Rent.
Return.
Repeat.

Grover

Impact Report 2024

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Welcome to our annual Impact Report

At Grover, our business model is built around sustainability—extending the life of devices, reducing e-waste, and supporting the circular economy. In 2024, the world faced some big challenges, from geopolitical shifts to rapid technological change, and we had to adapt to a shifting landscape. With this Impact Report, we're documenting Grover's environmental, social and governance practices across our entire operation.

Sustainability guides the choices we make every day. In this report, we look back at our progress in 2024 and show our ongoing commitment to building a fairer, greener business for our customers and the environment.

You'll also read about the work our team put into keeping Grover open, reliable, and ready for the future. We're focused on giving people easy access to technology without needing to own it, always adapting to keep pace with changing global needs.

for a sustainable future
through circularity

2024 REFLECTIONS

We are shifting consumer perspective for a sustainable future through circularity

This year, we were honored to be finalists for the German Sustainability Award (Deutscher Nachhaltigkeitspreis). This is a recognition of not only our work, but also awareness and advancement of circular business models such as ours, and how they can help us confront emerging global challenges.

While Grover is proud to have been a finalist, we are also cognisant that effective sustainability in practice goes beyond accolades and awards. Sustainability must be embedded into every level of an organisation with transparency and with a view toward iterative measuring and improving. This is why Grover is striving for full compliance and alignment with Corporate Sustainability Reporting Directive (CSRD) requirements ahead of their official implementation in 2026.

With this report, we've aimed to align as closely as possible with these CSRD requirements, setting the stage for full compliance and alignment with financial statements by 2026. In the meantime, we remain committed to publishing accessible reports that engage a wide range of stakeholders and demonstrate transparency in our progress.

In 2022, a record 62 million tonnes of e-waste were generated globally, yet only 22.3% of it was documented as properly collected and recycled.

This disparity leaves billions of dollars worth of valuable resources wasted and contributes to significant environmental and health risks. Without substantial intervention, annual e-waste generation is projected to rise by another 33% by 2030.

Source: Global E-waste Monitor

These sobering insights reinforce Grover's purpose to enhance sustainable access to technology. Our rental model exemplifies this by extending the lifecycle of electronic devices, actively reducing e-waste and promoting a circular economy.

Our progress toward becoming a more sustainable organization in 2024 required us to adapt to a rapidly changing landscape by refining our strategy. We updated our Double Materiality Assessment (DMA) to align with the new Corporate Sustainability Reporting Directive (CSRD) and corresponding European Sustainability Reporting Standard (ESRS), and strengthened our governance, compliance, and risk management efforts. These foundational improvements fortify us for future challenges while continuing to meet stakeholder expectations.

Internally, we're fostering a culture of holistic sustainability through varied initiatives; the GroVegan campaign to promote plant-based living, clothes swaps to avoid fast fashion, and Recycle Day to highlight the importance of responsible waste management. Practical changes such as transitioning to glass water bottles, encouraging low-carbon commuting, offering full-time remote work where appropriate and 30 days of remote working available for all colleagues, further demonstrates our dedication to embedding sustainability in our company DNA.

Beyond internal sustainability efforts, we focused on maximizing our external impact in 2024 through knowledge-sharing and advocacy. We joined events like TechArena and contributed our market insights to Undress Circularity, to collaborate on critical discussions around sustainability and innovation.

While 2024 was challenging, it allowed our team to grow, learn, and set the stage for future impact. In 2025, we're refining our focus, deepening our understanding of renter needs, and working to deliver greater value.

YEAR AT A GLANCE

Look briefly through our FY24

30 identified material impacts, risks, and opportunities

23,053 t CO2e corporate carbon footprint

12,439 t CO2e absolute reduction

3 products with 28+ rental cycles

42% re-circulation rate

1.9 million circulations

300,000 devices avoided corresponding to 543 t e-waste and 28,000 t CO2e

300 people across 10 countries work at Grover

37% female & 0.26% non-binary employees

29% female management positions

264 hours of volunteering

€ 95,000 invested in personal development of 135 colleagues

Improved customer satisfaction at around 80

Median response rate of Customer Success agents less than 1 hour

Introduction

A SCOPE OF REPORTING

Our 2024 Impact Report covers the activities of Grover Group GmbH for the calendar year 2024. This means the scope is a consolidated basis including all entities, aligning with our financial statements.

The Grover Group GmbH entails a three-level company structure including operating companies, financing companies, and rental companies.

01	**Operating Companies (OpCos)**	OpCos are the core of the business; they centralize various functions for the Group as a whole. These functions include tech and product development, sales, purchasing, logistics, administration/ management and finance. OpCos have “Management and Custody Agreements” with the various Financial Companies.
02	**Financial Companies (FinCos)**	FinCos acquire and own the electronic goods; they lease them directly to external customers or to the RentalCos. FinCos have concluded a “Management and Custody Agreement” with OpCos, which regulates the services to be provided by OpCos to FinCos, such as purchasing, sales, logistics, marketing, and product development.
03	**Rental Companies (RentalCos)**	RentalCos are local companies in Grover’s active markets; they rent the electronic goods from FinCos and sublet them to external customers. The obligations between RentalCos and FinCos are defined in head lease agreements.

We also include parts of our upstream and downstream value chain in our reporting, in particular our close collaboration and work with tier 1 suppliers and partners, including warehousing and repair partners — as disclosed in this report. (**ESRS2.BP-1 5a, b i, and c**)

To align our impact reporting more closely with the CSRD and ESRS, you can find the following references (**ESRS S.BP-1**) to the corresponding ESRS standards throughout the report.

B BUSINESS MODEL, VALUE CHAIN & STRATEGY

Our purpose is to make tech accessible for people. With Grover, private customers and businesses in four European countries can rent tech from nine categories on a flexible monthly basis. With our Grover Care policy, customers can easily and affordably rent tech without the clutter and cost of ownership and repairs. (**ESRS 2 SBM-1 40 a i, ii**)

Grover Care is our in-house damage protection program. If your device accidentally breaks, and you're protected with Grover Care, you only pay a repair service fee instead of the full repair costs to get a replacement device. The amount of the service fee depends on your Grover Care option.

2015 Official launch of Grover

2019 Launch in Austria

2020 Launch in the Netherlands

2021 Launch in Spain

In 2024, we streamlined our product portfolio, reducing the number of categories and SKUs, allowing us to focus more on the products that deliver the highest value to our customers and business. The decision to re-assess our portfolio allows us to fully focus on core products, enhance efficiency and profitability.

We work closely with experts across the entire value chain. We purchase devices from different sources – either from brands directly, or other sellers. Individuals and businesses can then rent these devices from Grover. Our tier 1 partners are particularly valuable to our operations as they are responsible for warehousing, inbound and outbound processes, transportation, and repairs. Tier 1 partners handle all 'inbound' products from brands and sellers, and prepare and ship 'outbound' product orders for customers.

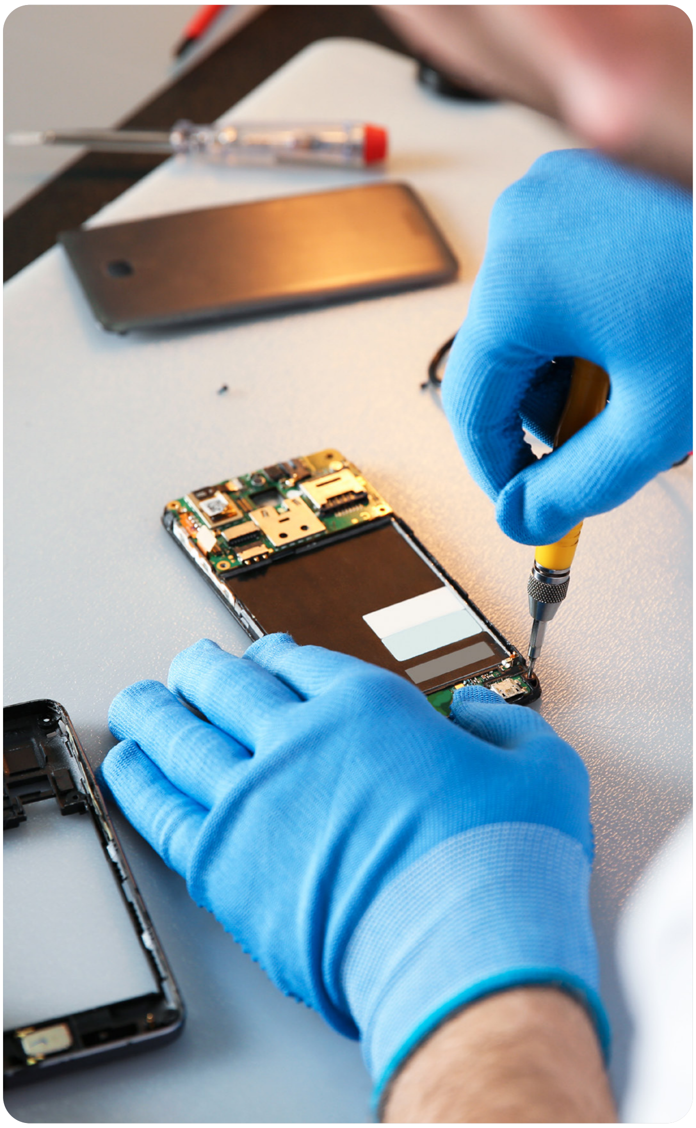
If a customer ends their subscription, the device is returned to our warehouses, where it is checked and further processed depending on the device condition. (**ESRS 2 SBM-1 42 AR 14, 14c**)

Quality checks and visual checks are carried out, as well as cleaning and data wiping. Depending on the condition of the device, kitting either takes place at the warehouse, or the device is sent for repair. Kitting the tech can involve exchanging accessories or smaller components, whereas repairs and exchanging larger components require more time. When an inbound device is as good as new, or after being repaired, it can enter the rental cycle again and serve another customer.

Even with the best care and maintenance, after many rental cycles, devices reach their end of life at Grover. This depends on many factors; mainly the condition of the device, repair capabilities of our partners, and the cost of repair. On occasion, Grover also sells functioning devices to professional buyers and repairers. (**ESRS 2 SBM-1 42 AR 14, 14c**)

Wherever possible, we work with primary data in our headquarter and in our key warehousing partners. However, the complexity of our value chain requires us to work with many assumptions too. Where possible, these are based upon research and studies. But for the impact areas of product manufacturing and transportation as well as how the product is used, we must work with relatively loose assumptions due to a lack of data transparency within the industry. (**ESRS2.BP-2 10, 11**)

Grover's goal is to gather more primary data sources and improve the accuracy of our data insights. We have already taken steps to better understand customer behaviour, and will continue to advocate for more data transparency in the mid- and long-term.



Additionally, we aim to extend primary data gathering down our value chain, starting with the roll-out of our Code of Conduct. Hence, two of our mid-term goals are to collect more robust data directly from manufacturing and brand partners, and carry out further research to assess and evaluate how customers use Grover's devices. This information will inform two significant areas of our Corporate Carbon Footprint.

GOVERNANCE

This chapter delves into our governance practices, focusing on the policies and frameworks that steer our operations

It discusses how we uphold compliance and operational integrity, emphasizing the mechanisms that ensure transparency and accountability within our business

A GENERAL DISCLOSURES

Our Senior Sustainability Manager, manages central sustainability operations. They are part of our finance team and report to the CEO at least once a month. This person defines the sustainability strategy, prioritizes initiatives and facilitates Environmental, Social and Governance (ESG) matter with the responsible internal teams.

As a result, sustainability at Grover is embedded across the organization and requires very close collaboration of multiple teams and senior leadership. Additionally, detailed ESG matters are reported to shareholders and advisory board members annually; updates on initiatives are provided to the board on a quarterly basis (**ESRS2 GOV-2**).

At the end of 2024, the leadership team consists of eight members, two are female, and there's currently no representation of minorities (**ESRS2 GOV-1 21d**). The C-level executives include the CEO, CLO, CRO, and CFO (**ESRS2 GOV-1 21a, b**). Areas represented are Tech, Legal & People, Risk, Customer Experience, Marketing & Growth, Circular Supply Chain, Restructuring, and Finance.

The board consists of six members, there's currently no female or independent members (**ESRS GOV-1 21d, 21e**). While there are no changes planned at present, we value diversity and are committed to fostering a more balanced representation over time.

Grover's governance model is set up to ensure that Grover delivers the maximum benefit to customers through our services. Yet we are aware of potential negative impacts inherent in our business model; privacy and data security risks being the most important to which we pay careful attention. (**ESRS S4.SBM-3 10b**)

To manage these risks optimally, we have advanced data protection policies in place in line with GDPR. Other policies include a Data Protection Policy, Privacy by Design and by Default Policy, and Data Retention Policy. Additionally, we have a privacy notice for customers and a security incident response plan.

In 2024, we had four low risk privacy incidents that we responded to quickly, according to our security incident response plan.

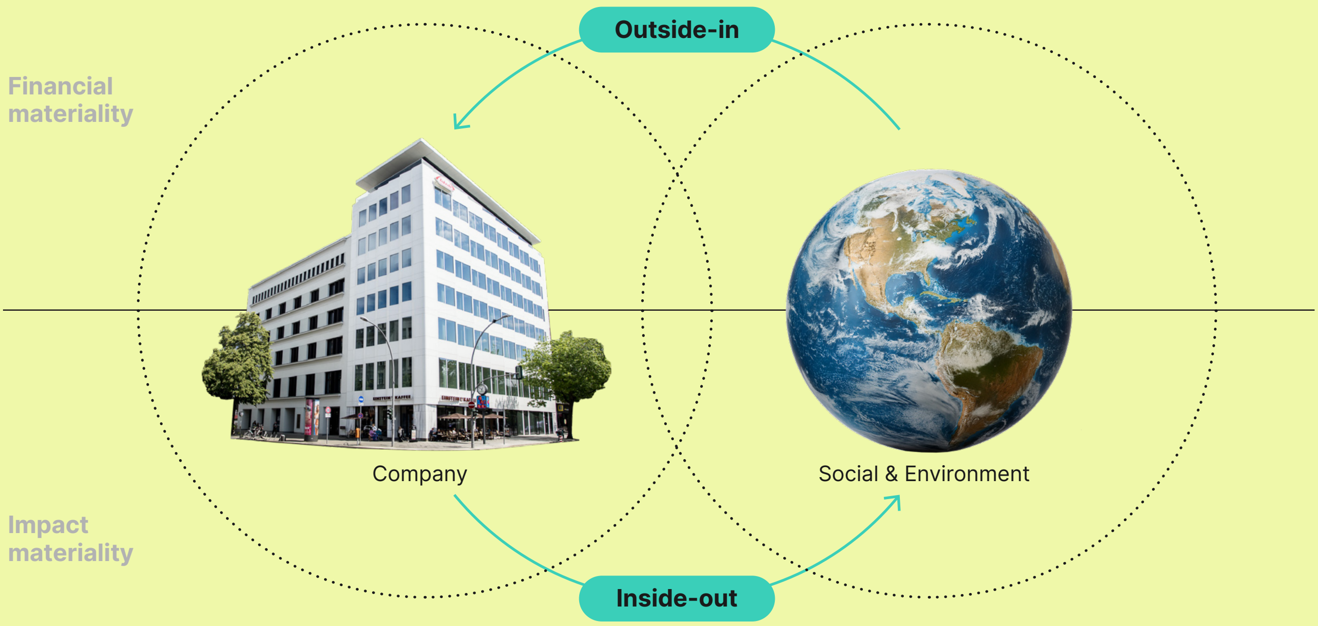
In the development and advancements of these, we made significant progress in 2024:

- We improved the risk management program and Information Security Governance.
- We aligned with well-established security frameworks, implementing security controls.
- We defined, updated and reviewed multiple policies: Data Retention Policy, Data Protection Policy, Data Privacy by Design and by Default Policy.

B DOUBLE MATERIALITY ASSESSMENT

A critical part of our sustainability work, particularly preparing for CSRD, is understanding the material impacts of our operations. To achieve this, we carried out a Double Materiality Assessment (DMA). Similar to a standard Materiality Assessment, the DMA assesses a company's impact but the DMA considers two dimensions of impacts:

What impacts the outside environment has on Environmental, Social, and Governance factors of the organisation internally and how do external forces shape Grover.



What external environmental, social and governance impacts Grover has and how the organisation shapes the world around it.

These questions inform the material topics that segment further into Impacts, Risks, and Opportunities (IROs). The IROs fulfill a key requirement of the CSRD and help to define the disclosure requirements. They also inform our strategy, risk management, and other aspects of the business in the future.

We began our Double Materiality Assessment in summer 2023 – at which time there was little procedural guidance from the EU guiding body EFRAG.

Considering this, the DMA has been an iterative work in progress. That said, we finalised our material topic list in 2023 which was included in our 2023 Impact Report.

When we started our work 18 months ago, we took a holistic approach, analysing our end-to-end business activities and with our existing knowledge. We took an aerial view of Grover's business impacts across all activities, business relationships, and stakeholders to identify potential material sustainability matters as well as impacts, risks, and opportunities. This is essential for next steps in the DMA process. Moreover, this informed our immediate action of identifying impact topics. Once we agreed impact topics, two key steps were taken:

- **Stakeholder engagement to assess materiality of impact topics:** Topical onboarding, and exchange with stakeholders. This produced a survey to gather input and define stakeholder engagement strategy.

- **Assessment of severity of material topics:** Assessment of the materiality of actual and potential impacts and determination of the material matters.

STAKEHOLDER ENGAGEMENT

Stakeholder engagement is a particularly valuable exercise that took place at every stage of the assessment.
We began with building on existing exchanges with internal and external stakeholders. When considering customer perspectives, we drew from past and existing experiences. This informed a stakeholder survey that we shared with representatives from internal teams, investors and board members. (**ESRS 2 SBM-2 45 a AR16**)

CLO, Legal Director Corporate, HR Lead, CFO, VP Accounting and Tax, VP Circular Supply Chain, and VP Engineering were all key stakeholders (**ESRS 2 SBM-2 45 a i**). In addition, we conducted detailed one-on-one conversations with these stakeholders to evaluate and refine the scores and details related to a comprehensive list of impacts, risks, and opportunities.

SEVERITY ASSESSMENT

According to the guidance and requirements of the ESRS, the severity of the list was assessed based on the following five criteria on a scale from 0-5, as well as identifying relevant timescales for each impact.

Severity aspect	Type of impact	Definition
Scale	Negative & positive impacts	How grave is the negative impact or how beneficial is the positive impact for the environment or people
Scope	Negative & positive impacts	How widespread is the impact in relation to overall business activities, employees, or other parameters
Irremediable character	Negative impacts	How difficult is it to reverse the damage, i.e. restoring the environment or affected people
Likelihood of occurrence	Potential positive & negative impacts, Risks	How likely is the consequence of the potential impact
Potential magnitude	Financial impacts	How grave is the impact in relation to the company's spending or value

To calculate the final score, an average of all factors, excluding likelihood, was calculated. In the case of potential positive or negative impacts and risks, the average was multiplied by the likelihood to ensure the final score reflects the severity of the impact and also its probability. (**ESRS 2 IRO-1 53 a**)

The resulting list includes 111 impacts, risks, and opportunities. Applying a threshold of 2.5 resulted in 30 material impacts, risks, and opportunities from the six material topics.

The following material topics and corresponding ESRS standards form the basis for Grover's CSRD reporting.

ESRS Topics	Material Topics
E1 Climate change	Material Topics
E5 Resource use and circular economy	Resource inflows and out-flows, resource use & Waste
S1 Own workforce	Equal treatment, Diversity, Equity, & Inclusion (DEI) & talent, working conditions, health & safety
S2 Workers in the value chain	Health & safety / other work related riants
S4 Consumers and end-users	Information-related Impacts for consumers and / or end-users
G1 Business conduct	Management of relationships with suppliers, corruption & bribery, regulatory environment incl. Data privacy & cybersecurity

Almost all of these are short-, mid- and long-term with some exceptions (**ESRS 2 SBM-3 48 c iii**).

short-term: < 1 year, **mid-term:** 1-5 years, **long-term:** 5-20 years, these definitions apply to all assessments and references in this report (**ESRS2. BP-2 9**)

Some identified impacts, risks, and opportunities are directly related or dependent on the business model, namely those related to resource use and circular economy and some within climate change. The complexity and ethically problematic manufacturing practices of consumer electronics also present risks for workers in the value chain, management of relationships with suppliers, and corruption and bribery.

Climate-related impacts, risks, and opportunities, our workforce, consumers and end-user and business conduct are essentially independent of the specific business model or strategy. (**ESRS 2 SBM-3 48 c ii**)

A detailed list of all material impacts, risks, and opportunities can be found in the Appendix.

Some identified material topics will be monitored as part of the sustainability strategy, which covers the following areas:

E	**Environment**	circularity, business model impact, carbon emissions & climate change, resource use & waste
S	**Social**	consumers' & end-users' access & affordability, fair & responsible customer experience, employee health & benefits, DEI, talent strategy & attraction
G	**Governance**	business conduct & business ethics, regulatory environment incl. Data privacy & cybersecurity, supply chain management & due diligence

For all aspects not currently covered by the ESG strategy, concrete monitoring processes, policies, and responsibilities will be identified and defined at the end of 2025 (**ESRS 2 IRO-1 53 b, G1-1 7 (MDR-P)**).

We will continue to scrutinize our corporate culture and ensure existing mechanisms to gather feedback,and report concerns remain active and accessible (**ESRS G1-1 9, 10a**).

The assessment of our material impacts, risks and opportunities is an important requirement for our CSRD-aligned reporting. This exercise focuses us on areas that are critical for our sustainable growth and enables us to make more informed, responsible decisions.

This section reviews our environmental initiatives, detailing both our contributions to the circular economy and our broader environmental efforts

It outlines how our business model incorporates sustainability and other key elements, such as the additional steps we take to manage our environmental footprint effectively

Grover's business model makes significant environmental impact within Climate Change and Resource use & Circular Economy, with the corresponding ESRS standards E1 and E5.

Looking at the whole value chain of consumer tech, both water and biodiversity are greatly impacted. Yet the majority of this impact occurs at the raw material extraction stage. Therefore, using recycled materials can substantially reduce the negative impact of consumer tech production. A sector-wide transition to renewable energy can further lower carbon emissions.

Given the complexity of global consumer tech value chains and Grover's comparatively small company size, both our direct and indirect impact on raw material mining are very limited.

The only water consumed by Grover is in our office spaces, as is the case for our main partners. Additionally, all tier 1 locations are in low water stress areas. Only our HQ in Berlin is located in medium to high water stress areas. However, our limited water consumption is solely used for standard office practices and is minimal[1].

Similarly, biodiversity impact is assessed through our sourcing practices and operational footprint. We do not source any biodiversity sensitive products. Nor are we based in areas of high-risk species[2]. Sourcing of paper packaging represents one of our most notable impacts. By relying on traceable FSC-certified and nearly 100% recycled materials, Grover actively minimizes its impact on flora and fauna at the raw material stage.

Consequently, water and biodiversity are deemed immaterial for Grover. This is largely because we do not own a supply chain or use raw materials or other resources in device manufacturing. Regardless, Grover remains committed to regularly assessing and minimizing its environmental footprint.

[1] Based on the WRI Aqueduct Water Risk Atlas

[2] Based on the Map of European protected sites by the European Environment Agency

A CLIMATE CHANGE & CORPORATE CARBON FOOTPRINT

Analyzing climate change impacts, we recognize two key areas: the negative impact of our corporate carbon footprint and the potential positive impact driven by our Business Model Impact. These two concepts taken together define our overall environmental contribution and guide our sustainability efforts.

We have calculated our corporate carbon footprint annually since 2021. Over this period, we have made significant progress in gathering robust data, improving quality of inputs, and refining how we process this data. We have successfully reduced our carbon footprint even as our business has grown, by striving for improved data accuracy and operational cost efficiencies.

For 2024, our main goals were to maintain our previous standards while facing the multitude of changes and challenges throughout the year. We fell short of our goal of improving our data quality from 35% to 55% primary data for 2023. Yet, we are moving toward that goal for future calculations and will assess this more closely for our 2024 footprint.

Our footprint totals to 23,053 t CO2e, of which 19 t CO2e is scope 1, 9.1 t CO2e is scope 2 and 23,025 t CO2e is scope 3. A detailed breakdown of all GHG Protocol categories is available in the Appendix. (**ESRS E1-6**)

36,040 tons

Scope 1 & 2

- Office
- Company Car

Scope 3 | Third party

- Purchased Goods & Services
- Purchased assets
- Warehouse & Transports
- Advertising & Publishing
- Business Travel
- Cloud & Servers
- Working from home
- Employee Commute
- Waste & Packaging

We use primary data wherever it is possible. Though, at present unfortunately, it it is not always feasible. We use Watershed's methodology to calculate our footprint, which builds on defensible, verifiable methodologies including the use of spend-based emission factor databases. In past footprints we used the EEIO database. However, for our 2024 footprint we decided to switch methodologies to reflect our geography more closely. Including our 2024 footprint, we will be using the CEDA methodology for our footprint (**ESRS E1-6 AR 39b**). 2022 and 2023 calculations have used the same methodology.

Compared to 2023, we achieved a 35% absolute reduction (**ESRS E1-3 29b**). That's a 27% reduction in emissions per employee and 33% per unit of revenue, partly driven by the methodology and a global decarbonization trend, which is reflected in industry and supplier emission factors.

Our total reduction has been driven by the switch of energy supply for our HQ in the beginning of 2024, bringing us closer to reaching our reduction targets for scope 1 and 2.

The remaining reductions in scope 3 are driven by (**ESRS E1-4 34a, b**):

- Purchased goods & services, capital goods: Using more product specific emission factors for the products purchased and cleaner categorization
- Purchased goods & services: Reduced overall spending
- Upstream & downstream transportation, distribution: closing of the US market, reduced transports connected to recommerce activities, and fewer transports in-between warehouses due to optimized outbound activities
- Business travel & employee commuting: A smaller number of employees
- Waste: Improved data quality

Grover rents office space, limiting our opportunity for on-site energy production, such as roof-mounted solar. However, a key

Scope	GHG Category	2023 Footprint	2024 Footprint	Delta
1	Direct emissions	23	19	- 17%
2	Purchased electricity, steam, heat, and cooling	82	9.1	- 89%
3	Indirect emissions	35,492	23,025	- 35%

warehousing partner supplies a significant share of its total energy consumption from its solar PV roof installation. Moreover, we are discussing how to increase our renewable energy integration with our key partners. (**ESRS E1-5**)

Over the past years, we made tremendous strides in improving our data quality. While this is a crucial step to understanding our emissions better, partly leading to reductions comparing the different years, we want to focus more on actively reducing our emissions.

To achieve this, Grover set goals for scope 3 emissions and suppler engagement in 2023, refining those in 2024. All are aligned with—and informed by—the requirements of the Science-Based Targets Initiative (SBTi). However, our reduction targets are neither vetted by SBTi nor are they yet part of an extensive transition plan.

In Grover HQ, all of our

130,000 kWh

of electricity comes from 100% renewable energy

Our Emission Reduction Targets aligned with requirements from the SBTi

Scope	Target **in relation to the base year 2022*	Target type	Progress
Scope 1 & 2	Reduce Scope 1 & 2 emissions by 75.0% by 2030	absolute	2022 **89.3** 2024 **28.1** **68.5%** (of 75%) reduction
Scope 3 *– supplier engagement*	Engage 65.0% of suppliers by emissions to commit to SBTs by 2028	absolute	2022 **60.7%** validated 2023 **31.2%** validated **1.4%** committed 2024 **45%** validated **3.1%** committed These large changes compared to 2022 are partly due to improved data quality, hence, emissions associated with certain suppliers reduced in relation to the overall supply chain emissions.
Scope 3 *(3.11, 3.3, 3.4, 3.5, 3.7, 3.8, & 3.9)*	Reduce Scope 3.11 Use of products sold, 3.3 Fuel & energy related activities, 3.4 Upstream transportation & distribution, 3.5 Waste generated in operations, 3.7 Employee commuting, 3.8 Upstream leased assets, and 3.9 Downstream transportation & distribution emissions by 25 % by 2030	absolute	2022 **3.8K** 2024 **614** **84%** (of 25%) reduction
Scope 3.6	Reduce Scope 3.6 Business travel emissions by 25.0% by 2030	absolute	2022 **437.8** 2024 **134** **69%** (of 25%) reduction

Reducing Scope 3 emissions remains challenging given the complexity of the consumer tech industry. While some factors lie beyond our control, we're committed to driving impact where possible and collaborating with partners to maximize it. Upcoming CSRD reporting, which will apply to many of our partners, is expected to enhance industry-wide transparency—an important step toward systemic, long-term change.

We've laid the foundation for our transition plan by setting emission reduction targets and identifying key actions and milestones.

In 2025, we'll focus on further developing and committing to this plan (**ESRS E1-1)**. This includes creating a detailed roadmap for climate mitigation and adaptation policies, which are not yet in place (**ESRS E1-2**).

In the immediate, our focus is on reducing direct emissions. As such, we currently do not participate in carbon markets nor do we have an internal carbon price. This is not due to fundamental opposition — when setting a net-zero target in the future and truly driving emission reduction, these can be extremely effective tools, and measures which we will consider in the future (**ESRS E1-7, E1-8**).

B RESOURCE USE & CIRCULAR ECONOMY

Grover's business model, our inherent circularity, and mapping of our supply chain produced material inflows and outflows and waste relevant for our disclosures within E5 Resource Use & Circularity. Our business model means inputs and outputs are quite clear, and require no further analysis such as life cycle assessments, material flow, analysis or consultations. (**E5.IRO-1, E5.IRO-1 11a & 11b**)

Circularity underpins Grover's business model and has done since our inception. Each year, we circulate new devices while meticulously refurbishing and redistributing used ones. Our mission is to extend tech products' lifetime and keep them in use for as long as reasonably possible.

Our monthly pricing model, encourages users to avoid letting devices sit idle. Renters pay only for the time they use a product, incentivizing them to return devices they no longer need. These returned devices are then made available to new users, reducing the demand for producing new tech.

This flexibility means devices serve multiple users. For example, a TV screen rented for an on-site event can be used by many different renters over its lifecycle, far exceeding its use if purchased outright. Our three most circulated devices illustrate this points; the DJI handheld Camera Osmo, DJI Drone Spark Alpine and a Canon EOS 6D, all with more than 28 rental cycles.

We believe every device can make a difference, but our broader goal is to continuously grow the total number of circulations. As of December 2024, we increased our total circulations from 1.6 million to 1.9 million, since Grover's inception.

Since the end of 2023, we've successfully increased the share of products that have served more than one rental cycle, reaching a minimum of nearly 40% and an average of 42% in 2024. This fluctuates throughout the year and across categories, with December 2024 seeing the highest average of 69%. The greater the number of rental cycles, the more efficiently devices are used, increasing the share of repaired and kitted devices and reducing production of new ones that require rare metals and precious resources.

The total number of circulations depends on our ability to kit and repair devices—an ongoing priority for Grover in 2024 and beyond. In collaboration with our partners, we focus on ensuring devices meet high standards for quality and functionality, and securely wiping data when necessary. By the end of 2024 we successfully completed over 135k kittings and almost 24k repairs.

We can further increase our positive impact by growing the share of recycled materials in the production and manufacturing of devices. Unfortunately, there is limited transparency and only selective information about the recycling share of devices, their recyclability and intended use time. Hence, we do not have mechanisms in place to assess the raw material inflows of the products yet. (**ESRS E5-4 30, E5-5 36a & 36b**)

We hope that further research and greater adoption of initiatives, such as France's repairability score, help advance our understanding of this subject and apply it to the whole portfolio.

We focus on extending the lifespan of devices through repairs and recirculation in every instance. If repair is not feasible due to economic or other constraints, we work with our partners to responsibly manage devices reaching the end of their lifecycle. This applies to fully functioning, damaged and broken devices. Our partners reuse and repair devices, harvest spare parts and ensure proper recycling according to EU Regulations (WEEE). (**ESRS E5-2 19 (MDR-A), E5-1 AR 9 a**)

Total increase of

300,000 circulations

from 1.6 → 1.9million

A core benefit of Grover's services for our customers is the ability to trial products they're uncertain about or fulfill short-term needs without making an unnecessary purchase. This reduces the risk of devices being left unused or being improperly disposed of.

To measure the impact of our business model, we track the average rental cycles per device to estimate avoided new purchases. By linking these avoided devices to their product weights and production footprints by sub-category (e.g., smartphones, laptops), we estimate the resulting reduction in e-waste and CO2e emissions.

We previously used an advanced Excel model to calculate this figure through multiple iterations, expert reviews, and input from partners—including Fraunhofer IZM, who made small updates to the logic. To strengthen and streamline the model, we connected it to our data platform and automated the calculations, improving both speed and accuracy.

By the end of 2024, we estimate that Grover's model helped avoid 300,000 new device purchases. This is approximately 543 tons of e-waste— equivalent to 21 fully loaded garbage trucks.

CO2e emissions data from the production of different product categories (derived from a combination of publicly available data and assumptions where necessary), indicates 28,800 tons of CO2e emissions were avoided. This is comparable to eliminating the emissions from over 3,000 round trips between Berlin, Germany, and Auckland, New Zealand.

We contextualize the number of devices avoided using average product weights and CO2e emissions data by product sub-category (e.g., smartphones). Our impact estimate factors in potential additional consumption from our rental model, based on customer survey data from December 2021, and includes additional emissions from transportation, repairs, and kittings. Fraunhofer IZM reviewed our assumptions and methodology, to ensure accuracy and offer valuable recommendations. We'll continue to refine our data and collaborate with external experts, as there's currently no international standard for assessing rental impact.

To improve the data quality and methodology of our impact model, we joined an industry initiative, led by Circularity e.V. and supported by Systemiq and Fraunhofer IZM. The initiative aims to better understand customer behavior and transparently assess environmental impacts of circular business models. The first milestone of this project was reached in October 2024 when the launch of the first report featuring market and consumer insights. The second report covering industry insights will be published in the first half of 2025.

→ [Read the whole Report on Market & Customer]

We have been experimenting with TradeIn programs over the past two years, to expand our circularity and help customers make good use of unused and old phones and other tech that they may be storing at home. Initially this was a B2C solution, but our first pilots required a total reassessment. In parallel, we continued the program for B2B customers throughout 2024. Unforeseen circumstances necessitated pausing this program altogether, but we will hopefully start another trial with an improved set-up in the future.

Due to a restructuring and optimization of our product portfolio and categories, several thousand devices reached the end of their useful life at Grover and will be sent to partners for further handling. As part of our recommerce auctions terms and conditions, buyers agree to “use the bought assets in line with ESG requirements.”
While we assume that the majority can still be used, this also includes non-recyclable and hazardous waste. Unrelated to these specific efforts, there is a small amount of hazardous waste which was limited to less than 10 kg coming from swollen batteries, which have strict rules and processes for handling. (**ESRS E5-5 38b**)

The products we purchase and rent are by far the most significant material in- and outflow of our business, but other relevant materials are, namely packaging (**ESRS E5-4 30**). We use product packaging as well as shipping packaging, which includes carton boxes and filling material. Previously, we optimized our shipping packaging to better fit our diverse product portfolio and sustainability requirements. A key achievement for us was the switch to certified materials sources and materials with a maximum recycling share. We use an air pillow made from 50% recycled HDPE and recycled paper for filling material. Moreover, all key packaging components purchased by us are recyclable in the markets we’re active in. Moreover, we try to use the original product packaging as much as possible, only replacing it when the original packaging has been damaged beyond usability. (**ESRS E5-5 36c**)

Unfortunately, further strides on the packaging have not been possible due to higher priority topics for teams involved. We did not address any of our packaging goals to maximize recycled content for filling material, monitoring upcoming material innovations and considering reusable options again. These goals remain relevant for the future, as well as unifying our approach to filling material further.

There is also more progress to be made on product packaging, especially that of monitors and TVs. For now, the only policy we have in that regard is to reuse existing and manufacturer packaging for as long as possible.

Optimizing our return process has also reduced material use. In 2024, we introduced QR codes for DHL return labels, allowing customers to return their products without printing labels. This shift has already helped minimize paper waste while improving convenience.

Building on this success, our development team is working on paperless returns for all UPS shipments.

In summary, we have multiple waste streams. For our office spaces, these include household waste sorted in general waste, plastics, paper, carton, organic waste, and glass. More significant volumes occur at tier 1 locations, where the main waste streams are plastic, paper, and cardboard from packaging, as well as smaller electronic waste from spare parts, and cables. Electronic devices leaving our portfolio are mostly categorized as reusable and repairable, not waste. However, this is another major material outflow. (**ESRS E5-5 38a, 38b**)

One of our more ambitious goals for the midterm is to introduce clear supplier guidelines and sourcing policies addressing management of material impacts, risks, and opportunities. As we rarely source raw materials, our impact is limited in that regard, negating this as a priority for past years, where we focused on direct influences and impacts. Ideally, this will include conversations with brands and manufactures to play our small role in increasing the use of secondary and recycled materials in the consumer tech industry. (**ESRS E5-1 14 (MDR-P), E5-1 15a, b**)

Once these policies are introduced and colleagues trained, targets and goals to measure the effectiveness of the policies will be defined (**ESRS E5-3 23 (MDR-T)**). In terms of business relevance, this should include targets for sourcing products and materials – mainly packaging, activities around recirculation and repair, and waste reduction and management (**ESRS E5-3**).

Social topics are a pillar of our sustainability strategy. This includes employees, how we work with—and impact—our customers and workers along the supply chain

In contrast, community impact has been deemed immaterial for Grover. Our activities have limited impact on communities and this impact is indirect. This includes employees' volunteering opportunities

A OUR PEOPLE

At Grover, our employees are crucial to the success of our business. While we experienced challenges in 2024, it remains our priority to foster a safe and inclusive work environment for our team.

The most material positive impacts on our workforce are:

Adequate wages	
Gender equality and equal pay	Training & Skills development
Strict guidelines for violence & harassment	Working conditions & work-life balance, including employee benefits and perks

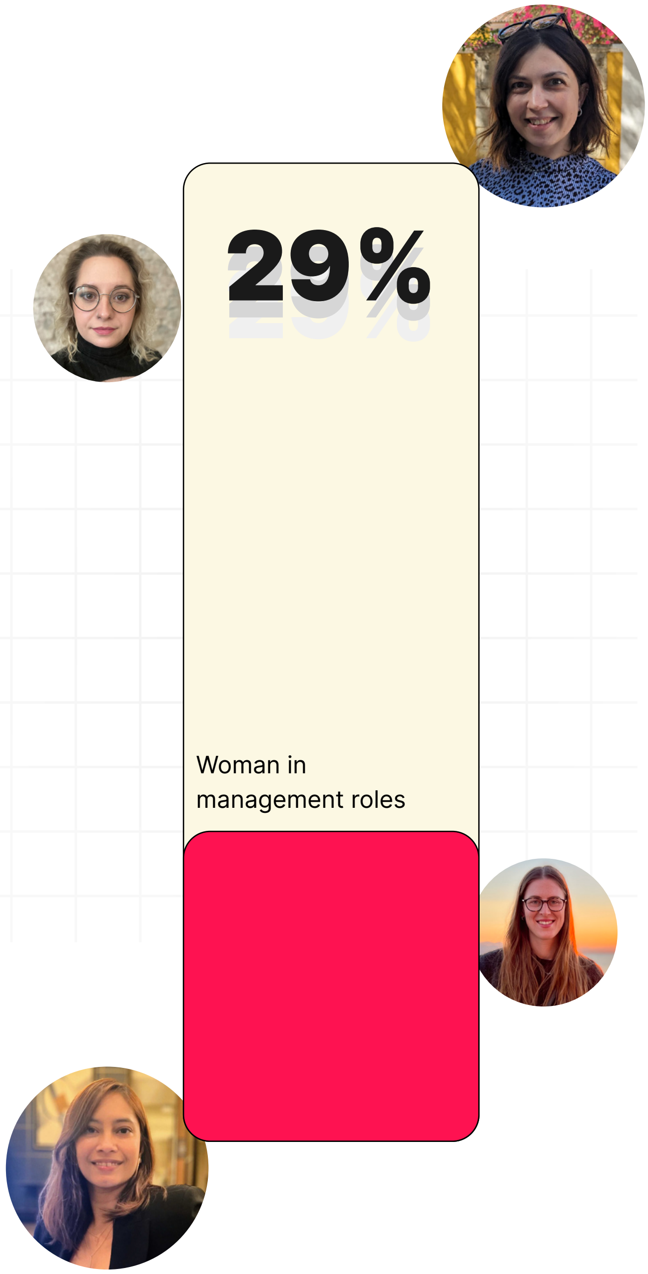
The only material risk identified is failing to attract diverse talent, especially in higher management positions (**ESRS S1.SBM-3 14 b**).

We include all direct employees and freelancers (non-employees) in our workforce, without differentiating other groups (**ESRS S1.SBM-3 14, 14 a, ESRS S1.SBM-3 16**).

While navigating this challenging year, we made difficult decisions that resulted in a reduced workforce. As of December 2024, Grover employs 300 people across 10 countries, with 37% identifying as female and 1.11% as non-binary. We wish to acknowledge and thank all those who have contributed to shaping the company and its culture. Their efforts have played a significant role in our progress as an impact-driven company to date. (**ESRS S1-6 50a**)

Our HQ in Berlin is the largest hub for employees with 146 on site. Similarly, the majority are permanent full-time employees – find the detailed breakdown of our workforce (in full-time equivalent) in the table below and the Appendix. (**ESRS 2 SBM-1 40 a iii, ESRS S1-6 50a, 50b, 51, S1-9 66 b, S1-12 79, 80, ESRS 2 SBM-1 40 a iii**)

	Female	Male	Non binary
Total number (in full-time equivalent (FTE))	97	160	1
Share of all employees	37.7%	62.6%	0.26%

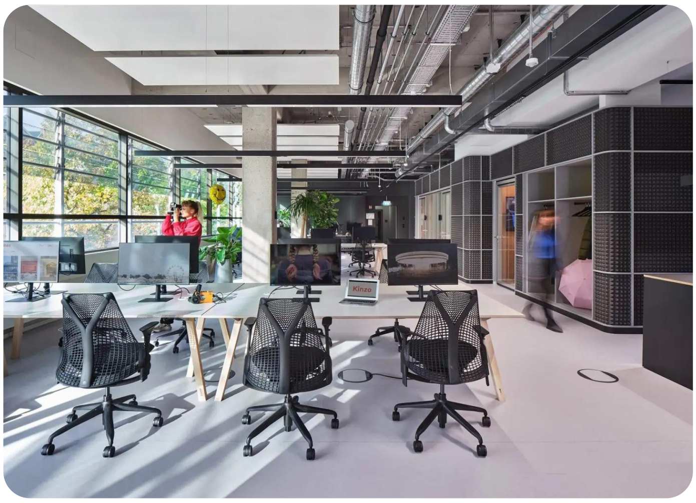


At the end of 2024, Grover's executive management team consisted of nine members, including four C-level executives and the remaining positions held by SVPs or VPs. In addition to our CEO, who is female, there is another female member of the management team. (**ESRS S1-9 AR 71, S1-9 66a**)

Considering companywide management roles, the gender share is slightly higher at 29%.

Grover office

Grover's office serves as a space for innovation, collaboration, and sustainability in practice. In 2024, we focused on enhancing the workplace experience and advancing our environmental and cultural initiatives.



Several updates were introduced to make office life more sustainable and aligned with our values:

Reducing single use items
Within our organization, we prioritized the use of reusable materials for in-house events, introduced water dispensers, and transitioned exclusively to glass bottles for all other beverages— a long anticipated change. These steps have helped us cut down on single-use plates and plastic bottles.

Promoting sustainable commutes
Many employees were encouraged to use public transportation to get to work, supported by our accessibility via BVG and other eco-friendly options.

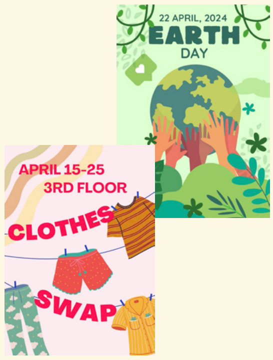
Car chargers
For the few commuting by car, we provide EV charging stations. Around ten employees regularly used our charging stations, reflecting willing participation in sustainable commuting.

In 2024, a full calendar of events encouraged collaboration and community-building:

Vegan breakfasts
Two plant-based breakfast events, including GroVegan January, showcased the benefits of sustainable eating.

February

April

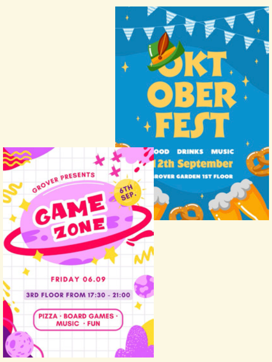


May

July

Social events
Highlights included quizzes, movie nights, bingo, a football league, the company run, and larger cultural celebrations such as the Pride Party and Summer Party.

September



Sustainability initiatives
A clothes swap event allowed employees to refresh their wardrobes without contributing to fast fashion.

December

Belonging and purpose were the focus of our employee engagement efforts in 2024. Spearheaded by the following structured initiatives:

Recycling awareness	a Recycling Awareness Day featured educational materials to encourage better waste practices
Green initiatives	raising awareness of cultivating our own food, our workplace team planted vegetables and herbs on our beautiful roof terrace — throughout summer. Throughout summer, tomatoes and basil thrived
Cultural and community-focused events	a variety of activities highlighted diversity and inclusivity, including volunteering opportunities and cultural celebrations

Lunch & Learn

Grover's office activities throughout 2024 reflected our values by creating an engaging, sustainable, and collaborative environment for employees.

When we moved into our office two years ago, we anticipated further growth in the mid-term. However, as this didn't materialize, we consistently reviewed and optimized our workspace, subletting areas and making more efficient use of space.

Regardless of their location, we offer a range of benefits for all our employees, which we regularly assess to ensure they remain relevant and widely used.

As in previous years, we continue to offer (**ESRS S1-4 38 c**):

- Universal parental leave policy available to all employees – taken by 12 employees in 2024 (**ESRS S1-15 93a, 93b**)
- Sports benefits through collaborations with Classpass and Urban Sports Club – used by 28 and 88 people
- Mental Health support via nilo.health
- Education budget – we invested €95,000 in 2024 to support the personal development of 135 colleagues (**ESRS S1-1 AR 17 h**)
- Remote work policy
- One day per month for volunteering taken 33 times

Towards the end of the year, we introduced Corporate Benefits – offering discounts for a multitude of shops and products. (**ESRS S1.SBM-3 14 c**)

During the year, we saw 367 days of remote work taken by 35 people and 35 days of educational leave by 5 people taken.

Of the total 135 colleagues that took advantage of the education budget, 31% are female. A total of 48 hours were spent for courses or other educational purposes by colleagues over the course of the year (**ESRS S1-13 83 b**).

Additionally, we offer public transport subsidies for employees in Berlin, with 127 employees using the Deutschland Ticket. Our HR team works closely with employees to support them. In a wider sense this includes our regular review cycles, but also day-to-day conversations and our employee satisfaction survey (**ESRS S1-1 20b**). In 2024, we carried out an employee engagement survey in the first quarter and a pulse survey in the third quarter, with a 68% response rate for the most recent.

Prior to last year, we held bi-yearly review cycles. Due to the administrative effort, this was reduced to an annual 360 review cycle. In our spring cycle in 2024, all employees participated (**ESRS S1-13 83 a**). However, we strongly encourage employees to share feedback positive or negative constructively throughout the year.

The HR department and company leadership use different channels to engage with employees – with the annual review cycle being the main forum for feedback. At all times employees can approach members of these teams directly through various channels (e-mail, Slack, internal ticketing system). If they wish to follow the newly established whistleblowing process, they can raise concerns with their direct manager, supervisors, or the People & HR team. They may submit the report by contacting the Legal and Compliance Department or use a whistleblowing tool operated by an external service provider. (**ESRS S1-2 27 b, ESRS G1-1 10 c, S1-3 32 b, d**)

Additionally, we introduced an Ethics Elevation Program and Incident Management Tool in 2024, and Leadership Training for all employees with at least one direct report. This will be mandatory for leadership moving forward. Moreover, we drafted a Code of Ethics to be finalized and implemented in 2025.

These options are the same for all employees and there are no additional channels or approaches for specific groups of the workforce (**ESRS S1-2 28**).

Depending on the feedback or concerns, next steps are a review of the feedback to assess feasibility of implementation, thereafter reports submitted via the

whistleblowing process will be reviewed, and an internal investigation will be conducted (**ESRS S1-2 27**).
A less tangible but equally significant part of employee engagement support are the policies and processes – putting more policies and traceable processes in place has been especially important for us as a growing scale-up company. We have numerous policies in place, including sick leave, vacation, home office, and anniversary

These are all current employee related policies:

- Sick Leave Policy
- Vacation Policy
- Office Attendance Policy
- Ethics & Compliance Program
    - Incident Reporting Tool
    - Speak-Up Policy
    - Case Management Policy
- Anniversary Policy
- Employee Referral Program
- Remote Work Policy
- Visa & Relocation Policy
- Travel & Expense Policies

Human rights policies including human trafficking, forced / compulsory / child labour as well as workplace accident prevention and management systems are in place through local regulations. Similarly, we comply with local minimum wage regulations and social protection based on local regulations and laws.

Employees are required to complete an annual workplace safety training and sign a zero tolerance policy towards any kind of discrimination, harassment, and corruption as part of their work contract (**ESRS S1-1 22, 23, 24a, S1-10 69, S1-11 74 a, c, e, 75, 76**).

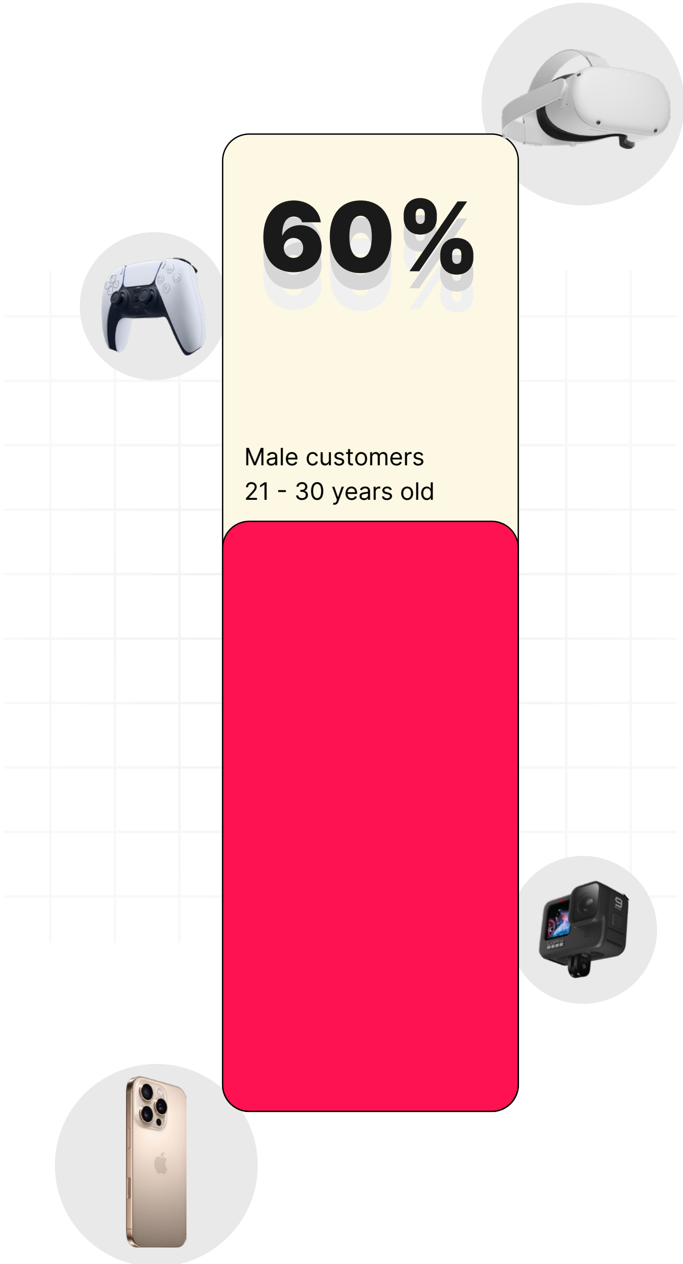
We intended to implement the definition and implementation of a diversity, equity, and inclusion (DEI) policy in 2024, however this has not yet been fully completed. We began work on this at the end of the year, we plan to finalize and begin rolling it out in the first half of 2025.

B OUR CUSTOMERS

Our customers are more than just tech users—they are active participants in our circular model and play a meaningful role in shaping it.

Every service we offer and every solution we develop is driven by their desire for a more flexible and sustainable relationship with technology. Here, we explore how our rental solutions define the concept of accessible, flexible and affordable tech access. We're transforming the customer experience by fostering long-term trust through empowering individuals and businesses to seamlessly adopt rental tech into their daily lives.

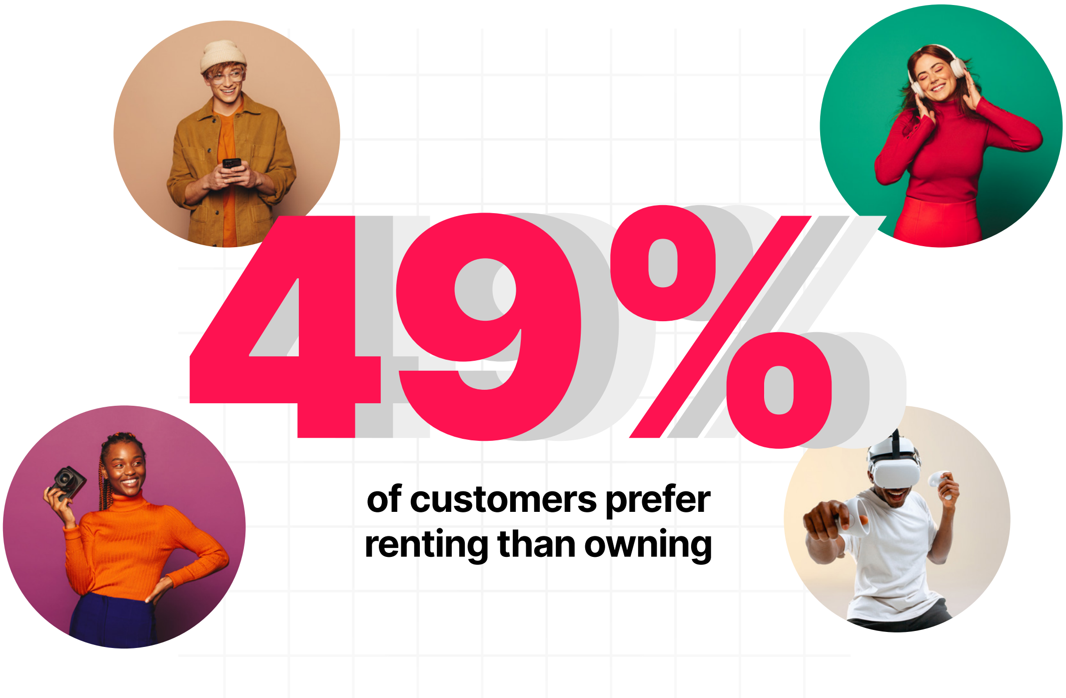
We consider all of our customers, including private and business customers, and their end-users, in our assessments (**ESRS S4.SBM-3 10 a, i-iv**). We do not store gender information relating to customers, but a recent high-level mapping based on assumptions showed that about 60% of our customers are male, with the largest age group being 21–30 years old. The majority of these customers use Grover's app, and most are based in Germany, with nearly equal representation from both urban and rural areas. They use Grover for a multitude of reasons— notably because they want access to the latest technology, they appreciate the flexibility of rental and technical support without maintenance and repairs. (**ESRS S4.SBM-3 10**)



Some of these insights were sourced from a customer survey carried out as part of Undress Circularity, an initiative by Circularity e.V. in collaboration with Fraunhofer IZM, Systemiq, and 12 industry partners. The whole report is available at Circularity e.V..

This research also revealed that people see desire for ownership, intention of long-term use of products, and financial burden as barriers to rental. The first two insights hint at a mindset shift which existing Grover customers have undergone. 51% of respondents prefer to own a device over renting compared to 77% of respondents from a study conducted by [Consors Finanz BNP Paribas] in 2022. Differing perceptions of financial incentive show an opportunity for communication to non-customers as existing customers see financial reasons as the fourth most compelling reason for renting with Grover. They may value the flexibility of monthly payments and freedom to stop paying when their subscription costs are higher than product ownership.

Primarily, we aim to increase convenience and ease of use for our customers. We continue to offer them access to the tech they want, when they want it, without them making a large one-off payment or taking on consumer debt. In 2024, we conducted extensive reviews and made strategic adjustments to our portfolio, ensuring we continue offering the most exciting and relevant technology to our customers, while also reinforcing the long-term sustainability of our business model. (**ESRS S4.SBM-3 10 c, S4-4 31 c**)



Our product, engineering and design teams work hard to improve the customer experience, and optimize work flows for internal teams to respond appropriately to customer requests.

Their latest accomplishments

Improved Navigation

Improved customer experience and navigation on Grover website and app by introducing a new header and introducing autosuggest when searching through the catalogue

Optimized UI/UX

Optimized UI / UX throughout the whole customer journey

Retention & Sustainability

Introducing discounts to customers reaching the end of their rental period encouraging them to keep enjoying their current device longer instead of returning and re-renting the same device. Thus avoiding unnecessary return shipments

Agent Efficiency

Improved work flows and enablement of agents internally to respond to specific customer requests more quickly and efficiently

Next year we will build on this progress, exploring new ways to enhance our offerings and keep step with changing customers needs.

Benefitting customers is central to our mission, yet we are aware of potential negative impacts on them; privacy and data security risks being the most important to which we pay careful attention. (**ESRS S4.SBM-3 10 b**)

To manage these risks optimally, we have advanced data protection policies in place in line with GDPR. Additionally, we have a privacy notice for customers and a security incident response plan.

In the development and advancement of our policies, we made significant progress in 2024:

- We improved the risk management program and Information Security Governance
- We aligned with well-established security frameworks, implementing security controls
- We defined, updated and reviewed multiple policies: Data retention policy, Data protection policy, Data privacy by design and by default policy

The sole material customer impact identified in our DMA is connected to information security and data privacy, which we manage with thorough risk assessment and compliance processes.

In our efforts to minimize risks for our company and our customers, we've implemented advanced risk assessment procedures using algorithms and machine learning technologies. Our team includes specialized risk analysts who assess cases where the outcome of automated decisions warrants further investigation.

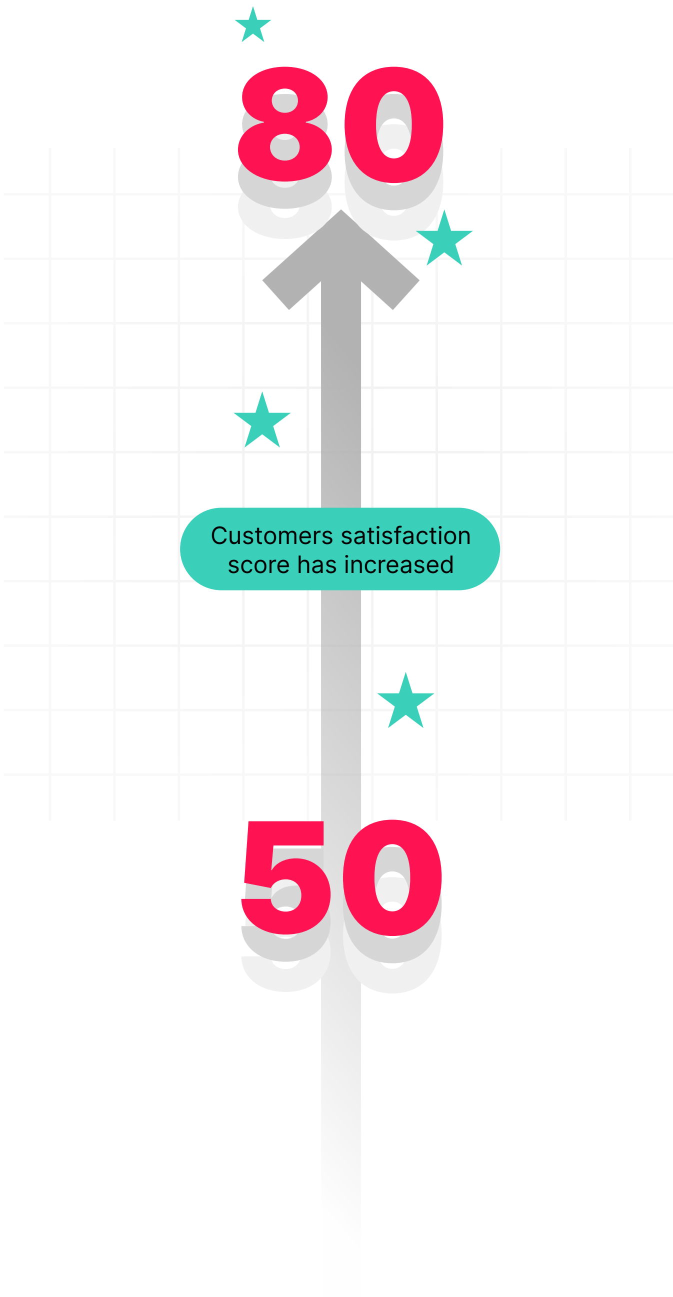
Should a customer encounter financial difficulties, we work with them using clear internal guidelines for payment collection. Each situation is carefully reviewed, particularly when customers are facing challenging circumstances. In cases where customers have the asset in their possession, returning the device typically resolves most issues. (**ESRS S4-4 31 a**)

We monitor performance extremely closely and set rigorous targets such as repayment and approval rates (**ESRS S4-5 41 (MDR-T), S4-4 31 d**).

Additionally, customer dissatisfaction is a significant risk to Grover's brand reputation, privacy and long-term sustainability. To mitigate these risks, we have continuously acted in the best interests of our customers, and advanced privacy handling using a governance, risk, and compliance software to handle updates of personal data. (**ESRS S4-2 20**)

Grover's Customer Service Department, led by the VP Customer Experience (**ESRS S4-2 20 c**), tracks and assesses the effectiveness of actions and initiatives by collecting and analyzing consumer feedback, complaint data, and key performance indicators, i.e.customer satisfaction scores. These insights are stored in our CRM system, reviewed on a regular basis, and benchmarked against industry standards (**ESRS S4-2 20 d, S4-3 25 d**).

Grover's customer service operations, consisting of a core internal team and external support, has been instrumental in significantly improving customer satisfaction. The average score has risen from below 50 to around 80. While customers understand that occasional issues may arise, they highly value receiving a personal response from a representative in less than an hour (median), with agents actively working on resolving their individual problems.

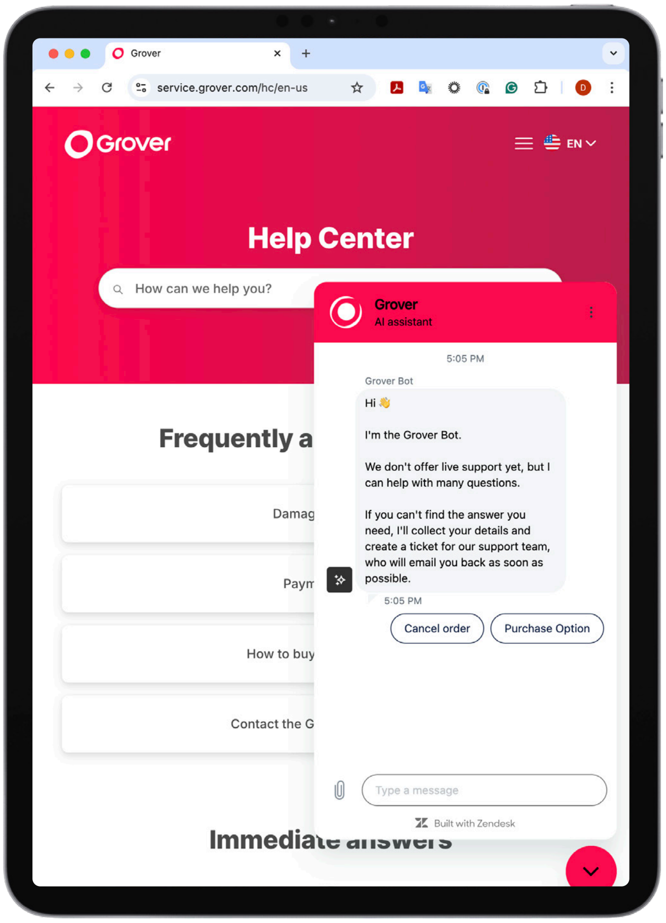


Customers can also visit our online help center, reach out to the team directly, or use our AI assisted chatbot for support. All requests are collected in a ticketing system, read by colleagues from the customer service department, and then clustered and either directly dealt with or forwarded to relevant departments to solve the request. B2B customers can use customer service channels, or reach out directly to their account manager or executive. There are no specific channels for certain customer groups, as these are the same for all customers. (**ESRS S4-2 20 b, 21**) This also applies to raising concerns or needs, which consumers can address through those channels. Additionally, customers have the opportunity to leave feedback or reviews on Trustpilot or Google reviews which are monitored as well. The availability of website services and the amount of customer requests is continuously monitored (**ESRS S4-3 25 b, S4-3 25 c, S4-4 34**).

Wherever possible, processes and available channels are highlighted or communicated on Grover's website (**ESRS S4-3 26**).

Our customer service team is sufficiently staffed with additional support from a third party to address requests in a timely manner. To ensure quality from internal and external teams, we have a dedicated employee for daily sample checks. Additionally, we have a daily / weekly / monthly report with the most relevant key performance indicators, which include first-reply time and customer satisfaction. (**ESRS S4-4 30 (MDR-A), S4-4 37**)

Performance is monitored through regular reports to ensure fast replies and positive customer feedback (**ESRS S4-5 41 (MDR-T)**).

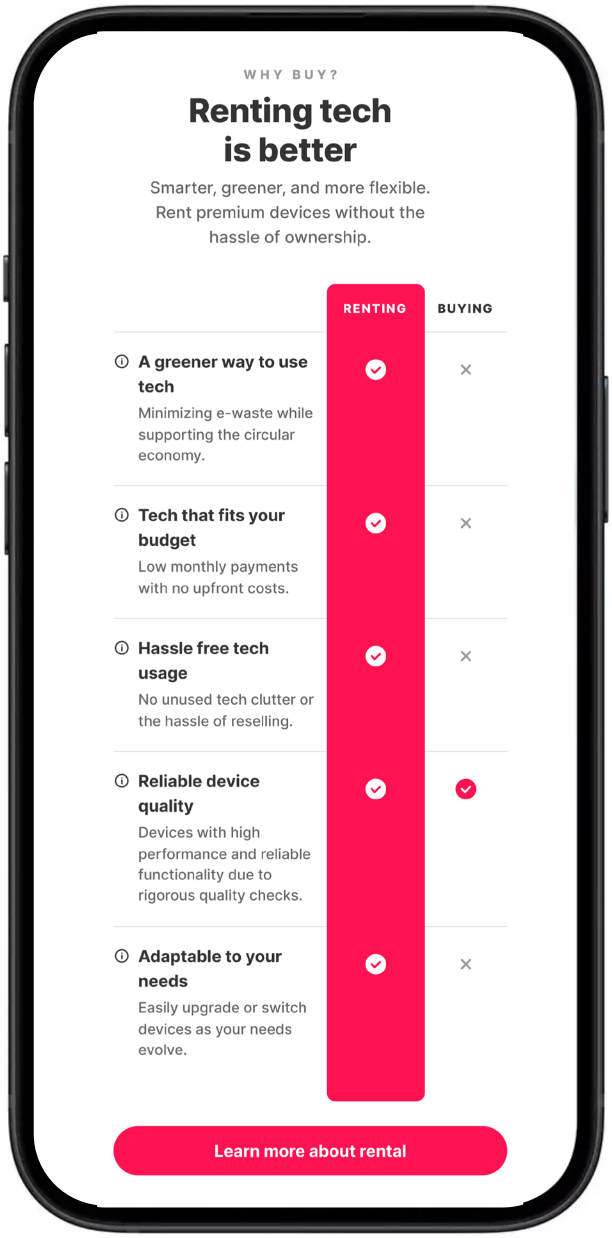


We ask customers for voluntary feedback for every request handled by our team, reaching satisfaction levels above industry average values. (**ESRS S4-4 33 a**)

By reviewing and incorporating customer feedback into our work, customers and end-users are indirectly engaged in setting and tracking targets as well as implementing improvements (**ESRS S4-5 41 a, b, c**). Through these mechanisms and occasional user tests, we're in close and direct exchange with customers (**ESRS S4-2 20 a**), which informs decision-making and new product developments or improvements from user tests.

Besides that, we have guidelines and processes in place on how to communicate with customers and solve requests smoothly. (**ESRS S4-1 15 (MDR-P**))

To understand our customers and their motivations behind circular consumption even better, we've kicked off a shared experiment with Visa and MindWorks as part of [Visa's Recommerce Behavioural Insights Lab]. Following an incredibly insightful and fun workshop with folks from Visa, MindWorks and the Ellen MacArthur Foundation in Q4 2024, we've defined different interventions and experiment designs focused on helping even more customers choose renting over buying tech. We will start testing in the beginning of 2025. If you're curious about the results, keep an eye out on [Visa's Behavioural Hacks Playbook]. We aim to use those insights to shape our website and customer app experience to tailor communication and information better to our customers.



This section covers our approach to supply chain management and due diligence, focusing on how we collaborate with partners and maintain transparency across key processes

It outlines the structure of our value chain, the roles of our warehousing and logistics partners, and the measures we take to uphold ethical standards and mitigate risks

We believe that strong partnerships and supply chain transparency are essential—especially for Grover which collaborates closely with a variety of partners and relies on their expertise for key processes.

This collaboration creates great opportunities to work together on solutions. Yet, it also necessitates dependencies, which can present obstacles when trying to gain deeper insight into the supply chain.

Improving warehouse efficiency has also been high on our agenda, to serve our customers and manage inbound and outbound products optimally.

Grover purchases devices from retailers, traders or manufacturing brands. These devices are then processed at our partner-run warehouses, where inbound shipments are managed, products are stocked, and orders are packed and shipped to customers. Transportation is carried out by common shipment providers.

At the end of a rental period, customers return their devices to a dedicated partner warehouse, where they are inspected, cleaned, and kitted. If repairs are needed, devices are sent to our network of repair partners across Europe, before being returned to stock. If devices are irreparable, they are sold buyers or consignment partners.

We have very close relationships with our warehousing partners, and are in contact on a daily basis, with regular site visits.

Working with suppliers throughout the value chain, we must also acknowledge that our impact is limited by the complexity of the global industry but also by our size and market power compared to the main brands and industry players.

To manage our relationships better, we have introduced a Code of Conduct. The roll-out focused on key partners such as warehousing and repair partners reaching across-the-board agreement. Expanding the coverage of our Code of Conduct, we reached agreements with some of our largest suppliers of products – making up over 40% of our total purchasing volume. We will continue these efforts to increase the share further. Additionally, the share of suppliers located in Europe increased to almost 100%. That said, most tech products are not made in Europe.

Our Code of Conduct is based on industry standards and includes aspects of UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work and OECD Guidelines for Multinational Enterprises. Though not fully aligned with these standards and guidelines, it does cover migrant, forced and child labour. (**ESRS S2-1 18, 19**)

Our highest priority for the Code of Conduct is to roll out the document more extensively. Once we achieve this, we will develop mechanisms to assess compliance to be able to define a plan when it comes to remedies for human rights impacts in the future (**ESRS S2-1 17c**)

Another important type of partnership for us are those across the industry. As such, we have been part of initiatives by Circularity e.V. for the past couple of years. In 2024, one of these initiatives – Undress Circularity – reached its first milestone with the launch of a market report.

Undress Circularity is a collaborative industry project led by Circularity in collaboration with Fraunhofer IZM, Systemiq, and 12 industry partners. Leveraging data from this market report as well as industry data from the partners and experts, the consortium jointly develops a methodological framework and practical guide to outline the impact of business models on a device's life span and utilization.

When assessing impacts, risks, and opportunities along our supply chain, we focus on tier 1 suppliers. Namely, our warehousing and transportation partners and their workers. The types of value chain workers affected are therefore employees at the warehouses and delivery workers— all of which are covered under European, and to a large extent German, Workers' Protection Rights. (**ESRS S2.SBM-3 11, 11 a**)

Members of the Circular Supply Chain Team visit the warehouses about once a month to review performance with management. However, team members are also in direct contact with workers. Monthly reviews assess performance and parts of the team are in daily contact with our partners. (**ESRS S2-1 17b**)

Impacts identified are related to health and safety / other workers' rights connected to:

- Price sensitivities and potential consequences for working conditions
- High level of expectations when it comes to speed and reliability of shipments

While this is our more direct influence, the largest risks are further down in the electronics value chain – namely during the raw material extraction and production phase, where we have very limited to no influence. This lack of direct input decreases Grover's potential impact on workers, with limited control over the whole value chain overall. There is a risk of human rights violations impacting the workforce along the value chain, which potentially includes a risk of child, compulsory or forced labour. We see a higher risk of workers at the raw material extraction and manufacturing stage being negatively impacted (**ESRS S2.SBM-3 11 b, 11c, e, 12, 13**).

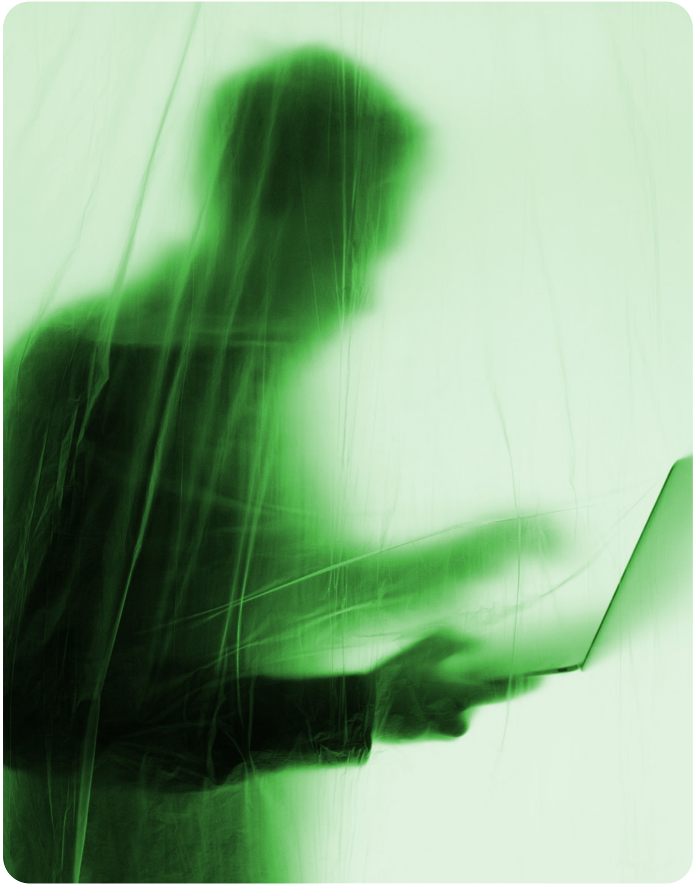
Our approach to address this, is the definition and roll out of our Code of Conduct and expanding its reach to suppliers of the electronic products we purchase. We hope to have a potential positive impact by a clear policy and setting standards of working with suppliers (**ESRS S2.SBM-3 11 d, ESRS S2-1 16 (MDR-P)**).

Since our impact on most stages of the value chain is very limited, we do not have an additional or specific human rights policy in place (**ESRS S2-1 17, 17a**). Neither do we have formal processes in place for engaging with value chain workers (**ESRS S2-2 22**)

In the future, we will review our approach to engaging with workers along the supply chain, processes to remediate negative impacts, and channels for value chain workers to raise concerns and create an action plan to address material impacts. Effectiveness will be monitored against set targets (**ESRS S2-3, S2-4**). However, as we do not produce any devices nor have manufacturing partners, this is not the highest material concern for Grover.

We have numerous processes and policies in place to manage our corporate culture and governance—responsibilities for these sit with our Legal Team, HR/People, IT, Risk, and Engineering teams.

We have an anti-corruption and anti-bribery policy in place, though it is not aligned with the UN convention against Corruption. This policy is most relevant for employees working closely with partners and customers to avoid unfair advantages being taken or given. Concerns can be raised by employees through previously mentioned channels, including the whistleblowing tool. There have been no confirmed corruption or bribery cases in 2024, hence, no convictions or fines. (**ESRS G1-1 10 b, 10 h, G1-3 18 a, G1-4 24 a**).



We investigate all incidents raised against this or other policies via the whistleblowing process promptly, independently, and objectively (**ESRS G1-1 10 e**).

All relevant policies are available for employees internally at all times, and employees are expected to familiarise themselves with the relevant policies. All new company hires must complete and successfully pass a Security & Privacy Training on a third-party platform. Additionally, they are provided with the Information Security Policy for acknowledgment. Employees must also complete and pass a mandatory security training on an annual basis through this platform. (**ESRS G1-1 10 g**)

Conclusion

We are proud of the sustainability initiatives we have implemented in 2024. Despite macroeconomic headwinds that impeded our ability to reach all our goals, we have forged on never losing sight of the long-term strategic importance of our sustainable business model.

We made great progress preparing for CSRD aligned reporting, giving us the opportunity to review existing processes, and increase awareness about impacts, risks, and opportunities. Environmental sustainability has been a particular focus in 2024, informing our governance, processes, and reducing potential data errors and risks.

A significant achievement this year was the implementation of advanced processes for managing complaints and incidents, such as our Ethics Elevation Program and Whistleblowing Process.

Other notable successes across our teams, including improving processes and optimization of our supply chain, reducing backlogs and advancing our customer responses – all as a direct result of the daily efforts of these teams and their commitment to sustainability in principle and practice.

We are honored to be recognized as a finalist for the German Sustainability Award (Deutscher Nachhaltigkeitspreis). However, we are aware of issues surrounding the award's transparency and selection processes. Concerns have been raised about opaque procedures and commercialization, leading some companies to decline the award. We believe that transparency and integrity are paramount to achieve genuine sustainability. As such we simultaneously celebrate this recognition, and advocate for continuous improvements to ensure that such honors truly reflect and encourage authenticity.

Looking ahead, we are hopeful that the tumultuous times for Grover have passed. Entering an era of stability and focus once again, we anticipate and look forward to exploring new business opportunities.

True sustainability, much like our business model, is circular. It has no endpoint which can be reached where sustainability efforts may then be retired. With this iterative mindset, we will continue to measure our impact, in perpetuity and aim to maximize our positive impact.

Finally, we would like to express gratitude and recognition for our supporters — be it colleagues, employees, investors, or partners, for their belief in our work, and enduring efforts throughout the year with us.

Appendix

Abbreviations

Abbreviation	Term	Meaning
CRM	Customer Relationship Management	A strategy and technology for managing a company's interactions with customers.
DEI	Diversity, Equity, and Inclusion	Principles aimed at ensuring fair opportunities, representation, and an inclusive work environment.
DMA	Double Materiality Assessment	A framework to assess how sustainability issues affect a company financially and how the company impacts society and the environment.
CO2e	Carbon Dioxide Equivalent	A metric that expresses the impact of different greenhouse gases in terms of carbon dioxide emissions.
CSRD	Corporate Sustainability Reporting Direction	A European regulation requiring companies to disclose their sustainability performance and impacts.
ESG	Environment, Society, and Governance	Criteria used to measure a company's ethical impact and sustainability practices and pillars or Grover's sustainability strategy.
ESRS	European Sustainability Reporting Standard	A set of guidelines that standardize how companies report sustainability-related information. The term ESRS is also used to reference specific disclosure requirements, such as ESRS 2 SBM-3 48 a throughout the report.
EFRAG	European Financial Reporting Advisory Group	An organization that advises on financial and sustainability reporting standards in the EU.
FinCos	Financial Companies	Entities of the Grover Group that acquire and own the electronic goods.
FSC	Forest Stewardship Council	An international nonprofit that promotes responsible management of the world's forests issuing certifications.
GHG	Greenhouse Gas Emissions	Gases like carbon dioxide and methane that contribute to climate change.

OpCos	Operating Companies	Entities of the Grover Group that centralize various functions for the Group as a whole.
PV	Photovoltaic	Solar power generation, typically through rooftop installations.
RentalCos	Rental Companies	Entities of the Grover Group that are local companies in Grover's active markets.
SBTi	Science-base Target Initiative	A global initiative helping companies set emissions reduction targets aligned with climate science.
WEEE	Waste Electrical and Electronic Equipment	A directive concerning the collection, recycling, and recovery of electronic waste.

List of material impact, risks, and opportunities highlighting corresponding ESRS standards, as well as sub- and sub-sub-topics and the nature of the impact (ESRS 2 SBM-3 48 a, 48 c i)

ESRS Standard	Sub-topic	Sub-sub topic	Impacts, Risks and Opportunities
E1	Climate Change Mitigation	Energy Consumption	Own operations, supply chain, and logistics use (non-renewable) energy which exploits resources and emits GHG emissions (Actual negative impact)
E1	Climate Change Mitigation	GHG Emissions	GHG emissions from operations (running office space and supply chain) contribute to climate change and global warming (Actual negative impact)
E1	Climate Change Mitigation	GHG Emissions	Avoiding GHG emission through offering circular solutions as an alternative to linear practices for customers (Potential positive impact)
E1	Climate Change Mitigation	GHG Emissions	Reduced emissions by using renewable materials along the supply chain, low-emission alternatives, and recirculating devices (Potential positive impact)
E1	Climate Change Adaptation	Climate related-risks	Climate related risks, reliance on fossil energy sources and natural resources (of products and processes) leads to resource and availability dependencies (Potential negative impact)
E1	Climate Change Mitigation	Logistics disruptions	(Increasing frequency of) Natural disasters can lead to disruptions of the supply chain impacting product availability and delivery reliance of the company (Potential negative impact)
E5	Resource inflows & outflows, waste	Resource inflow	Reliance on natural and virgin resources for production and facilitation from new products requires new material input to offer services (rare metals, non-renewable resources) for the company (Actual risk)
E5	Resource inflows & outflows, waste	Waste	Resource use along the value chain leads to waste, among others coming from broken devices and packaging (Actual negative impact)
E5	Resource inflows & outflows, waste	Resource outflow / waste	Devices reaching their end of the life leads to e-waste (potentially hazardous, non-recyclable and -biodegradable waste) (Actual negative impact)

S1	Equal treatment and opportunities for all	Diversity	Negative impact on women due to lack of career opportunities (in higher management and leadership positions) (Actual negative impact)
S1	Equal treatment and opportunities for all	Diversity	Equal treatment of workforce in regard to working conditions and perks that are the same for everyone (Actual positive impact)
S1	Equal treatment and opportunities for all	Adequate Wages / Gender equality	Fair treatment and remuneration of employees' work according to local benchmark, incl. salary bands across departments (Actual positive impact)
S1	Equal treatment and opportunities for all	and equal pay for work of equal value	Opportunities for all employees for further education and mental health (Actual positive impact)
S1	Equal treatment and opportunities for all	Training & Skills development	Financial risk of not attracting diverse talent (women in higher management positions, people with disabilities, POC in leadership) (Potential risk)
S1	Equal treatment and opportunities for all	Talent (strategy, attraction, availability)	Guidelines for handling of inappropriate behaviour and definition of code of ethics impacting employees and their sense of safety in their work environment (Actual positive impact)
S1	Working conditions, work-life balance, health & safety	Measures against violence & Harassment	High level of flexibility and autonomy for employees enabling further development, freedom, and growth (Actual positive impact)
S1	Working conditions, work-life balance, health & safety	Working conditions & work-life balance	Choice of work equipment for employees based their preference, office space designed for different work modes and styles (quiet v collaborative) (Actual positive impact)
S1	Working conditions, work-life balance, health & safety	Working conditions & work-life balance	Offering multiple employee perks for physical and mental health to support employees' health and work life balance (Actual positive impact)
S1	Working conditions, work-life balance, health & safety	Working conditions & work-life balance	Remote work policy and monthly volunteering days to enable employees to realize themselves and working according to their lifestyle and -choices (Actual positive impact)
S1	Working conditions, work-life balance, health & safety	Working conditions & work-life balance	Universal paid parental leave (1 month) for all employees (Actual positive impact)
S1	Working conditions, work-life balance, health & safety	Working conditions & work-life balance	Safe and fair working environment with transparent and compliant employment terms and benefits impacting employees (Actual positive impact)

S2	Working conditions, health & safety / other work related rights	Work-life balance, Working time	Focus on economical aspects namely lowest (consequently unfair) prices for services and products impacting workers along the supply chain and their working conditions (Potential negative impact)
S2	Working conditions, health & safety / other work related rights	Health & safety / other work related rights	Impact on workers along the supply chain through creating a high pressure environment by requesting very fast response times and 24/7/365 availability (Potential negative impact)
S2	Working conditions, health & safety / other work related rights	Health & safety / other work related rights	Risk of human rights violation along the supply chain impacting workforce along the value chain (Unsafe working conditions, long working hours, forced labour, supply chain workers in debt bondage) (Potential negative impact)
S2	Working conditions, health & safety / other work related rights	Health & safety / other work related rights	Lack of transparency along the value chain due to extremely complex and global supply chain (further increased by subcontracting) decreases potential impact on working conditions of the company (Potential negative impact)
S4	Information related impacts for customers and / or end-users, Privacy	Information-related impacts for consumers and/or end-users	Impact on customer (data) from thorough risk assessment and compliance processes (Potential negative impact)
G1	Corporate culture	Corporate Culture / Business Conduct	Impact on company resilience by early stage interference and identification of non-compliance and inappropriate behaviour to avoid negative impacts and penalties (Actual positive impact)
G1	Corporate culture	Protection of whistleblowers	Impact for employees to raise concerns anonymously via whistleblowing process (Actual positive impact)
G1	Management of relationships with suppliers	Management of relationships with suppliers	Risk from lack of transparency due to extremely complex and global supply chain (further increased by subcontracting) limiting control over the supply chain from the company (Potential risk)
G1	Corruption & Bribery	Prevention of corruption & bribery	Risk of corruption and bribery in some countries along the value chain (Potential risk)

Detailed breakdown of 2023 and 2024 Corporate Carbon Footprint

Breakdown according to GHG Protocol Categories, showing emission reductions

Scope	GHG Category	2023 Footprint	2024 Footprint	Delta
1	Direct emissions	23	19	- 17%
2	Purchased electricity, steam, heat, and cooling	82	9.1	- 89%
3.1	Purchased goods and services	8,050	6,251	- 22%
3.2	Capital Goods	25,099	15,993	- 36%
3.3	Fuel and energy related activities	25	17	- 31%
3.4	Upstream transportation and distribution	1,467	247	- 83%
3.5	Waste generated in operations	50	22	- 56%
3.6	Business Travel	347	134	- 61%
3.7	Employee commuting	191	188	- 1.4%
3.8	Upstream leased assets	6.3	5.7	- 9%
3.9	Downstream transportation and distribution	258	124	- 52%
3.11	Use of sold products		9.8	
3.12	End-of-life treatment of sold products		33	

Detailed breakdown of climate change data
Corporate Carbon Footprint per GHG Protocol Category (ESRS E1-6 44)

Scope	GHG Protocol Category	Market-based emissions (t CO2e): total & share	Location-based emissions (t CO2e): total & share
1	Direct emissions	19 (<0.1%)	19 (<0.1%)
2	Purchased electricity, steam, heat, and cooling	9.1 (<0.1%)	56 (<0.1%)
3.1	Purchased goods and services	6,251 (27%)	6,260 (27%)
3.2	Capital Goods	15,993 (69%)	15,993 (69%)
3.3	Fuel and energy related activities	17 (<0.1%)	19 (<0.1%)
3.4	Upstream transportation and distribution	247 (1.1%)	218 (0.9%)
3.5	Waste generated in operations	22 (<0.1%)	22 (<0.1%)
3.6	Business Travel	134 (0.6%)	134 (0.6%)
3.7	Employee commuting	188 (0.8%)	157 (0.7%)
3.8	Upstream leased assets	5.7 (<0.1%)	5.6 (<0.1%)
3.9	Downstream transportation and distribution	124 (0.5%)	124 (0.5%)
3.11	Use of sold products	9.8 (<0.1%)	5.6 (<0.1%)
3.12	End-of-life treatment of sold products	33 (<0.1%)	33 (<0.1%)

Detailed breakdown of workforce

	Female	Male	Non-binary
Total number (in full-time equivalent (FTE))	97	160	1
Share of all employees	37.7%	62.26%	0.26%
Location • HQ — Berlin • Spain • Portugal • Remote	• 47 • 15 • 8 • 17	• 93 • 12 • 7 • 32	• 1
Contract type • Temporary (limited contract) • Permanent (unlimited contract) • Freelance	• 3 • 72 • 5	• 6 • 128 • 13	• 1
Share of full-time employees	27.54%	50%	1%
Age breakdown	• 23 • 70 • 4	• 29 • 135 • 3	
Employees with disabilities	1	1	0

Disclosure of list of data points that derive from other EU legislation

Disclosure of data points that derive from ESRS requirements and information on their location in sustainability statement (IRO-2: Material impacts, risks and opportunities, IRO-2 56)

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