, we will look into the upcoming Ecodesign Directive from EU which establishes a framework to set mandatory ecological requirements for energy-using and energy-related products sold in all 27 member states.

Product safety

Asetek is subject to numerous EU regulations, including REACH and RoHS, which govern product safety, and we are also met with customer demands regarding the use of hazardous substances.

We aim to remain proactive in adapting to evolving environmental standards. This approach entails not only adhering to the latest revisions of 3TG (conflict minerals), California Proposition 65, REACH, and RoHS directives but also meeting more rigorous standards that exceed legal requirements.

These additional measures stem from our commitment to environmental stewardship, which prioritizes climate and health, as well as ensuring that our products maintain a competitive edge. This proactive stance helps us mitigate the risk of future complications as more substances are progressively

eliminated from industrial use. Our SimSports product line is also encompassed by these initiatives.

Noteworthy initiatives include the reduction or elimination of halogenated flame retardants in wires and plastics, the adoption of low-halogen PPS, the avoidance of PVC, and the use of lead-free aluminum and steel alloys.

Our dedication to product safety was evidenced by zero non-compliance incidents in 2023, in relation to EU Regulation 1907/2006; Annex XVII of REACH, the Candidate List of SVHC under the REACH Regulation, the RoHS Directive 2011/65/EU, 3TG Conflict Minerals, and Proposition 65 of OEHA under CalEPA.

Furthermore, all our products feature standard certifications such as the CE and UL markings, underscoring our commitment to safety and quality standards.

To prevent risks of any legal changes falling through the cracks unnoticed, we continue to assess our products in partnership with Mediator A/S. Mediator is specialized in legal and practical consultancy within chemical, environmental, safety and transportation requirements for international businesses.

We have a list of substances where use is either prohibited or proactively reduced by Asetek (going above and beyond legal requirements under RoHS, REACH etc.). The list includes but is not limited to:

- // PVC
- // All brominated flame retardants
- // All chlorinated flame retardants
- // PPS with >1000 ppm residual chloride

In 2024, we expect to

- // Develop a strategy for product life-cycle assessment on all our products
- // Include LCA results in our product design process
- // Further develop our sustainability KPI's



Responsible operations

Our approach

On equal terms with our ambitions for responsible products, we are committed to reducing our own environmental and climate impacts by promoting and supporting environmentally sustainable technologies and practices in our operations.

OUR GOALS FOR 2023 WERE	STATUS
Asetek's operations are at least climate-compensated	Completed for Scope 1 and 2
We have implemented all appropriate reporting areas from the GHG Protocol in our calculation method	Work in progress due to the introduction of SimSports

We currently measure progress with these KPI's. For data breakdown see data section pages.

Key Figures GHG Emissions (summed for Asetek and Tier 1 supplier)

Category	Unit	2023	2022	2021	2020	2019
Total Scope 1 emission	tCO2e	34.9	44.1	42.9	43.0	52.5
Total Scope 2 (location-based method)	tCO2e	91.5	96.8	99.7	143.5	159.6
Total Scope 2 (market-based method)	tCO2e	91.7	92.3	100	283.5	321.6
Total Scope 3 emission	tCO2e	6,247.6	3,992.8	7,121.2	5,346.8	4,705.1
Total (location-based method)	tCO2e	6,374.0	4,133.7	7,263.8	5,533.3	4,917.2
Total (market-based method)	tCO2e	6,374.2	4,129.2	7,264.1	5,673.3	5,079.2
Percentage change (Location-based)	tCO2e	54.2%	-43.1%	31.3%	12.5%	

Our actions and results in 2023

We have compensated our Scope 1 and 2 CO2 emissions in 2021, 2022, and 2023 with certified carbon credits from a leading provider of such.

We did not meet our goal of conducting a comprehensive Scope 3 analysis in 2023 as we were still working to establish the supplier base for our SimSports products and focusing on implementing CSRD requirements.

We continued our efforts to reduce waste production by means of our waste sorting system (only Danish operations) and use of paper and water in our daily operations.

In 2024, we expect to

// Conduct a comprehensive scope 3 screening to refine our climate accounting report and consider Scope 3 emission reductions.

// Research product carbon footprint analysis.



ASETEK LOOKS TO PROLONG THE LIFE-SPAN OF THE WATER COOLERS

In the past year, a Life Cycle Assessment (LCA) collaboration with two university students has provided additional inspiration for new sustainability initiatives at Asetek:

Asetek's main products, direct processor liquid cooling systems, have demonstrably always been more energy efficient than similar technologies. Since cooling accounts for the majority of a PC's power consumption Asetek's patented liquid cooling technology significantly reduces the energy consumption and thereby has potential to contribute to the green transition, if the technology is spread. Asetek is aware that energy efficiency is not the only parameter of importance, in regard to improve the carbon footprint of the products. Therefore, in year 2023, two student workers from the University of Aalborg was hired to help to conduct a initial life cycle assessment, to gain more knowledge of the possibilities.

"In addition to our own engineers' focus, we have also initiated a collaboration with Aalborg University's internationally recognized civil engineering program. In 2023, two students accepted the challenge to engage with Asetek technology as the basis for their major 9th-semester project on corporate process," explains Thomas Ditlev, the VP of Global R&D. He describes how the students spent half a year at the company to assess and propose new solutions.

"This collaboration proved to be very fruitful. In addition to helping these talented young people on their way to completing their education, the collaboration also provided us with meaningful ideas which we expect to integrate into future Asetek

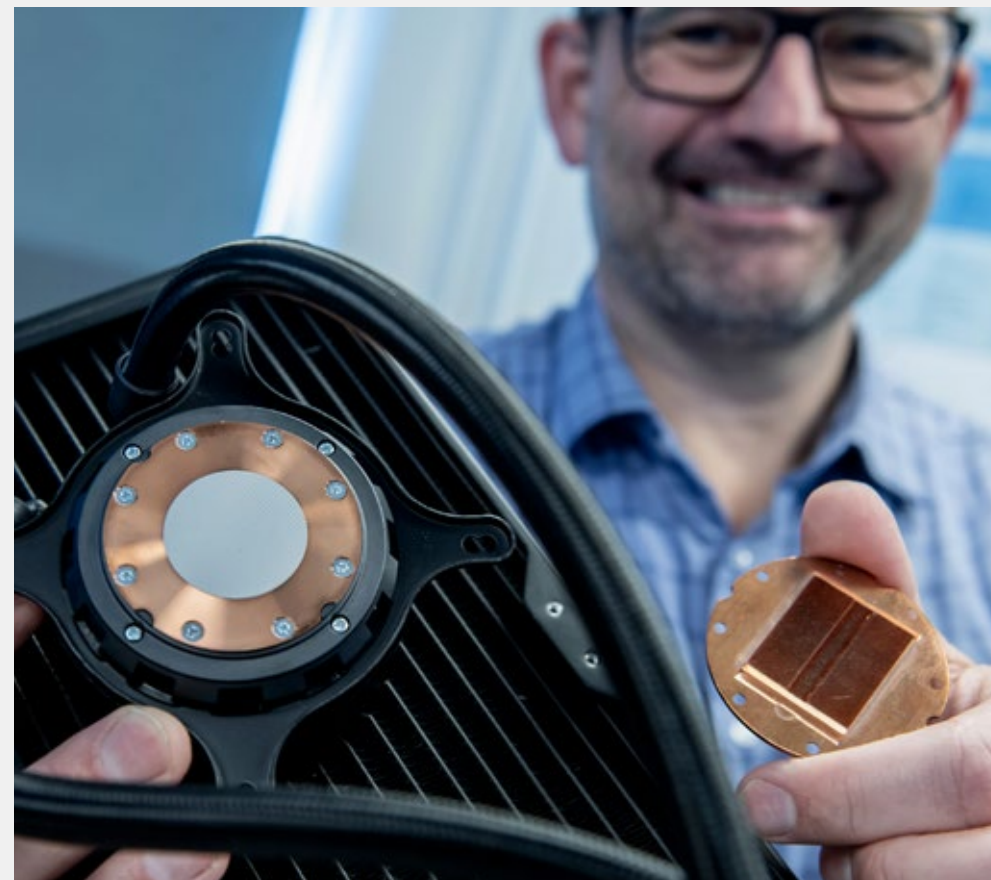
designs. We maintain our longstanding philosophy: The more heat our water cooling unit can remove from the CPU at a constant energy consumption, the more efficient and greener our products will be for the benefit of the PCs' total energy consumption, and thus the climate," says Thomas Ditlev.

Thinking Differently Now

The students completed their fieldwork during 2023 and presented the results to Asetek's employees in Aalborg at year-end. From their work, we've solidified the idea that Asetek's water cooler sustainability should no longer be assessed from cradle to grave, but now from cradle to cradle: "How do we make it possible to almost rebirth the product by recycling as many materials as possible, so our coolers no longer just end up at the e-waste recycling center," explains Thomas Ditlev.

Asetek is now preparing a small manual for its customers, showing how the water coolers can be easily disassembled and sorted into plastics, aluminum, copper, and circuit boards.

Another significant cradle-to-cradle improvement identified by the students' work is the "realistic time in use" extension of the cooler. Until now, Asetek designed its water coolers under an estimated realistic usage time scenario of two years because the company estimated that the typical end customer – the high-end gamer – usually kept/used their gamer computer for about one and a



half to two years. At that point the PC was outdated and needed to be replaced with the latest, more powerful model.

"Now we've started to think differently. Indeed, the hardcore gamer might change their PC after a couple of years, but often they do not send the old one directly to scrap. Instead, they may sell it to a friend who perhaps cannot afford the latest technol-

ogy," assesses Thomas Ditlev. He emphasizes that Asetek water coolers have always been designed for a much longer physical lifespan than the 1.5 to 2 years "realistic time in use."

OUR ROLE IN SOCIETY

2023 HIGHLIGHTS

- // 0 whistleblower cases
- // Zero breaches of the guidelines in our Lobbyist Policy

Working for a greener future

Our approach

Asetek’s cooling technologies hold the potential to revolutionize our industry. Throughout 2023, we enlisted advocacy representatives to advance our interests and aid in shaping policies that would benefit our company and the climate agenda in the data center segment. However, we ultimately chose to seize focus on the data center segment of our operations as well as to seize our lobbying activities to concentrate the business on other areas with significant growth potential, such as our SimSports division.

OUR RESULTS GOALS FOR 2023 WERE	STATUS
We have zero breaches of the guidelines in our Lobbyist Policy	Completed

Our actions and results in 2023

Lobbying for positive impact

We implemented our Lobbyist Policy in in 2021 and there were no changes to it in 2023. The policy states, among other things, that Asetek believes in and is committed to full transparency in our policy and regulatory outreach. We will comply with all required ethics and transparency requirements and strive to strictly adhere to the various laws and regulations concerning gifts, entertainment, political expenses and reporting requirements in each jurisdiction.

Asetek continued to participate in several dialogues with politicians during 2023 to push forward the agenda for greener data centers.

We have no set goals for furthering our data center business in 2024.

Protecting Business Integrity

Our approach

We believe that sustainable behavior in every aspect of our business is a natural prerequisite for promoting innovation, building stronger relationships with customers and employees, and contributing to positive development in society.

Asetek wants to be a good corporate citizen. Hence, we will not accept any form of bribery, corruption, or fraud. We support high-quality standards for data protection and integrity.

We are committed to being open and transparent about our business activities and we will provide timely, regular, and reliable information on our business practices, our impact assessments and how we manage adverse impacts to all relevant shareholders, employees, customers etc. We believe regular assessments and transparent communication will help anchor our commitment and spur sustainable development and a strong image throughout our company and context.

OUR RESULTS GOALS FOR 2023 WERE	STATUS
100% of our employees have a high understanding of Asetek's goals within ESG	Work in progress
75% of our employees see Asetek's ESG goals as relevant to a high degree	Work in progress
75% of selected customers regard Asetek's ESG goals as relevant	Work in progress
50% of selected customers regard Asetek as a sustainable company	Work in progress
We have conducted stakeholder dialogues regarding ESG goals and expectations toward Asetek with 20% of our combined customer base	Work in progress

Our actions and results in 2023

Throughout 2023 Asetek's ESG steering committee continued to hold quarterly meetings to discuss ESG agendas, issues and status on our sustainability-related projects.

We continue to pay attention to risks of corruption in our daily activities. Anti-corruption is a part of the wording of our offers, contracts and other relevant business documents and our internal controls include this topic.

We conducted an internal impact assessment according to OECD's guidelines on anti-corruption in 2021 and we considered it to be valid for 2023. We found no severe impacts in 2023. As part of implementing the new CSRD requirements, we began updating our impact assessment in 2023. The update will be concluded in 2024 as part of our double materiality assessment.

We identified no incidents of corruption in our operations in 2023.

In 2023, we met our goal of engaging with relevant internal and external stakeholders in order to measure awareness and attitude towards the sustainability work that Asetek carries out. However, we did not meet our goal of ensuring sufficient data to inform whether or not we reached our awareness goals for the period.

All relevant employees participated in GDPR and cyber security training as planned. This will help us prevent cyber security breaches and inappropriate handling of data.

In 2024, we expect to

- // Conduct internal and external sustainability awareness surveys
- // Continue implementing EU's Taxonomy and EU's Corporate Sustainability Reporting Directive (CSRD)

Being a good corporate citizen

Our approach

Asetek strives to be a good corporate citizen and to fulfil our responsibilities to the societies and communities in which we operate.

One of our primary focus areas is eSports which is now among the largest competitive sports genres in the world. We want to support this movement, it's in our DNA.

Our actions and results in 2023

2023 year marked the 4th year in a row that Asetek was the primary sponsor for St. Jude PLAY Live with our SI partner at Alienware. We offered a PC giveaway worth \$2400. We also appeared on Alienware's livestream to talk about Asetek liquid cooling solutions.

As Asetek entered the direct-to-consumer market with Asetek SimSports, we joined The Conscious Advertising Network (CAN) in 2022. A partnership that we continued in 2023.

CAN is a voluntary coalition of over 70 organizations to ensure that industry ethics catches up with modern advertising technology. Working with reviewers and influencers is an integral part of letting customers know our products will live up to everything they are designed and tested to do. Hence, as part of CAN, we have committed to comply with several principles of responsible conduct.

In 2024, we expect to

- // Continue our community engagements
- // Continue high engagement with CAN



AMANDA SUPPORTS ASETEK'S DATA-DRIVEN ESG EFFORTS

Meet Amanda Mikkelsen, one of the company's pioneers who transitioned from a traditional financial focus to data-driven reporting of the company's behavior regarding environmental, climate, and social issues.

When Amanda joined Asetek in 2017 with a master's degree in business administration, it was initially to address the typical tasks within the finance department. However, soon her role evolved to include documenting the company's behavior concerning Environment, Social, and Governance (ESG) issues. It was then that she began to compile information regarding various ESG concerns, such as lifecycle assessment (LCA) and human rights impact assessment (HRIA). These are a few of the topics that have emerged in recent years related to the company's growing sustainability reporting and focus.

"The requirements for our ESG work have grown in recent years, and today I actually spend most of my time on ESG-related tasks. A lot of the work involves establishing a solid data foundation. It's very motivating for me that at Asetek we have chosen a disciplined approach, where we build the systems from the ground up and ensure internal learning. So we achieve the best results," Amanda shares. At Asetek, work is also now being done to comply with the recent implementation of the EU's "Corporate Sustainability Reporting Directive" (CSRD), which drastically increases the need for data.

How We Impact the World

Information concerning the environment, climate, and human conditions in production are the principal focus of Amanda's data collection efforts, obtained from Asetek's own teams around the world as well as from the company's partners and subcontractors. The data collected forms the basis for understanding how Asetek's activities affect people and the environment, and is used for mandatory sustainability reporting as well as to adjust Asetek's products and processes to reduce environmental impact. Also from these efforts, the company obtains further insight into the working conditions throughout its global value chain.

Asetek's primary product, PC water cooling, has always been more energy-efficient than similar technologies on the market. However, the company also intends to use ESG data to improve products in other areas.

"We know that we can optimize the products in several areas, such as material selection, product lifespan, and the ability to facilitate as much recycling as possible. It's very satisfying to contribute at a time when the world acknowledges that the climate is being pressured by human actions," explains Amanda.



She also appreciates the international perspective derived from her ESG work. Daily, she communicates with colleagues, suppliers, and partners around the world to validate and document ESG performance. She compiles valuable concrete data showing the extent to which the company complies with international requirements, standards, and directives. Amanda's work also consists of motivating colleagues and partners in order to continuously improve performance, knowing that the requirements for ESG reporting will grow significantly in

the coming years. "It is also a joy to feel how my colleagues in other functions and other parts of the world are increasingly focusing on the ESG aspect," she notes.

"It's satisfying in itself to know that at Asetek, we're making a serious effort to ensure compliance with reporting requirements as well as reap business opportunities associated with ESG improvements. At the same time, we're also very aware that investors are increasingly focusing on these concerns," concludes Amanda.

OUR PEOPLE

2023 HIGHLIGHTS

// We uphold 40% female representation in Asetek's Board of Directors

// We currently have 11% female representation at other management levels in Asetek

// We updated our adverse impact assessment

Promoting human potential and diversity

Our approach

It continues to be our ambition to always offer a healthy, safe, and developing working environment for all employees, customers, and external partners in Asetek.

We will also promote equality and diversity, including increasing the proportion of the under-represented gender at all levels of management.

As part of our commitment to sustainable development (Asetek's general CSR policy), we are committed to continuously work to identify, prevent, or mitigate potential and actual adverse impacts on human rights that we may cause or contribute to. Please read our entire commitment to respect human rights on URL <https://ir.asetek.com/Human-Rights-Policy>

Category	Units	2023	2022	2021	2020	2019
Health and safety						
Sick leave (Days/FTEs)	Days/FTEs	6.0	5.3	3.7	3.1	2.9
Work Accidents	Number	-	1	-	1	-
Diversity						
Share of women in other management positions	%	11%	11%	11%	11%	11%
Share of women in the workforce	%	29%	29%	27%	25%	26%
People						
Full-Time Equivalents (FTEs) (average)	Number	134.4	140	151	110	97
Non-permanent workforce at the end of the financial year	Number	14	11	11	13	9
Number of permanent employees hired	Number	20	14	31	19	15
Number of permanent employees departures	Number	5	28	32	13	6
Share of non-permanent staff	%	10%	10%	6%	12%	9%
Share of employees who benefited from an annual individual interview	%	100%	100%	100%	100%	100%
Share of employees who benefited from an awareness program on the code of ethics	%	100%	100%	100%	100%	100%
Employee turnover	%	4%	20%	21%	12%	6%
Share of employees with 5 years or more service	%	39%	25%	27%	43%	37%
Share of employees at age <31	%	19%	23%	27%	20%	11%
Share of employees at age 31-55	%	71%	62%	60%	68%	75%
Share of employees at age 55<	%	11%	14%	12%	12%	13%
Education						
Education hours	Hours	3,272	2,321	3,840	4,522	5,331
Education expenses	USD	60,736	82,621	126,328	62,476	55,526
Average number of training hours per employee	Hours	24.3	21	22	41	55
Share of employees who benefited from a training during the financial year	%	36%	49%	43%	59%	67%
Governance Data						
Category		2023	2022	2021	2020	2019
Reports via whistleblower website	Number	-	-	-	-	-
Share of women in board level positions	%	40%	40%	20%	20%	20%

OUR RESULTS GOALS FOR 2023 WERE

We have implemented the first human rights due diligence process

We have conducted our first human rights assessment

We are systematically collecting data about all relevant employee conditions

SATUS

Completed in 2021. Updated in 2023.

Completed in 2022. Updated in 2023

Completed

Our actions and results in 2023

In order to apply a systematic approach in our management of the UN Guiding Principles on Business and Human Rights (UNGPs), we conducted our first impact assessment in 2021 to identify actual and/or potential adverse impacts on human rights that we may cause or contribute to among our employees.

Our human rights due diligence process was updated in 2023 and we identified no severe impacts.

Asetek continues to assess that we have potential adverse impacts on the human rights listed in the table beneath. Asetek takes precautionary actions to prevent and mitigate all potential adverse impacts.

Please go to <https://ir.asetek.com/governance/governance-documents-and-policies> for full disclosure of our impact assessments and indicators to measure progress on our actions to prevent adverse impacts.

Other results and actions in 2023

All managers conducted employee development dialogues on a regular basis throughout the year. Ongoing dialogue is an important tool that helps us to nurture personal and professional development as well as prevent or mitigate incidents of stress or illness.

We have IT systems for registering sick leave, so we are always able to monitor the overall level of sick leave in Asetek.

In 2023 the sick leave was 6 days per 100 FTE's.

We continue to update and train our employees in safety procedures regarding the use of machinery, electronic equipment and chemistry used in our products and production.

Our employee handbook informs about all relevant aspects of working at Asetek, i.e. work environment, IT, health and safety procedures, legal issues, communication, and Asetek's values and culture. The handbook was last updated in 2023 and we re-implemented it in our global offices.

Promoting diversity

As of December 31, 2023, the board of directors consists of 5 individuals, of which 60% were men and 40% were women. Thus, Asetek continued to uphold an equal distribution of women and men in the Board of directors in accordance with Section 99b of the Danish Financial Statements Act. Our goal continues to be at least 40% female representation by 2025.

In accordance with section 99b of the Danish Financial Statements Act, Asetek has a target specifically for "other management levels", defined as a first management level, which is identified as officers and a second management level comprising of other executives reporting to the first management level. Here, the goal is to achieve a minimum of 25% female representation at other management levels by 2030.

In 2023, the number of employees at other management levels was 9 individuals, of which 11% were female. Asetek will continue to work towards

Human rights Impact assessment for Asetek

Human rights according to UNGPs	Identified potential adverse impacts that asetek may cause
2	Right to non-discrimination
3	Right to work (training, contract, termination)
4. a.	Right to equal pay for equal work
4. b.	Right to a living wage (minimum wage)
4.c.	Right to safe and healthy working conditions
4.d.	Right to equal opportunities for everyone to be promoted
4.e.	Right to rest, leisure, and paid holidays
6	Right to social security, including social insurance
7.a.	Right to protection of mothers before and after childbirth
8.b.	Right to adequate clothing
9.	Right to health
11.b.	Right to benefit from scientific progress
11.c.	Right to material gains from inventions
11.d.	Moral rights of authors (protection of copyrights)
13.a.	Right not to be subjected to torture, cruel, inhuman and/or degrading treatment or punishment
20.	Right to fair trial
23.	Right to privacy
25.b.	Right to freedom of expression
25.c.	Right to freedom of opinion

the 2030 target. During 2023, Asetek continued to actively encourage women to apply for open positions as well as it has continued its communication with educational institutions which trains both male and female candidates.

For full disclosure of Section 99 b of the Danish Financial Statements Act, please see Asetek's annual report for 2023, page 35.

In 2024, we expect to

// Continue monitoring the physical and mental health of our employees

// Continue improving the gender balance

// Increase internal communication about sustainability

// Improve (or maintain good) human rights scores

OUR BUSINESS PARTNERS

2023 HIGHLIGHTS

- // We conveyed our Responsible Business Relationships Code of Conduct to all our primary suppliers in the SimSports business
- // We initiated dialogues with crucial suppliers on how to implement our code of conduct
- // We have started ESG data collection from crucial suppliers

Foster responsible foster responsible business relationships

Our approach

Asetek purchases a wide range of goods and services required in the operation of our business and we also rely heavily on several key suppliers for the delivery of our products.

Responsible business relationships with our suppliers and business relations in general are therefore central to the success of our business.

Our expectations for our business relationships are based on the same global minimum standard for responsible business conduct to which we hold ourselves accountable.

We expect all our business relationships to meet the global minimum standard as outlined in the UN Guiding Principles for Business and Human Rights and the OECD Guidelines for Multinational Enterprises. They should avoid causing or contributing to adverse impacts on human rights, the environment, and anti-corruption, and should address any actual adverse impacts that arise. Our expectations are detailed further in our Code of Conduct for Responsible Business Relations.

We encourage responsible business conduct and sustainable development at all levels of our value chain. We commit to using or building our leverage as a company to support and encourage others to address their severe impacts and move towards

OUR RESULTS GOALS FOR 2023 WERE	STATUS
We have formulated and implemented CSR policies in all relevant CSR areas at Asetek	Completed. To be revisited in 2024 due to CSRD requirements
100% of our primary suppliers have signed a Supplier Code of Conduct	Work in progress
We have received a risk assessment from our crucial suppliers	Completed for both our cooling and SimSports business

meeting the globally accepted standard (UNGPs/OECD).

All strategic business relationships of Asetek receive our Responsible Business Relationships Code of Conduct as part of the contract. Among other things, the code of conduct defines procedures on how to ensure compliance with the supplier standard on labour rights and our expectations to due diligence on that matter.

Our actions and results in 2023

In 2023, we achieved our objective of ensuring that all primary component suppliers for our cooling business and SimSports division received and signed our Responsible Business Relationships Code of Conduct (RBRCoC). This code is guided by the standards established by the United Nations Guiding Principles on Business and Human Rights and OECD’s Guidelines (UNGPs/OECD).

We engaged with our largest suppliers in the cooling business to document their Environmental, Social, and Governance (ESG) impact assessments, and we received the initial documented results in 2023 on energy management practices, carbon emissions, and water management practices.

In 2023, Asetek formed a partnership with a major contract manufacturer for our SimSports products in Malaysia. We have aligned on how to implement our code of conduct, and in 2024, we expect to receive the initial ESG impact assessments in alignment with our code of conduct from them.

We have identified no incidents of corruption in neither our upstream and downstream activities in 2023.

We have established a grievance mechanism in line with our policy commitment to sustainable development. This mechanism is accessible on our website under the governance section at <https://ir.asetek.com/governance/governance-documents-and-policies>. In 2023, we did not receive any inquiries. In 2024, we plan to communicate the grievance process to all employees and crucial suppliers to raise awareness.

Conflict Minerals

The use of potential conflict metals and raw materials from controversial sources is a risk in the technology industry. Among known 3TG conflict metals, Asetek uses only one, which is on the watch list, namely tin, and concerning this metal Asetek has knowledge of all the smelters and we continue to consider that the metal comes from responsible mines.

We identified no incidents of known 3TG conflict metals in our products or operations in 2023.

In 2024, we expect to

- // Engage with business relations within both our cooling and SimSports business on how to conduct impact assessments according to our RBRCoC
- // Communicate grievance mechanism internally and to crucial suppliers
- // Update existing policies according to CSRD requirements and formulate new where relevant

DATA AND COMMENTS

Key Figures GHG Emissions (Asetek)

Category	Unit	2023	2022	2021	2020	2019
Scope 1						
Transportation						
Diesel (B5)	tCO ₂ e	16.4	15.4	12.5	16.6	32.4
Petrol (E5)	tCO ₂ e	9.2	18.6	20.3	16.3	9.7
Transportation Total	tCO ₂ e	25.7	34.0	32.8	32.9	42.1
Stationary combustion						
Natural gas (US avg.)	tCO ₂ e	9.2	10.7	10.1	10.1	10.4
Stationary combustion Total	tCO ₂ e	9.2	10.7	10.1	10.1	10.4
Total Scope 1 emissions	tCO₂e	34.9	44.7	42.9	43.0	52.5
Scope 2						
Electricity location-based						
Electricity Denmark 125	tCO ₂ e	-	2.2	-	68.6	81.8
Electricity China	tCO ₂ e	31.6	27.9	34.6	31.4	24.5
Electricity Taiwan	tCO ₂ e	8.2	7.8	6.2	3.7	2.6
Electricity US/CAMX	tCO ₂ e	17.0	22.0	19.3	21.2	22.5
Electricity Total location-based	tCO ₂ e	56.9	59.8	60.0	124.9	131.4
Electricity Green						
Electricity Wind	tCO ₂ e	-	-	-	-	-
Electricity Green Total	tCO ₂ e	-	-	-	-	-
DH Nordic Locations						
District heating DK/Aalborg	tCO ₂ e	34.7	37.0	39.7	18.6	28.2
DH Nordic locations Total	tCO ₂ e	34.7	37.0	39.7	18.6	28.2
Total Scope 2 emissions	tCO₂e	91.5	96.8	99.7	143.5	159.6
Electricity market-based	tCO₂e	57	55.3	60.3	264.8	293.4
Scope 2 Total market-based	tCO₂e	91.7	92.3	100.0	283.5	321.6
Scope 1 renewable energy	MWh	5.1	7.2	6.9	-	-
Scope 1 renewable energy share	%	0.0	0.0	0.0	0%	0%
Scope 2 renewable energy	MWh	629.4	718.6	643.0	-	-
Scope 2 renewable energy share	%	0.7	0.7	0.7	0%	0%
Total renewable energy	MWh	634.5	725.7	650.0	-	-
Total renewable energy share	%	0.6	62%	59%	0%	0%
Percentage change		9.1%	6.2%	2.5%	-2.0%	

Category	Unit	2023	2022	2021	2020	2019
Scope 3						
Business travel						
Air travel	tCO ₂ e	463.9	132.7	207.4	77.4	295.4
Ground transportation travel	tCO ₂ e	6.5	6.7	2.5	1.5	5.6
Sea travel	tCO ₂ e	0.1	-	-	0.2	-
Hotel nights, world	tCO ₂ e	44	19.5	10.2	8.3	41.7
Business travel Total	tCO ₂ e	514.5	158.9	220.1	87.4	342.7
Waste						
Residual waste, incinerated	tCO ₂ e	25.5	17.3	23.4	51.5	40.1
Paper waste, recycled	tCO ₂ e	0.3	0.2	0.1	0.1	0.1
Metal waste, recycled	tCO ₂ e	0.4	0.3	0.3	-	-
Waste water treatment	tCO ₂ e	0.3	0.4	0.5	0.8	0.8
Waste Total	tCO ₂ e	26.5	18.2	24.3	52.4	41.0
Packaging materials (Location DK)						
Cardboard, virgin	tCO ₂ e	10.7	6.7	1.3	1.1	0.6
Plastic avg. (virgin)	tCO ₂ e	0.3	0.2	0.3	0.2	0.1
EUR-pallet wood, reused	tCO ₂ e	0.1	0.1	0.1	0.2	-
Packaging materials (Location DK) Total	tCO ₂ e	11.1	7.0	1.7	1.5	0.7
Product materials (Location DK)						
Electrical items- small	tCO ₂ e	31.3	4.1	-	-	-
Cable, unspecified	tCO ₂ e	21.2	-	-	-	-
Polyurethane fabric (T1-4)	tCO ₂ e	4.6	-	-	-	-
Steel, stainless	tCO ₂ e	137.1	11.8	-	-	-
Aluminium	tCO ₂ e	256.0	131.8	-	-	-
Plastic avg.	tCO ₂ e	31.7	5.9	-	-	-
Copper cathode	tCO ₂ e	33.8	-	-	-	-
Rubber, EPDM	tCO ₂ e	1.8	0.3	-	-	-
Product materials (Location DK) Total	tCO ₂ e	517.5	153.9	-	-	-
Total Scope 3 emissions	tCO₂e	1,069.6	338.0	246.1	141.3	384.4
Percentage change (Scope 1+2+3) (Location-based)	tCO₂e	165.9%	19.4%	18.5%	-45.0%	

Key Figures Consumption (Asetek)

Category	Unit	2023	2022	2021	2020	2019
Scope 1						
Transportation						
Diesel (B5)	liters	6,480	5,978	4,857	6,497	12,676
Petrol (E5)	liters	4,145	8,363	9,121	7,400	4,431
Stationary combustion						
Natural gas (US avg.)	m ³	4,039	5,386	5,386	5,385	5,385
Scope 2						
Electricity						
Electricity Denmark 125	kWh	-	13,926	-	448,459	405,025
Electricity China	kWh	51,590.0	45,183	55,110	50,830	38,667
Electricity Taiwan	kWh	14,373.4	14,145.0	11,064	6,044	4,050
Electricity US/CAMX	kWh	70,391.3	93,855	93,855	93,900	93,900
DH Nordic locations						
District heating DK/Aalborg	kWh	315,100	303,120	325,480	277,742	320,471
Electricity Green						
Electricity Wind	kWh	459,598	497,880	418,698	-	-
Scope 3						
Business travel						
Ground transportation travel (Taxi)	km	25,053	19,510	7,257	7,400	23,198
Ground transportation travel (Others)	km	27,382	66,724	5,303	1,010	7,509
Sea travel	pkm	636	-	80	1,200	-
Air travel	flight trips	960	268	432	163	544
Hotel nights, world	nights	1,111	494	226	178	897
Waste						
Residual waste, incinerated	kg	46,253	34,239	46,663	102,649	79,879
Paper waste, recycled	kg	14,178	11,228	5,362	3,420	2,465
Metal waste, recycled	kg	17,004	14,448	15,842	-	-
Waste water treatment	m ³	1,426	1,109	2,085	1,140	1,134
Packaging materials (Location DK)						
Cardboard, virgin	kg	13,334	8,035	1,537	1,453	752
Plastic avg. (virgin)	kg	83	66	85	54	21
Pallet wooden EUR, reused	kg	3,408	2,993	1,901	4,765	1,038
Product materials (Location DK)						
Electrical items- small	kg	5,695	780	-	-	-
Cable, unspecified	kg	3,332	-	-	-	-
Polyurethane fabric (T1-4)	kg	313	-	-	-	-
Steel, stainless	kg	41,917	2,610	-	-	-
Aluminium	kg	28,422	12,558	-	-	-
Plastic avg.	kg	10,217	1,735	-	-	-
Copper cathode	kg	4,825	-	-	-	-
Rubber, EPDM	kg	1,600	319	-	-	-

Key Figures Consumption (Tier 1 supplier)

Category	Unit	2023	2022	2021	2020	2019
Scope 3						
Waste						
Residual waste, incinerated	kg	72,837	77,148	52,794	49,077	30,657
Paper waste, recycled	kg	9,593	3,087	24	-	-
Electricity						
Electricity China	kWh	1,160,462	714,638	1,470,394	1,143,903	79,271
Electricity renewable	kWh	17,384	16,749	-	-	-
Electricity Malaysia (upstream)	kWh	80,384	-	-	-	-
Packaging materials						
Cardboard, virgin	kg	208,706	219,160	891,204	799,585	572,288
Plastic avg. (virgin)	kg	35,290	760	488	435	311
Cardboard, recycled (CL)	kg	468,770	280,770	76,611	69,568	49,792
Product materials						
Aluminium	kg	387,514.1	279,020	506,140	377,420	268,310
Plastic avg.	kg	37,247.8	23,660	50,030	34,790	22,230
Steel, stainless	kg	216.1	-	-	-	-
Electrical items- small	kg	194.0	-	-	-	-
Cable, unspecified	kg	0.6	-	-	-	-
Copper cathode	kg	35,862.6	24,780.0	53,500.0	39,580.0	30,950.0
Rubber, EPDM	kg	7,110.3	4,590.0	9,500.0	6,810.0	4,360.0

Key Figures GHG Emissions (summed for Asetek and Tier 1 supplier)

Category	Unit	2023	2022	2021	2020	2019
Total Scope 1 emission	tCO ₂ e	34.9	44.1	42.9	43.0	52.5
Total Scope 2 (location-based method)	tCO ₂ e	91.5	96.8	99.7	143.5	159.6
Total Scope 2 (market-based method)	tCO ₂ e	91.7	92.3	100	283.5	321.6
Total Scope 3 emission	tCO ₂ e	6,247.6	3,992.8	7,121.2	5,346.8	4,705.1
Total (location-based method)	tCO₂e	6,374.0	4,133.7	7,263.8	5,533.3	4,917.2
Total (market-based method)	tCO₂e	6,374.2	4,129.2	7,264.1	5,673.3	5,079.2
Percentage change (Location-based)	tCO₂e	54.2%	-43.1%	31.3%	12.5%	

Relative product power draw

Category	2023	2022	2021	2020	2019
Relative product power draw	16,0%	26%	31%	47%	100%

Key Figures GHG Emissions (Tier 1 supplier)

Category	Unit	2023	2022	2021	2020	2019
Waste						
Residual waste, incinerated	tCO ₂ e	40.1	38.7	26.5	24.6	15.4
Mixed waste, recycled	tCO ₂ e	0.2	0.1	-	-	-
Waste Total	tCO ₂ e	40.3	38.8	26.5	24.6	15.4
Electricity						
Electricity China	tCO ₂ e	711.1	441.6	921.9	704.6	50.2
Electricity Malaysia (upstream)	tCO ₂ e	13.2	-	-	-	-
Electricity renewable	tCO ₂ e	-	-	-	-	-
Electricity Total	tCO ₂ e	724.3	441.6	921.9	704.6	50.2
Packaging materials						
Cardboard, virgin	tCO ₂ e	167.3	181.7	731.7	599.9	482.2
Plastic avg. (virgin)	tCO ₂ e	10.9	2.4	1.5	1.4	1.0
Cardboard, recycled (CL)	tCO ₂ e	328.1	201.9	55.1	53.6	39.5
Packaging materials Total	tCO ₂ e	506.3	386.0	788.3	654.9	522.7
Product materials						
Aluminium	tCO ₂ e	3,529.7	2,545.4	4,617.3	3,443.1	3,453.3
Plastic avg.	tCO ₂ e	115.6	73.7	155.9	108.4	69.3
Steel, stainless	tCO ₂ e	0.7	-	-	-	-
Electrical items- small	tCO ₂ e	1.1	-	-	-	-
Cable, unspecified	tCO ₂ e	-	-	-	-	-
Copper cathode	tCO ₂ e	250.9	163.5	353.1	261.2	204.2
Rubber, EPDM	tCO ₂ e	9.1	5.8	12.1	8.7	5.6
Product materials Total	tCO ₂ e	3,907.1	2,788.4	5,138.4	3,821.4	3,732.4
Total Scope 3 emissions	tCO₂e	5,178.0	3,654.8	6,875.1	5,205.5	4,320.7
Percentage change		41.7%	-46.8%	32.1%	20.5%	

Governance Data

Category	Unit	2023	2022	2021	2020	2019
Reports via whistleblower website	Number	-	-	-	-	-
Share of women in board level positions	%	40%	40%	20%	20%	20%

Social Data

Category	Unit	2023	2022	2021	2020	2019
Health and safety						
Sick leave (Days/FTEs)	Days/FTEs	6.0	5.3	3.7	3.1	2.9
Work Accidents	Number	-	1	-	1	-
Diversity						
Share of women in other management positions	%	11%	11%	11%	11%	11%
Share of women in the workforce	%	29%	29%	27%	25%	26%
People						
Full-Time Equivalents (FTEs) (average)	Number	134.4	140	151	110	97
Non-permanent workforce at the end of the financial year	Number	14	11	11	13	9
Number of permanent employees hired	Number	20	14	31	19	15
Number of permanent employees departures	Number	5	28	32	13	6
Share of non-permanent staff	%	10%	10%	6%	12%	9%
Share of employees who benefited from an annual individual interview	%	100%	100%	100%	100%	100%
Share of employees who benefited from an awareness program on the code of ethics	%	100%	100%	100%	100%	100%
Employee turnover	%	4%	20%	21%	12%	6%
Share of employees with 5 years or more service	%	39%	25%	27%	43%	37%
Share of employees at age <31	%	19%	23%	27%	20%	11%
Share of employees at age 31-55	%	71%	62%	60%	68%	75%
Share of employees at age 55<	%	11%	14%	12%	12%	13%
Education						
Education hours	Hours	3,272	2,321	3,840	4,522	5,331
Education expenses	USD	60,736	82,621	126,328	62,476	55,526
Average number of training hours per employee	Hours	24.3	21	22	41	55
Share of employees who benefited from a training during the financial year	%	36%	49%	43%	59%	67%

DEFINITIONS AND COMMENTS

KPI/CATEGORY	COMMENTS
FINANCIAL PERFORMANCE	FINANCIAL PERFORMANCE
Financial key figures is taken from the audited 2023 Annual Report of Asetek	
RELATIVE POWER DRAW	RELATIVE POWER DRAW
Relative power draw is a measure for performance of new products launched, measured as thermal performance in °C/W compared to the products power draw needed to achieve the same thermal performance.	The relative power draw is unchanged from 2021 to 2023 as it is based on the same pump generation, which is the newest pump generation launched.
ENVIRONMENTAL DATA	ENVIRONMENTAL DATA
SCOPE 1	SCOPE 1
Transportation	Transportation
Diesel (B5) is measured as litres of diesel purchased for company-owned cars based on invoice registrations in Asetek's ERP system.	The increase in Diesel (B5) is caused by higher productivity in year 2023 compared to year 2022
Petrol (E5) is measured as litres of petrol purchased for company-owned cars based on invoice registrations in Asetek's ERP system.	The decrease in Petrol (E5) is due to the transition from petrol to electric vehicles, applicable to company-owned vehicles.
Stationary combustion	Stationary combustion
Natural gas (US avg.) is measured as average use per m3 in an US office.	Natural gas is used at Asetek's office in California. The physical location in California was closed down in september 2023, which caused a lower consumption of natural gas in 2023 compared to previous years.
SCOPE 2	SCOPE 2
Electricity location-based	Electricity location-based
Electricity Denmark 125 is based on consumption measured by electricity meter data.	In 2022 electricity of another origin was used in connection with the construction of Asetek's new headquarter in Svenstrup. Therefore electricity use, based on the regular market mix factor, was reported for 2022 for electricity used from February until June where it shifted to wind energy on the new headquarter.
Electricity China is estimated as average of electricity consumption per capita multiplied by number of FTEs.	
Electricity Taiwan is estimated as average electricity consumption per capita multiplied by number of FTEs.	
Electricity US/CAMX is estimated as average electricity consumption per capita multiplied by number of FTEs.	
Electricity Green	Electricity Green
Electricity Wind is measured as total use of electricity at Asetek's location in Aalborg.	Wind energy has been used for Asetek's location in Aalborg East since the beginning of 2021 and on Asetek's new headquarter in Svenstrup since june 2022.
DH Nordic locations	DH Nordic locations
District Heating DK / Aalborg is based on reports from Asetek's district heating distributor in Aalborg.	District heating is only used at Asetek's location in Aalborg.
SCOPE 3 (ASETEK)	SCOPE 3 (ASETEK)
Business Travels	Business Travels
Ground transportation travel (Taxi) is measured in kilometres from taxi receipts registered in the system. For receipts where kilometres are not stated the expense from the receipt is converted into kilometres by following calculation; expense minus drop charge after which the remaining of the expense is divided by average price per kilometres for the respectively geographical area.	The increase in ground transportation (taxi) is caused by an increase in supplier visits in regard to new collaborations and outsourcing of part of the SimSports production, this includes ground transportation in regard to training, tesing and quality checking.

KPI/CATEGORY

Ground transportation travel (others) is measured as kilometers travelled by Train, Car, Bus, etc. Kilometers is measured through receipt and invoicing, extracted from Asetek's ERP system.

Sea travel is accounted for through receipts and invoicing for sea travels in Asetek's ERP system.

Flights is accounted as the total number of flights; domestic, continental, intercontinental, travelled by Asetek's employees. The numbers are based on expenses and invoicing for flights, extracted from Asetek's ERP system.

Hotel nights is accounted as the total number of nights spend by Asetek's employees at hotels. The numbers are based on expenses and invoicing for hotels extracted from Asetek's ERP system.

Waste and water

Residual waste is based on residual waste reported by Asetek's waste collecting agency, for the location in Aalborg. For Asetek's locations in California, Xiamen and Taipei residual waste is calculated as average of residual waste per capita multiplied by numbers of employees respectively at each location.

Paper waste, recycled is based on numbers reported by the waste collection agencies.

Metal waste, recycled is a total of cobber and metal waste. Amounts is conducted from Aseteks waste collection agencies.

Waste water treatment is calculated as average water use per capita respectively in Asetek's locations in Aalborg, California and Taipei multiplied by number of FTEs. For Asetek's location in Xiamen the actual water use is measured.

Packaging waste generated from production (Location DK)

Cardboard virgin is measured as total kilos of cardboard used for product packaging. It is calculated as weight of cardboard used for each type of product, multiplied by number of sold products of each of these types.

Plastic avg. (virgin) is measured as total kilos of plastic used for product packaging. It is calculated as weight of plastic used for each type of product, multiplied by number of sold products of each of these types.

Pallet wooden EUR, reused is counted as number of pallets purchased multiplied by weight of pallets, as all pallets are collected for reuse.

Product materials (Location DK)

Electrical items- small is measured as total weight of electronic components used in products produced by Asetek's production in Denmark.

Cable, unspecified is measured as total weight of cables used in products produced by Asetek's production in Denmark.

Polyurethane fabric (T1-4) is measured as total weight of polurethane fabric used in products produced by Asetek's production in Denmark.

COMMENTS

The level of Ground transportation (others) has decreased from 2022 to 2023 but is considered to be on a high level compared to prevoius years. The high level of ground transportation (others) is caused by the increase in supplier visits in regard to new collaborations and outsourcing of parts of the SimSports production, this includes ground transportation in regard to training, tesing and quality checking. In year 2023, ferry was used as a means of transport in connection with employee education abroad.

The increase in flight travels is caused by an increase in supplier visits in regard to new collaborations and outsourcing of part of the SimSports production, this includes domestic, continental and international flights in regard to training, tesing and quality checking.

The increase in hotel nights is caused by an increase in supplier visits in regard to new collaborations and outsourcing of part of the SimSports production, this includes hotel nights related to visits due to training, tesing and quality checking.

Waste and water

The increase in residual waste, incinerated is mainly driven by more products produced at Asetek's own location in year 2023. This due to higher product turnover combined with an expanded range of launched SimSports products.

The increase in paper waste, recycled is mainly driven by more products products produced at Asetek's own location in year 2023. This due to higher product turnover combined with an expanded range of launched SimSports products.

The increase in metal waste, recycled is due to more products manufactured at Asetek's own location in year 2023. This due to higher product turnover combined with an expanded range of launched SimSports products.

In year 2023, there was a slight increase in waste water treatment compared to year 2022. However the level is considered stable through the past five year.

Packaging waste generated from production

The increase in cardboard virgin follows the increase in product turnover, due to the expanded range of manufactured SimSports products.

The increase in plastic avg. (virgin) follows the increase in product turnover, due to the expanded range of maufactured SimSports products.

The increase in pallet wooden EUR, reused follows the increase in product turnover, due to the expanded range of maufactured SimSports products.

Product materials (Location DK)

In year 2023 the company collected information which enabled measuring electronic components separate from other materials. This method has been adapted to the calculation of Product materials (location DK) for year 2022.

In year 2023 the company collected information information which enabled measuring cables separate from other materials. This method has been adapted to the calculation of Product materials (location DK) for year 2022.

In year 2023 we launched a selection of steering wheels, which contains polyurethane fabric.

KPI/CATEGORY	COMMENTS
Steel, stainless is measured as total weight of stainless steel used in products produced by Asetek's production in Denmark.	In year 2023 we changed this measure from being based on quantity of sold products to being based on the quantity of produced products. This to gain a more accurate measure of used materials. This method has been adapted to the calculation of Product materials (location DK) for 2022.
Aluminum is measured as total weight of aluminum used in products produced by Asetek's production in Denmark.	In year 2023 we changed this measure from being based on quantity of sold products to being based on the quantity of produced products. This to gain a more accurate measure of used materials. This method has been adapted to the calculation of Product materials (location DK) for 2022.
Plastic avg. is measured as total weight of plastic used in products produced by Asetek's production in Denmark.	In year 2023 we changed this measure from being based on quantity of sold products to being based on the quantity of produced products. This to gain a more accurate measure of used materials. This method has been adapted to the calculation of Product materials (location DK) for 2022.
Copper cathode is measured as total weight of copper used in products produced by Asetek's production in Denmark.	In year 2023 we changed this measure from being based on quantity of sold products to being based on the quantity of produced products. This to gain a more accurate measure of used materials. This method has been adapted to the calculation of Product materials (location DK) for 2022.
Rubber, EPDM is measured as total weight of rubber used in products produced by Asetek's production in Denmark.	In year 2023 we changed this measure from being based on quantity of sold products to being based on the quantity of produced products. This to gain a more accurate measure of used materials. This method has been adapted to the calculation of Product materials (location DK) for 2022.
SCOPE 3 (TIER 1 SUPPLIER)	SCOPE 3 (TIER 1 SUPPLIER)
Waste	Waste
Residual waste, incinerated is measured as total residual waste from suppliers, divided by their share of revenue obtained through Asetek.	The level of residual waste, incinerated follows the level of produced products combined with an increased focus on waste sorting. Additionally a new Tier 1 supplier was added to the climate report 2023, due to outsourcing of parts of Asetek's SimSports production.
Paper waste, recycled is based the total of paper waste, recycled from suppliers productions, divided by their share of revenue obtained through Asetek.	The increase in Paper waste, recycled is caused by an increased focus on waste sorting. Additionally a new Tier 1 supplier was added to the climate report 2023, due to outsourcing of parts of Asetek's SimSports production.
Electricity	Electricity
Electricity China is measured through electricity meter, located at the Asetek related productions.	The increase in electricity use at Asetek's Tier 1 suppliers is caused by an increase in produced products. Additionally a new Tier 1 supplier was added to the climate report 2023, due to outsourcing of parts of Asetek's SimSports production.
Electricity renewable is measured as supplier's total use of electricity, divided by the percentage of electricity use that can be covered by suppliers own solar power.	Since year 2022 one of Asetek's Tier 1 suppliers have been using renewable energy from solar power. Solar power covers 2% of suppliers electricity use.
Packaging waste generated from production	Packaging waste generated from production
Cardboard virgin was measured as total kilos of cardboard used for product packaging of Asetek products. It was calculated as weight of cardboard used for each type of product, multiplied by number of sold products of each of these types.	The increase in cardboard virgin follows the increase in Asetek's product turnover. Additionally a new Tier 1 supplier was added to the climate report 2023, due to outsourcing of parts of Asetek's SimSports production.
Plastic avg. (virgin) was measured as total kilos of plastic used for product packaging of Asetek products. It was calculated as weight of plastic used for each type of product, multiplied by number of sold products of each of these types.	The increase in plastic avg. (virgin) follows the increase in Asetek's product turnover. Additionally a new Tier 1 supplier was added to the climate report 2023, due to outsourcing of parts of Asetek's SimSports production.

KPI/CATEGORY	COMMENTS
Cardboard, recycled (CL) was measured as total kilos of reused cardboard used by suppliers in product packaging of Asetek products, for one of the Tier 1 suppliers for the other supplier, it was measured as total use of reused cardboard divided by revenue obtained through Asetek.	The increase in cardboard, recycled (CL) follows the increase in Asetek's product turnover. Additionally a new Tier 1 supplier was added to the climate report 2023, due to outsourcing of parts of Asetek's SimSports production.
Product materials	Product materials
Electrical items- small is measured as total weight of electronic components used in products produced by Tier 1 suppliers, for Asetek.	In year 2023 the company collected information which enabled measuring electronic components separate from other materials. This method has been adapted to the calculation of Product materials (location DK) for year 2022.
Cable, unspecified is measured as total weight of cables used in products produced by Tier 1 suppliers, for Asetek.	In year 2023 the company collected information which enabled measuring cables separate from other materials. This method has been adapted to the calculation of Product materials (location DK) for year 2022.
Polyurethane fabric (T1-4) is measured as total weight of polyurethane fabric used in products produced by Tier 1 suppliers, for Asetek.	In year 2023 we launched a selection of steering wheels, which contains polyurethane fabric.
Copper cathode is measured as total use of copper in kilos for products produced by Tier 1 suppliers, for Asetek.	In year 2023 this measure was changed from being based on quantity of sold products to being based on the quantity of produced products. This to gain a more accurate measure of used materials. This method has been adapted to the calculation of Product materials (location DK) for 2022.
Rubber, EPDM is measured as total use of rubber in kilos for products produced by Tier 1 suppliers, for Asetek.	In year 2023 this measure was changed from being based on quantity of sold products to being based on the quantity of produced products. This to gain a more accurate measure of used materials. This method has been adapted to the calculation of Product materials (location DK) for 2022.
Steel, stainless is measured as total use of stainless steel in kilos for products produced by Tier 1 suppliers, for Asetek.	In year 2023 this measure was changed from being based on quantity of sold products to being based on the quantity of produced products. This to gain a more accurate measure of used materials. This method has been adapted to the calculation of Product materials (location DK) for 2022.
Aluminum is measured as total use of aluminum in kilos for products produced by Tier 1 suppliers, for Asetek.	In year 2023 this measure was changed from being based on quantity of sold products to being based on the quantity of produced products. This to gain a more accurate measure of used materials. This method has been adapted to the calculation of Product materials (location DK) for 2022.
Plastic avg. is measured as total use of plastic in kilos for products produced by Tier 1 suppliers, for Asetek.	In year 2023 this measure was changed from being based on quantity of sold products to being based on the quantity of produced products. This to gain a more accurate measure of used materials. This method has been adapted to the calculation of Product materials (location DK) for 2022.

KPI/CATEGORY	COMMENTS
SOCIAL DATA	
Health and safety Sick leave (Days/FTEs) is accounted as hours of employee absence converted into days divided by FTEs. The numbers are extracted from Asetek's time registration system and includes all short- and long-term illness and child sickness. Maternity or paternity leave is not included. Work accidents is defined as severe injuries occurred during working hours at Asetek's locations. The injury is accounted for when it has been reported as an occupational injury by the employee and can be classified as loss time injury.	Health and safety The increase in sick leave was primarily caused by three long-term illnesses. There were no work accidents, in 2023
Diversity Share of women in other management positions is accounted as women in other management positions at the end of financial year divided by FTE's. Share of women in the workforce is measured as women in the workforce at the end of the financial year divided by FTE's.	The level of share of women in other management positions was maintained through the past five years. The share of women in the workforce has increased from 26 % to 29 % during the past five year.
People Number of employees having benefited from an awareness program on the code of ethics is accounted as total FTEs, as all of Asetek's employees are benefitting from the awareness program once a year. FTEs is accounted as average of employees for the accounted period. Non-permanent workforce at the end of the financial year Number of permanent employees hired for the period Number of permanent employees departures Share of non-permanent staff Share of employees who benefited from an annual individual interview	
Employee turnover Share of employees with 5 years or more service Share of employees at age <31 Share of employees at age 31–55 Share of employees at age 55<	
Education Education hours is measured through Asetek's time registration system. Education expenses is measured through Asetek's ERP system. Average number of training hours per employee Share of employees who benefited from a training during the financial year is measured through Asetek's time registration system.	
GOVERNANCE DATA	GOVERNANCE DATA
Inquiries reported via whistle-blower website Share of women in board level positions	We continued to uphold a distribution of 40% female and 60% male in 2023.