

Jula AB

# Sustainability Report 2023



# Contents



## JULA AB

Julagatan 2, Box 363  
SE-532 24 Skara  
Tel: 0511-246 00  
Corp. ID no.: 556250–6252

[www.jula.se](http://www.jula.se)

**Editor-in-chief** Johan Sjöhagra **Project management**

Maria Ragnarsson

**Design & production** Anton Gindemo

**Text** Maria Ragnarsson

**Photo** Jula AB

**Printing** Exakta, Lidköping, Sweden, 2024

**Copyright** This material is protected by copyright in accordance with the Act on Copyright in Literary and Artistic Works (1960:729). The copyright belongs to Jula AB.

3	The year in sustainability: 2023
4	Jula: the company
5	Our own brands and hard facts
6	Stakeholders and material matters
7	Risk management
8	Jula's plan remains long-term
10	Impact through our value chain
12	Climate-neutral transport and Energy efficiency
16	Quality in focus
20	Jula's suppliers
24	Jula's most important asset
26	Jula cares
27	About the report



Magnus Kristoferson  
Group Executive Director



Johan Sjöhagra  
President of Jula AB



Maria Ragnarsson  
Sustainability Manager

# The year in sustainability: 2023

2023 was a mixed bag which was also characterised by a long-term perspective and sustainable development. We continue to follow our sustainability agenda, we are a strong family business with current family members which creates both speed and thoughtfulness at the same time. We have strong capacity for development and an unwavering commitment to expansion. This results in things constantly happening in our operations that make it exciting to be part of Jula Holding Group.

In 2023, we continued our commitment to renewable energy, an investment made by our sister company that benefits Jula's

operations. The solar farm on the roof of the central warehouse in Skara has been expanded to become one of the largest roof-mounted solar farms in Sweden. The plant's output is around 8MW from around 17,500 solar panels. Through its sister company Jula Miljö & Energi, the group has now also invested in its first own solar panel installations on department store roofs. During the year, we launched two pilot projects, one in Falköping and the other in Skövde. This is all part of the Jula Group's commitment to producing more renewable energy than the entire group uses. So far, it is Jula that is using the solar-generated electricity.

Looking back, we recognise that a lot of good things have happened, but we are humbled by the challenges ahead. A lot of focus has been placed on understanding and interpreting the requirements that come with CSRD and other requirements from the EU, and we are continuing to work on clarifying and prioritising the areas relating to sustainability where we have our greatest impact, in the future too. We continue to believe in a long-term approach and implementation; with our strong organisation with responsible and committed employees, we achieve our ambitions and continue to address challenges while delivering tangible, sustainable and long-term results.

" Looking back, we recognise that a lot of good things have happened, but we are humbled by the challenges ahead."

# Jula: the company

The story of Jula begins on the idyllic farm of Jultorp on the outskirts of Varaslätten in Västergötland.

A success story characterised by curiosity, drive and a strong entrepreneurial spirit that has transformed the family business into an international group with presence in Sweden, Norway, Poland, Finland and Austria. Jula is in an intense phase of expansion and strives to inspire people to simplify their everyday life and make it active and fun. With an extensive range of products for the home, garden and leisure at bargain prices, Jula enables homeowners, DIYers, farmers, tradespeople and other business owners to find everything they need.

Together we strive to awaken each individual's desire to take on their own projects and challenges and fix things themselves.

Jula AB is an important part of the Jula Holding Group, which has developed by creating new business opportunities within the original retail operations.

The group focuses on effectively acquiring, starting and developing both new and existing businesses, with long-term sustainability as a guiding principle. The different lines of business in retail, logistics, hotels, real estate, loans and energy, work and develop together. The group has its roots and base in Skara.

## About the report

The Sustainability Report covers Jula AB Group and is prepared in accordance with chapter 6 of the Annual Accounts Act. Jula AB Group has chosen to prepare the report as an appendix to the administration report, part of the annual report.

# 136 department stores



**68** Sweden



**41** Norway



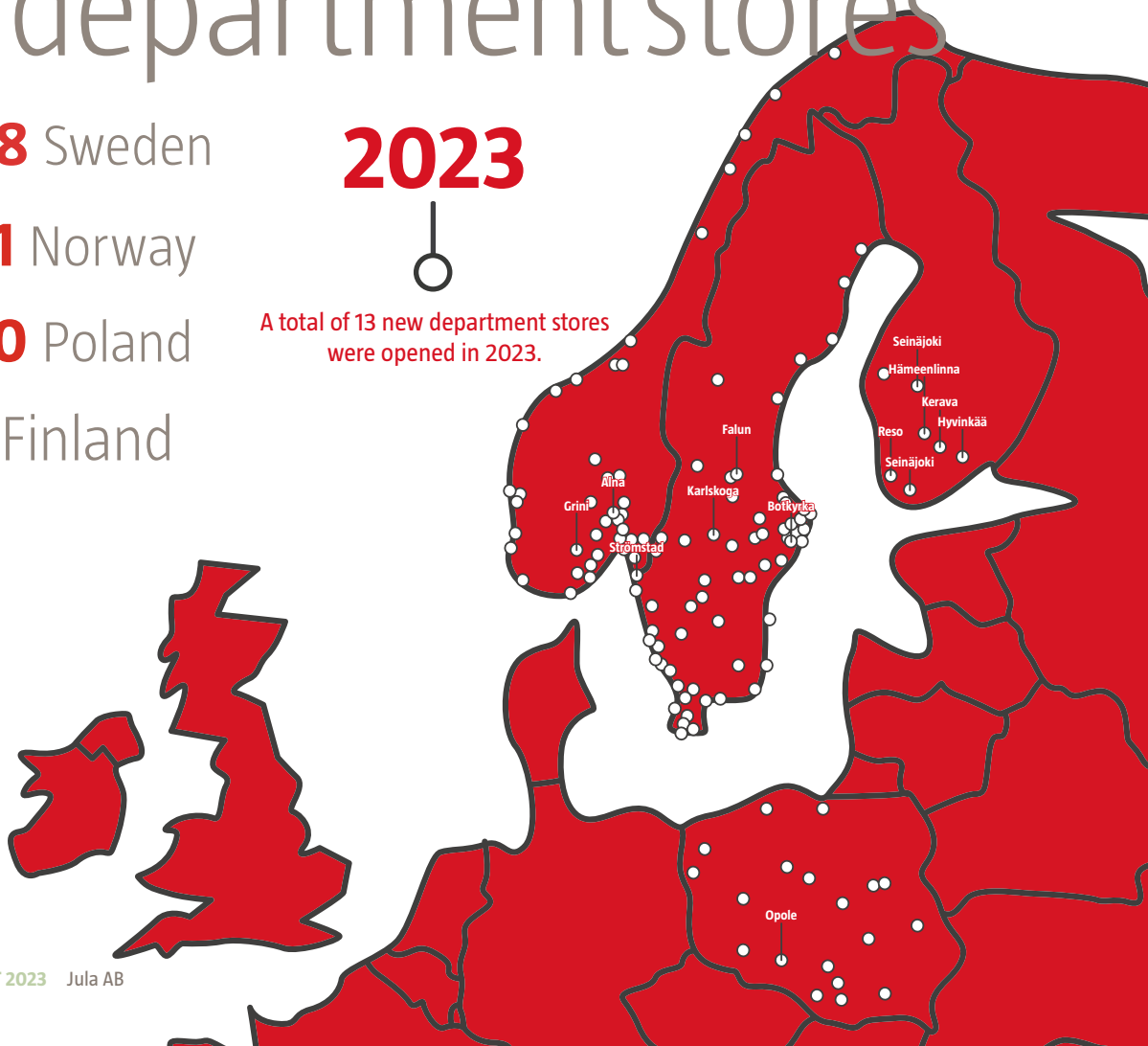
**20** Poland



**7** Finland

**2023**

A total of 13 new department stores were opened in 2023.





# Our own brands

KAYOBA

**MEEC**  
TOOLS

**EKVIP**<sup>TM</sup>

**Burns & Barkles**

**anslut**<sup>TM</sup>

**Hamron**<sup>TM</sup>

**Hard Head**<sup>TM</sup>

**Bright**<sup>TM</sup>

BLUEWEAR® 

  
BLWR  
Outdoor explorer since 2015

**Stay fit**  
BY BLWR

**Play**  
in BLWR

*Axley*

**Menuett**<sup>®</sup>

**CUP AQUA**

**MARQUANT**

## Hard facts



Turnover  
**9,472**<sup>MSK</sup>



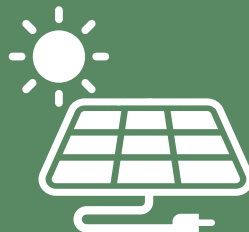
Equity ratio  
**57%**



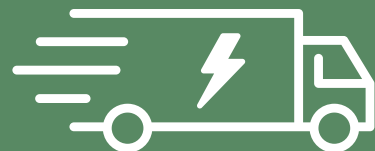
Product claims\*  
**0.94%**



**21,075**<sup>MWh</sup>  
Wind power  
produced 2023



**2,018**<sup>MWh</sup>  
Solar power  
produced 2023



**2 e-lorries**  
for container traffic

\*Number of product claims in relation to sales.

# Stakeholders & material matters

Carefully assessing our impact in the field of sustainability, and understanding how sustainability issues affect our business, are of key importance to us. It is important to understand what our stakeholders consider to be of great significance.

Our primary stakeholders include customers, employees, owners, suppliers, society and authorities. At Julia, we strive for active dialogues in order to gather information on what our stakeholders consider to be essential. We achieve this through regular customer surveys, open dialogue and cooperation. The information collected serves as a basis for focusing on relevant issues in our sustainability work. The basis for our sustainability work is the dual materiality

analysis, where we have mapped out the consequential impact materiality found in our company. We have also analysed financial materiality to better understand and assess what affects us as a company. The material matters have then been assessed in our risk management model and, based on this, we have concluded that the following areas are our greatest material matters.

- GHG emissions from energy use, transport and product manufacture
- Human rights
- Working environment and health
- Materials consumption
- Energy consumption
- Laws and Regulations
- Disruptions in global supply chains

Julia's sustainability work is based on the issues that represent our greatest material matters. Through this strategy, we aim for holistic and effective sustainability work that reflects the current and important aspects in the field.

IMPORTANT QUESTIONS FOR STAKEHOLDERS CONCERNING SUSTAINABILITY					
Stakeholder	Customer	Staff	Owner	Suppliers	Public authority & Society
What is important?	Product quality and safety Transparency Reduction of climate impact Human rights	Work environment & health Development and career opportunities Reduction of climate impact Business ethics Diversity & Equality	Reduction of climate impact Long-term, sustainable development Business ethics Human rights Anticorruption Energy supply and use	Human rights Business ethics Product quality and safety Long-term, sustainable development	Social commitments Work environment Recycling Laws, regulations and standards Reduction of climate impact Circularity Energy supply and use
How is it communicated?	Customer surveys Home page Printed media Social media Meetings with customers	Staff appraisals Dialogues Internal communication Training	Annual Report Sustainability Report Ongoing dialogues	Supplier assessment Audits Supplier portal Digital platforms Ongoing dialogues	Ongoing dialogues Cooperation Trade associations External seminars Inspection visits Consultation

# Risk management

At Julia we have a shared, established risk management model for the group as a whole. This means that we work actively with business intelligence, to manage and prevent risks, while also exploring and developing opportunities in risks.

Our risk management policy describes principles, responsibilities, processes and reporting requirements. There is a system for this, which forms a framework for the management. We have different national legislations and directives to manage, and different business activities within the group. These must be evaluated and, where appropriate, measures taken, and this work is a natural part of the day-to-day business.

## Identification of risks

Risks are identified on a regular basis in tandem with business planning, projects or decisions. A risk management committee works actively to assess reported risks. All staff have a responsibility to ensure compliance with the risk management policy in our daily work. Company-affiliated managers for respective departments, functions or companies are responsible for following their company's risks, ensuring plans of action are in place, implementing measures and reporting on any risks on an ongoing basis.

Risks are assessed based on the **probability** of the risk occurring and the **consequences** it would have for our business. Decisions are taken on which measures to take, scheduling them and appointing someone to be responsible for the measure.

## Crisis management and continuity plans

There are well-established plans of action in the Julia Holding Group for crisis management. The day-to-day business activities have been thoroughly prepared and tested. Functions and systems are tested and revised regularly to ensure robustness in the event of a crisis or extraordinary events in our business. Julia's action plans ensure that Julia is prepared to act over time and to provide security in the event of a crisis.

It is important to act and implement the right measures in each individual situation in order to secure critical systems or activities for a rapid resumption of production, or to ensure that people and material property are taken care of.

	REPORTING AREA/ IDENTIFIED RISKS	DESCRIPTION OF RISK	RISK MANAGEMENT
ENVIRONMENT	Raw materials Chemicals Energy consumption Climate impact Waste	Raw material use in products, continuous availability, use of virgin/recycled raw materials. Health hazards of use, pollution hazards from production/use. Choice of energy agreement, usage, access. Emissions from transport, product manufacturing, product usage and our business. Waste from manufacturing, packaging and end-of-life products.	Requirements on product content and product safety Safety rounds, internal control Handling of chemicals Pretreatment facility Transport options Julia Logistics Energy efficiency project Packaging project Waste sorting, reuse, recycling
SOCIAL RESPONSIBILITY	Our own business activities Subcontractors Producer countries Equality issues	Work environment risks, working conditions, occupational injuries, stress-related health factors, lack of skills. Manufacturers in high-risk countries. Equality, diversity, discrimination.	JuliaBase Systematic working environment initiatives Policies Code of Conduct Whistleblower system CSR-revisions Trade union cooperation Collective agreements Leadership program Staff appraisals
HUMAN RIGHTS	Subcontractors Production countries Markets	Manufacturing in high-risk countries. Human rights violations, freedom of association, safety, discrimination. Absence of employment contracts, reasonable working hours and salary. Child labour, forced labour. Discrimination.	Code of Conduct Whistleblower system CSR-revisions Supplier follow-up Preventive training
ANTICORRUPTION	Senior executives Supplier relations Customer relations	Attempted corruption. Establishment in new purchasing regions. External influence of decision-makers. Impact of business relations.	Anticorruption policy Whistleblower system Authorisation arrangement Information to all new employees.

# Jula's plan remains long-term

For us at Jula, having a long-term perspective is important. Our long-term sustainability ambition therefore remains and we are continually working to make it more and more tangible. We are constantly taking steps to concretise our journey and make our goal ever clearer. It is important to actively monitor what is happening around us and to adjust our roadmap to meet the new requirements. However, it is reassuring to see that our focus areas remain the same, despite increasing demands.

Our long-term vision of a more sustainable world is about reducing our climate footprint and becoming climate-neutral in defined areas. We have chosen to focus on the UN's global goals and have selected the goals where we see that our activities can contribute to a positive blueprint, albeit on a small scale in the big picture.

## Climate-neutral 2030

We will be climate-neutral by 2030. Being climate-neutral to us means that we should have climate-neutral transport as well as good and efficient energy use.

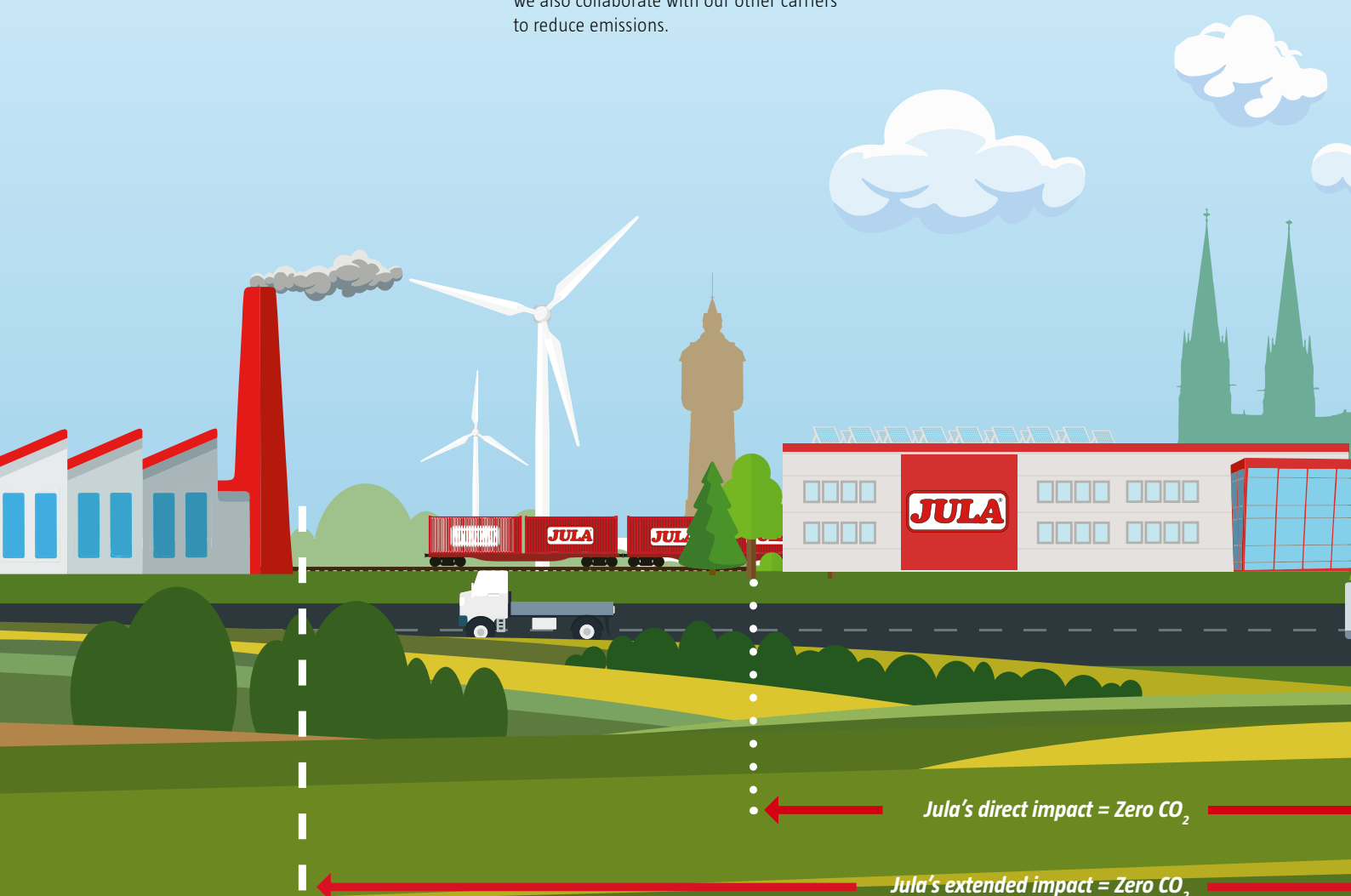
**Energy** - Our consumption of energy shall also be climate-neutral and efficient. We aim to buy 100% renewable energy by 2030 for our operations at our central warehouse and for all department stores in every country. We shall also work actively to reduce our energy consumption on an annual basis.

**Transport** - Transport to our central warehouse and out to our department stores, as well as e-commerce, will be fossil-free and climate-neutral by 2030. Jula's sister company Jula Logistics plays a large and active role in offering environmentally friendly rail transport and we also collaborate with our other carriers to reduce emissions.

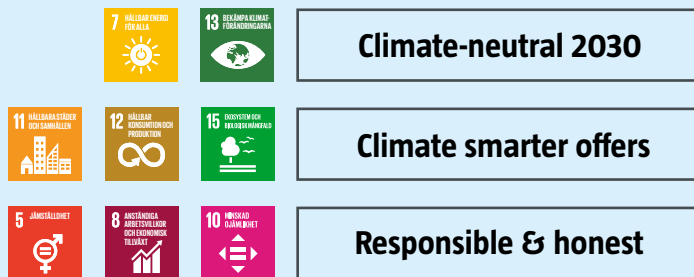
## Climate smarter offers

Our offers should be climate-smart. This means that Jula's product range will include innovative, climate-smart and energy-efficient products that make people's choice to live more sustainably easier. Our ambition is to supply innovative products that contribute to reduced energy consumption and reduced climate impact.

This is also about an increase in circularity, longer life spans, and sustainable use of the products. We take our sustainability commitments very seriously, such as by quality testing products, developing







## GLOBAL TARGETS for sustainable development

the range of spare parts and facilitating a second-hand market for returned products in our outlets. This also includes the content of the products, and we are increasingly demanding fossil-free or recycled materials in our product range. Of course, recycling options are also important to us. We also have a continued focus on minimising, reducing and optimising both transport and consumer packaging.

### Responsible and honest

Being responsible and honest is of central importance to us. This goes for Jula both as an employer and business partner. We work continuously with our working

environment and we want to continue to be an attractive and developing workplace. It also applies to those who supply products and services to Jula. We require adherence to our code of conduct and also follow-up to ensure that this is done.

Jula should have responsible suppliers, which means that 100% of our suppliers should live up to Jula's Code of Conduct.

Jula should be a an attractive employer by providing a safe and attractive workplace, where everyone has the same opportunities to develop.

We know that it may seem challenging to combine volume trade, low prices and sustainability. However, we know that it is not impossible to combine these. Altogether, for us it's about reducing our carbon footprint and that everyone at Jula contributes and plays a part in long-term sustainable development by using resources efficiently and exercising due care in the choices we make.



# Impact through our value chain

To reduce our carbon footprint, we need to map and understand our value chain. This is nothing new for us, but we have put more focus on understanding our responsibilities further up and down the chain, and how our processes can and do affect different parts of the chain. We know that we have a great responsibility and that it will become even greater. We are prepared to take it on.

## SUBCONTRACTORS

The life cycle of a product is linked to the consumption of resources and environmental impact. Julia's ambition is to have an overall perspective in relation to the entire life cycle of the product. Decisions are taken already in the purchasing stage that influence how the product is handled in the rest of the chain. This goes for, as an example, the choice of materials and raw materials, which product testing is required for quality assurance of the product, whether it will be possible to repair the product, how the product will be handled after its end of life, and how the product will be packaged.



## TRANSPORT TO THE CENTRAL WAREHOUSE

All Julia's sea transport goes slower than normal by using so-called "slow shipping", which means that the vessels consume less fuel. Goods go by train from the port of Gothenburg to Falköping. On an annual basis this results in about 6,000 fewer transports by lorry between Gothenburg and the central warehouse in Skara. To further optimise incoming transport, Julia uses electric lorries between the dry port in Falköping and Skara. Goods from Europe are transported by rail from Italy, if possible. We do this to further reduce emissions.



## 1

## SUPPLIERS AND MANUFACTURERS

Close cooperation with our suppliers is one prerequisite for the sustainable use of resources and good quality, and for satisfying the demands of our customers. Julia's own staff in Asia and Poland facilitate contact with our suppliers. We put requirements on suppliers on the basis of our values. Julia conducts audits and provides information on sustainability and our Code of Conduct. This creates understanding and continuous improvements.

## 2



## 3

## ENERGY STREAM-LINING

Julia's central warehouse is the largest warehouse in northern Europe. We have invested in geothermal heating as the main source of heating here. 96 bore holes supply our central warehouse with heating, and we also have motion sensor lighting and sealed connections. The group owns shares in 7.5 wind turbines that supply us with renewable energy. We have one of Sweden's largest rooftop solar farm with a capacity of 8 MW. In addition to this, the energy we purchase comes from renewable sources.

" Our committed staff are a crucial factor for our future development and expansion. Our commitment to our customers, to each other and to the company is a basic requirement to allow us to observe our basic values."



## SATISFIED CUSTOMERS

Jula always strives to meet customers' expectations. Ensuring that Jula is always easily accessible as a department store and for e-commerce is key to this. We work hard to guarantee safe products of good quality that comply with legal requirements and customer expectations. Various customer surveys are carried out every year to find out what customers think about Jula.

5

## TRANSPORTS FROM THE CENTRAL WAREHOUSE

Transport to department stores use external carriers to achieve efficient shared loading. We always strive to optimise our transports by, among other things, extra-high pallet height to maximise loading in the trucks. We also use rail transport, such as between Falköping and Umeå. Jula sets requirements for environmental development during transport procurement and has close collaboration with our transport providers.



## RECYCLING

Jula cooperates with different partners when it comes to recycling. In our department stores, offices and warehouses, corrugated board, plastic, metal, wood and hazardous waste are separated at source. By paying fees for products that we have put on the market our customers can leave products that have reached their end of life at recycling centres throughout the country.

7

## PREVENTING WASTE

Jula's product range makes it easier for our customers to repair and prolong the useful life of broken products or make their own repairs. Our service department, After Sales, takes care of any products that are returned. This contributes towards a more sustainable development, with more wear and tear and less disposal. As far as possible, products that are returned are repaired and then sold in one of our outlets. There are also over 9,000 spare parts that can prolong the life of products that need to be repaired.

8







# Climate-neutral transport and energy efficiency

One of Jula's major focus areas when it comes to reducing our climate impact involves our transport and energy use. We have chosen to focus primarily on those areas as we can have a direct impact on them and they account for a large part of our direct carbon footprint. We continue to work on this, and in the past year we have been able to see the results of our hard work.

## Focus on energy efficiency

Over the past year, our efforts to reduce our energy use have continued. The mapping we did in 2022 has been further refined and we now see that the measures we have implemented and the activities we continue to carry out are producing results. As lighting accounts for the lion's share of energy used in department stores and at our warehouse, we have taken measures such as switching to controlling lighting throughout the day. Although we have increased the number of department stores in all countries, we see that total energy consumption is not increasing in relation to the number of department stores opened. Several department stores have de facto reduced their electricity consumption through the measures implemented, and we see in particular that our key figure of electricity used per square metre of space has dropped.

The key figure of kWh consumed in relation to our turnover is the same as last year, 5.2. We continue to use energy efficiency as a key instrument and monitor the result over time.

The electricity we buy for our department stores and our central warehouse shall be 100% renewable by 2030. Here, too, we can see that the outcome has increased from the previous year. In total, the share of renewable energy for our department stores and our central warehouse is 91%, which is an increase from last year (90% in 2022).

One of the group's overall goals is to produce more renewable energy than we use. Jula AB benefits greatly from this. During the year, the existing solar farm at the central warehouse in Skara was expanded and now has a capacity of 8MW. The park produced just over 2,015 MWh in

2023. Jula primarily uses electricity for the central warehouse, 92% of the electricity was consumed in the premises in 2023. And the entire plant only ran for the second half of the year. At the end of the year, we invested in a battery connected to our large solar farm. The plan is for the battery, with a capacity of 2MW, to be used both to support the grid and to increase self-sufficiency. The battery is expected to be connected in the first part of 2024.

In addition to the large solar farm, two department stores were fitted with solar panels in 2023. The plant in Falköping has a capacity of 0.5MW and was started at the end of 2023. It produced 2,813kWh in the last months of the year. The plant in Skövde, also with a capacity of 0.5MW, is in place and will start production in 2024.



### The road to fossil-free transport

The movement of products to and from our central warehouse carries a large carbon footprint and is a priority area for reduction. We continue our commitment to rail transport through our sister company Jula Logistics. In 2023, the train shuttle between Falköping and Luleå supplied a total of eight department stores with goods, five in Norway and three in Sweden.

In 2023, the two electric trucks we invested in transported most of the containers between the dry port in Falköping and Skara. A public charging station with six charging points for electric trucks has been built by Jula Logistics in Falköping. This, combined with the fact that we also have charging facilities at the central warehouse in Skara, means that we have ensured that the cars run on "green electricity". The truck handling that takes place at the dry port is powered by HVO, which in total means that container transport between the Port of

Gothenburg and the central warehouse has a very small climate footprint.

We continue discussions with our carriers on sustainable shipping and what this work will look like up to 2030. This involves using both more biofuels and more electric transport where possible, as well as ensuring emissions are measured.

### Emissions

In 2023, we saw a significant reduction in emissions from our transport. There are several reasons for this. The main reason for the sharply reduced emissions from sea freight is that we transported fewer containers during the year compared to previous years. This was partly due to the fact that we made intense efforts to reduce the previously high stock levels that Jula had. The second highest emissions come from transport by truck, which also includes e-commerce to all markets. Here, too, we see large reductions in emissions from

previous years. In e-commerce in particular, we have worked on being able to offer our customers fossil-free shipping. We also see our carriers using more fossil-free vehicles in their fleets. Emissions from air freight have also decreased, even though we sent a comparable amount of goods by air during the year. This is partly due to the choice of routes and aircraft.

Obtaining fully comparable data year-on-year regarding emissions is a challenge and we are making intense efforts to obtain data that is as accurate as possible and also to adjust retroactively if new data has emerged since the last report. Our ambition is to be transparent in our reporting. We can see that our work is yielding results and that one of our overall key figures, carbon dioxide equivalents in relation to turnover, has fallen sharply from the previous year, from 4.8 to 2.9.



**Key performance indicators:**

- The group produced the equivalent of 46.6% renewable electricity, in relation to the electricity Julia used in 2023.
- The electricity consumption of the central warehouse is 37kWh/sqm in 2023, compared to 36kWh/sqm in 2022.

**ENVIRONMENTAL DATA**

<b>ELECTRICITY CONSUMPTION AT DEPARTMENT STORES AND WAREHOUSES</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Electricity consumption in group-owned department stores, Sweden	5,849	6,458	6,162
Electricity consumption kWh/m <sup>2</sup>	113	121	114
Consumption of district heating in group-owned department stores, Sweden	2,138	2,548	2,289
Electricity consumption in leased department stores, Sweden (only business consumption)	14,877	15,520	14,918
Electricity consumption kWh/m <sup>2</sup>	111	114	107
Electricity consumption, central warehouse MWh	6,346	6,531	6,610
Electricity consumption department stores, Poland MWh	5,073	5,153	5,023
Electricity consumption department stores, Norway MWh	14,168	13,987	13,873
Electricity consumption department stores, Finland MWh		67	725
<b>Total electricity consumption MWh</b>	<b>48,451</b>	<b>50,264</b>	<b>49,600</b>
<b>CARBON DIOXIDE FOOTPRINT – FROM FACTORY TO DEPARTMENT STORE (tonnes CO<sub>2</sub>)</b>			
<b>Total scope 1 (own emissions)</b>	<b>184</b>	<b>286</b>	<b>210</b>
Business trips Julia's flights	47	47	173
Business trips Julia's cars	137	137.2	113
<b>Total scope 2 (electricity consumption)</b>	<b>4,927</b>	<b>4,575</b>	<b>3,043</b>
Total for department stores	4,848	4,558	3,008
Sweden	581	663	715
Norway	209	102	0
Poland	4,058	3,793	2,293
Finland			0
Central warehouse and head office	40	17	35
<b>Total scope 3 (indirect emissions)</b>	<b>32,876</b>	<b>41,575</b>	<b>24,516</b>
Logistics	32,853	41,493	24,422
Business trips (Air, train and rental cars)	23	82	93
<b>Total carbon dioxide emissions</b>	<b>32,430</b>	<b>46,436</b>	<b>27,768</b>
<b>CARBON DIOXIDE EMISSIONS – LOGISTICS (tonnes CO<sub>2</sub>)</b>			
Air	229	412	90
Sea	16,018	21,242	9,533
Road	19,904	19,720	14,693
Train		91	106
<b>Total tonnes CO<sub>2</sub></b>	<b>36,151</b>	<b>41,465</b>	<b>24,422</b>
<b>Key performance indicators</b>			
CO <sub>2</sub> emissions by turnover (tonnes/million SEK)	4.1	4.8	2.9
<b>ELECTRICITY PRODUCTION FROM OWN SHARES IN WIND/SOLAR POWER</b>			
Electricity production Wind power (MWh)	20,002	19,357	21,075
Electricity production Solar power (MWh)		958	2,018

A smaller part of the material is based on templates.







## Quality in focus

The Jula quality centre is a hub of our product development and the basis for our motto "more wear and less waste". Extending the lifespan of products, working to achieve the right quality and ensuring that the products fulfil the requirements set is essential for us and a requirement for offering our customers good and safe products and services.

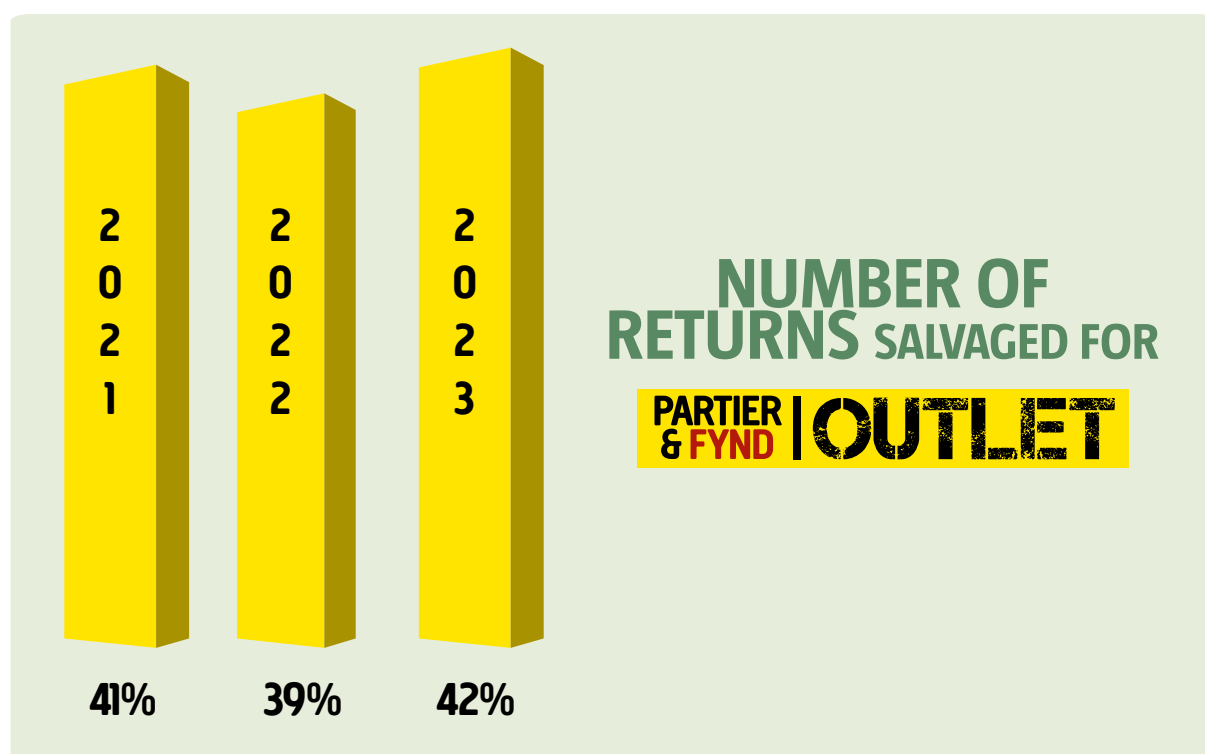
At our quality centre in Skara we have gathered expertise in areas such as product safety, product quality, testing and aftermarket. Here we work to ensure that the products we put on the market, under our own brands, fulfil regulatory requirements and meet customer expectations. In addition to tests carried out by external, accredited laboratories before a product is launched on the market, our own brands undergo tests focusing on user friendliness and long-term use. We have premises specially adapted for testing, including wet rooms and climate-controlled rooms. Unsupervised long-term tests are carried out in our own controlled compartments.

The purpose of the tests is that products must satisfy our customers' expectations, but also to increase the life span of the products we put on the market. In 2023 we tested 1,709 products in our lab. Of these, 57% were approved without reservations, while the remainder were re-engineered in some way before being put on the market, or not launched at all. The tests ensure customer satisfaction, reduce complaints and offer longer-lasting products.

We see clear benefits for our work, including fewer complaints. In 2023, the number of complaints in relation to sales was 0.94%. In real terms, we received 216,000 complaints in total in our markets, compared with 255,000 in the year 2022. These figures include all products sold, including our own brands.

### Increasing circularity

Our quality centre has many benefits. In addition to offering preventative measures, it also enables smarter flows with smoother materials handling. There is adequate space in the quality centre our workshop, where products are repaired. Even the goods that customers return to our department stores are sent to our quality centre in Skara. An assessment is made here by our staff to determine if the products can ideally be repaired, or otherwise recycled. The products that we can save then get a second life by being sold in our outlets in Sweden. Giving products that are returned to us a second life is an important part of our sustainability work. Last year, 42% of returns that would otherwise have gone



RECYCLING TO END OF 2023 (tonnes)									
	Hazardous waste	Iron	Metals	Paper	Plastic	Electronics	Other waste	Total	In relation to sales
Total 2021	27	425	8	2,282	83	433	1,525	4,783	51%
Total 2022	34	443	7	2,180	68	233	1,526	4,491	47%
Total 2023	29	331	8	2,016	54	213	1,226	3,877	41%

to recycling were salvaged and given a second life through our outlets in Sweden. The bargain corners in our department stores also provide an opportunity for products that might otherwise have been recycled to be sold at an even more favourable price for the customer.

#### Materials and durability

We work continuously to strengthen the overall offering for our customers through keywords such as confidence, customer care and sustainability. One of the areas we are working on is getting our suppliers to use more fossil-free and recycled materials in our products. This is a step in reducing our climate impact. This goal also applies to our packaging. In 2023, a project aimed at reducing, optimising and eliminating packaging was completed. We have developed a framework, a way of working and trained the staff involved. We are already seeing a great impact from the project and have implemented several changes that have reduced the use of materials, increased quality and reduced transport. We will continue to work on our packaging and measure the outcome of the results.

To increase the lifespan and usage of our products, we are working to make spare parts more easily available. Our customers should be able to buy them easily via e-commerce or in our stores and they should be available from the moment the product is launched. The aim is to have the project rolled out in the first half of 2024.

#### Producer responsibility

As a producer and importer of products for our markets, Julia naturally accepts producer responsibility for electronics, batteries and packaging. We are members of organisations that make sure that you as a consumer can hand in such products for responsible handling and recycling.

#### Waste and recycling

As part of our dedicated effort to reduce our carbon footprint, we need all parts of our business to contribute towards long-term sustainable development. We see that resource efficiency and thoroughness in the choices we make are important cornerstones in this. We are actively working to reduce the waste generated by our business activities. In 2023 the total amount of waste we generate dropped once again. The amount of waste in relation to our sales also dropped to 41% in 2023 from 47% in 2022. Fractions are sorted for effective recycling at our partners. We engage in dialogue with our partners concerning the separating of additional fractions for material recycling instead of energy recycling. Training sessions for our staff on the importance of sorting correctly so that materials can be recycled have also been held during the year.





### User-friendly instruction manuals

We work hard in various ways to ensure safe products and to extend their useful life. This goes not least for the products under our own brand, where we have a strong focus on user-friendliness and long-term use. As part of this work, we introduced a new way of working in 2023 and updated the design of the manuals. Our ambition is that instruction manuals should be user-friendly, easy to read and informative so that customers can easily understand how to install, use and maintain the product. This creates the conditions for the products to be handled in a way that prevents returns and unnecessary wear and tear. In 2023, more than 200 product manuals were designed in the new, improved way.

### Standardisations

Jula is a member of several technical standardisation committees and networks. The main reason is to prepare early for the requirements that will be issued in the coming years. Adjusting our activities early on allows us to be cost-effective and make well thought-out decisions. We also see it as a social commitment to participate in developments that facilitate commerce and improve the daily lives of our customers.

### Inspection by authorities

Also in the previous year, authorities carried out product safety checks on our products in Sweden, Norway and Poland. In 2023, no less than 695 known market inspections were carried out and 28 products were found that did not meet requirements. Sales of 11 of these were stopped and they have been updated or removed

from the product range. The work with clear requirements, random samples and clear review of certifications before deliveries is necessary for preventing products that fail to meet requirements from ending up on the market.

### Solution-focused customer service

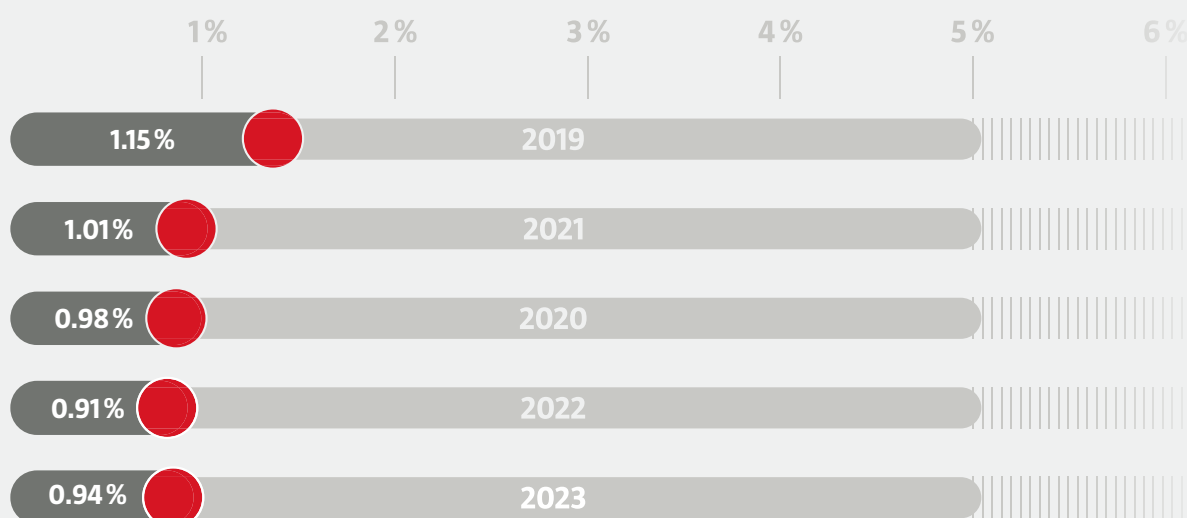
Jula's customer service is an important part of maintaining the relationships we have with our customers. Together with the customer we work to find solutions and provide answers. Through solutions that suit both the customer and Jula, our goal is always satisfied customers and decisions that make good business sense. Good customer dialogues and a positive customer experience are crucial for Jula's long-term and sustainable relations with our customers.

At Jula we work with two main focuses to reach our goals regarding the customer experience, these two focuses we call Proactive and Reactive service.

**Proactive service** is the work done to improve the customer's experience and, as far as possible, anticipate any issues that may arise. Examples include the work done to reduce delivery times for orders so that the customer does not feel the need to enquire about them. We have also strengthened communication during delivery so that the customer experiences transparent and safe deliveries. Another example is the improvements made to Jula's website, where we provide clearer and more detailed information on whether a product is available in the customer's local store and, if not, show when it might become available again.



## Number of product claims in relation to sales



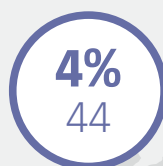
" Our ambition is that the manuals should be user-friendly, easy to read and informative so that customers can easily understand how to install, use and maintain the product. "

In this way, we ensure that customers are more likely to find what they want on their visits to Julia's department stores or can order what they want to be sure will be ready to pick up on their next visit.

**Reactive service** is the contact we have with our customers, where we use several different channels to help them and answer their questions. By working with a focus on good productivity and customised quality, we strive for effective customer interactions in order to have a scalable business that is sustainable over time and adaptable to changes in market needs.



Number of suppliers worldwide: 1,165

**SWEDEN****EUROPE****ASIA** (not China)**CHINA****OTHERS**

## Jula's suppliers

Jula has 16 own brands. The products under our brands are manufactured by different suppliers, we do not have our own manufacturing facilities. The suppliers are located all over the world, mainly in Asia. Ensuring that our products meet our customers' expectations and are manufactured under conditions that comply with the Jula Code of Conduct is of utmost importance to us. We work hard to ensure this.

Proximity and transparency are some of our keywords when choosing which suppliers we work with. This is why Jula has had its own purchasing offices in several locations across the world for many years. At our three offices in China, Vietnam and India, 50 employees work on sourcing products, conducting quality inspections and ensuring that products are manufactured in accordance with our Code of Conduct. In 2023, we also had a Jula representative in Bangladesh working on audits. We do this because several of the countries we purchase from are classified as high-risk countries by amfori BSCI. We make a risk assessment for every country of purchase based on economic, ethical and human risks, among other things. Before beginning cooperation with a new supplier, a risk assessment and evaluation is carried out based on our Code of Conduct.

### The Jula Code of Conduct covers five main areas:

- Human rights and work
- Health and safety
- Environmental protection
- Treatment of animals
- Anticorruption

We believe strongly in close cooperation with our suppliers, and this includes taking clear environmental and social responsibility all throughout the supply chain. This is a condition for good quality, sustainable use of resources and low prices. We carry out checks at the manufacturer's premises to ensure that the supplier fulfils our requirements. These are mainly done through agreements with the manufacturer but can also be done through unannounced visits, if we believe

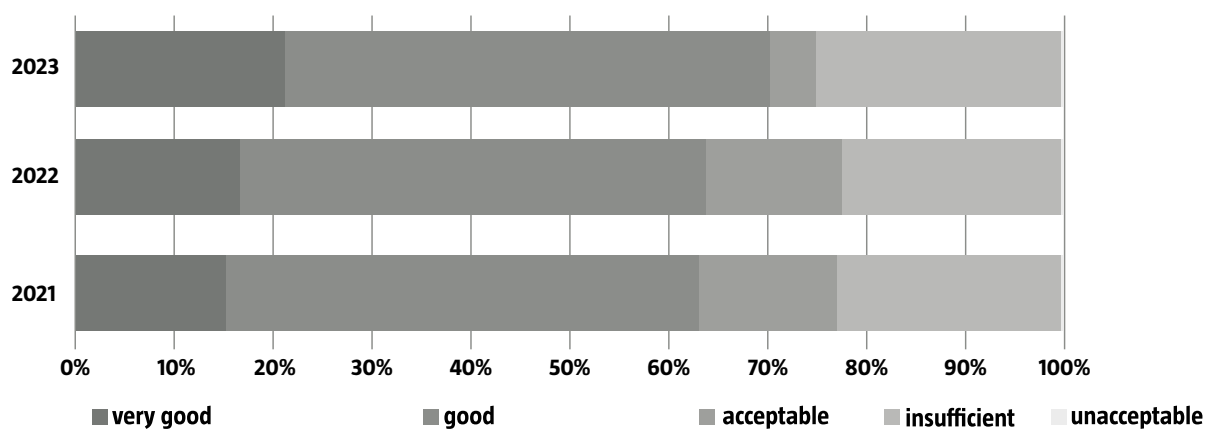
this is necessary. Inspections are mainly carried out through in-house audits by certified staff, but also sometimes by external accredited third-party bodies.

In 2023, we carried out inspections at 398 of the factories that produce products under our own brands. In total, 98.5% of our manufacturers passed inspections in 2023. During the year, six manufacturers failed inspections. In keeping with our process, these factories have been stopped, investigated and dealt with. Our ambition is always to arrive at a change so that we can continue our cooperation, but if we cannot agree, we will terminate the cooperation and change manufacturer. It is essential for us that our suppliers comply with our Code of Conduct, which is why it is part of our cooperation agreement.

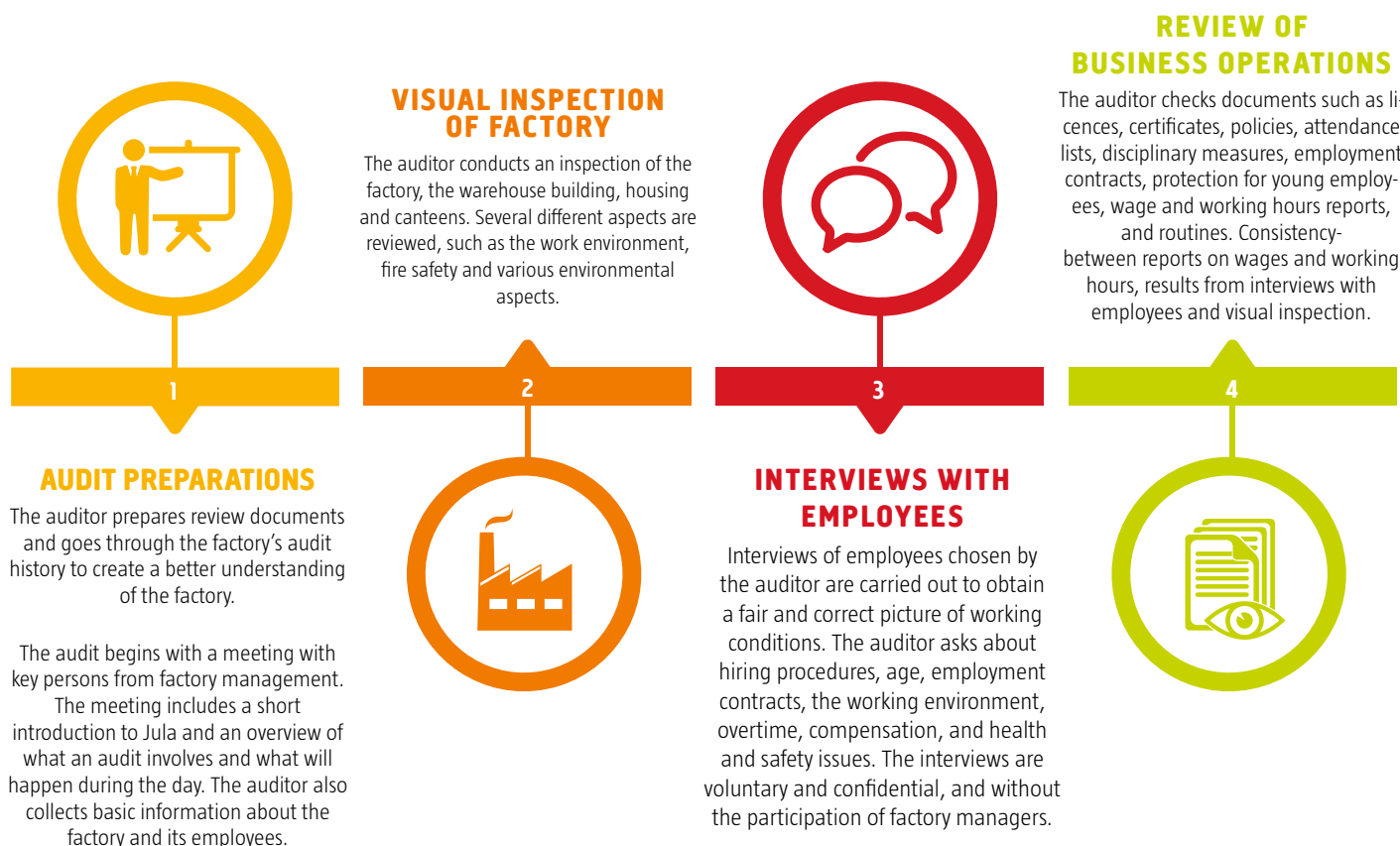


" That the products meet our customers' expectations and are manufactured under conditions that fulfil the Jula Code of Conduct is of utmost importance to us and we work hard to ensure that. "

**Status CSR-assessed suppliers 2023**



# How a CSR audit works



## Organising for the future

In 2023, our purchasing department underwent reorganisation, which was implemented at the beginning of 2024. To meet the challenges presented by our continued expansion, we are creating a clearer focus on development of the product range, purchasing and increased local presence in the countries where we operate. The change also aims to deal more effectively with the fast-paced and changing world with increasing demands that we face. We see that our new organisation with more specialist roles will create even better conditions to effectively meet these requirements, be closer to our customers and create even more value for our customers and stakeholders.

## Challenges

The most common challenges for our suppliers continue to be in the areas of health and safety, working hours, salaries and the environment. It is important for us to see transparent documentation such as staff lists, working hours and salaries. Through honesty, open dialogue and a joint plan of action based on a root cause analysis, we minimise the risk of non-conformance occurring again and ensure that improvements are implemented. Jula's responsibility covers the entire supply chain, but because of its complexity it is a challenge to monitor all links in the chain.

## Long-term improvements

At Jula we believe long-term improvements are made through greater knowledge and awareness, and with mutual respect and confidence in each other's different backgrounds. It is important to feel confident that it involves a long-term process, which in part is done jointly. The aim is to create an understanding of the advantages of social and environmental development. For example, better quality, less sick leave, reduced employee turnover, and lower costs. We see auditing as a first step to this.

## Whistleblower system

In addition to the audits we do at the factories we have an extra channel, a whistleblowing system, where employees can anonymously report abuse and other irregularities at the factory. Irregularities should be linked to the requirements found in Jula's Code of Conduct. A link to Jula's whistleblowing system must be available at suppliers who manufacture products for Jula. The system was tested in 2023. No cases have been received.



"Jula's Code of Conduct is part of our fundamental business ethics that apply to all our business relationships with suppliers."



5

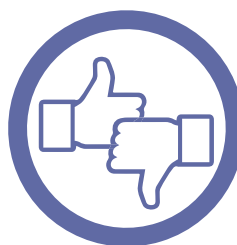
### FINAL MEETING

The audit is concluded with a meeting with factory management. The auditor goes through non-conformance and procedures for improvement that have been identified during the day. We prepare a plan of action with the person who is responsible and set a final date. In this context it is important that factory management has understood that social and environmental development lead to good quality and happy/satisfied workers.

### FOLLOW-UP OF CORRECTIVE ACTION PLAN (CAP)

The auditor follows up the plan of action where the factory has defined basic reasons for non-conformance and preventive measures. Photo verifies that non-conformities are corrected.

6



7

### FOLLOW-UP AUDIT

The next audit at the factory depends on previous results. For critical suppliers, the next audit is carried out within three to nine months.







# Jula's most important asset

It is together that we develop and make the company thrive, every day. Together we create a workplace that is both attractive to our customers and fun to work at. 2023 was also a challenging year in many ways, and by being creative and solution-focused we have shown that we are a strong team of employees who make Jula expand and grow.

We continued to be challenged in 2023 by factors such as a deteriorating global economic situation, high inflation and continued high interest rates. This, of course, affects us and requires our organisation to continue being highly flexible and adaptable. However, we are not stopping, but continuing our expansion. Not only by opening more stores, but also by continuing to develop our organisation, our workplace and our people.

## **Training and leadership**

During the year, we continued to focus on leadership, which is a crucial factor for Jula to achieve its targets in an efficient and qualitative way. Our leadership programmes have run in their current form in Sweden, Norway and Poland and in 2023, nine groups of around 12 managers and leaders completed one of our programmes. At the same time, development work has begun where we are reviewing both structure and content to ensure that the programme is up-to-date, scalable and achieves the desired effects in the organisation. At the end of 2023, an analysis phase was launched where a number of managers and key personnel were interviewed and contributed in workshops. This will be followed by a phase of designing and "piloting" an updated programme that is expected to be rolled out on a broad scale in autumn 2024.

## **Diversity, equality and discrimination**

All our workplaces shall have staff with various backgrounds, skills and experience. This contributes towards a creative and innovative climate. It also helps us understand and meet our customers in the best way. We have zero tolerance to all forms of discrimination and harassment. All staff have the same rights, opportunities and obligations.

In autumn 2023, we continued training our employees in bullying and harassment as part of our proactive work in the organisational and psychosocial work environment. The overall aim is to ensure that all staff shall understand, feel involvement in and take responsibility for the psychosocial work environment, with the starting point of the Spirit of Jula.

At Jula there are clear policies and guidelines with regard to, for example, bribes, alcohol, drugs and discrimination. These are reviewed every year to ensure that they are up-to-date and that they are communicated clearly to all the staff. We trust our staff and allow everyone to take great personal responsibility. At the same time we believe that the values and rules of the game offer much-needed support.

**KEY STAFF FIGURES (31/12/2023)**

	2021	2022	2023
Number of yearly employees	2,571	3,031	2,954
Sweden	1,727	1,689	1,516
Norway	476	840	856
Poland	310	411	392
Finland	1	29	134
Asia and CEE	57	62	56
Staff turnover %	9%*	10%*	9%*
Average age	35	35	35
Gender distribution total			
Men	56%	55%	57%
Women	44%	45%	43%
Sick leave %			
Jula AB	5.16%	5.2%	5.7%
Jula Sverige AB	6.18%	7.1%	6.0%
Norway	7.6%	8.5%	8.5%
Poland	7.4%	8%	8.4%
Finland		7.59%	4.9%
Reporting of incidents			
Sweden	286	137	114
Norway	38	18	18
Poland	2	2	3
Finland		1	1



**57%**  
Men



**43%**  
Women

\*the number of resignations (permanent and trial employment) during the year in relation to the number of employees at the start of the year.

**KEY FIGURES BY AGE AND GENDER 2023**

	0-29	30-49	50-	Men	Women
Staff – Head office	47	161	75	400	243
Staff – Central warehouse	97	182	81		
Company management, number	0	3	5	7	1
Board members, number (Jula AB)	0	1	9	8	2

**Staff survey**

Last year, a new tool for employee surveys was implemented in parts of our department store chain. In 2024, we intend to expand the scope and find a tool that allows us to feel the pulse quantitatively to a greater extent and gives us more general KPIs with the possibility of benchmarking. We also see a need for shorter survey cycles to quickly capture trends and indications from across the organisation that give us an overview of our employees' wellbeing.

**Improved employee experience with digital pre- and onboarding**

As a result of Jula's constant focus on expansion and fast-moving sector, we introduce a large number of employees to our business every year. To further ensure that all employees, regardless of where they start their journey at Jula, get the same foundation for feeling safe, understanding rules and procedures and getting to know our values, we decided to procure a new, digital pre-onboarding system during the year. By digitalising and structuring the onboarding process, we want to ensure quality and efficiency while allowing for better follow-up. All with the aim of improving the employee experience and enabling employees to perform in their new role at an early stage of their employment and to feel commitment to and enjoy their work.

Our new digital pre- and onboarding will be launched gradually in 2024 for our main target group, which is our department store employees in all our countries.

**Anticorruption and business ethics**

Jula has rules and regulations concerning good business ethics to avoid being affected by undue pressure or gifts from suppliers or other partners. No pressure that is, or could be perceived as, a bribe shall be accepted or offered. Our anticorruption policy follows the Swedish Anti-Corruption Institute's code against corruption in the business sector. The policy and code is available to all our staff.

**Whistleblower system**

Jula has two whistleblower systems, one for employees and one for suppliers. Both systems aim to capture any irregularities and increase transparency. Legal security for the employee is important, and therefore reports can be submitted anonymously. The whistleblowing system for capturing any irregularities at the workplace has been up and running since 2015. In 2023, no whistleblowing cases were received, but the system was tested during the year to ensure functionality. If a whistleblowing incident occurs, it is handled in accordance with our regulations.

## Young entrepreneurship

Jula's passion for entrepreneurship involves continued support for Ung Företagsamhet (young entrepreneurship) Skaraborg.

This organisation allows upper secondary students to run companies for one academic year and concludes the year with a fair where various prizes are awarded. Jula continues to support this organisation that is close to our hearts and, for the seventh year in a row, we hosted the Product of the Year category. The prize was awarded to the company NaturalSeal UF.



Photo: Tuana Fridén

## The Perfect World Foundation

The Perfect World Foundation is a Sweden-based non-profit organisation that works with wild animals and nature in crisis, across the globe. By raising awareness and knowledge the organisation wants to create the courage and conditions for change, one step at a time. Jula is a partner company of The Perfect World Foundation and supports Project Ocean, which aims to raise awareness of the problem of marine litter.

## The Hunger Project Sweden

The Hunger Project aims to end world hunger by working on comprehensive systemic change to strengthen communities and individuals in the long term. To turn around an entire community, The Hunger Project's strategies are based on building the capacity, leadership and confidence of individuals living in hunger and poverty. In 2023, Jula supported the work of The Hunger Project in Bangladesh.

## UNHCR

UNHCR is a global organisation with the purpose of saving lives, protecting refugees' rights and creating a better future for forcibly displaced communities and stateless people. The organisation works to ensure that everyone has a right to seek asylum and find a sanctuary when they are escaping from violence, persecution, war or disaster. In 2023, Jula supported UNHCR.



## Musikhjälpen (Music Aid)

During the year, we supported Musikhjälpen and its important fundraising for vulnerable people around the world. The theme for the year was "no one should die of hunger" and Jula raised money through a digital collection box. We were on site in Växjö to show our participation and raise money for the organisation.



## Cancerfonden (Swedish Cancer Society)

Cancer affects one in three people, a terrible disease that affects both the victim and those around them. Jula continues to support the fight against cancer.



## Local youth activities

We sponsor club activities with a focus on team sports and youth activities in Skara and surrounding municipalities.



## NyföretagarCentrum Skaraborg

Nyföretagarcentrum Skaraborg is an expert in entrepreneurship and helps aspiring and start-up entrepreneurs. In cooperation with the business community and municipalities, the aim is to create optimal conditions and a favourable business environment to promote entrepreneurship. Jula has been supporting Nyföretagarcentrum Skaraborg for many years.



# The opinion of the board on the report

The sustainability report is published by Jula AB's board of directors and covers Jula AB with CIN 556250–6252. The report is an appendix to Jula AB's administration report. The content in the report reflects the issues that are important for Jula, based on how our business affects people and the environment, financial materiality outside of the company and based on the approved requirements and expectations of our stakeholders. Significant sustainability aspects have been updated for the year prior to the preparation of this report. Jula works actively with sustainability issues and the sustainability report is part of this work. The report itself has intrinsic value and serves as a clear annual summary and status check for the sustainability work. It forms a joint status report and also acts as motivation for our continuous improvement work. The report is Jula's way of meeting the reporting requirements concerning the sustainability work.

Skara, 19 March 2024



**Karl-Johan Blank**  
*Group owner &  
Board member*



**Peder Larsson**  
*Chairman*



**Hans-Åke Persson**  
*Board member*



**Thomas Evertsson**  
*Board member*



**Christian Blank**  
*Board member*



**Kajsa Claesson**  
*Board member*



**Lennart Karlsson**  
*Board member*



**Magnus Kristoferson**  
*Board member*



**Patrik Ragnar**  
*Employee representatives*



**Jenny Sundmark**  
*Employee representatives*

## Statement by the auditor concerning the statutory sustainability report

To the Annual General Meeting of Jula AB, CIN 556250-6252



### Assignment and division of responsibilities

The board of directors is responsible for the sustainability report for 2023, and that it has been prepared in accordance with the Annual Accounts Act.

### Scope and focus of the review

Our audit has taken place in accordance with FAR's recommendation RevR12 Auditor's statement on the statutory sustainability report. This means that our review of the sustainability report has a different focus and a significantly smaller scope in comparison with the focus and scope of an audit in accordance with International Standards on Auditing and generally accepted accounting principles in Sweden. We believe that this audit gives us a sufficient basis for our opinion.

### Opinion

A sustainability report has been prepared.

Borås, 19 March 2024

Öhrlings PricewaterhouseCoopers AB

**Mattias Palmqvist**

*Authorised public accountant*

