stadium®

Join the movement.

Stadium Group's Annual and Sustainability Report 2023/2024.

Contents.

This is an interactive Annual and Sustainability Report, which means that you can easily navigate between different sections using the menu to the left. Page references and web links are also clickable.

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Everything we do, we do to enable more people to experience the energy, the enjoyment and the well-being of an active lifestyle.

Ulf & Bo Eklöf, founders

About Stadium.

Stadium was founded in 1987. However, the story actually begins in 1974 when Ulf Eklöf took over Spiralen Sport, a shop in his home town of Norrköping.

With his keen interest in sport, Ulf set himself the goal of becoming the best in sports gear and sports fashion. A few years later, Ulf's brother Bo joined the company and since then they have driven the company and the whole sports industry to new heights with their ideas, passion and competitive spirit.

The vision is to make the world more active, based on the view that humans are designed for physical activity, and that health and well-being emanate from that. Our mission is therefore to inspire an active lifestyle – for everyone. We fulfil our mission through our business concept: to offer sports gear and sports fashion for everyone and create the conditions for more people to live an active life.

Over the years, the company has grown through new business concepts and expansion into new countries. But no matter where we operate, the way we work is always rooted in our values, which form our DNA. These strong and genuine core values run through the whole of Stadium and derive from the family's way of leading and developing the company.

Mission – To inspire an active lifestyle for everyone.

Vision – To activate the world.

Stadium's values, our DNA.

Energy

Passion

Team spirit

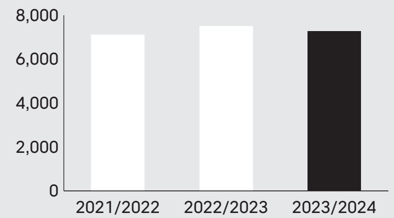
Simplicity

Innovation

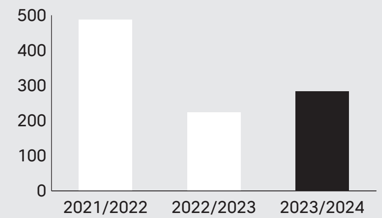
Year in figures.

We are delivering strong figures despite lower growth during the year. We continue to open new physical stores, we are reducing our carbon footprint and we have employees who are proud to work for us. Together, we build the strong team that is Stadium and continue to get people moving.

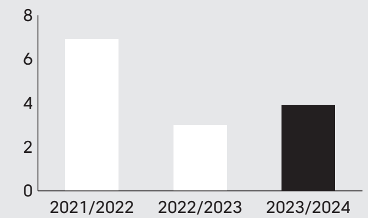
NET SALES



OPERATING PROFIT/LOSS



OPERATING MARGIN, %



200
physical stores

9
newly opened stores in 2023/2024

4,485,376
members

4,820
employees in the Group

Group Employee Net Promoter Score (eNPS)
65 how likely it is that an employee would recommend Stadium as a workplace

Group Net Promoter Score (NPS)
57 how likely it is that a customer would recommend others to buy from us

E ENVIRONMENT

107,666
kilos of textiles and shoes were collected during the financial year

-60%
reduction in the carbon footprint of our own brands, including transport

S SOCIAL

89%
of our employees are proud to work for us

196,077
people were made more active in 2023/2024 through our own initiatives and the races we sponsor

G GOVERNANCE

0
reports in our whistleblowing system during the financial year

0
confirmed cases of bribery and corruption during the financial year

Year in figures cont.

Number of physical stores, Stadium Group

	2023/2024	2022/2023	2021/2022	2020/2021
Sweden				
Stadium	83	83	84	85
Stadium Outlet	55	54	49	47
Stadium Rental	2	1	0	0
Total	**140**	**138**	**133**	**132**
Finland				
Stadium	33	33	33	32
Stadium Outlet	18	16	14	13
Total	**51**	**49**	**47**	**45**
Norway				
Stadium Outlet	9	5	3	2
Total	**9**	**5**	**3**	**2**
Total no. of stores:	**200**	**192**	**183**	**179**

Changes during 2023/2024

- Stadium Outlet Sweden has opened 2 stores and closed 1 store, Stadium Rental has opened 1 store, Stadium Outlet Finland has opened 2 stores and Stadium Outlet Norway has opened 4 stores.
- In total during the year we opened 9 new physical stores and closed 1 store.

Events from 1 September 2024 until publication

- Stadium Outlet opens a store in Norway.
- Stadium opens a store in Sweden

Our markets

- Offices
- Online markets, SOC and Everest
- Stores
  - Sweden, Stadium, Stadium Outlet, Stadium Rental
  - Finland, Stadium, Stadium Outlet
  - Norway, Stadium Outlet

Resilience and sustainable development.

The past year has been a testing time for many companies, and Stadium has been no exception. Global economic challenges and uncertainties have affected our business in several ways, from higher costs in the supply chain to changing consumer behaviour. We have not managed to grow as we hoped, but we have adapted to navigate these changes in a strategic and responsible way. Despite these challenges, I am proud to report that we have continued to deliver strong results – proof of our ability to remain relevant and resilient in a changing world. Among other things, we opened several new stores during the year and also continued our expansion in Norway, where we see great potential for the future. Our digital marketplace is growing and broadening our range offering to our customers, and our move into circular business models has grown with the opening of our second Stadium Rental store. We continue to organise our own races, provide schools with activity bags and run Stadium Sports Camp – our own camp that gets children and young people active. We work with clubs and race organisers to promote health and well-being through sport, in line with our vision of activating the world.

Our amazing employees

Our success during the year is largely due to our amazing employees, who have shown both stamina and commitment under tough conditions. Their efforts have been crucial to the delivery on our goals, despite the challenges we have faced. Because even in a time of economic challenges, we have maintained our strategy of reducing our impact on the environment, boosting our positive contribution to individuals and society, and protecting human rights throughout our value chain, while successfully delivering on our business goals.

External impacts

With sustainability firmly integrated into our business model, from production to sales, we have continued to place high demands on our suppliers, ensuring that we offer products that meet our sustainability requirements. We are constantly working to prevent negative impacts and instead maximise our positive impact. Global economic uncertainty, changing consumption patterns and increasing regulatory demands in the area of sustainability have impacted our strategy, and we have adapted by increasing our focus on digitalisation, sustainable product development and efficient logistics solutions.

Sustainability data and carbon footprint

One of our particular focus areas going forward is to ensure that we have access to sustainability data of the right quality. This is essential for making informed decisions and monitoring progress. Traceability throughout our value chain will not only give us better data on which to base decisions, but also help to increase transparency with regard to our external stakeholders. Continuing our work to reduce our emissions is another focus area for us. This year's figures show that we have cut our total carbon footprint by 43 percent, compared to our base year, indicating that we are well on the way to our goal of achieving a 50 percent reduction in our total emissions by 2030. The global economic situation has led to lower volumes, which has had a positive impact on the year's emissions figures. We are planning for growth and increased volumes, which means that we still need to work hard to reduce our total carbon emissions while growing as a company. That said, we can see the effects of the actions we have taken so far. For example, the average emissions per product are down 41 percent for our own brands, compared to our base year. Renewable energy in manufacturing and more sustainable materials are two measures we see having a major impact on our emissions. We are taking the lessons learned from our work so far into our continuing efforts to reduce our carbon footprint.

Strong results together

Finally, I would like to thank our employees, customers and partners for their commitment and support over the past year. Despite the challenges, together we have achieved strong results, not least getting over 196,077 people active through our own initiatives and the races we sponsor, increasing our eNPS (Employee Net Promoter Score) to a fantastic 65 and continuing to open new stores. I look forward to the learnings and successes that await us in the future and am convinced that together we will continue to develop Stadium in a way that makes us proud and encourages an active life.

Karl Eklöf
CEO Stadium Group

Contents

Strategy and operations.

Current trends shaping Stadium's growth journey.

We work actively to identify opportunities for and risks to our growth. Our strategy is influenced by several trends, including a seamless experience between physical store and online, digitalisation, personalising the customer journey and sustainability. Our CFO Sophia Hemstad reflects on these trends and our approach to them.

Seamless experience between physical store and online

We firmly believe in the physical in-store experience and continue to open new stores, although we expect e-commerce to account for the greatest growth in percentage terms going forward. No matter where the customer chooses to make their purchase, we know that the shopping journey begins online for many, and it is important that we can offer customers a seamless experience. I believe that the winners will be those who master the combination of smart digital solutions and a physical presence with personal service. As a step in linking e-commerce with stores, we have rolled out the "reserve" service this year, where you can have a product put aside at a selected store and then pick it up at your convenience. The customer can choose to pay at the time of reservation or on collection in store once they have had a chance to try the product. It has already proven to be a highly popular service, with the number of people using it to date exceeding our expectations. The next step in this development is for the store to be able to send the reserved item home to the customer. This would allow us to offer our customers products from our entire stock, whether they are in our central warehouses or out in our physical stores.

Digitalisation and AI

Digitalisation and AI are hot-button topics for most companies and they are also having a major impact on our industry. Digitalisation and AI bring opportunities for improvement, innovation and efficiency, which in turn creates room for even more customer focus.

Stadium is undergoing a digitalisation journey, with increased use of AI, as a basis for making more data-driven

We firmly believe in the physical in-store experience and continue to open new stores, although we expect e-commerce to account for the greatest growth in percentage terms going forward.

decisions, becoming even more relevant to our customers and thus improving the customer experience, as well as working smarter and more efficiently. With better technology and a more connected world, we also have better access to ESG data, which can help us to develop our sustainability work. Actions this year have included a major digitalisation initiative to become more accurate and relevant in our customer communication and to increase the efficiency of our promotional campaigns. The way we work with commercial activities, purchasing, supply chain precision and pricing are other examples of areas where we feel we can develop through the use of data, AI and new technologies.

Personalising the customer journey

In a world where ranges and choices are constantly growing and offers are raining down on consumers, it is becoming increasingly important to be relevant to the customer. This may be achieved through the range and offering, but also by creating other added value that the customer appreciates.

In our case, personal value can be created through initiatives such as our specialist stores, which offer a deeper, more niche range and store staff who are extra knowledgeable in the area, as well as fitness events and personally tailored offers. To be relevant, we need to know and understand the customer's behaviour, interests, buying patterns, family situation, and so on. Our membership scheme, Stadium Member, allows us to collect this kind of data and thus create a more personalised experience. We continue to invest in and develop our membership scheme for this purpose and to build long-term relationships and value that are not just about prices and products.

Sustainability

With an increased awareness of climate change, environmental challenges and social issues, sustainability has become an aspect that both consumers and businesses need to take on board. At Stadium, we have a clear growth strategy that also emphasises how we must grow in a healthy and sustainable way, with a smaller carbon footprint. There is a strong desire among our owners and management to be a Fair player who acts responsibly and takes responsibility for both the planet and the body.

We are investing in various system support to meet legal requirements and at the same time help us make better decisions, for example through greater transparency and traceability in our range. We are switching to more sustainable materials and increasing the share of renewable energy in our factories – measures that we can see are having a major impact on cutting our carbon emissions. We are also focusing on increasing our circular flows, not least with the growth of our rental business Stadium Rental. For more than ten years, consumers have been able to drop off their textiles and shoes in our Re:activate boxes, which are located in all stores. Our partners then ensure that the donated products have another life elsewhere. In addition to selling care and protection products, we offer our members in Sweden discounted prices on product repairs.

Analysing these trends and including them in our strategy sees us working proactively on risk management and using them as an accelerator on our growth journey.

Sophia Hemstad
CEO Stadium Group

Strategy.

At Stadium, we are passionate about movement, on a small and large scale. Our vision is to activate the world – and just as we humans need to be in balance, so does our environment. The guiding principle of all our activities is to strike a balance between social, environmental and economic considerations. From this starting point, we can set the world in motion for the long term!

Our strategic focus
Stadium has drawn up three overall goals. We will be the obvious destination for everyone who wants to live an active life, we will have the Nordic region's most proud and passionate employees, and we will run a business with sustainable growth and long-term profitability. These are not only our internal goals, but also who we want to be and how we want to be regarded.

The goals apply to the entire Group, establishing a common vision of where we are heading. We want to benefit from having different business areas and business models, by spreading risks, making use of synergies and enabling more people to live an active life. Our range is key to our success, as is having a cutting-edge logistics flow that is scalable. Our product range is central to our success, along with having a leading and scalable logistics flow, a strong brand, sales channels close to customers with a focus on the customer experience, and employees who are involved, have the right skills and contribute to development and advancement in a unique company culture.

The path to our goals
Our sustainability work is about enhancing the positive impact that our business has on people's health and well-being. At the same time, we work to eliminate or minimise negative impacts on the environment and avoid or manage the risks associated with the activities we conduct. We work systematically to identify the areas in which we have the greatest risks, opportunities and impact, while our strategy sets out how we will work on these areas. The work and the outcomes are presented in the Sustainability Report section.

Towards sustainable development
The UN's Sustainable Development Goals set out a shared path for sustainable development. These goals have played a significant role in defining how we should prioritise our sustainability work and our work towards our goals. Based on a survey of Stadium's operations, we have identified eight of the UN's 17 global goals where we have the greatest opportunity to influence development. Our most material sustainability issues are all linked to the UN's Sustainable Development Goals.

Strategic focus

- **Be the obvious destination in the Nordic region for anyone who wants to live an active lifestyle**
- **Sustainable growth and long-term profitability**
- **The Nordic region's proudest, most passionate employees**

Operations.

The Stadium Group is divided into three operational areas: sales in stores and via e-commerce, rental of sports products, and our operational area aimed at getting people moving, where we activate children and adults together with partners and through our own initiatives.

Stadium Group

Sales

stadium

Stadium is the original concept, offering sports gear and sports fashion for all. In order to offer deeper expertise and range excellence in certain categories, there are also specialist stores for running and winter sports: Stadium Run and Stadium Ski. These stores are staffed by particularly knowledgeable employees to meet the demand for specialist advice.

Stadium buys in and sells product ranges from external brands, alongside our own brands which are produced by us. These own brands are SOC, Everest, Occano, Warp, Race Marine, Stadium, Revolution and Contra. Stadium operates stores and e-commerce sales in Sweden and Finland. The SOC and Everest brands are sold in a total of eight markets in Europe, via their own e-commerce sites and via other players' marketplaces.

stadium OUTLET

Stadium Outlet was established in 2009 and offers cut-price sports gear and sports fashion wear. Stadium Outlet sells purchased ranges from external brands, products via licensing partnerships and ranges from the Stadium business, as well as producing and selling its own brands. Our own brands are Ski Industries, Take Off, Four D, X TTL and Stadium. Stadium Outlet exists as a physical and an online store in Sweden, Finland and Norway.

Marketplaces

We run marketplaces via Stadium and Stadium Outlet's websites, where external brands can sell sports gear and sports fashion through our platforms. Our marketplaces operate in the Swedish and Finnish markets.

In 2023, we also began selling our own SOC and Everest brands via other players' marketplaces in the European market.

stadium Team Sales

Stadium Team Sales is our organisation that provides team kits to around 1,300 clubs in Sweden and Finland. Working closely with clubs is a vital cornerstone of our mission to inspire an active lifestyle. In order to be able to offer products that can be used immediately for the next upcoming training session or match, we run and staff our own printing company in Norrköping.

Rental

stadium Rental

Autumn 2022 saw the opening of our first Stadium Rental store. Located in Åre, it offers rental of sports products, initially focusing on alpine skiing and snowboarding equipment.

As part of the Stadium Rental expansion, 2023 saw us also open a store for rentals in Sälen.

Activate the World

Own initiatives and collaborations

We run our own initiatives and collaborate with organisations and players that share our values. Together, we encourage higher levels of activity and exercise.

Club sponsorship

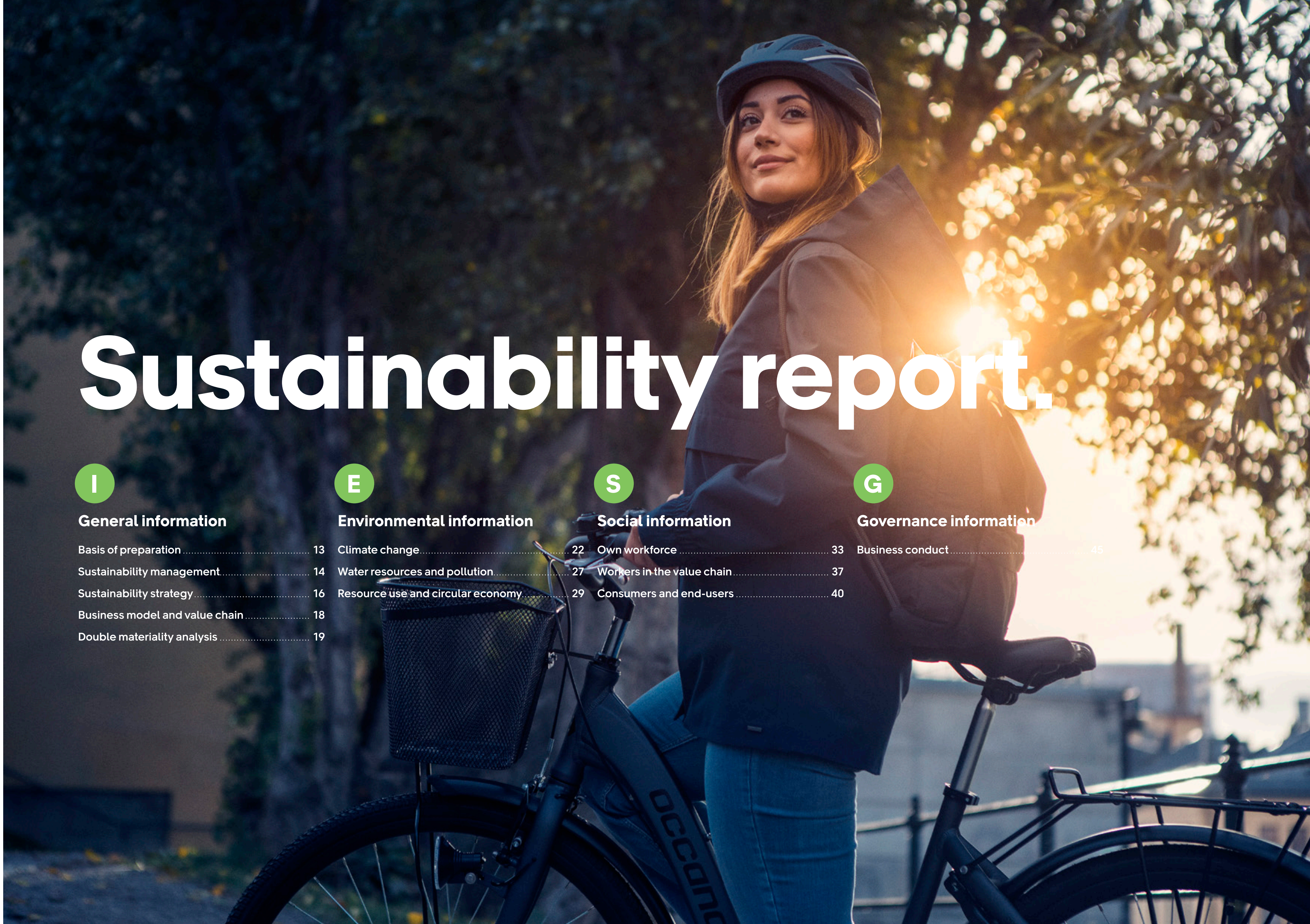
Working with sports clubs and associations in the Nordic region is one way for us to contribute to our vision of activating the world.

Partnership and sponsorship

Together with several of the Nordic region's biggest races for activity and movement, including running, cycling and skiing, we work to inspire exercise and a sense of community.

▶ *Read more about our collaborations and initiatives on pages 40–42.*

None of the products that Stadium sells are listed as prohibited on the market. Nor have they been the subject of stakeholders' concerns or public debate.



Sustainability report.

I General information

E Environmental information

S Social information

G Governance information

Basis of preparation.

Time-period and scope

Stadium’s Annual and Sustainability Report relates to the period from 1 September 2023 to 31 August 2024 and is published on an annual basis. The data presented in the report relates to the same period unless otherwise stated.

The Sustainability Report covers the parent company Stadium AB and the subsidiaries that make up the Group. The Sustainability Report consists of pages 12–50. The previous Annual and Sustainability Report for the financial year 2022/2023 was published in February 2024.

Regulations and auditing

Stadium’s Sustainability Report complies with the statutory requirements for sustainability reporting as stipulated in the Swedish Annual Accounts Act valid until 30 June 2024, in accordance with the Non Financial Reporting Directive (NFRD). From financial year 2025/2026, Stadium is obliged to comply with ESRS (European Sustainability Reporting Standards) in accordance with the new EU directive on corporate sustainability reporting (CSRD). In the same year, we are also subject to the reporting requirements of the EU taxonomy for sustainable activities. We are gradually changing our reporting and internal work to fall in line with the new legal requirements when they come into force. The Annual and Sustainability Report for the financial year 2023/2024 has been prepared with reference to GRI Universal Standards 2021.

▶ *See pages 48–49 for GRI Content Index.*

The Board of Directors is responsible for the statutory sustainability report and for ensuring that it is prepared in accordance with the Swedish Annual Accounts Act. The control body for the report is Stadium’s internal steering group for annual and sustainability reporting. The auditor checks that the Sustainability Report has been prepared in accordance with the Swedish Annual Accounts Act valid until 30 June 2024.

▶ *See the Auditor’s statement on the Sustainability Report on page 50.*

Materiality

Stadium reports sustainability information based on what is material for the activities that are run within Stadium AB. Materiality is determined from a risk, impact and opportunity perspective. These are identified through the double materiality analysis.

▶ *Read about our double materiality analysis on pages 19–20.*

Working process

Stadium’s Sustainability Report is produced through an internal reporting process. The Annual and Sustainability Report is project-managed by Stadium’s Sustainability Governance & Reporting Manager. Those responsible for the areas covered in the report, including members of Group Management, are involved in the production of the text and data. The report’s steering group meets twice during the preparation of the document, in order to quality-assure the content. The Board of Directors is informed of the structure and content of the report and is invited to give feedback. All reported data is consistent with the reporting period of the consolidated financial statements.

Data collection and quality

Data is collected both from our internal systems and from external partners and suppliers. Central functions summarise data by area and the person responsible for sustainability reporting summarises the data as a whole. To calculate Stadium’s climate emissions, we work with an external party with expertise in this field.

Figures for comparison

If the calculation methodology or new information causes the calculation of our emissions to differ by 5 percent or more, our base year must be recalculated to take account of the new methodology or information. Accounting policies are described alongside the tables presented.

Sustainability management.

Purpose and allocation of responsibilities

Stadium's sustainability management needs to meet the interests of our stakeholders based on risk, impact and opportunities within the company's material sustainability areas.

Ultimate responsibility for Stadium's sustainability management lies with the Board of Directors. The Chief Human Resources Officer (CHRO), a member of Group Management, is responsible for ensuring that strategies and goals in the areas of environment, social activity and business conduct are followed up and adapted to new legal requirements, and changes in the business and the wider world, etc. Responsibility for achieving the goals lies with the respective department.

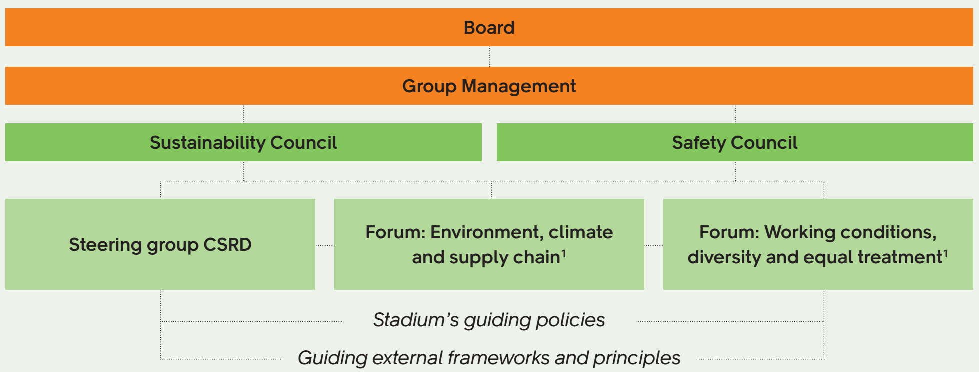
Implementation and follow-up

Sustainability is integrated into our governance documents, and we work systematically to identify and prioritise risks, opportunities and impacts in our own operations, in our value chain and in our partnerships. Based on the identified risks, opportunities and impacts, we prioritise and implement actions, follow them up and report the results.

The work is formalised in goals, strategies and initiatives, with the goals set by the Board of Directors, followed up continuously and reported annually. The work is managed via several cross-functional forums.

Our Sustainability Council was set up to keep sustainability under development and up to date, on the basis of business intelligence and internal lessons. The Council meets twice a year and is led by the CHRO. The Council also includes Group Management plus employees with delegated responsibility in the areas of corporate social responsibility and the environment.

Stadium's governing forums for sustainability



1 The image shows the overarching cross-functional forums. In addition to these, there are several smaller groups that actively work on impacts, risks and opportunities within Stadium's material sustainability areas.

Delegated responsibilities are followed up in cross-functional forums, which are also tasked with identifying synergies and collaborations that extend across the organisation, and with ensuring that information is available internally. The cross-functional forums are led by the Sustainability Governance & Reporting Manager.

The Board is updated quarterly on the status of our sustainability work and annually on progress with the company's sustainability goals.

Policies

Responsibility

Policies are approved by Stadium's Board of Directors or Group Management. Policy owners are responsible for the content, implementation and annual updating or revision of the policy. This person is expected to contact other relevant departments within the organisation, and work with external parties, when preparing and updating the policy.

Stadium's managers are responsible for ensuring that their teams are familiar with our policies and comply with them. Managers and employees are trained in these governing documents via our training platform. The documents are available on our intranet and, if any questions arise, the contact person for each policy is available.

Follow-up

We monitor compliance with and the results of our policies and governing documents via production inspections, development appraisals, training statistics, safety inspections and anonymous employee surveys.

Read more about Stadium's guiding policies, external frameworks and principles on page 15.

Overview of policies

Page reference[1]	Policy	Purpose and main content[2]	Target group and accessibility	Policy owner	Where applicable, reference to third-party standards or initiatives
22, 27, 29, 33, 37, 40	Sustainability Policy	Describes Stadium's sustainability management, our ambitions in the sustainability areas and our way of working.	The policy has an indirect impact on our stakeholders as it has an indirect impact on all of Stadium's material sustainability areas. Stadium's Sustainability Report describes the content of the policy, and the policy is published on Stadium's intranet.	CHRO	Generally described in the Sustainability Policy and specified in the policies for each material sustainability area where applicable.
22–23, 27, 29, 37–39, 45–46	Supplier Code of Conduct	Includes our position and requirements in the areas of human rights, workers' rights, the environment, anti-corruption and animal welfare.	All the manufacturers we work with, including external brands, must follow the guidelines in the Supplier Code of Conduct. The document and its contents are approved and signed by the supplier prior to collaboration and thereafter every two years or when updated. The code is published on Stadium's intranet and website.	Head of Production & Sustainability	The 10 principles of the UN Global Compact and its underlying international conventions and declarations.
22–23, 27, 29, 37–39, 45–46	Supplier Code of Ethics	Clarifies our position and requirements regarding bribery and unethical business relationships.	All the manufacturers we work with, including external brands, must follow the guidelines in the Supplier Code of Ethics. The document and its contents are approved and signed by the supplier prior to collaboration and thereafter every two years or when updated. The code is published on Stadium's intranet and website.	Head of Production & Sustainability	
33–34, 45–46	Employee Code of Conduct	Sets out the requirements for employees to act responsibly, sustainably and in accordance with good business practices. Also includes what is expected of employees in situations where there is a risk of bribery and corruption, and in situations where bribery and corruption is happening or has happened.	Everyone who works at Stadium, including people temporarily working at our workplaces as consultants or interns. The policy is published on Stadium's intranet.	CHRO	• Universal Declaration of Human Rights • Core Conventions of the International Labour Organisation (ILO) • OECD Guidelines for Multinational Enterprises • UN Guiding Principles on Business and • Human Rights (UNGP) • International Charter of Human Rights • OECD Anti-Bribery Convention and its recommendations
33–34	Health & Safety Policy	Creates a physically, mentally and socially healthy and developing workplace for all employees, where risks of occupational injuries and work-related ill-health are prevented.	Everyone who works at Stadium, including people temporarily working at our workplaces as consultants or interns. The policy is published on Stadium's intranet.	Head of HR	
33	Fire Safety Policy	Describes Stadium's way of working to prevent the occurrence of fire and thereby prevent the risk of injury or damage to people, property and the environment.	Everyone who works at Stadium, including people temporarily working at our workplaces as consultants or interns. The policy is published on our intranet.	Head of Security	
33–34	Policy on Diversity, Equality, Inclusion, Discrimination and Victimisation	Clarifies Stadium's position on the importance of diversity, equality and inclusion and our zero tolerance for harassment, sexual harassment, reprisals or other forms of discrimination or victimisation.	Everyone who works at Stadium, including people temporarily working at our workplaces as consultants or interns. The policy is published on Stadium's intranet.	CHRO	
33–34	Remuneration Policy	Ensures remuneration based on the difficulty of the tasks, and the employee's performance and contribution to operational improvements, while also ensuring remuneration that is free from discrimination.	All employees of the Stadium Group. The policy is published on Stadium's intranet.	Head of Salary Nordics	
33–34, 45–46	Whistleblowing Policy	Explains Stadium's whistleblowing function and how it works.	Anyone who in any way represents or is active within the Stadium Group in a work-related capacity. This includes board members, all employees, interns, volunteers, consultants or other contractors and hired staff. Also people from Stadium's control bodies, such as auditors. The policy is published on Stadium's intranet and website.	CHRO	
40, 42	Privacy Policy	Sets out how Stadium processes personal data relating to employment, membership, purchases, visits to one of our websites or other contact with us. Also what rights the individual has over their recorded personal data.	For clear communication with each target group, there are two privacy policies, one directed at staff and one directed at customers and consumers. The policy for staff is published on Stadium's intranet, the policy aimed at customers and consumers is published on Stadium's website.	CDO	
22, 27, 29, 33, 37, 40	Risk Policy	Ensures that we manage risks in a systematic, structured and effective way in order to protect Stadium's employees and operations.	All employees of the Stadium Group. The policy is published on Stadium's intranet.	CDO	

1 To read about the impact, risks and opportunities associated with the policy.

2 All policies include the headings: Purpose, Stadium Group's vision, Actions and compliance, Responsibility, and Ownership and follow-up.

Sustainability strategy.

Strategy focused on impact, risks and opportunities

Stadium's vision is to activate the world, and in pursuit of this, our sustainability strategy aims to address our greatest risks, opportunities and our greatest impact on the environment and people in our value chain.

Our sustainability strategy is based on international treaties on human rights and the environment, taking the view that our operations should contribute positively to relevant stakeholders, apply due diligence and comply with legal requirements.

The sustainability strategy is aligned with the outcome of our double materiality analysis. Focusing on these areas in our strategic, tactical and operational work allows us to manage, minimise and eliminate risks and negative impacts, while also seizing opportunities and reinforcing positive effects.

Read more about our double materiality analysis on pages 19–20.

E

- *Climate change* – Reducing our carbon footprint throughout the value chain
- *Water resources and pollution* – Reducing any negative impact on the environment
- *Resource use and circular economy* – Increasing our circular flows

S

- *Own workforce* – An inclusive and safe workplace
- *Workers in the value chain* – Fair working conditions throughout the value chain
- *Consumers and end-users* – Activating the world, with a focus on customer health and safety

G

- *Business conduct* – Anti-bribery and corruption, conducting sound business

Priorities

Personal health and healthy communities

An active lifestyle brings several benefits for both the individual and society. We work to ensure a less sedentary lifestyle and improve health and well-being. Focusing on the joy of movement for children and young people and promoting equality in sport, we want to make an active lifestyle accessible to everyone.

Equal treatment and a good work environment for our employees

A good work environment improves job satisfaction, motivation and collaboration. It also reduces the risk of physical and mental illness, while boosting equal treatment and inclusion. Addressing this gives our employees the right conditions to perform and thrive in their work.

Greater traceability and transparency

The EU Textile Strategy clearly indicates the direction that legal requirements and ambitions are going. As a retail player, we have an important role to play in the transition to more sustainable consumption, with data and partnerships as key success factors. System solutions are currently high on our agenda to enable access to data, traceability, transparency and climate calculations. We are initiating new partnerships and developing existing ones to reduce our carbon footprint and negative impact on the environment, as well as increasing our circular flows and ensuring fair working conditions.

Facts: EU Textile Strategy

Launched by the European Commission in 2022. The aim is to adapt the textile and fashion industry to a more sustainable and circular economy. The key points are:

- Promote sustainability and sustainable design.
- Increase recycling and reuse.
- Reduce the use of harmful chemicals.
- Increase corporate responsibility and transparency.
- Improve consumer information.
- Strengthen fair working conditions and respect for human rights.

Collaborations

Collaborating with others is a way to expand our expertise and gain more perspectives so that we can tackle complex challenges. We strive for long-term collaborations with partners throughout the value chain.

Membership

• *STICA*

We are proud members of the Scandinavian Textile Initiative for Climate Action (STICA). The purpose of STICA is to support the clothing and textile industry and its stakeholders in the Nordic region as they seek to reduce their emissions of greenhouse gases, in line with the 1.5°C target as set out in the UN Framework Convention on Climate Change and the Paris Agreement. The climate goals set by Stadium are in line with the Paris Agreement's target. STICA's ultimate goal is to ensure that the Swedish and Nordic textile industry does more than its fair share well before 2050. The initiative is a response to the textile industry's major negative impact on the environment. The network enables members to learn from each other and create tools to measure emissions and find solutions to reduce their carbon footprint. According to the Greenhouse Gas (GHG) Protocol, we need to cut emissions by 50 percent to achieve the 1.5 degree target.

sustainablefashionacademy.org/STICA

• *CASCALE*

In 2023, we joined Cascale (formerly Sustainable Apparel Coalition), a global non-profit organisation with members linked to the textile and shoe industry. This membership is important to us, as industry standards are crucial in facilitating transparent communication in environmental and social responsibility work along the value chain. Being a member gives us access to various tools to identify, understand and follow up on suppliers' environmental and sustainability data.

cascale.org

• *LRQA*

In 2017, we began working with LRQA (formerly ELEVATE), a global independent third party with expertise in sustainable supply chains. LRQA conducts independent inspections at the factories we use.

lrqa.com

• *SSEI*

The Swedish Shoe Environmental Initiative (SSEI) is a network launched in 2012 by the Swedish shoe industry. A core component of SSEI's activities is knowledge building on environmental issues, primarily through the network meetings that SSEI organises twice a year.

ssei.se

• *Textile Exchange*

Stadium has been a member of the global non-profit organisation Textile Exchange since the beginning of 2021. Membership makes knowledge and tools available in the organisation's three core areas: fibre and materials, integrity and standards, and supply chains. We feel that this knowledge sharing adds great value in our journey towards achieving our climate goals.

textileexchange.org

• *Swedish Commerce*

Swedish Commerce is an important body for us, as a source of accurate information about legislative changes and a way to exert influence by communicating how the industry is affected by such changes.

svenskhandel.se

• *Chemicals Group, RISE Research Institutes of Sweden*

The Chemicals Group passes on the latest knowledge in chemical- and eco-related issues to member companies in the textile and electronics industries. The network now consists of more than 120 member companies.

ri.se/sv/vad-vi-gor/natverk/natverket-kemikaliegruppen

• *Environmental Group, TEKO*

The work of TEKO's Environmental Group concerns current sustainability issues, existing and future legislation and social responsibility. TEKO works closely with the authorities involved in decisions concerning the textile industry and is able to represent the industry through dialogue in the Environmental Group's meetings.

eko.se/hallbarhet/miljogruppen

• *Accord*

In 2014, we joined the Bangladesh Accord, an initiative that has made a difference to almost two million workers in Bangladesh. The initiative focuses on workplace safety and the freedom for employees to raise shortcomings in their working environment. We currently have an agreement with the International Accord, which continues to support the work in Bangladesh and developments in health and safety for textile workers. In the future, we will evaluate the need to include another production market.

internationalaccord.org

Business model and value chain.

Business model
Stadium's business model is built around creating and delivering value within the sports gear and sports fashion industry, with a vision of activating the world. Sales of sportswear, shoes and sports products drive our revenue, and in order to be profitable and maintain our strategic focus, we depend on a large number of resources. We believe in the positive effects of an active life and, through our business concept, we want to contribute to the health and well-being of the individual, as well as to the societal benefits that come with a healthy population.

Value chain
Stadium's value chain ranges from extraction of raw materials to eventual disposal in incinerators or landfill. Our goal is for the product to be manufactured in a more sustainable way, to be used for a long time and often, to be re-used and recycled – i.e. to live its entire intended life. We work actively to make the linear process more circular and to make it easier for the customer to act more sustainably.

All the activities within our value chain must be conducted with due regard for the environment, animal welfare, economic factors, society, labour law, anti-corruption and human rights. This applies both to our own operations and to the collaborations, partnerships and organisations in which we participate.

Our value chain consists of many different parties, including product suppliers, transport providers, external brands, property owners, employees, customers, system suppliers, waste handlers and so on. It is only through collaboration with all these parties that we can work towards more circular flows. We all have different roles to play in this transition, but success depends on sharing a common vision, which is why we strive for long-term relationships that put sustainable development firmly on the agenda.

Business concept: Stadium Group sells sports gear and sports fashion through the drive to inspire a more active world

Business model:

Our resources
- Competent and passionate employees
- Our members
- Financial capital
- Long-term business relationships
- Strong brand
- Physical stores and e-commerce
- Own brands
- Own printing operation
- Attractive products

What we do
- Sales of sports gear and sports fashion
- Rental of sports equipment
- Get children and adults active in cooperation with partners and through own initiatives

Our strategic focus
- The obvious destination in the Nordic region for anyone who wants to live an active lifestyle
- Sustainable growth and long-term profitability
- The Nordic region's proudest and most passionate employees

Our value proposition
- Promoting the health and well-being of individuals and communities

Value chain:

Upstream
- Product manufacture
- Product purchasing
- Logistics

Own operations
- Design and product development
- Warehousing
- Sales, in-store and online
- Quality and sustainability
- Marketing
- Management and administration
- Customer service
- Own races and initiatives
- Sponsorships and partnerships

Downstream
- Logistics and delivery
- Reuse and recycling
- Recycling and waste management

Double materiality analysis.

We conducted our first double materiality analysis during autumn and winter 2023, based on the EU Corporate Sustainability Reporting Directive’s (CRSD) new European Sustainability Reporting Standards (ESRS). The analysis was carried out with the help of an external sustainability agency. We engaged external expertise to ensure that the analysis was thorough and that more perspectives than those internally were involved in interpreting the new EU directive.

Process

The purpose of the double materiality analysis process is to confirm whether or not ESRS sustainability areas, sub-areas and sub-sub-areas are material for Stadium’s sustainability report. It will also guide the strategic direction and priorities of our sustainability work.

Understanding Stadium’s business model and value chain is a prerequisite for being able to carry out the double materiality analysis. Based on Stadium’s business model and value chain, an impact analysis and a financial materiality analysis are carried out, with information and calibration assisted by stakeholder dialogues.

ESRS 10 topical standards

Environmental information E	Social information S	Governance information G
Climate change	Own workforce	Business conduct
Pollution	Workers in the value chain	
Water and marine resources	Affected communities	
Biodiversity and ecosystems	Consumers and end-users	
Resource use and circular economy		

Impact analysis

The impact analysis is carried out by mapping Stadium’s activities, business relationships and countries of operation throughout the value chain. The 10 ESRS standards and their sub-areas provided the basis for assessing the impact. For each area, we have determined the type of impact, identified where in the value chain it lies, and assessed its severity and likelihood. The application of materiality thresholds has been used to identify what is most material.

Method: Impact analysis

The respective ESRS standard and its sub- and sub-sub-areas have been assessed as follows:

Overview
- Positive or negative
- Actual or potential
- Value chain location – Upstream, own operations and downstream

Severity
- Scale – How beneficial or serious the positive/negative impact is
- Scope – How widespread the positive/negative impact is
- Remediability – Whether and to what extent a negative impact can be countered or reversed

Likelihood
- What is the likelihood that the potential impact will be realised

Financial materiality analysis

The financial materiality analysis is based on whether a sustainability area could have significant financial implications for Stadium. This analysis was carried out by identifying risks and opportunities associated with each topic and sub-topic, and evaluating whether the risk or opportunity had a significant impact on Stadium. The materiality of the risks and opportunities was assessed based on a combination of the likelihood and the scope of the financial impacts. The application of materiality thresholds was used to identify what is most material.

Method: Financial materiality analysis

The respective ESRS standard and its sub- and sub-sub-areas have been assessed as follows:

Is the area a risk and/or opportunity for Stadium, considering the financial impact the area has/may have on Stadium's:

- Business development
- Financial position
- Financial results
- Cash flow
- Capital costs
- Access to financing

What is the likelihood that the risk/opportunity will occur

Assess the financial impact and the likelihood of it occurring in the short, medium and long term.

- Short term: 1 year.
- Medium term: 2–5 years.
- Long term: +5 years

As part of the impact analysis and the financial materiality analysis, dialogues were conducted with both internal and external stakeholders to gain a deeper understanding of Stadium's impact on people and the environment, and the impact of the sustainability areas on Stadium.

In addition to dialogues with stakeholder groups, the double materiality analysis was informed by documents and data such as HR data, policies and other governing documents provided by Stadium, inspection results from LRQA, previous sustainability reports, and country and industry reports for the textile industry.

The results of the impact analysis and the financial materiality analysis together form the results of Stadium's double materiality analysis. The final results were approved by the Board of Directors in 2024 March. The double materiality analysis will be updated annually, or in the event of major changes.

Overview of material issues

Areas highlighted in orange are not material from a financial or an impact perspective. These areas are thus not part of the Sustainability Report.

	Impact materiality	Financial materiality
E Environmental information		
Climate change	✔	✔
Pollution	✔	✔
Water and marine resources[1]	✔	✘
Biodiversity and ecosystems	✘	✘
Resource use and circular economy	✔	✘
S Social information		
Own workforce	✔	✔
Workers in the value chain	✔	✔
Affected communities	✘	✘
Consumers and end-users	✔	✔
G Governance information		
Business conduct	✔	✔

1 Water resources exceed the threshold of what is material for Stadium. Marine resources fall below the threshold of what is material for Stadium.

E Environmental information.

Climate change.

Why is climate change important for Stadium?

Impact

Stadium has a negative impact on climate change, both directly and indirectly, due to greenhouse gas emissions in the value chain. The scale of the emissions from Stadium's various activities creates a material need to reduce them in order to contribute towards reducing global warming. Stadium has total greenhouse gas emissions of 130,859 tonnes CO_2 in the 2023/2024 financial year. This includes emissions from the manufacture and purchase of the products we sell, energy use and heating for our offices, stores and warehouses, as well as the transport of goods – from factory to warehouse, and from warehouse to store or customer's home. Use of the purchased products is also an activity that generates emissions, but one that is currently not included in our climate calculation. However, we are actively working to help customers act more sustainably.

Risks

Greenhouse gas emissions cause temperatures to rise, leading to melting ice, rising sea levels, extreme weather and loss of biodiversity. All of this entails risks for our business. In the short and medium term, we are affected by extreme weather conditions in the form of changes in purchasing behaviour and potential negative effects on the accessibility of our stores. In the long term, there is a risk that the availability of raw materials will decrease and that raw material costs will increase due to reduced supply. There is also a risk that we will not be able to adapt to greater regulatory requirements for climate impact reduction. Potential costs resulting from the transition to new regulatory frameworks are also a risk. Such a transition can entail investment, costs to switch to more sustainable materials and more resource-efficient production processes, development costs, system costs, and more. We are dependent on electricity throughout the value chain. Changes in electricity prices and the supply of electricity therefore have financial implications for Stadium. Potential taxes on fossil fuels may increase prices.

As a company we want to be, and be regarded as, a "fair player". Not working to reduce our carbon footprint is therefore also a risk to our brand, as it goes against what we stand for.

All of these risks would have a financial impact on us if they were realised.

Opportunities

Working to reduce our carbon footprint is fully in line with the actor we want to be, and be regarded as. In other words, this work can affirm and strengthen our brand. We also see opportunities for new business partnerships and business models, as well as the potential to reach new customer groups.

Policies and governing documents

- Sustainability Policy
- Risk Policy
- Supplier Code of Conduct

Ambition

50%
reduction in the carbon footprint of our own brands by 2025

50%
reduction in our total carbon footprint by 2030

BY 2025
we will be climate neutral in our own business[1]

1 The goal of being climate-neutral in our own business entails an 85 percent reduction and 15 percent carbon offsetting, compared to the base year.

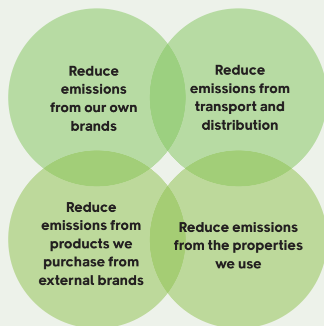
Strategy

In 2019, Stadium set an ambitious goal for 2030 to reduce our total carbon footprint by 50 percent[2]. Not working to reduce our carbon footprint could entail both financial and brand-related risks, which is why working towards our goal is high on the agenda. Taking responsibility for reducing our emissions is in line with the player we want to be.

Collaboration with our suppliers and partners is of the utmost importance if we are to succeed in achieving our goal, while data-driven work is also vital. Since the majority of our emissions originate from our value chain, reducing them is reliant on collaboration. We can also mutually share lessons learned, experiences and knowledge, which is a great help in our work. Assisted by data, we can focus our resources where they will have the greatest effect, as well as conducting follow-up and improvement work. Transparency is integral to our way of working.

2 Compared to our emissions in base year 2017/2018

Actions and resources



To succeed in our long-term goal of halving our total climate footprint by 2030, we need to actively implement actions and renew our working practices. Since we have direct influence over the emissions caused by the production of our own brands, we have a strong focus on reductions in this area. Our own brands currently account for 25 percent of our total emissions. The products we buy from other brands, including licence brands, and sell from our warehouses account for 68 percent of our total emissions. The transport and distribution of products we sell from our warehouses accounts for 3 percent of our total emissions, while use of the properties from which we operate accounts for 4 percent of our total emissions.

Based on this distribution of emissions, combined with where we have direct influence, we prioritise our resources in order for our actions to achieve the greatest effect.

Reduce emissions from our own brands

In terms of actions that have the greatest impact, we are focusing our resources on switching to more sustainable materials and working towards production based on renewable energy.

Greater use of more sustainable materials
Since our own production of textile products mainly uses polyester and cotton fabrics, we are choosing to focus on this in our transition work. By the term more sustainable materials, we mean: recycled material, material dyed using water- and energy-saving dyeing methods, sustainable cotton and sustainable cellulose-based material.

More sustainable cotton
Since 2017, we have been using more sustainable cotton, which for us means Better Cotton, organic cotton or recycled cotton. The majority comes from Better Cotton.

Since cotton production has a very high environmental impact, we aim to gradually reduce our use of cotton and replace it with more sustainable cellulose materials.

Facts: Better Cotton
The Better Cotton Initiative (BCI) was founded in 2005 and is a non-profit organisation dedicated to making global cotton production more sustainable. The aim is to change cotton production worldwide and make Better Cotton a conventional commodity. Working with stakeholders in the cotton production chain, Better Cotton advocates measurable, ongoing improvements for the environment, growing communities and the economy in cotton-producing regions. Better Cotton is not physically traceable to end products, but the affiliated farmers benefit from the demand for Better Cotton in relation to the volume purchased. Today, over 2.4 million growers in 25 countries are licensed to sell their products under the Better Cotton certification scheme.

Recycled material
We have been working with raw materials recycled from used PET bottles for several years now. This approach solves the major challenge of reducing consumption of freshly produced polyester and increasing the proportion of recycled polyester that maintains the right quality and feel while remaining financially viable. However, we realise that we have to find other recycled raw materials to use instead of PET bottles, as these are needed in other circular flows. We are therefore participating in various research projects and collaborations aimed at developing new materials.

Greater use of renewable energy in factories
Energy sources and electricity consumption in the factories where our own brands are manufactured have a major impact on the product's emissions. There is a shortage of local renewable electricity in several of our production countries. We and our suppliers compensate for the electricity consumed in these circumstances by buying certificates for the corresponding amount of electricity added to an electricity grid from renewable energy sources. For the past year, we have focused on China, where our suppliers are struggling to get local access to renewable electricity in many regions.

Collaboration and surveys
We have invited suppliers to digital meetings to give them the right support and to establish a consensus on energy and emission issues. At the same time, we need to understand our suppliers' challenges when it comes to their own sustainability goals and switching to more renewable energy in their manufacturing. Close cooperation has been crucial here. We use Cascale's HIGG tool to generate comparable results. The data we have obtained from the surveys gives us a better idea of where we face the greatest challenges, as well as a clearer understanding of the areas in which our factories need support.

The data also reduces our reliance on standard data for our climate calculations, which means we can report our carbon footprint more accurately. We can see that we are making progress in this area each year, together with our suppliers. We are also seeing how suppliers are increasing their competence in this area year on year and making progress on climate-related measures. At the same time, we are aware that continued development will require great commitment in the coming years.

Reduce emissions from products we purchase from external brands

Setting requirements and cooperating with the external brands are our two key actions for successfully reducing emissions from the products we purchase.

Setting requirements
All brands we work with sign our Supplier Code of Conduct and Supplier Code of Ethics when we enter into agreements. This applies to new contracts and to the updating of existing agreements. We set clear requirements concerning the products we purchase, based on our sustainability goals. All the brands that want to sell via Stadium or Stadium Outlet's marketplace are subject to the same sustainability requirements as our other suppliers. We ask for climate data from the brands with which we have the largest volumes, and this year saw us send questionnaires to 44 brands. We then verify this information against our own data in order to reduce the use of standard data and thus report more accurate results.

Collaboration
All strategic meetings with external partners have a straightforward agenda, with sustainability as one of the key points. The major brands we work with have clear sustainability goals, ambitious emission targets and global operations. We establish new collaborations with partners who place sustainability high on the agenda and develop innovations to reduce their environmental footprint. Our collaborations must involve a consensus on activating the world and promoting sustainability.

Reduce emissions from transport and distribution

Our action plan focuses on transporting products using fuel with a low impact on the climate, as well as optimising distribution to reduce emissions in relation to the amount transported.

Electrification
Spring 2022 saw us begin the journey of electrifying our transport. The first step was our collaboration with Rusta and Alltransport, which enabled us to start transporting containers from the Port of Norrköping to our warehouses in a shared truck that runs exclusively on electricity. In the autumn of that year, we then expanded the electrification of our own transport operations. Electric goods vehicles have accounted for all journeys between our warehouses in Norrköping since 2022/2023.

Fuel
Beginning in spring 2020, we decided that, as a rule, we will not accept air freight. If an exception must be made, this has to be approved by the Chief Purchasing Officer (CPO), and we will require carbon offsetting. As a rule, shipments from Asia to Sweden must be made by sea. Since 2022, all distribution from our central warehouses to the various terminals has used fossil-free fuel, primarily HVO. Goods are transported from our distribution centre to our stores using a carrier with ISO 14001 environmental certification. Our largest logistics distributor, PostNord, is making major investments in its vehicle fleet and is now creating what it calls green corridors. This means that from spring 2023, a large proportion of our goods will reach stores and end customers by means of fossil-free transport. We are now able to offer e-commerce customers fossil-free transport in certain areas.

Optimisation
Together with Billerud, we have developed a new standard measurement for transport packaging, in order to increase capacity utilisation in boxes and containers. We expect to be able to increase the fill level in distribution by around 10 percent, enabling us to cut the number of containers for the same volume. The new standardised packaging has been used for the majority of our soft products since autumn 2023. The new standardised packaging is also more resource-efficient in its production and generates less waste once it is recycled.

Reduce emissions from the properties we use

This emissions item includes electricity consumption, heating and refrigerant leaks in our stores, warehouses and offices. The electricity we purchase ourselves accounts for around 60 percent of our total energy use. The remaining 40 percent is purchased by other parties, such as the property owners from whom we rent our store premises.

Energy sources
One sub-target is that we will only consume fossil-free electricity in the 2025/2026 financial year. This applies to our stores, offices and warehouses in all the countries in which we operate.

In our dialogues with property owners, we have a shared understanding that the electricity we buy from them should be renewable.
To ensure that this is the case, we are now requesting certificates for verification.

Energy consumption
We constantly review our premises, not least to optimise the use of space, and thus our energy consumption. We work on an ongoing basis to cut energy consumption at our distribution centres and to reduce the amount of electricity used to light and heat our stores.

We have invested in energy-saving lighting in our stores since 2009, covering general lighting, spotlights, relays and timers. Only LED lighting is installed during refits and when fitting out new premises. To keep track of consumption where the property owners purchase the electricity, we have installed submeters in the majority of these stores. These allow us to monitor consumption in our stores, enabling us to implement targeted measures in those units with the greatest consumption per square metre.

Reporting principles
In order to track progress towards our climate goals, greenhouse gas emissions (expressed in CO_2 equivalents, CO_2 e) are calculated each year. CO_2e is categorised into three scopes, depending on where in the value chain it occurs. Emissions are calculated in accordance with the methodology in the Greenhouse Gas Protocol Corporate Standard.

Scope 1
Scope 1 emissions include emissions from company cars and kilometres driven for business in private or rented cars.

Scope 2
Scope 2 emissions refer to indirect emissions that arise from the energy that Stadium purchases, i.e. electricity and heating in our stores, offices and warehouses. In line with the GHG protocol, Stadium reports Scope 2 emissions according to both the market-based and site-based method.

Scope 3
Scope 3 emissions are the category that includes emissions from sources that Stadium does not directly own or control. Since we first reported Scope 3 (Sustainability Report 2020/2021), the following three items have been included in the calculation of our Scope 3 emissions.

- Fuel and energy-related activities – includes emissions from the production and distribution of all fuels and energy whose emissions are otherwise reported under Scopes 1 and 2.
- Transport and distribution – includes emissions from the transport of our own brands from production to our warehouses, from our warehouses to stores or directly to customers. Includes emissions from transport of external brands that are stored by us. Does not include customers' own trips.
- Purchased goods – includes all purchased goods that have been delivered to Stadium. Includes emissions from raw material production, dyeing, processing and sewing of products.

Calculations regarding energy and carbon emissions
Sources and calculation methodology
Emissions in Scopes 1, 2 and 3 are calculated based on emission factors from the following sources: the Swedish Transport Administration, Vattenfall, the Swedish Energy Markets Inspectorate, Swedenergy's Heat Market Committee, AIB, Higg MSI, IEA, NTM and the IPCC's recommendations for air transport, plus documentation from our transport suppliers and a selection of our factories. We report our climate impact in line with the Greenhouse Gas Protocol's guidelines.

Emissions are reported in tonnes CO_2e. For our calculations, we have used an operational control approach and a market-based method for emissions in Scope 2. The greenhouse gases included in the calculation are those cited in the Greenhouse Gas Protocol: CO_2, CH4, N2O, HCFs, PCFs, SF6 and NF3.

Updates
Emissions for our base year 2017/2018 have been updated. This is mainly due to the fact that we have included emissions from production-related material waste in this year's calculation. As the adjustment affects the outcome by more than 5 percent, we have recalculated the base year using the same principles. To align with what is used in the industry, a different estimated figure for transport has been used where we do not have real data. This year we have also received more real data from Tier 1 suppliers. Since we cannot obtain the correct corresponding data for 2017/2018 from these suppliers, we have updated the base year using the same principles in order not to obtain a favourable reduction. The results for each comparison year have been recalculated based on the updated base year.

Uncertainty and judgements

In order to better see the results of our actions, we want to avoid estimated data and instead use real data. One uncertainty factor with this year's data is that some of the Tier 1 suppliers reported their own energy source and energy consumption. Some reported data has been third-party certified, but not all of it. We have screened out some reported data that lacked credibility. We work actively with suppliers to ensure accurate data through training and support, and believe that the trend towards better data will accelerate with better system support, more knowledge in the field and greater demand for the data.

Comparison

The results for the financial years between 2023/2024 and our base year 2017/2018 are not reported in the tables *Results for emissions figures for each scope* and *Results for climate goals*. The base year has been updated to be comparable with the outcome for 2023/2024, but the years in between have not been updated and comparison will therefore not be relevant.

Real vs. estimated data financial year 2023/2024

Figures are reported in tonnes CO_2e

	Total	% of total
Real data	58,725	44 %
Estimated data	73,402	56 %
Total	**132,127**	**100 %**

Results of emissions figures for each scope

Scope		2023/2024	Base year 2017/2018	Change compared with base year
Scope 1	Direct emissions[1]	122	240	–49 % (118)
Scope 2	Indirect emissions from purchased energy[2]	5,103	5,687	–10 % (584)
Scope 3	Fuel and energy-related activities	683	822	–22 % (184)
	Transport and distribution	5,192	6,274	–17 % (1,082)
	Purchased goods	121,072	220,545	–45 % (99,473)
Total		**132,127**	**233,568**	**–43 % (101,441)**

1 Biogenic emissions in Scopes 1 and 2 are 1,800 tonnes CO_2e

2 Scope 2 according to the site-based method is reported as 3,305 tonnes CO_2e for the financial year 2023/2024

Results of our work

Climate goal results	Outcome, compared to base year 2017/2018 2023/2024
Climate-neutral in our own business	–12 %
50 percent reduction in the carbon footprint of our own brands, including transport	–60 %
50 percent reduction in our total carbon footprint by 2030	–43 %

Climate-neutral in our own business 2025

Minus 12 percent is not a successful result in terms of our goal. We continue to reduce emissions from our company cars and energy consumption in the properties we use, but emissions from heating are increasing. This is partly due to the fact that we are increasing the amount of space to be heated with the addition of new stores, but it is mainly due to the lack of real data for heating. We use estimated data (Nordic residual mix) that has been calculated annually over the last five years. This has a major impact on the outcome, as heating accounts for approximately 75 percent of the emissions associated with this goal. We are working internally on an action plan for reducing our actual emissions and achieving our goal, and for being able to report it correctly.

50 percent reduction in the carbon footprint of our own brands by 2025

We are proud to have achieved our goal earlier than planned, which shows that the work we have done has produced results. However, we need to delve deeper into the figures to understand which actions have contributed to the result and which are also in line with our goal of economic growth. High stock levels have meant a drop in purchased volumes, which has reduced our emissions. To get a better measure of performance, we analyse average emissions per product, and this key indicator has also decreased, compared with our base year. One influencing factor is the energy used by the factories, where we have secured renewable energy by purchasing certificates for certain factories that have not had direct access to renewable energy locally. The transition to more sustainable materials is another factor closely linked to the result. It is important to mention here that the product mix also has a major impact on this key indicator. We will therefore be analysing the outcome at an even more granular level in order to draw valuable conclusions for use in our action plan.

50 percent reduction in our total carbon footprint by 2030

We have made great progress on this goal, which drives us on to analyse how we can continue to make this switch. It is important to communicate that reduced volumes are a contributing factor to our result, which conflicts with our goal of growth. The action plan, which aims to reduce our total emissions in actual tonnes while still seeing economic growth, is under development and presents complex challenges. However, we are also identifying actions that have a major impact and where we need to invest our resources. One of these is renewable energy in the factories, as mentioned earlier. We also know that better access to data, better quality data, and more proactive use of that data will enable us to make more reliable decisions. This is an ongoing development, as we work to integrate climate data even more into other processes in the company where the climate factor is relevant.

A more sustainable product – own brands

Results for share of more sustainable products in own brands[1]

Total for own brands (soft and hard)

Brand	2023/2024	2022/2023	2021/2022	2020/2021
Stadium	63.6 %	60.0 %	53.9 %	48.6 %
Stadium Outlet	52.0 %	57.7 %	33.6 %	45.6 %
Stadium & Stadium Outlet	61.6 %	59.6 %	43.7 %	47.1 %

Total for own brands (soft only)

Brand	2023/2024	2022/2023	2021/2022	2020/2021
Stadium	81.5 %	84.1 %	82.0 %	71.2 %
Stadium Outlet	79.5 %	89.8 %	56.6 %	95.9 %
Stadium & Stadium Outlet	81.0 %	85.0 %	78.0 %	73.7 %

Own brands breakdown

Brand	2023/2024	2022/2023	2021/2022	2020/2021
SOC	75.0 %	75.6 %	71.7 %	58.8 %
Everest	54.0 %	55.4 %	42.2 %	36.1 %
Ski Industries	41.0 %	65.2 %	57.9 %	75.3 %
Take Off	61.0 %	57.8 %	31.4 %	52.8 %

1 A product that meets at least one of the following requirements is defined by Stadium as a more sustainable product: recycled material (at least 50% of the product), water- and energy-saving dyeing method (at least 50% of the product), sustainable cotton (at least 50% of the product), sustainable cellulose-based material (at least 50% of the product).

Results for more sustainable materials in own brands

Proportion of Stadium and Stadium Outlet's own brands that consist of more sustainable materials[1]

Brand	2023/2024	2022/2023	2021/2022	2020/2021
Stadium	66.4 %	66.7 %	53.4 %	49.8 %
Stadium Outlet	65.6 %	54.4 %	47.5 %	48.9 %
Stadium & Stadium Outlet	66.3 %	63.8 %	52.6 %	49.7 %

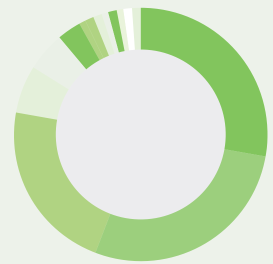
1 By the term more sustainable materials, we mean: recycled material, material dyed using water- and energy-saving dyeing methods, cotton from Better Cotton, sustainable cotton, recycled cotton and sustainable cellulose-based material.

Results for recycled material – PET bottles, own brands

	2023/2024	2022/2023	2021/2022	2020/2021
Number of discarded PET bottles used to make new functional materials for the brands that we produce ourselves	23,661,624	21,353,663	15,491,437	12,284,460

Distribution of more sustainable materials

Material	Holdings
Recycled polyester	28 %
Cotton (Better Cotton)	28 %
Polyester	22 %
Solution Dye	6 %
Polyamide	5 %
Elastane	3 %
Acrylic	1 %
Recycled Polyamide	1 %
Recycled Cotton	1 %
Regenerated Cellulose	1 %
Wool	1 %
Organic cotton	1 %
Polyurethane (PU)	1 %
Miscellaneous	1 %



Water resources and pollution.

Why is the area of water resources and pollution important for Stadium?

Impact
The textile industry contributes to air and soil pollution. The main causes of contamination are the manufacturing, transport and use of our products. Many of our products consist of synthetic fibres, which makes good management of microplastic emissions a core factor. The same applies to chemicals that can have a negative impact on the environment, health and reproduction.

Textile production requires large amounts of water at different stages, such as fibre cultivation, dyeing, washing and finishing. Since Stadium sells products that require large amounts of water during production, it is crucial to find solutions to reduce this.

Risks
Water is needed for the cultivation of raw materials and the manufacture of products. Water scarcity therefore becomes a risk that can affect Stadium financially. Greater regulatory requirements regarding water use and pollution are another factor that could have a financial impact. Technical solutions for resource efficiency and reduced pollution can be costly and risk affecting Stadium financially. The risks are assessed as low in the short and medium term and slightly higher in the long term.

Opportunities
Working to reduce water use and pollution is seen as a hygiene factor.

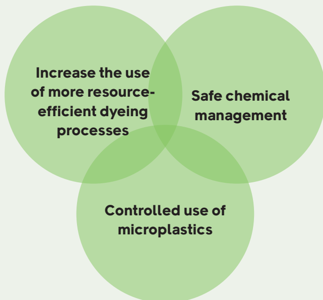
Policies and governing documents
- Sustainability Policy
- Risk Policy
- Supplier Code of Conduct
- Restricted Substance List (RSL)
- Chemical guidance

Ambition

Increase the use of water-saving dyeing methods and maintain control over our chemical management. We plan to set concrete targets for the area during the 2024/2025 financial year.

Strategy

In order to reduce the identified risks and the impact associated with water resources and pollution, it is vital that we have clear requirements, follow up on compliance with these and switch to resource-efficient dyeing processes. We keep up to date in these areas and work with our suppliers to find successful solutions.



Actions and resources

Our action plan in the area of water resources and pollution focuses on water use, chemicals and microplastics. 80 percent of our range produced in-house consists of textile products, which is why focusing on resource-efficient dyeing processes is so important. A lack of safe chemical management affects both the environment and people, as well as our credibility as a responsible and trustworthy company. Since many synthetic materials have a higher risk of emitting microplastics, it is of great importance that we work to counteract this.

Increase the use of more resource-efficient dyeing processes

To minimise our environmental impact, we have been using the energy- and water-efficient Solution Dye technique to dye certain fabrics for over ten years, as it enables dyeing at the point of fibre production. This avoids a separate dyeing process, thus saving water, energy and chemicals. Initially, the dyeing process was used only for black linings, but since 2013 the technique has been available for a large number of colours. It is mainly the linings that are dyed, but also the outer fabric for brands such as Warp, Everest, SOC, Race Marine and Stadium. Our ambition is to further increase the use of Solution Dye, as we have set a goal of exclusively using water-saving dyeing methods for textile products.

Safe chemical management

Our aim is, of course, to exclude all chemicals that are harmful to people and the environment. In 2015, we produced our first Restricted Substance List (RSL), a list of restricted and prohibited substances. Updated every year with tougher requirements than those in REACH, the EU's chemicals regulation, the list helps us to phase out hazardous chemicals. In practice, the list is used to set clear requirements for our suppliers regarding the chemicals in our products. We also have detailed requirements for chemical tests and declaration of chemical content in hazardous materials. Suppliers can find additional information and explanations about hazardous substances in the Chemical guidance document, which is available in several languages.

We have focused on phasing out certain substances in our own-brand products that have a negative impact on the environment:

- Antibacterial treatments, for example using silver, are classified as biocides. They burden the environment unnecessarily and were phased out from Stadium's own products back in 2015.
- Phthalates were phased out from our own products in 2017.
- By 2018, all our own-brand clothes and shoes were PFAS-free, and by 2019 tents and bags were also PFAS-free.
- In conjunction with the 2019 Vasaloppet ski race, we challenged the industry to reject ski wax with PFAS. Since 2020, we have only sold fluoro-free ski wax.

We require external brands to comply with the same restrictions for PFAS, phthalates, biocides and flame retardants that we set for ourselves. However, we should note that certain water-repellent finishes on outdoor clothing by external brands, in a very small number of products, still contain PFAS. There is a phasing out strategy for these products. Together with the affected brands, we will replace them with materials that offer the same function without containing PFAS.

We continue to participate in the shoe and clothing industry's collaborations on materials and chemicals in order to raise our level of knowledge and to comply with the EU's upcoming tightening of chemicals legislation.

Controlled use of microplastics

We test fleece material for fibre release, with a threshold for how much fibre a material may release and still be used for our products. We do this to ensure that we choose the most sustainable option: the less fibre released during the use phase, the longer the garment will last and the fewer microplastic particles will end up in the environment.

Results of our work

Water-saving dyeing methods – Solution Dye

	2023/2024	2022/2023	2021/2022	2020/2021
Number of litres less water consumed during the financial year from our use of Solution Dye, compared to traditional dyeing methods	10,155,490	10,888,688	11,444,367	11,227,686

In the area of water resources and pollution, we are working to source more data and for it to be quality-assured. HIGG will help us with this and we hope to be able to report more in the next Annual and Sustainability Report.

Resource use and circular economy.

Why is the area of resource use and circular economy important for Stadium?

Impact

Stadium's business involves a large inflow and outflow of resources throughout the value chain. Upstream in the value chain, the use of resources mainly involves the refining of raw materials for the products we sell, as well as resources used during their manufacturing process, including transport and waste generation. Our own operations use resources such as computers, paper, shop fittings, etc. Waste is generated from our warehouses, stores and office operations. Downstream in the value chain, waste is generated that could have a negative impact if not managed properly. Stadium can have a positive impact by engaging in circular initiatives that lead to reduced resource use and increased circular flows.

Risks

Stadium's business model is dependent on access to materials and functioning flows throughout the value chain. A shortage of raw materials resulting in increased prices has a direct financial impact on Stadium. Implementing circular solutions could be an investment cost that has a financial impact. Regulatory requirements entail a risk of increased costs during both an implementation period and ongoing administration. Stadium's brand could also be damaged if we fail to deliver on the transition to more circular flows. The risks exist in the short, medium and long term.

Opportunities

At the moment, it is difficult to find any profitability in the transition to more circular flows, but in the long term it could open up new markets, customer segments, products and services that could have a positive financial effect on Stadium. Successfully managing the new regulatory requirements for more circular products could also help us to capture market share and implement the requirements at lower costs compared to our competitors.

Policies and governing documents

- Sustainability Policy
- Risk Policy
- Supplier Code of Conduct
- Design principles

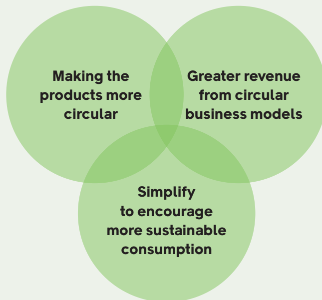
Ambition

We are adapting to, and preparing for, upcoming legal requirements such as the Digital Product Passport and the Ecodesign for Sustainable Products Regulation, both of which promote the development of more circular products. We plan to set concrete targets for the area during the 2024/2025 financial year.

Strategy

Stadium's strategy for resource efficiency and a circular economy focuses on increasing the circular flow of the product, from the design stage to its final recycling. Success depends on collaboration with several other parties: research institutes for the development of high-quality recycled materials, technology developers for more resource-efficient manufacturing processes, collection organisations for infrastructure for the reuse of clothing and shoes, and customers for their action on repair, reuse and donation – to name but a few. We appreciate our role in this flow and are working so that each product can be used throughout its intended lifetime.

Actions and resources



Our strategy to increase circular flows focuses on several aspects. Firstly, the product must be manufactured more resource-efficiently and designed to last at least its intended service life, with the possibility of being upcycled and recycled. Then there are the circular business models, where we as a company find new revenue streams that deliver long-term profitability through servitisation and/or multiple revenues from the same product. Finally, we also aim to facilitate more sustainable consumption. This means offering more sustainably manufactured products, and helping the customer to choose the right product, look after it and then, after long use, pass it on for re-use or recycling if it has reached the end of its life.

Making the products more circular

We strive to make products that exist within a closed loop from manufacture to recycling, where they can be used extensively and for a long time. We still have some way to go to achieve this goal, but we are making progress together with the wider industry.

Design

Our design team creates products with a focus on function and sustainability. The design process also takes into account the product's service life and circular processes.

Checklist for circular design and product development:

- Design with a purpose
- Sustainable materials
- Lasting quality
- Able to be recycled and re-used

Quality and inspections

Lasting quality is one of four key factors for circular design and product development. We have long focused on making products last a long time, in the best interests of the environment. We have high quality standards for our products to ensure the conditions for a long service life, and we continuously monitor quality, safety and chemicals in order to identify risks in good time.

We use a quality inspection tool, Qarma, which allows us to see products, the way they are packaged and inspection results in visual form, before the products are shipped.

Product refurbishment

In 2023/2024, we refurbished a total of 68,239 products for various reasons. Mould, damp, odour, stains and production errors were among the most common causes. The refurbishment work is carried out locally in Norrköping, near our distribution centres. By taking the products that are deemed to be non-saleable in their existing condition and processing them in this way, we have made products saleable and no products have had to be discarded. Individual products with aesthetic defects are donated to Human Bridge.

More resource-efficient plastics management when transporting products

In spring 2023, we made our suppliers aware of our updated packaging instructions, with stricter requirements for recycled plastic on the wrap around the products. We have also updated the requirements for an increased proportion of recycled material in the plastic used to secure the load when it is sent out to the stores. Initially, this applies to Stadium Outlet's warehouses. The plastic used is also thinner, so this initiative has enabled us to reduce the amount of plastic in circulation.

Greater revenue from circular business models

Part of our drive to increase circular flows involves developing circular business models with a focus on long-term profitability.

Stadium Rental

In December 2022, the Stadium Group expanded its business to include rental. The Stadium Rental business area is located in Åre and offers rental of sports products, initially focusing on alpine skiing and snowboarding equipment. Following on from our first store in Åre, we opened our second store in Sälen for the winter season 2023/2024. Stadium Rental allows us to achieve a high level of quality and use for each product, entirely in line with our goal of increasing circular flows. Stadium Rental represents a new area of activity for us. We will continue to learn as we go and develop our offering based on these lessons, as well as stakeholder feedback.

Second-hand

Over the year, we explored various arrangements for second-hand and learned several lessons. We are interested in the area and will continue to investigate and trial second-hand arrangements in order to identify whether this can become a long-term business model for Stadium, and if so how.

Simplify to encourage more sustainable consumption

The most sustainable product is one that is used and can be used for a long period. Buying a product that is then hardly touched is not sustainable, for either the environment or the economy. The products we sell must retain their quality throughout their intended service life. We are able to promote this by helping our in-store and online customers to find the product that matches their needs. We also need to offer products and services that help customers to care for their products and let them live on elsewhere once they no longer need them.

Labelling of compliance with specific sustainability requirements

More sustainable choices are easier than ever at Stadium and Stadium Outlet with our own label for online sales. This label means that we consider the product to be a more sustainable option. The same labelling applies to all the brands. For a product to carry the label, it must meet at least one of the following criteria:

- Recycled material – at least 50 percent of the product
- Water- and energy-saving dyeing method – at least 50 percent of the product
- Sustainable cotton – at least 50 percent of the product
- Sustainable cellulose-based material – at least 50 percent of the product

This label is also used for transport. For a delivery option in our e-commerce channel to meet the conditions for labelling, transport from warehouse to customer must take place using fossil-free fuel.

Training and transparency

We are constantly working to raise awareness of these issues among the relevant employees. The training covers product communication from a sustainability perspective, and how they should approach decisions on whether a product qualifies for the sustainability label.

To increase transparency, we use certificates to verify the origin of the material. Since the end of 2022, we have taken samples of mechanically recycled polyester and used chemical analyses to verify the origin of the material.

Clarity in how we communicate with customers about sustainability issues and transparency in our work on tracing the origin of materials are two key issues. The work is ongoing and we are following upcoming legislation in this area with interest.

Prolong the life of the product

Repair

In 2023, we began a collaboration with Repamera where all Stadium members in Sweden are offered discounted rates for the repair of clothing, footwear and bags in all materials. We see this as a simple way for our members to prolong the life of their old favourites.

Re:activate

Stadium's Re:activate initiative is seeking to breathe new life into products for which our customers no longer have a use. Under the initiative, sports products that are no longer used can be donated to Human Bridge and UFF via the collection boxes in all Stadium and Stadium Outlet stores. In this way, we help to ensure that clothes and sports products benefit more people, while also conserving the Earth's resources. All the collected material is sent for reuse or recycling.

Results of our work

Collected via Re:activate (kg)[1]

	2023/2024
Human Bridge Sweden & Finland	106,626
UFF Norway	1,040
Total	**107,666**

1 Including some products from our central warehouse

Number of refurbished products

	2023/2024	2022/2023	2021/2022	2020/2021
Number of refurbished products	68,239	21,816	113,828[1]	116,398[1]

1 The number of refurbished products was so high in 2021/2022 and 2020/2021 due to the shortage of containers that prevailed in 2020–2022, and the poorer quality of the containers that were available.

S Social information.

S **Social information.**

Own workforce.

Why is the area of own workforce important for Stadium?

Impact
Factors at work such as stress, safety, ergonomics and work-life balance can affect employees' physical and mental health both positively and negatively. Equal treatment of employees is also an important aspect of employees' mental health.

Risks
Employees who feel good and have the right conditions to perform at their best are crucial for the success of our business. Declining physical and mental health, lack of motivation and poor conditions to perform have a number of costly consequences: high staff turnover, talent churn, recruitment costs, onboarding costs and sick leave costs. Confirmed discrimination in the workplace is another financial risk that is negative for everyone involved. The greatest physical risks for our store employees are threats and violence from customers and lifting-related injuries. All these risks are considered to exist in the short, medium and long term.

Opportunities
In most cases, creating working conditions that promote physical and mental health leads to higher efficiency and lower costs. Diversity and inclusion is another factor that improves Stadium's opportunities for development. Taking advantage of skills and multiple perspectives increases the potential for innovation and development. These opportunities all have a direct and indirect positive impact on Stadium.

Policies and governing documents
- Sustainability Policy
- Risk Policy
- Employee Code of Conduct
- Health & Safety Policy
- Fire Safety Policy
- Policy on Diversity, Equality, Inclusion, Discrimination and Victimisation
- Remuneration Policy
- Active actions for diversity and anti-discrimination
- Whistleblowing Policy

Ambition

80
Achieve a score of 80 in our Checkpoint index for the financial year 2025/2026

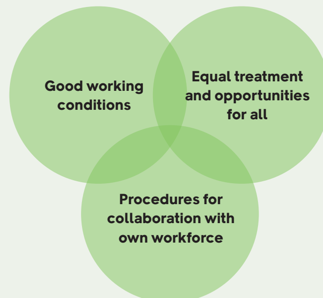
90
Achieve a value of 90 for the perception of psychological safety in the workplace for the financial year 2025/2026

85
Achieve a score of c85 in our Health and Safety index for the financial year 2025/2026

Strategy

The Stadium Group's business model depends on employees who are qualified, motivated and have the right conditions to perform in line with our goals. It goes without saying that all employees have good working conditions and are treated equally, which is also crucial for improving motivation and establishing the perfect conditions for success. This is why we take a systematic approach in dealing with employee issues. Our corporate culture is characterised by our values: passion, team spirit, energy, innovation and simplicity, as well as our principles of leadership and employeeship. We want Stadium to be a workplace driven by competence, where learning is a natural part of everyday life. Our employees should be aware of the development opportunities available and know that we respect differences here at Stadium. This helps us to attract and retain the best talent and continue to activate the world.

Actions and resources



To minimise, eliminate and manage risks and negative impacts for our employees, and to strengthen positive impacts and seize opportunities, we focus our actions on two overarching areas: good working conditions, and equal treatment and opportunities for all. To be successful in these areas, we work systematically to ensure good collaboration with our employees and their representatives.

Good working conditions

Our core values

Stadium respects and supports the UN Declaration of Human Rights. We also follow the core conventions established by the International Labour Organisation (ILO). Stadium's Employee Code of Conduct follows the OECD's guidelines for multinational companies and their anti-bribery convention. The Code of Conduct is also designed in accordance with the UN Guiding Principles on Business and Human Rights (UNGP) and the international human rights framework.

Stadium pays adequate salaries to all employees at the level of standard reference salaries. All employees in Sweden and Finland are covered by collective agreements. For employees in Norway, Stadium follows the terms and conditions of the current Norwegian collective agreement. Freedom of association prevails, employees are covered by social protection against loss of income in the event of major life events and all employees are entitled to leave for family reasons.

The Stadium Way, signed by all employees at the time of employment, describes the responsibility of employees to act in line with business ethics.

Systematic work environment management

Systematic work environment management is central to promoting good working conditions, and is based on four steps: investigating, assessing risks, implementing measures and following up on the outcomes of these. The work covers all employees and agency workers within the Stadium Group.

Safety inspections and incident reporting are important in investigating and identifying risks. Risk assessments must also be carried out when an operation is facing a major change or when a risk is discovered. Employee surveys, staff meetings and development appraisals are other channels used to identify risks. Accidents must be registered in our incident system, which helps us to investigate the accident, take preventive action and compensate the affected employee.

Managers, health and safety officers and employees collaborate in systematic work environment management, which is vital for achieving the desired result. Central safety committees with employee and employer representatives cover our store operations, our service offices and our printing operation. The safety committees follow up on work environment management, draw lessons, formulate goals and focus areas, and produce data to support management decision-making.

Policies, instructions and procedures exist to support employees and managers in their work to prevent workplace accidents and other identified risks, and to promote a good work environment. It is mandatory for both employees and managers to undergo training in our work environment management.

Who are we?

Our corporate culture and team spirit are what make our employees recommend us as a workplace and stay with us. Our corporate culture is based on our values and our principles for employees and leaders. We work actively to ensure that the values and principles are integrated into all our processes, our meetings, our guidelines and, above all, our actions. All employees are trained in them during their onboarding and they encounter them in processes and activities such as performance appraisals and staff challenges.

Equal treatment and opportunities for all

For diversity, equality and inclusion and against discrimination and victimisation

Stadium has zero tolerance for harassment, sexual harassment, reprisals and other forms of discrimination or victimisation. It goes without saying that everyone should be treated equally and have the same opportunities, which is why we are actively working on several measures to achieve this. This is described in our governing "Policy for diversity, equality and inclusion and against discrimination and victimisation". The policy clarifies that there must be no discrimination based on any of the nationally legislated grounds for discrimination, in the countries where we employ staff. Our procedure in the event of abuse and harassment informs employees about how to lodge a complaint, what the subsequent process looks like, including protection against reprisals from the employer and what legal consequences may apply. The governing document "Active measures for diversity and anti-discrimination" is produced each year and compiles a current situation analysis. Based on this, we identify the areas we need to prioritise in order to promote diversity and inclusion and counteract discrimination.

We conduct an annual salary survey to ensure equal pay for equal work between the sexes. In our recruitment process, we use tests when selecting candidates, which ensures better conditions for objective assessment. All managers must undergo training on how bias affects our decisions in a recruitment process. Stadium's managers are guided by our leadership principles, which place a strong emphasis on the positivity of differences and putting them to good use. They also require leaders to be ambassadors, and to work to build a culture that promotes inclusive behaviour.

All employees at Stadium should have the right and the opportunity to grow and develop in their work. Leaders at Stadium should adopt a coaching approach to help employees grow and should take advantage of the unique skills that each employee has. All employees have access to a digital training portal. All managers with budget responsibility are encouraged to budget for training for all their employees, based on their individual needs.

Stadium values a balance between working life and parenthood. All employees have the opportunity to take parental leave and stay at home to look after their children. No employee are to be disadvantaged in salary setting due to parental leave. All those on parental leave should be able to continue to progress in their role, including on the pay front.

Procedures for collaboration with own workforce

Collaboration with our employees is a human right, as set out in the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles for Business and Human Rights (UNGP), which Stadium has chosen to follow. Including our employees and their representatives in issues that affect actual, or potential, negative and positive impacts for our employees is of great importance to us. This is done, for example, through our safety committees, which comprise representatives of both the employer and the employees. Safety inspections and risk analyses are other activities that increase our understanding of the employee's perspective and any actual or potential impacts. In addition, we engage in dialogue with union representatives in the event of major changes, and communicate relevant information. Employees are encouraged to record observations that could reduce the risk of negative impacts and further improve a good work environment.

We conduct an annual employee survey focusing on the work environment, equal treatment and values, as well as four pulse surveys focusing on the team's well-being and performance. Every autumn, all employees have a development appraisal with their manager, which is followed up with a performance appraisal during the spring.

Employees have the opportunity to report misconduct anonymously through our whistleblowing function.

The Head of HR is operationally responsible for ensuring that collaboration with employees is carried out, and for quality. However, it is important to mention that managers bear considerable responsibility for ensuring a good work environment for their employees on a daily basis, with continuous contact as a prerequisite for success.

▶ *Read more about our Whistleblowing function on page 46.*

Results of our work

Reporting principles

Calculations relating to employees in the Sustainability Report:

- Calculations relating to employees are based on ESRS S1.
- In the business year 2022/2023, we introduced a new employee survey consisting of an annual employee survey focusing on the work environment, inclusion and values, as well as four pulse surveys focusing on the team. The employee survey for 2023/2024 was conducted in January 2024 and the latest pulse survey for the financial year 2023/2024 was conducted in August 2024.

Uncertainties and judgements

In terms of reported accidents and recorded lost days, we appreciate that as an organisation we could improve reporting in our systems – not just reporting the actual incident but also recording more information. We continue to train and support our managers and staff to ensure data quality, so that we can make more informed decisions on the actions to be taken.

Results of employee targets

	Outcome[1]			
	2023/2024	2022/2023	2021/2022	2020/2021
Achieve a score of 80 in our Checkpoint index	81	78		
Achieve 90 for the perception of psychological safety in the workplace	85	83		
Achieve a score of 85 in our Health and Safety index	87	85		

1 The metric was introduced in 2022/2023.

We are proud to have achieved two of our three targets. Our focus is now on increasing psychological safety and maintaining good results on our Checkpoint index and our Health and Safety index. The reported results apply to the entire Group so there will be departments and teams with lower results, and this is where we prioritise the resources to improve the outcome.

Safety incidents and work-related injuries, Stadium Group

	2023/2024		2022/2023		2021/2022	
	Number	Rate[1]	Number	Rate[1]	Number	Rate[1]
Of a minor nature	137	7.4	228	14.2	103	5.6
of which more serious incidents[2]	4	0.2	5	0.3	7	0.4
Work-related deaths	0	0.0	0	0	0	0

1 Per 200,000 hours worked.
2 The most common risks and the causes of these are, as noted, contact with sharp objects, threatening situations and trips/slips on the same level. We have identified that these are our serious risks through our systematic health and safety work, which includes safety rounds, fire safety inspections, employee surveys, incident reporting, etc.

Number of days lost due to work-related injuries and/or ill health

	2023/2024
Sweden	38
Norway	1
Finland	29
Total	**68**

Number of employees[1]

	2023/2024			2022/2023	2021/2022
	Women	Men	Total	Total	Total
Sweden	2,513	1,321	3,834	2,807	2,922
Norway	73	44	117	78	40
Finland	560	306	866	798	764
Total			**4,820**	**3,683**	**3,726**
Full-time equivalents (FTE)[2]			2,033	2,088	1,970

1 Number of employees is reported as active number of employees as of 31 August 2024 in all countries. For the financial year 2023/2024, the category of casual employees is also included in the report, which does not make the figures comparable with the previous year's data. Comparable figures for 2023/2024 are for Sweden: 2,946, for Total: 3,932. The data is comparable for Norway and Finland. In previous years, casual employment has not been reported due to data limitations. Casual employment is reported separately in the table "Employees by form of employment". "Number of employees" includes people on parental leave, leave of absence or other long-term absence. The total includes employees in other countries who are not reported separately as they are so few in number.
2 FTE calculated on the basis of time worked during the entire financial year, i.e. the average number of employees during the financial year/FTE.

Number of employees per form of employment

	2023/2024			2022/2023	2021/2022
	Women	Men	Total	Total[1]	Total[1]
Number of employees	3,148	1,672	4,820	3,683	3,726
Number of permanent employees	1,987	1,075	3,062	2,933	2,719
Number of temporary employees	568	302	870	750	1,007
Number of employees, full-time	736	463	1,199	1,079	1,058
Number of employees, part-time	2,412	1,209	3,621	1,854	1,661
Casual employees[1]	593	295	888	–	–

1 Casual employment means that an employee only works as required, without a fixed schedule. Employment is flexible for both employees and employers and is regulated in collective agreements, with pay based on actual time worked.

Distribution of employees by age group[1]

	2023/2024	2022/2023	2021/2022
<30 years	68.4 %	66.9 %	62.5 %
30–50 years	26.2 %	28.0 %	32.9 %
>60 years old	5.4 %	5.1 %	4.6 %

1 In this case, the distribution may be affected to some extent by our inclusion of Casual employees from 2023/2024, as this is generally a younger population.

Gender distribution for all employees

	2023/2024	2022/2023	2021/2022
Total proportion of women (in percent)	65.3 %	65.1 %	64.5 %

Gender distribution, leadership (managers)

	2023/2024	2022/2023	2021/2022
Number of men	145	130	140
Number of women	161	142	144
Proportion of women at managerial level or higher	52.6 %	52.2 %	50.7 %

Gender distribution in Group Management

	2023/2024	2022/2023	2021/2022
Number of men	4	4	5
Number of women	3	3	5
Proportion of women in Group Management	42.9 %	42.9 %	37.5 %

Gender distribution on the Board

	2023/2024	2022/2023	2021/2022
Number of men	6	6	6
Number of women	2	2	2
Proportion of women on the board	25 %	25 %	25 %

Staff turnover (percentage)[1]

	2023/2024	2022/2023	2021/2022
Number who have left	781	–	–
Voluntary turnover	15.1 %	–	–
Involuntary turnover	1.1 %	–	–
Total	**16.2 %**	**–**	**–**

1 As of financial year 2023/2024, we have chosen to report staff turnover on a different statistical basis than in previous years, as part of the transition to reporting in accordance with ESRS. Staff turnover is calculated based on the number of permanent employees who have left Stadium divided by the total number of employees. Voluntary turnover is permanent employees who have themselves chosen to terminate their employment. Involuntary turnover is permanent employees who have been dismissed by Stadium, retired or died. Due to the challenges of validating previous years' data on the same basis, it is not relevant to make a comparison with previous years. We hope that these values will be able to provide a new point of reference for future reports, but taking into account that work is still underway to improve the quality of our personnel data. It is important to note that this calculation is based on the number of employees and not on full-time equivalents (FTE).

Salary ratio by gender

	2023/2024	2022/2023	2021/2022
Employees (female/male)	98.7 %	95.2 %	95.2 %
Managers (female/male)	91.0 %	85.9 %	92.8 %
Total	**91.6 %**	**90.7 %**	**90.1 %**

Workers in the value chain.

Why is the area of workers in the value chain important for Stadium?

Impact
Inspections of our manufacturing suppliers (Tier 1) have revealed deviations, which entail a negative impact. The deviations are being handled promptly and, depending on their nature, have had varying consequences for the supplier in question. The Stadium Group's actions can have a positive impact on the value chain's workers by setting sustainability requirements and implementing supplier inspections and improvement measures at suppliers. This can help to improve working conditions for workers in the value chain. Collaboration with other corporate brands can also give us greater influence in this area.

Risks
Poor working conditions, child labour, forced labour, discrimination and violations of human rights are areas often associated with the textile value chain, making them relevant for us from a risk perspective. The Stadium Group's own brands are manufactured (Tier 1) in Asia and Europe, and the majority of production takes place in high-risk countries. High-risk countries increase the risk of Stadium being linked to poor working conditions. As a relatively large player in the Nordic market, Stadium is expected to take responsibility for our value chain, and deficiencies in this area can damage our reputation. The upcoming statutory requirements of the Corporate Sustainability Due Diligence Directive (CSDDD) also create a legal and financial risk, as well as the risk of losing business partners if we fail to take responsibility in our value chain. The risks already exist or will do so in the near future, when the new legal requirements enter into force.

Opportunities
We see taking responsibility for working conditions in our value chain as a hygiene factor and not as an opportunity to stand out. It is vital for us to manage this well in order to live up to the image of who we want to be as a company.

Policies and governing documents

- Sustainability Policy
- Risk Policy
- Factories list
- Supplier Code of Conduct
- Supplier Code of Ethics

Ambition

80%
of production will take place in Tier 1 factories with a social rating of A+B.

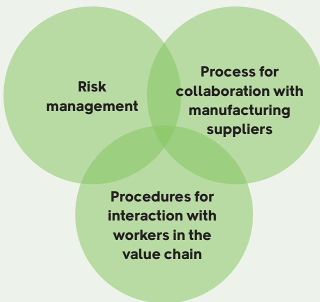
Strategy

Our ambition is for our products to be socially, environmentally and ethically sustainable. This requires clear guidelines and close, lasting collaboration with our suppliers. The scope of the business relationship should reflect the level of sustainability, compliance and overall performance, and how, through proactive choices, the supplier demonstrates a willingness and ability to improve and develop.

We evaluate our suppliers from a product and business perspective, along with their ability to follow our guidelines. In addition to our compulsory requirements, we encourage all our suppliers to also support our values and promote continuous and proactive improvements in their operations – just as we do within our organisation.

Stadium is a relatively small player in the production context. In order to achieve a stronger position that allows us to exert more influence, we are investing in close partnerships with a limited number of suppliers. Concentrating on a smaller number of suppliers gives us a greater degree of impact. The world is undergoing major changes, and we know how valuable these close relationships are when it comes to finding solutions to new challenges together.

Actions and resources



The value chain for manufacturing companies is complex and the scope for traceability and control decreases the further down the chain we go. Our action plan for good working conditions throughout the value chain therefore focuses on risk management and collaboration. To be successful in these areas, we work systematically to ensure good collaboration with workers in the value chain and their representatives.

Risk management

Our greatest risks lie in the production stage, as some of the manufacturing takes place in developing countries. In many cases, our product suppliers in the developing countries already demonstrate ongoing social engagement and show great willingness to develop and improve. We want to continue working with these suppliers and being part of their journey towards even greater sustainability. We can make a contribution through action plans and improvement programmes.

Some of the countries in which we operate are considered high-risk areas, which means there is a risk of breaches to human rights and workers' rights, plus the occurrence of child labour and forced labour. We seek to check that human rights are respected through factory inspections carried out by a third party and factory visits by Stadium employees with responsibility in this area. The amount of inspections and follow-up increases if we see a heightened risk of human rights not being fully respected. Pakistan, Myanmar and Bangladesh are among the countries that, according to our assessment, have an elevated risk. The risks are lower with regard to our immediate suppliers, but tend to increase further down the supply chain. Cotton production in China, India and Uzbekistan, for example, also poses a risk. Where we feel that we cannot control the risk sufficiently, we choose to terminate the partnership.

Transparency in our dialogue and follow-up helps to reduce our risks. By making more conscious and traceable choices, we also reduce the risk of raw materials coming from sources where human rights are not respected.

Process for collaboration with manufacturing suppliers

We want our products to be manufactured responsibly in line with our Supplier Code of Conduct and Supplier Code of Ethics. It is therefore important for us that the suppliers we choose to work with share this ambition and act accordingly. We follow a defined process for entering into collaborations with manufacturing suppliers and how these collaborations are to be followed up. Compliance with this process is of the utmost importance in our work to promote responsible manufacturing.

Our supplier base consists of manufacturers with their own factories, plus their subcontractors, trading companies and, in some case, importers. Our list of factories has been publicly available on our website since February 2020. Production reflects Stadium and Stadium Outlet's range of in-house brands and licence brands, and consists primarily of footwear and clothing, but also sports and safety equipment.

1 Before a collaboration

All suppliers and factories are reviewed and approved by Stadium ahead of an order being placed. Before working with new suppliers, factories and markets, a risk analysis is carried out, followed by an inspection (Scandinavian and Northern European production units may be exempted from inspection following a risk analysis). The inspection covers quality and social factors and, to a lesser extent, environmental factors. When we enter into a partnership, the supplier is required to sign our Supplier Code of Conduct and Supplier Code of Business Ethics and thereby commit to compliance with these. The codes must also be read through and signed by the supplier every two years and in the event of updates.

2 Follow-up

A. Inspections

Transparency and joint improvement work define our inspection process. Our partner LRQA conducts factory inspections to check and verify a supplier's ability to comply with our Code of Conduct. The inspection places great emphasis on being able to verify that, for example, documentation and information from employers and employees tell the same story.

We consider transparency to be the foundation of a responsible and sustainable business relationship. In practice, this means that if we are denied access to relevant information or the ability to verify information, the factory will not pass the inspection.

Rating suppliers

The results of the inspections provide us with a basis for rating suppliers on a scale from A to D, where A is the highest. When calculating the rating, we begin with a figure of 100. Each negative observation is weighted and leads to different deductions, depending on whether it relates to a less serious case of non-compliance or critical non-conformity with international or national laws or our Code of Conduct. The total for the observations is deducted from 100 and, based on the resulting figure, the supplier is given a rating of A, B, C or D.

A D grade is not necessarily a fail, but it is a level that we cannot accept without critical points being rectified. We want to see the factories actively working on improvement measures before our business relationship can continue or even begin. Naturally, our ambition is for as much of our in-house production as possible to take place at highly rated factories.

B. Corrective action plans (CAP)

Stadium owns the results of an inspection and thus the follow-up, which may involve drawing up a corrective action plan (CAP) aimed at ensuring development and improvement. The purpose of the action plans is to ensure that our suppliers take a proactive approach, guaranteeing human rights, workers' rights and environmental protection, as well as preventing corruption in practice – not just on paper. Action plans are set within given time frames in order to be able to plan for follow-up. Together with our suppliers, we aim to act in a transparent and respectful manner in all elements of our production chain and work collectively for a more sustainable future.

C. Improvement programmes

Most factories can manage their action plan and development on their own, in consultation with Stadium's staff. Our continued ambition is, however, to give suppliers who do not develop in the right direction an opportunity to take part in an improvement programme and receive external support. LRQA provides assistance in action programmes that run more intensively over a longer period, with the aim of ensuring a lasting change in more systemic or critical areas. Having LRQA as a partner keeps us updated on developments in the industry, while our suppliers receive local support if required.

3 Termination

If a factory does not want to implement the measures we see as necessary, our work together is terminated. However, our primary focus is on identifying any challenges and helping to address them. When we do decide to terminate a collaboration, it is done in a transparent manner together with the supplier. We flag the action early and draw up a plan for phasing out our business. We support responsible termination just as much as we support responsible purchasing.

Procedures for interaction with workers in the value chain

We can promote sustainable production through a transparent dialogue with our stakeholders – customers, industry colleagues, organisations and suppliers – and through the communities in which we operate. Industry collaborations give us greater power and opportunities to bring about change for the better.

Factory employees in our value chain are primarily contacted through our inspection partner, LRQA, in connection with factory inspections. One aspect of the inspection is conducting interviews with employees and creating an opportunity for employees to contact LRQA via a survey, if there are problems or needs they do not want to raise in the workplace.

Stadium also encourages workers in the value chain to contact us directly in the event of problems or needs using a dedicated e-mail address, communicated via our Supplier Code of Conduct and one-pagers in the factories. Stadium's CSR Manager is operationally responsible for the contact.

Results of our work

Results workers in the value chain	Outcome[1]			
	2023/2024	2022/2023	2021/2022	2020/2021
80 percent of production will take place in Tier 1 factories with a social rating of A+B	85 %	81 %	78 %	74 %

The goal that we set, for 80 percent of production to take place in factories with a social rating of A+B by 2025/2026, has already been met. We are proud of this achievement and will try to increase this share further. There is thus room for factories that are not yet on A+B to develop in a more sustainable direction. As part of the CSDDD work, our partner LRQA will review the inspection data and adapt it to bring it in line with the new legal requirements. We are investigating how this will affect the comparability of the outcomes in relation to our goal. This is also the reason why we are currently maintaining the goal of 80 percent of production in factories with a social rating of A+B.

Number of factories in each country

Production country (Tier 1)	2023/2024	2022/2023	2021/2022	2020/2021
Bangladesh	12	10	10	9
Cambodia	0			1
China	73	80	90	103
Finland	1	1	1	1
Indonesia	9	10	10	11
Italy	5	6	6	4
Lithuania	2	3	3	2
Myanmar	1	1	1	1
Pakistan	3	3	3	3
Poland	0		0	2
Slovenia	1	1	1	1
Spain	1	1	1	1
Sweden	3	5	5	3
Taiwan	1	1	2	2
Thailand	1	1	1	1
Turkey	3	7	4	3
Vietnam	5	5	6	7
Total	**121**	**135**	**144**	**155**

Of our 70 active suppliers, we have been collaborating with 20 of them for over 10 years and 16 of them for over 20 years.

Factory inspections

	2023/2024	2022/2023	2021/2022	2020/2021
Number of active units in production	121	135	144	155
Number of new factories where Stadium has placed orders	4	2	3	13
of which new suppliers[1]	1	2	2	6
Proportion of factories with a rating of A+B	85%	81%	78%	74%
Number of units with valid third-party certification[2]	31	25	19	12
Number of inspections carried out by LRQA on behalf of Stadium	44	53	37	53
of which not approved due to lack of transparency	8	1	4	8
Number of corrective action plans (CAP)	38	43	30	42
Number of factories rejected following inspection	0	1	1	1

1 100% of these have been audited on the basis of social and certain environmental aspects.
2 SA 8000, SMETA and WRAP.

Of the 42 CAPs drawn up, 20 (48%) concerned the work environment (the most common being health and safety). 9 (22%) of the CAPs related to incorrect salary payment (mainly linked to parental leave and sick leave). 8 (20%) of the CAPs addressed what was judged to be a lack of information-related transparency, such as inconsistencies between data in the payroll and time reporting systems.

Consumers and end-users.

Why is the area of consumers and end-users important for Stadium?

Impact
Our business concept helps to get people active, which is positive for both the individual's health and wider society. Stadium sells products that are worn on the body in active contexts and defective products could cause injury and accidents. As many products are for children, who are considered to be an extra vulnerable group, it is important that our products are of the highest quality. Since we have millions of visitors to our stores and e-commerce sites every year, it is of the utmost importance that we work to combat discrimination against different groups. This also applies to our marketing, which must be done responsibly.

Risks
Our membership scheme has over 4 million members and we regularly organise various events, in which children also participate. This entails a risk of infringing the individual's privacy if we do not handle data properly, which could in turn have a financial impact on Stadium in the form of fines and indirectly through reputational damage and reduced membership.

The potential financial impact if our products were to cause harm to end-users could include compensation, damage to the brand and a halt to sales of the affected product.

Discrimination against customers and unethical marketing could result in fines and brand damage, both of which have a financial impact.

Opportunities
Stadium's vision is to activate the world. Within that vision, there are opportunities for new business models that can contribute to people's health and well-being.

Policies and governing documents
- Sustainability Policy
- Risk Policy
- Stadium's child safety guide
- Privacy Policy

Ambition

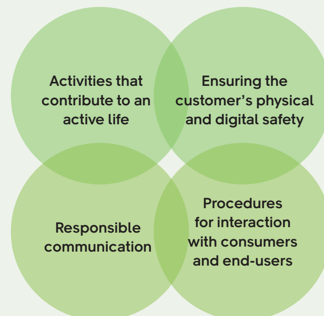
Mission
To inspire an active life for all

Vision
To activate the world

Strategy

Stadium's vision is to activate the world. Of course, our customers need to be confident that we are doing this with their health, safety and privacy in mind. We have four operational areas: sales, rental, events and sponsorship. Through these, we want more people to experience the joy of an active lifestyle.

Actions and resources



Our actions to boost the positive impacts for consumers and end-users and manage, minimise and eliminate negative impacts and risks are divided into three areas: Activities that contribute to an active life, How we work to ensure the customer's physical and digital safety, and How we ensure that we communicate responsibly. To be successful in these areas, we work systematically to maintain a good interaction with our consumers and end-users and their representatives.

Activities that contribute to an active life

Stadium Sports Camp
Stadium Sports Camp is a camp for children and young people run within the Stadium Group as an SVB company (SVB=Special Dividend Limitation). Since its inception in 1995, the camp has activated more than 120,000 participants between the ages of 7 and 15, and over the same period more than SEK 70 million has been ploughed into the partner clubs.

We work actively to get children and young people participating in the camp, whatever their challenges or socioeconomic background. Together with several other charities, foundations and companies, Stadium Sports Camp is able to offer free places to kids who, for various reasons, would not otherwise have been able to attend. One example is the collaboration between Stadium, Nike, AIK and the organisation Maskrosbarn, which is now in its third year. AIK produces a pre-season shirt and donates all the profits to buy places at Stadium Sports Camp. Maskrosbarn then arranges the distribution of these places within its network.

Activity bag
Since 2005, Stadium has handed out a free activity bag to around 4,200 schools in Sweden that have at least one class in Year 1. The bag contains everything from balls to skipping ropes and cones to encourage more physical play at school. The purpose of the activity bag is to inspire more activity in school, beyond the timetabled PE lessons, and so encourage the establishment of healthy habits early in life.

Stadium Night Run
The Stadium Night Run is a race we organise ourselves, with a view to encouraging an active lifestyle even in the colder, darker months of the year. We have been holding the late-autumn run in both Sweden and Finland since 2021, with adults and children welcome to participate.

Stadium Foundation
In 2019, the Stadium Group launched a fundraising foundation to financially support activities, projects, assignments and partnerships that promote an active and healthy lifestyle for as many people as possible. The foundation offers support in particular for initiatives aimed at helping children and youth. All profits from the medium-sized bag sold at Stadium and Stadium Outlet's Swedish stores go to the Stadium Foundation.

▶ *Read more about the Stadium Foundation.*

Club collaborations
Collaborating with clubs is a great way for us to help encourage an active life for children and young people. Prior to setting up a collaboration, we investigate how the potential partner currently approaches gender equality and equal opportunities and what their plans are going forward. It is important for us to share the same values and vision. From a gender equality perspective, for example, we might ask whether the activity is available to both genders, or whether the under-represented gender is given more opportunity to take part. Gender equality and equal opportunities are areas where we maintain a continuous dialogue with our partners in order to monitor progress. We can also provide support when needed, which actively contributes to our goals. Examples of how we can help include support with project planning and acting as a sounding board on issues relating to equality and diversity. In addition, we are able to use Stadium's contact network to connect providers who can help each other, and we can provide financial support. We seek out long-term partnerships in which we help each other to continue activating the world and promoting equality in sport.

Working with others

Collaborating with other players makes us better able to help reduce sedentary lifestyles and increase health and well-being.

Stadium & Friends – the knowledge to promote equal sports
Stadium has been working closely with the Friends Foundation on Stadium Sports Camp since 2004, meaning that all camp leaders receive training in tackling exclusion and bullying and promoting equal sports for everyone.

Stadium & Goodsport Foundation – integration through social projects
Goodsport is a public, politically independent, non-profit foundation that uses sport as a tool to promote greater integration through community projects. Stadium's collaboration with Goodsport is based on a joint effort to promote integration, increase sporting activities and create jobs for young people. Examples of projects run by the Goodsport Foundation include Nattfotbollen, which aims to increase the physical activity and social circle of young people aged 13–25, and Skolträffen, which works in schools to combat prejudice.

Stadium & Fair Play – recognising the positive values of sport
In 2019 Stadium initiated the Fair Play Award, in conjunction with the Swedish Sports Gala. This is an award where joining in and sharing sport with others are more important than actual sporting prowess. The Fair Play Award is given to an individual or an event that stands as a role model and clearly embodies the meaning of fair play. Stadium and the Swedish Sports Gala jointly issue the award.

Stadium & Generation PEP! – inspiring children to be active
Generation Pep is a non-profit organisation that works to spread knowledge and create engagement regarding the health of children and young people. The organisation has collaborated with four secondary schools and researchers from the Swedish School of Sport and Health Sciences, Karolinska Institutet and the University of Gothenburg to develop Pep Skola – free support for schools wanting to make physical activity and healthy food habits a natural part of the school day. Pep Skola was launched in May 2018 and currently has over 2,000 schools registered at pepskola.se.

Stadium is collaborating with Generation PEP on the free activity bag that Stadium offers to all schools in Sweden that have at least one class in Year 1. Together, we make schools aware that the bag is available. In addition, Generation PEP provides free inspiration on how to use the contents of the bag.

Stadium & Human Bridge and UFF – sports products and clothing for more people
Human Bridge and UFF ensure that the sports products and clothes collected via our Re:activate boxes can be given a new lease of life.

Facts: Human Bridge
A Swedish aid organisation that focuses primarily on supplying health services in vulnerable countries with medical equipment and other materials. The mainly second-hand equipment comes from the Swedish health service and is refurbished or reconditioned by Human Bridge. The organisation also supports people caught up in humanitarian crises, for example with clothing and other basic essentials. Human Bridge is our partner in Sweden and Finland.

Facts: UFF
A Norwegian charity that collects and sells second-hand clothes to pass on the income as development aid to countries in need. UFF is our partner in Norway.

Partnership and sponsorship

Stadium partners a number of races to create more opportunities for movement and inspire an active lifestyle. Together with our partners, we contribute to sports events that provide experiences, joy, fighting spirit, setbacks, laughter and exercise.

- Midnattsloppet – Sweden and Finland
- Vasaloppet – Sweden
- Ultravasan – Sweden
- Bike Vasan – Sweden
- Vätternrundan – Sweden
- Naisten Kymppi – Finland
- Lidingöloppet – Sweden
- Toughest – Sweden

We embody our vision

Make an active lifestyle permeate everything we do. Since we believe in the benefits of physical activity, we want to also promote exercise among our employees. Staff discounts, wellness allowances and active offers are some of our initiatives to encourage our employees to embrace activity. Twice a year we also run a Staff Challenge, where we get active together over the course of five weeks and score points for our team.

Ensuring the customer's physical and digital safety

If we are to activate the world, we need to do it in a safe way for our customers. This applies both to the product that customers use and to consumers' data privacy.

Child safety

We have a great responsibility to ensure the safety of our younger customers, and we do this by training our developers of child safety products. We also investigate which certifications we need and risk assess products to see what can be classified as toys and what is sports equipment. We test outerwear for children up to the age of 14, to ensure that their detachable hoods release at a certain weight for the size of the garments. In addition, we actively participate in standardisation work within child safety.

Safe use of chemicals

We use our Restricted Substance List (RSL) to set clear requirements for our suppliers regarding the content of our products. RSL is a list of restricted and prohibited substances that has slightly stricter requirements than REACH (EU chemicals legislation).

▶ *Read more about our chemicals work on page 28.*

Data protection

Within the Stadium Group, we work to ensure the data privacy of our consumers. We have a Privacy Policy that details how we process personal data. This policy applies to the personal data we collect in connection with membership, purchases, visits to our website, or any other contact with us.

The Privacy Policy may be updated from time to time, but the latest version is always published on our website. If we make any major changes to the Privacy Policy, we will send the updated policy to our members' registered email address.

Responsible communication

Product information

We are keen to provide our customers with the right product information, regarding both facts about the products' functions and properties and what materials they are made of. We therefore work closely with our suppliers to ensure that they provide us with the information we require.

Responsible marketing

Stadium is committed to being an inclusive and transparent company and this must be reflected in how we market ourselves. The media channels we use for marketing need to be transparent and responsible, so that our brand is not presented in an inappropriate way. The models and contexts from which we create market communications must inspire a more active life in a positive and healthy way. Over the year, as a member of the Association of Swedish Advertisers, we have engaged in the work of the Global Alliance for Responsible Media (GARM) to promote media transparency. We have also invited external experts to come and discuss and inspire more inclusive advertising.

Transparent communication

Important information about Stadium's operations is communicated to the market via press releases. We publish our Annual and Sustainability Report on our website every year. There were previously two separate reports, but since the financial year 2022/2023 there has been one consolidated report.

Communication about our sustainability work follows four principles:

1. Communication should be transparent. Example: We regularly conduct dialogues regarding communications about our sustainability work, to identify any concerns that information is missing or difficult to understand.

2. Documentation of what we communicate must be readily available. Example: We publish our Annual and Sustainability Report digitally in English and Swedish on Stadium's website. The website also has a sustainability page, which provides information on how we approach sustainability. We publish press releases and social media posts if there is news that may be of interest to the general public.

3. In the environmental area, our communication focus is on how we can help customers to act more sustainably. Example: We communicate knowledge on how customers can extend the life of a product, offer alternatives to allow the product to live on with another owner, and make it easier for the customer to find the right product for their needs.

4. We want our communications, like our mission, to inspire an active lifestyle. Example: Everything we do at Stadium has a connection to an active lifestyle, and through role models, guides, knowledge articles and more, we inspire more people to get active.

Procedures for interaction with consumers and end-users

Continuous contact with our customers and end-users is of the utmost importance in our work to develop our products. We are active members of the Swedish Consumer Agency, which represents Swedish consumers. The Customer Service Manager Stadium Group is operationally responsible for our customer service department, through which we engage in daily dialogue with customers to quickly answer questions and respond to comments. We continuously compile complaints and reviews from customers and use them in the development of our products. If a product receives too many complaints, according to our guidelines, it will be corrected. The Quality & Sustainability Manager Buying Department is operationally responsible for product quality and safety.

Stadium's advisory committee on the product range is an important forum for shedding light on the customers' needs and wishes. The committee consists of sales staff and sales managers who collect feedback on products and maintain a close dialogue with the purchasing department. Their insights then become important contributions to the development of the range.

Results of our work

Number of participants in Stadium Sports Camp summer 2024

	Percent	Number
Boys	52 %	1,720
Girls	48 %	1,864
Total		**3,584**

61% (60 %)
answer Yes to the question "Have you tried a new sport at Stadium Sports Camp?"

95% (89 %)
answer Yes to the question "Has Stadium Sports Camp inspired you to continue with physical activity?"

196,077
people were made more active in 2023/2024 through our own initiatives and the races we sponsor

2,984
number of activity bags delivered to schools in 2023/2024

G Governance information.

Business conduct.

Why is the area of business conduct important for Stadium?

By business conduct, we mean the sub-areas of ESRS G1 that are material to Stadium: corporate culture, whistleblowing, animal welfare, and bribery and corruption.

Impact, risks and opportunities
Stadium's **corporate culture** affects how our employees act towards other parties along the value chain, as well as towards each other. It is essential that our employees follow Stadium's guidelines, as they help us to comply with current legal requirements.

Having a functioning **whistleblowing process** is of the utmost importance in enabling us to counteract errors that have a negative impact on multiple individuals. But it is also important that a report does not have negative consequences on the reporter.

Stadium could be associated with negative impacts on **animal welfare** related to down, leather and wool if the materials are produced in countries where animal rights standards are not properly maintained. If such a risk becomes a reality, Stadium will be contributing to a negative impact on animal welfare.

The area of **bribery and corruption** affects all parts of our value chain. In our own operations, employees in our purchasing department, employees who work directly with our manufacturing suppliers and store staff are the groups most likely to encounter risks. Throughout the value chain, there is a risk that Stadium may be affected by issues of corruption and bribery from raw material extraction to waste management. The risk tends to increase upstream in the value chain as the textile industry consists of complex value chains with many suppliers and subcontractors. Most of Stadium's suppliers are also located in countries where the risk of corruption and bribery is high.

Policies and governing documents
- Whistleblowing Policy
- Risk Policy
- Employee Code of Conduct
- Supplier Code of Conduct, includes animal welfare
- Supplier Code of Ethics

Ambition

0
confirmed cases of bribery or corruption

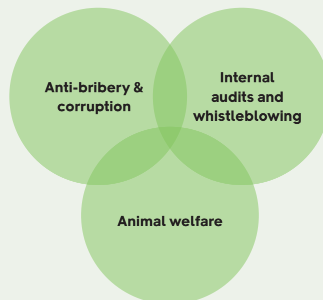
Strategy

Stadium's strategy for maintaining responsible business conduct is based on preventive measures and follow-up. We work to maintain a corporate culture that promotes ethical conduct in line with our governing documents, through carefully considered processes, leadership and employeeship. We have drawn up governing documents to prevent bribery and corruption.

To reduce the risk of poor animal welfare, we aim to establish long-term partnerships with suppliers who share our high standards. We will also regularly review and certify the origin of the products.

A functioning whistleblowing process is important to ensure that we act ethically and take the appropriate action if not. By monitoring and auditing the process, we ensure that business ethics remain a central plank of our daily operations and our growth plan.

Actions and resources



Our corporate responsibility activities focus on combatting bribery and corruption throughout our value chain. With our operations involving the sale of products containing down, it is essential for us to ensure responsible sourcing that protects the rights of animals. We monitor compliance with rules, procedures and adopted working methods via internal audits, and we enable individuals connected to Stadium's operations to report irregularities in our whistleblowing function.

Anti-bribery & corruption

Among other things, bribery and corruption can lead to poor decision-making in the selection of suppliers and subcontractors and affect quality and product safety, which is why it is vital that we work to prevent their occurrence. All manufacturing suppliers sign our Supplier Code of Conduct and Supplier Code of Ethics, which clearly state that we have zero tolerance for bribery and corruption. Code compliance is monitored via inspections by independent third parties.

Our Employee Code of Conduct clearly sets out what we expect from employees in terms of not promising, accepting or offering rewards, gifts or other benefits (material, intangible or financial). This applies in all relationships: between employees, customers, suppliers, authorities, other decision-makers and business partners. It also clarifies that employees may not exploit relationships with business partners for their own benefit. We see awareness-raising initiatives as vital in ensuring that employees and business partners understand and follow ethical guidelines.

Internal audits and whistleblowing

We continually conduct unannounced internal audits in our stores, to ensure that we follow the prescribed rules, procedures and working practices in our daily work. These audits focus on health and safety at work and the handling of cash. The outcome is registered in the system and any deficiencies or observations must be rectified within two weeks. The regional managers are responsible for follow-up.

If individuals with links to Stadium's operations spot any irregularities, they can report these anonymously via our whistleblowing system. The system is run by a third party, who will escalate pertinent cases to our Whistleblowing Committee. This consists of the CHRO, the HR Manager Finland and the Head of Security. The Whistleblowing Committee is responsible for ensuring that relevant decision-making bodies, including Group Management and the Board of Directors, are aware of any structural problems that need to be addressed.

Animal welfare

Animals have the right to be treated humanely and to have their basic needs met. Our requirements concerning animal welfare are based on "The Five Freedoms" drawn up by the World Organisation for Animal Health.

Down

We support the Responsible Down Standard (RDS) in our use of down and 100 percent of the down products that we manufacture ourselves are RDS-certified. The standard ensures that the animals are treated with dignity throughout the supply chain and prohibits the plucking of down from live birds and birds that have been force-fed. This is done by giving the industry tools to ensure that down and feathers do not come from birds subjected to suffering, and a system that makes the origin of the material traceable. We ensure that all the down sold at Stadium is traceable and produced in line with the Five Freedoms of Animal Welfare.

In the winter season 2019, we also joined forces with re:down, as a result of which we now use only recycled down in some of our jackets.

Fur-free

Here at Stadium we took the decision to be a fur-free chain in 2001. Through an agreement with Animal Rights Sweden, we have undertaken not to sell any products containing fur in our stores. This applies to both our in-house and external brands.

Mulesing

Stadium distances itself from all unethical treatment of animals in the production process. We do not accept mulesing (an action performed on sheep in Australia aimed at preventing them from being attacked by flies) and our range only contains merino wool products that are documented as being mulesing-free.

Angora

We do not permit angora in our product range.

Results of our work

- 0 reports in our whistleblowing system
- 0 confirmed cases of corruption and/or bribery

GRI content index.

GRI content index

The Sustainability Report has been prepared with reference to GRI standards.

The Global Reporting Initiative's guidelines for sustainability reporting are a collection of internationally recognised indicators used to evaluate companies in relation to corporate governance, economic performance, labour, human rights and impact on society and the environment. Its framework is a reporting system that sets out criteria for measuring and reporting impact and results in the area of sustainability. Our GRI index is presented below and gives an overview of our general information as per GRI's guidelines, as well as information for the topics that Stadium reports based on our double materiality analysis (find out more on pages 19–20).

Statement of use	Stadium AB has reported the information cited in this GRI content index for the period 1 September 2023 to 31 August 2024 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Title	Chapter	Page numbers	Deviation or comment
General Standard Reports				
1. Organisational profile and reporting practice				
GRI 2: General disclosure	2-1 Organisational details	About Stadium, General information, Workers in the value chain	5, 10–11, 18, 39	
GRI 2: General disclosure	2-2 Entities included in the organisation's sustainability reporting	General information	13	
GRI 2: General disclosure	2-3 Reporting period, frequency and contact point	General information	13	
GRI 2: General disclosure	2-5 External assurance	Auditor's statement on the sustainability report	50	
2. Activities and employees				
GRI 2: General disclosure	2-6 Activities, value chain and other business relationships	About Stadium, General information, Workers in the value chain	5, 18, 39	Swedish Annual Accounts Act (AAA): Business model
GRI 2: General disclosure	2-7 Employees	Own workforce	35–36	
3. Governance				
GRI 2: General disclosure	2-12 Role of the highest governance body in overseeing the management of impacts	General information	14	
GRI 2: General disclosure	2-13 Delegation of responsibility for managing impacts	General information, Own workforce, Workers in the value chain, Consumers and end-users	14–15, 34, 39, 42	
GRI 2: General disclosure	2-16 Communication of critical concerns	Business conduct	45–46	Swedish Annual Accounts Act (AAA): Counteracting corruption
4. Strategy, policies and practices				
GRI 2: General disclosure	2-22 Statement on sustainable development strategy	About Stadium, General information	6, 8–9, 10, 16	Swedish Annual Accounts Act (AAA): Business model AAA: Risk
GRI 2: General disclosure	2-23 Policy commitments	General information, Climate change, Water resources and pollution, Resource use and circular economy, Own workforce, Workers in the value chain, Consumers and end-users, Business conduct	14–15, 22, 27, 29, 33, 37, 40, 45	Swedish Annual Accounts Act (AAA): Policy, implementation and results
GRI 2: General disclosure	2-24 Embedding policy commitments	General information, Climate change, Water resources and pollution, Resource use and circular economy, Own workforce, Workers in the value chain, Consumers and end-users, Business conduct	14–15, 22, 27, 29, 33, 37, 40, 45	Swedish Annual Accounts Act (AAA): Policy, implementation and results
GRI 2: General disclosure	2-26 Mechanisms for seeking advice and raising concerns	Own workforce, Workers in the value chain, Consumers and end-users, Business conduct	34, 39, 43, 46	Swedish Annual Accounts Act (AAA): Counteracting corruption
GRI 2: General disclosure	2-28 Membership associations	Activate the World, Support the Earth, Workers in the Value Chain	17	
5. Stakeholder engagement				
GRI 2: General disclosure	2-29 Approach to stakeholder engagement	Our sustainability work, Sustainability Notes	19–20	
GRI 2: General disclosure	2-30 Collective bargaining agreements	Own workforce	34	Swedish Annual Accounts Act (AAA): Social conditions and staff

GRI Standard	Title	Chapter	Page numbers	Deviation or comment
Material aspects				
Material aspects				
GRI 3: Material topics	2 List of material topics	General information	20	
Specific Standard Reports				
GRI 200 Economic standards				
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	Business conduct	46	Swedish Annual Accounts Act (AAA): Counteracting corruption
GRI 300 Environmental standards				
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Climate change	24, 25	Swedish Annual Accounts Act (AAA): Environment
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	Climate change	24, 25	Swedish Annual Accounts Act (AAA): Environment
GRI 305: Emissions 2016	305-3 Other indirect (Scope 3) GHG emissions	Climate change	24, 25	Swedish Annual Accounts Act (AAA): Environment
GRI 305: Emissions 2016	305-5 Reduction of GHG emissions	Climate change	25	Swedish Annual Accounts Act (AAA): Information lacking for GRI 305-3 c. Our partner is working on a quality-assured method of calculating biogenic Scope 3 emissions, which we plan to report when we have the data available.
GRI 308: Supplier environmental assessment 2016	308-1 New suppliers that were screened using environmental criteria	Workers in the value chain	39	Swedish Annual Accounts Act (AAA): Environment
GRI 308: Supplier environmental assessment 2016	308-2 Negative environmental impacts in the supply chain and actions taken	General information, Climate change, Workers in the value chain	19, 20, 22–26, 37–39	Swedish Annual Accounts Act (AAA): Environment
GRI 400 Social standards				
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Own workforce	36	Swedish Annual Accounts Act (AAA): Social conditions and staff
GRI 403: Occupational health and safety 2018	403-1-7 Work environment, occupational health care and safety	Own workforce	33–35	Swedish Annual Accounts Act (AAA): Social conditions and staff
GRI 405: Diversity and equal opportunities 2016	405-1 Diversity of governance bodies and employees	Own workforce	36	Swedish Annual Accounts Act (AAA): Social conditions and staff
GRI 405: Diversity and equal opportunities 2016	405-2 Ratio of basic salary and remuneration of women to men	Own workforce	36	Swedish Annual Accounts Act (AAA): Social conditions and staff
GRI 408: Child labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	Workers in the value chain	38–39	Swedish Annual Accounts Act (AAA): Risk AAA: Respect for human rights
GRI 409: Forced or compulsory labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	Workers in the value chain	38–39	Swedish Annual Accounts Act (AAA): Risk AAA: Respect for human rights
GRI 414: Supplier social assessment 2016	414-1 New suppliers that were screened using social criteria	Workers in the value chain	39	Swedish Annual Accounts Act (AAA): Risk AAA: Respect for human rights
GRI 414: Supplier social assessment 2016	414-2 Negative social impacts in the supply chain and actions taken	Workers in the value chain	37–39	Swedish Annual Accounts Act (AAA): Risk AAA: Respect for human rights

Auditor's statement on the statutory sustainability report

To the Annual General Meeting of Stadium AB
Company Registration Number 556187-3299

Task and allocation of responsibilities

The Board of Directors is responsible for the statutory sustainability report for the financial year 1 September 2023 to 31 August 2024, and for ensuring that it is prepared in accordance with the Swedish Annual Accounts Act.

Objective and scope of the review

The review covers pages 12–49.

Our review has been conducted in accordance with FAR's recommendation RevR 12 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 compared to the focus and scope of an audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that this review provides a sufficient basis for our opinion.

Opinion

A Sustainability Report has been prepared.

Stockholm, 9 December 2024

BDO Mälardalen AB

Niclas Nordström
Authorised Public Accountant

Directors’ report.

Directors' report.

About the business

Stadium AB is headquartered in Norrköping and is the parent company of all the companies within the Stadium Group. The Group is wholly owned by the Eklöf family via the holding company Stadium Holding AB.

The Stadium Group's vision is to activate the world. Through physical stores and e-commerce, the Group sells sports gear and sports fashion with a mission to inspire an active lifestyle.

Stadium is the largest player in the Swedish sports market and one of the market's leading sports gear and sports fashion chains in the Nordic region. The subsidiaries conduct sales in physical stores and via e-commerce in Sweden, Finland and Norway. Selected own brands are also sold via e-commerce in several countries in Europe. The Stadium Group comprises two different concepts: Stadium and Stadium Outlet.

At the end of the financial year, the Group had 200 physical stores and nine e-commerce stores, with 140 physical stores in Sweden, 51 in Finland and nine in Norway. Five of the e-commerce sites were Swedish, three Finnish and one Norwegian.

Stadium also runs one of Sweden's largest sports camps: Stadium Sports Camp. The camp is run as a special limited company (known as an SVB company in Sweden), with an ambition to ensure that all children and young people have the opportunity to experience the joy of playing sports together and to try out new sports. The guiding principles are breadth rather than elite, and living by Stadium's mission to inspire an active lifestyle. Since its inception, Stadium Sports Camp has activated more than 130,000 children and young people, and distributed around SEK 80 million to the partner clubs.

Comments on sales and profit/loss in the Group

The year has been challenging for the Nordic sports and leisure industry. A slowdown and uncertainty in the economy, weaker purchasing power and consumer caution have all had a negative impact on business. The Stadium Group's net sales decreased by 3 percent over the year to SEK 7,261 million (7,509). The negative trend is explained by the tough market conditions, but also by less aggressive price reductions and promotion-driven trade, largely thanks to a more balanced

Development of the Group's business, profit and position

Financial overview, Group	**2023/2024**	**2022/2023**	**2021/2022**	**2020/2021**	**2019/2020**
Sales, MSEK	7,261	7,509	7,101	6,956	6,080
Change from previous year, %	–3.3 %	5.7 %	2.1 %	14.4 %	–1.1 %
Depreciation for the year, MSEK	68	76	67	67	80
Operating profit/loss, MSEK	283	223	488	610	118
Operating margin, %	3.9 %	3.0 %	6.9 %	8.8 %	1.9 %
Profit/loss after financial items, MSEK	283	201	488	606	113
Profit/loss for the year, MSEK	227	164	386	472	82
Cash and cash equivalents, MSEK	357	45	38	489	160
Inventories, SEK million (MSEK)	1,892	2,258	2,236	1,470	1,525
Balance sheet total	2,777	2,945	2,850	2,510	2,086
Equity ratio, %	45.2	43.8	39.2	43.2	29.4
Total no. of stores	209	201	192	191	189
of which physical stores	200	192	183	182	182
Average number of FTE employees	2,033	2,088	1,970	1,870	1,652

Definitions: see note 34

Financial overview, parent company	**2023/2024**	**2022/2023**	**2021/2022**	**2020/2021**	**2019/2020**
Sales, TSEK	615,943	945,192	868,687	632,742	598,751
Change from previous year, %	–34.8 %	8.8 %	37.3 %	5.7 %	–14.8 %
Depreciation for the year, TSEK	11,612	16,521	13,081	10,110	6,785
Operating profit/loss, TSEK	35,946	66,995	134,356	–14,689	–21
Operating margin, %	5.8 %	7.1 %	15.5 %	–2.3 %	0.0 %
Profit/loss after financial items, TSEK	56,189	84,087	135,309	–13,525	3,422
Profit/loss for the year, TSEK	184,603	112,742	366,510	411,661	73,846
Balance sheet total	1,126,198	1,062 834	992,009	1,104,049	843,584
Equity ratio, %	76 %	90 %	87 %	72 %	60 %
Average number of FTE employees	179	179	160	134	110

Definitions: see note 34

stock situation than in the previous year. Sales declined in both Sweden and Finland, but increased in Norway as we continued to expand and open four new stores.

The gross margin strengthened during the year, pushing up gross profit to SEK 3,324 (3,220) million despite lower sales.

Operating expenses amounted to SEK 2,972 (2,921) million. Inflation has driven up cost levels in general, with increases in premises costs and pay making the greatest impact. A major cost focus during the year has reduced the effects.

Depreciation of SEK 68 (76) million related primarily to the depreciation of equipment and store fixtures and fittings, but also depreciation and amortisation of capitalised expenditure and goodwill.

EBITDA for the financial year was SEK 351 (299) million and operating profit after depreciation SEK 283 (223) million. The profit trend for the year was positive thanks to a stronger gross margin. The Group's net financial items amounted to SEK -0.3 (-22.7) million. Stronger liquidity, mainly due to a reduction in stock, contributed to reduced interest expenses. Profit after financial items amounted to SEK 283 (201) million.

Financial position

The cash account amounted to SEK 357 million on 31 August 2024. The equity ratio improved during the year, reaching 45.2 percent. Stadium's total credit facilities totalled SEK 1,018 million on 31 August, including letter of credit, debt recovery and leasing limits, of which SEK 833 million went unutilised.

Personnel

The number of FTE employees during the financial year was 2,033. Healthy attendance remains at a high level.

Significant events during the financial year

The expansion of Stadium Outlet continues, with eight new stores opened during the year, four of which were in Norway, two in Sweden and two in Finland. A store was closed in Sweden because the rent level was too high. The year also saw investments in a number of new stores that opened in autumn 2024.

The latest addition to the Stadium concept is Stadium Rental, which offers the rental of sports products, currently focusing on alpine skiing and snowboarding equipment. There has been a Stadium Rental store in Åre for some time now, and another store opened in Sälen at the end of 2023.

Continued investment was made in the marketplace business during the year in a drive to broaden the range of products available through e-commerce. Agreements were signed with several new partners and marketplace sales showed good growth.

Stadium Sports Camp took place across two weeks in the summer, getting 3,600 children and young people active.

Expected future developments and significant risks and uncertainties

Market conditions remain tough and the forecast turnaround for retail has been delayed. It takes time for interest rate cuts to feed through and impact household purchasing power, which is slowing the recovery. However, there are clear signals of a turnaround in the economy in 2025 and the market forecasts for subsequent years are optimistic. The Stadium Group plans for continued growth in both physical and e-commerce in all markets.

With the focus on the customer experience, as always, the product range, service and functionality are continuously being developed to improve the shopping experience in all sales channels.

In addition to growth, the focus continues to be on boosting the gross margin and cost efficiency. Various investments are being made in Stadium's own brands, optimisation of purchasing processes, production and in digitalisation and efficiencies through better system support. Last year's inflation has pushed up cost levels, not least premises costs. To ensure continued cost efficiency and profitability, the store network and rental contracts are evaluated on an ongoing basis.

In addition to risks and uncertainties related to the economy and consumers' purchasing power, there are also impacts and uncertainties linked to weather, macroeconomic changes and external factors in the production countries. Stadium works continuously to weave these risks into its strategic long-term planning.

Parent company

The parent company, Stadium AB, operates the group-wide functions that in various ways support the concepts and subsidiaries, with services in areas such as logistics, finance, IT, HR and administration.

Net sales amounted to SEK 616 (945) million and profit after financial items to SEK 56 (84) million. The decrease in net sales is mainly explained by a change during the year in the flow of goods to the Stadium stores in Finland. Previously, the goods flowed via Stadium AB, but now they move directly from Stadium Sweden AB, where the central warehouse is located, to Stadium OY.

At the end of the year, the parent company made a distribution in kind of all shares in Stadium Fastigheter AB to Stadium Holding AB.

During the year, a number of companies without operations were also merged into Stadium AB: SneakersPoint AB, Mats Sport AB and New Race Marine AB.

Foreign operations

Stadium Outlet AB has a foreign branch in Finland, which runs retail activities in physical stores and online at stadiumoutlet.fi.

Use of financial instruments

The Group's management of financial risks is centralised in the finance department and is conducted on the basis of a financial policy adopted by the Board of Directors.

A significant proportion of the Group's purchases are made in USD. In order to reduce the effects of future exchange rate movements, the majority of the Group's contracted purchases of goods are hedged on an ongoing basis. The hedged forward rate is used to value goods purchases.

Proposed appropriation of profit

The Board of Directors proposes that non-restricted equity of SEK 534,160,000 be allocated as follows:

Dividend	130,000,000
Carried forward	404,159,945
Total	**534,159,945**

For more on the profit/loss and financial position of the Group and the parent company, please refer to the income statements and balance sheets with accompanying notes in later pages.

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BOARD

ANDERS SVENSSON

Born in 1964

Chair of the Board, elected in 2019

CEO of ICA Sweden 2009–2022 and Vice President of ICA Gruppen. Arla Foods 2002–2009, including Senior Vice President and CEO of Arla Foods Sweden. Procter & Gamble Nordic and UK 1993–2002, including Logistics Director Nordic and Sales Director Sweden. Andersen Consulting 1988–1993.

Other positions: Chair of Svensk Handel, Cibonum Group and Road Mobility Services. Board member of Svenskt Näringsliv, Midsona, Skistar, Nicoya and RE:OCEAN.

ULF EKLÖF

Born in 1952

Deputy Chair of the Board, elected in 1974

Founder of Stadium

Other positions: CEO of Eklöf Invest AB, board member of a number of companies within the Eklöf Invest Group, and board member of a number of companies within the Stadium Group.

BO EKLÖF

Born in 1956

Board member since 1980

Founder of Stadium

Other positions: Board member of a number of companies within the Eklöf Invest Group, and board member of a number of companies within the Stadium Group.

KARL EKLÖF

Born in 1974

Board member since 2003

Chief Executive Officer Stadium Group since 2015, has worked within the Group since 1993. Among other things, he has been involved in launching around 80 stores in several countries, and has held a number of different roles including Store Manager in several stores, Sales Manager, Country Manager in Denmark, and Vice President since 2008.

ANDREA GISLE JOOSEN,

Born in 1964

Board member since 2021

Experience in consumer-related sectors at companies such as Mars, Procter & Gamble, 20th Century Fox, Panasonic and Boxer. Worked as CEO on business turnaround, brand building and organisational development, among other things.

Other positions: Chair of Charge Amps and Bilprovningen. Board member Logent and 888 plc (UK). Member of Swedish Commerce's nomination committee. Coach/mentor for CEOs in Sweden and the UK.

BIRGER LUND

Born in 1949

Board member since 2005

CEO IKANO 2002–2011. CEO of IKEA's retail trade in China 1996–2002, Sweden 1990–1996, UK 1984–1990 and the Netherlands 1980–1984.

Other positions: Board member Solhemmet, Interogo Foundation.

LINDA PALMGREN NYMAN

Born in 1974

Board member since 2018

Background as a business leader in Sweden and the Nordic region, primarily in media, communications and tech. Key figure behind the entry of the influencer phenomenon into the Swedish market. Former CEO, Bauer Media, CEO and Head of Development at the media agency Starcom/Publicis Groupe. Experience in business development, business turnarounds, marketing and communication.

Other positions: Board member Voyd Play, IAB, advisor to Wisory in strategy and leadership.

JESPER FRUELUND SCHMIDT

Born in 1953

Board member since 2014

Ikano AB, MD 2015–2020, Ikano Bank (DK) Director 1996–2015, Finax, Credit Director, various positions in Hafnia in Denmark and the UK, and various positions in Storno/General Electric in the USA, Denmark and Germany.

Other positions: Board member Ikano Re AG Switzerland and Chair of Ikano Insight Ltd UK.

GROUP MANAGEMENT

KARL EKLÖF

Born in 1974

Chief Executive Officer, 2015

Has worked full-time at Stadium since 1993. Among other things, he has been involved in launching around 80 stores in several countries, and has held a number of different roles in the company, including Store Manager in several stores, Sales Manager, Country Manager in Denmark, and Vice President since 2008.

DANIEL LÖFKVIST

Born in 1979

Chief Operating Officer & Vice President, 2021

Has worked at Stadium since 2001. Started as a store salesperson before becoming Store Manager. Has worked in Denmark and with the German market, as a Division Manager, with our special formats, as Sales Manager, as Manager of Sweden and as a General Manager for Stadium Outlet.

SOPHIA HEMSTAD

Born in 1975

Chief Financial Officer, 2017

Joined Stadium in 2017 and previously worked as CFO for a Nordic group in the graphics industry. Former management consultant in Stockholm for several years, with Europe as her workplace and a focus on strategic change and efficiency projects.

DANIEL JOHANSSON

Born in 1978

Chief Supply Chain Officer, 2016

Has worked with logistics at Stadium since 2001, going from managing logistics with paper and pen to automating the entire flow.

MIRANDA NANHED

Born in 1980

Chief Purchasing Officer, 2021

Experience of developing purchasing functions in retail and manufacturing, most recently in the role of Chief Purchasing Officer for an e-retailer in children's fashion. Change management work in strategy, leadership, governance and digitalisation was a core focus of her position as a former management consultant.

FREDRIK PERSSON

Born in 1976

Chief Digital Officer, 2017

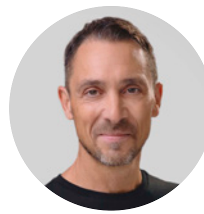
Has worked at Stadium since 1997. Started as a store salesperson before becoming Store Manager. Took up his first role in digital sales in 2007 when Stadium launched its first e-commerce operation.

IDA TÖRNEKE

Born in 1979

Chief Human Resources Officer, 2022

Position with responsibility for the Group's sustainability management. Experience in HR and as HR Manager, including in the logistics sector and most recently in the construction and civil engineering industry. Has worked broadly in all roles, including managerial support, organisational development and strategic talent management.



PINO ROSCIGNO

Born in 1968

Chief Commercial Officer, 2017

Since 2006, he has worked in management roles in the financial industry with a focus on business development, marketing and sales in the Nordic market. Specialist areas: digital transformation, brand development and sustainability communication.

KRISTINA SKOOG RAPPESTAD

Born in 1962

Personal Assistant to CEO, 2004

Worked in the hotel and tourism industry until joining Stadium in 2000. First spent a couple of years with the marketing department's in-house agency and then landed her current role.

Financial statements.

CONSOLIDATED INCOME STATEMENT

Amount in SEK thousands (TSEK)	Note	2023/2024	2022/2023
Net sales	2	7,261,071	7,508,674
Other operating income		33,799	49,553
		7,294,870	**7,558,227**
Operating expenses			
Goods for resale		–3,971,590	–4,338,473
Other external costs	3, 4	–1,606,468	–1,567,268
Personnel costs	3	–1,359,958	–1,351,602
Depreciation, amortisation and write-downs of tangible and intangible assets		–68,209	–75,914
Other operating expenses		–5,358	–1,795
Operating profit/loss		**283,287**	**223,175**
Profit/loss from financial items			
Interest income and similar profit/loss items	5	3,655	2,807
Interest expenses and similar profit/loss items	6	–4,248	–25,458
Profit/loss after financial items		**282,694**	**200,524**
Profit/loss before tax		**282,694**	**200,524**
Tax on profit for the year	8	–55,709	–37,017
Net profit/loss for the year		**226,985**	**163,507**

CONSOLIDATED BALANCE SHEET

Amount in SEK thousands (TSEK)	Note	31 Aug 2024	31 Aug 2023
ASSETS			
Fixed assets			
Intangible assets			
Capitalised expenditure for research and development and similar	9	16,251	27,952
Concessions, patents, licences, trademarks and similar rights	10	–	–
Renting and similar rights	11	–	–
Goodwill	12	727	1 311
		16,978	**29,263**
Tangible assets			
Land and buildings	13	–	56,204
Equipment, tools, fixtures and fittings	14	176,300	163,359
		176,300	**219,563**
Financial assets			
Other securities held as fixed assets	16	146	146
Deferred tax asset	17	4,221	4,180
Other long-term receivables	18	8,232	8,232
		12,599	**12,558**
Total fixed assets		**205,877**	**261,384**
Current assets			
Inventories etc.			
Finished products and goods for resale		1,891,614	2,257,805
		1,891,614	**2,257,805**
Current receivables			
Accounts receivable – trade		29,347	41,689
Receivables from parent company		31,094	59,556
Current tax assets		35,662	32 277
Other receivables		17,162	55,542
Prepaid expenses and accrued income	19	209,421	191,456
		322,686	**380,520**
Cash and bank balances			
Cash and bank balances	30	357,108	45,254
		357,108	**45,254**
Total current assets		**2,571,408**	**2,683,579**
TOTAL ASSETS		**2,777,285**	**2,944,963**

Amount in SEK thousands (TSEK)	Note	31 Aug 2024	31 Aug 2023
EQUITY AND LIABILITIES			
Equity			
Share capital	20	200,000	200,000
Reserves		138,510	165,679
Profit or loss brought forward, including profit/loss for the year		915,527	923,211
Total equity		**1,254,037**	**1,288,890**
Provisions			
Provisions for pensions and similar commitments	24	12,394	11,966
Deferred tax liability	25	18,866	31,891
Other provisions	26	8,096	8,324
		39,356	**52,181**
Current liabilities			
Liabilities to credit institutions	29	38,222	165,404
Accounts payable		924,318	839,958
Liabilities to parent company		–	–
Current tax liability		593	–
Other liabilities		107,462	170,633
Accrued expenses and deferred income	27	413,297	427,897
		1,483,892	**1,603,892**
TOTAL EQUITY AND LIABILITIES		**2,777,285**	**2,944,963**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amount in SEK thousands (TSEK)	Share capital	Other capital contributions	Other equity including profit/loss for the year
Opening capital 1 Sep 2022	200,000	19,100	897,408
Translation difference		2,022	6,853
Profit/loss for the year 2022/2023			163,507
Closing capital 31 Aug 2023	200,000	21,122	1,067,768
Total equity 31 Aug 2023			**1,288,890**
Opening capital 1 Sep 2023	200,000	21,122	1,067,768
Dividends paid	–		–256,795
Translation difference		–909	–4,110
Profit/loss for the year 2023/2024			226,985
Closing capital 31 Aug 2024	200,000	20,213	1,033,848
Total equity 31 Aug 2024			**1,254,061**

CONSOLIDATED CASH FLOW STATEMENT

Amount in SEK thousands (TSEK)	Note	2023/2024	2022/2023
Operating activities			
Profit/loss after financial items	29	282,695	200,524
Adjustment for items not included in cash flow	31	61,591	131,636
		344,286	**332,160**
Income tax paid		–59,194	–59,106
Cash flow from operating activities before changes in working capital		**285,068**	**273,055**
Cash flow from changes in working capital			
Increase (–) / Decrease (+) in inventories		354,675	–62,485
Increase (–) / Decrease (+) in current receivables		53,336	–30,751
Increase (+)/Decrease (–) in current liabilities		36,695	–49,814
Cash flow from operating activities		**729,798**	**130,005**
Investing activities			
Purchase of property, plant and equipment		–65,445	–80,478
Acquisition of intangible assets		–	–259
Acquisition of subsidiaries/businesses, net effect on liquidity		–	–
Acquisition of financial assets		–	–
Cash flow from investing activities		**–65,445**	**–80,737**
Financing activities			
Borrowings		–	730,000
Repayment of borrowings		–3,000	–702,250
Overdraft reduction		–123,112	–70,563
Dividends paid		–225,000	–
Cash flow from financing activities		**–351,112**	**–42,813**
Cash flow for the year		313,241	6,455
Cash and cash equivalents at beginning of year		45,254	38,268
Exchange rate differences in cash and cash equivalents		–1,387	532
Cash and cash equivalents at end of year	30	**357,108**	**45,254**

INCOME STATEMENT – PARENT COMPANY

Amount in SEK thousands (TSEK)	**Note**	**2023/2024**	**2022/2023**
Net sales	2	615,943	945,192
Other operating income		36,452	56,172
		652,395	**1,001,363**
Operating expenses			
Goods for resale		–153,822	–481,627
Other external costs	3, 4	–278,532	–266,920
Personnel costs	3	–172,483	–169,299
Depreciation, amortisation and write-downs of tangible and intangible assets		–11,612	–16,521
Operating profit/loss	32	**35,946**	**66,995**
Profit/loss from financial items			
Interest income and similar profit/loss items	5	22,391	34,180
Interest expenses and similar profit/loss items	6	–2,148	–17,089
Profit/loss after financial items		**56,189**	**84,087**
Appropriations			
Group contributions, received		145,400	34,735
Group contributions, paid		–400	–4,090
Appropriations, other	7	29,548	26,764
Profit/loss before tax		**230,737**	**141,496**
Tax on profit for the year	8	–46,134	–28,754
Net profit/loss for the year		**184,603**	**112,742**

BALANCE SHEET – PARENT COMPANY

Amount in SEK thousands (TSEK)	Note	31 Aug 2024	31 Aug 2023
ASSETS			
Fixed assets			
Intangible assets			
Capitalised expenditure for research and development and similar	9	9,015	14,504
Concessions, patents, licences, trademarks and similar rights	10	–	–
		9,015	**14,504**
Tangible assets			
Equipment, tools, fixtures and fittings	14	17,737	19,516
		17,737	**19,516**
Financial assets			
Participations in Group companies	15, 32	69,952	103,160
Other securities held as fixed assets	16	144	144
Deferred tax asset	17	2,511	2,423
Other long-term receivables	18	8,100	8,100
		80,707	**113,828**
Total fixed assets		**107,459**	**147,847**
Current assets			
Current receivables			
Accounts receivable – trade		3,743	743
Receivables from Group companies		955,462	841,039
Current tax assets		13,930	13,968
Other receivables		28,511	38,647
Prepaid expenses and accrued income	19	22,522	20,382
		1,024,169	**914,779**
Cash and bank balances			
Cash and bank balances	30	**0**	**208**
		0	**208**
Total current assets		**1,024,169**	**914,987**
TOTAL ASSETS		**1,131,628**	**1,062,834**

Amount in SEK thousands (TSEK)	Note	31 Aug 2024	31 Aug 2023
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	20	200,000	200,000
Statutory reserve		62,000	62,000
Reserve for capitalised development expenditure		9,015	14,504
		271,015	**276,504**
Non-restricted equity			
Profit or loss brought forward	21	349,557	487,040
Profit for the year		184,603	112,742
		534,160	599,782
Total equity		**805,175**	**876,287**
Untaxed reserves			
Accumulated excess depreciation	22	10,717	9,339
Tax allocation reserves	23	57,457	88,383
		68,174	**97,722**
Provisions			
Provisions for pensions and similar commitments	24	12,190	11,765
		12,190	**11,765**
Current liabilities			
Liabilities to credit institutions	29	25,004	27,750
Accounts payable		17,228	11,371
Liabilities to Group companies		170,081	5,489
Other liabilities		3,048	3,246
Accrued expenses and deferred income	27	30,728	29,205
		246,089	**77,061**
TOTAL EQUITY AND LIABILITIES		**1,131,628**	**1,062,834**

STATEMENT OF CHANGES IN EQUITY – PARENT COMPANY

Amount in SEK thousands (TSEK)	Share capital	Statutory reserve	Reserve for capitalised development expenditure	Non-restricted equity
Opening capital 1 Sep 2022	200,000	62,000	24,169	477,375
Transfer to reserve for capitalised development expenditure			–9,665	9,665
Profit/loss for the year 2022/2023				112,742
Closing capital 31 Aug 2023	200,000	62,000	14,504	599,782
Total equity 31 Aug 2023				**876,286**
Opening capital 1 Sep 2023	200,000	62,000	14,504	599,782
Dividend				–255,714
Transfer to reserve for capitalised development expenditure			–5,489	5,489
Profit/loss for the year 2023/2024				184,603
Closing capital 31 Aug 2024	200,000	62,000	9,015	534,160
Total equity 31 Aug 2024			**271,015**	**805,175**

CASH FLOW STATEMENT – PARENT COMPANY

Amount in SEK thousands (TSEK)	Note	2023/2024	2022/2023
Operating activities			
Profit/loss after financial items	29	56,189	84,087
Adjustment for items not included in cash flow	31	18,656	6,883
		74,845	**90,970**
Income tax paid		–46,659	–42,420
Cash flow from operating activities before changes in working capital		**28,186**	**48,550**
Cash flow from changes in working capital			
Increase (–) / Decrease (+) in current receivables		109,665	–249,689
Increase (+)/Decrease (–) in current liabilities		–50,771	150,481
Cash flow from operating activities		**87,080**	**–50,657**
Investing activities			
Purchase of property, plant and equipment		–4,334	–7,530
Acquisition of intangible assets		–	–
Disposal of financial assets		–	–
Acquisition of subsidiaries			–
Cash flow from investing activities		**–4,334**	**–7,530**
Financing activities			
Group contributions received		145,400	34,735
Group contribution paid		–400	–4,090
Borrowings		46	730,000
Repayment of borrowings		–3,000	–702,250
Dividends paid		–225,000	–
Cash flow from financing activities		**–83,000**	**58,395**
Cash flow for the year		–208	208
Cash and cash equivalents at beginning of year		208	–
Cash and cash equivalents at end of year		**0**	**208**

NOTES

Amount in TSEK unless otherwise stated

NOTE 1 ACCOUNTING POLICIES

The annual report has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Accounting Standards Board's general advice BFNAR 2012:1 Annual Report and Consolidated Financial Statements (K3).

Estimates and judgements

According to the Board of Directors, the following judgements have an effect on the amounts reported in the annual report:

Stadium offers its customers a 365-day return policy. Reserves for returns are made in the accounts and the reserve is based on statistics that measure the value of returns in relation to total sales in e-commerce.

Inventories are recognised at the lower of either cost or net realisable value. Net realisable value refers to valuation at the sales price less estimated sales costs. The obsolescence reserve therefore entails an element of judgement.

Financial instruments

Classification and measurement

Financial instruments are measured at cost.

Financial assets and liabilities are recognised when the company becomes a party to the contractual terms of the financial instrument. Financial assets are removed from the balance sheet when the contractual right to the cash flow from the asset ceases or is regulated, or when the risks and benefits associated with the asset are transferred to another party. Financial liabilities are removed from the balance sheet when the contractual commitment is fulfilled or expires.

Trade receivables are measured at cost less anticipated losses. Trade payables and other non-interest-bearing liabilities are measured at nominal amounts.

Financial assets and non-current financial liabilities, as well as interest-bearing current receivables and liabilities, are measured at amortised cost, which is normally the same as the fair value (transaction value) at the time of acquisition plus directly attributable transaction expenses such as brokerage, both on initial recognition and in subsequent measurement.

Derivative instruments

Long-term derivative instruments with a positive value are valued according to the lowest value principle. Long-term and short-term derivative instruments with a negative value are measured at the amount that is most advantageous for the company if the commitment is settled or transferred on the balance sheet date.

Intangible assets

Acquired intangible assets are reported at cost less accumulated amortisation and write-downs.

All expenses incurred during the research phase are expensed when they arise. All expenses incurred during the development phase are capitalised when the following conditions are met: the company intends to complete the intangible asset and to use or sell it and the company is in a position to use or sell the asset; it is technically feasible for the company to complete the intangible asset so that it can be used or sold and there are adequate technical, financial and other resources to complete the development and to use or sell the asset; it is probable that the intangible asset will generate future economic benefits and the enterprise can reliably calculate the expenses attributable to the asset during its development.

Amortisation

Amortisation takes place on a straight-line basis over the asset's estimated useful life. Amortisation is recognised as an expense in the income statement.

Additional expenditure

Additional expenditure for an intangible asset is added to the cost only if it increases the future economic benefits that exceed the original judgement and the expenditure can be calculated reliably. All other expenditure is expensed when incurred.

Acquired intangible assets

Brands	5 years
Software	5 years
Renting	5–15 years

Renting is depreciated over the term of the contract.

Tangible assets

Tangible assets are reported at cost less accumulated depreciation and write-downs.

Additional expenditure

Additional expenditure that meets the asset criterion are included in the asset's carrying amount. Expenditure for ongoing maintenance and repairs is recognised as a cost when it arises.

Depreciation

Depreciation takes place on a straight-line basis over the asset's estimated useful life as it reflects the expected consumption of the asset's future economic benefits. Depreciation is recognised as an expense in the income statement.

	Useful life
Equipment, tools, fixtures and fittings	5–15 years
Buildings	
- Carcass	40–60 years
- Foundation slab	40–60 years
- Roof	10–30 years
- Installations	10 years
- Surface layers	3–10 years
- Land installations	20 years

Leasing

In the Group, assets leased through a financial lease agreement are recognised as a tangible asset, while future lease payments are recognised as liabilities. On initial recognition, the asset and liability are recognised at the present value of future minimum lease payments and any residual value. In calculating the present value of the minimum lease payments, the imputed interest rate of the agreement is used. Operating leases are recognised as an expense on a straight-line basis over the lease term.

The Group's leasing agreements for company cars are classified as financial leasing in the Group.
The parent company recognises all leases, both financial and operational, as operating leases.

Foreign currency

Items in foreign currency

Monetary items in foreign currencies are translated at the exchange rate on the balance sheet date.
Exchange differences arising from the adjustment or translation of monetary items are recognised in the income statement in the financial year in which they arise.

Translation of foreign operations

Assets and liabilities are translated into the reporting currency at the closing rate. Revenues and expenses are translated at the spot rate on each day for the business transactions unless a rate that represents an approximation of the actual rate is used (for example average rate). Exchange rate differences arising from translation are recognised directly in equity.

Derivatives and hedge accounting

Derivative instruments that constitute financial assets and for which hedge accounting has not been applied (see below) are measured after initial recognition at the lower of either cost or net realisable value on the balance sheet date. There were no such derivative instruments on the balance sheet date.
Hedge accounting is only applied when there is an economic relationship between the hedging instrument and the hedged item that is in line with the company's risk management objectives. In addition, the hedging relationship is expected to be highly effective during the period for which the hedging has been identified, and the hedging relationship and the company's risk management objectives and risk management strategy for the hedging are to be documented no later than when the hedging is entered into.

(i) Hedging of receivables and liabilities in foreign currency

When hedging receivables and liabilities in foreign currencies with currency forwards, the underlying receivable or liability is valued at the forward rate.

(ii) Hedging of firm commitments and forecast transactions in foreign currency

The result of hedging firm commitments and highly probable forecast transactions in foreign currency is reported at the same time as the hedged transaction affects the income statement. When hedging purchases of goods or tangible assets in foreign currencies, the accumulated change in value attributable to the hedging instrument is included in the cost of the inventories or tangible asset.

Branches abroad

The balance sheet for the company's foreign branches is translated at the exchange rate on the balance sheet date. The branches' income statements are converted to the average exchange rate for the financial year. Translation differences for previous years' profits are recognised in the income statement.

Cash equivalents

Cash equivalents comprise cash, immediately available bank balances and other money market instruments with an original maturity of less than three months. These items are generally measured at amortised cost.

Inventories

Inventories are recognised at the lower of either cost or net realisable value. The risk of obsolescence is taken into account. The acquisition value is calculated according to the first-in-first-out principle, or weighted average prices. In addition to expenses for purchases, the acquisition value also includes expenses for getting the goods to their current location and condition.
Net realisable value refers to valuation at the sales price less estimated sales costs. The obsolescence reserve therefore entails an element of judgement.
The useful life of the stock in the rental business has been estimated at 3 years, whereby the rental stock is written down over 3 years by 1/3 per year. Any residual value after 3 years is assessed and taken into account on the balance sheet date.

Employee benefits

Compensation to employees in the form of salaries, bonuses, paid holiday, paid sick leave, etc., and pensions are recognised as and when they earned. With regard to pensions and other post-employment benefits, these are classified as defined contribution or defined benefit pension plans. There are no other long-term employee benefits.

Pensions

Post-employment benefits plans are classified as either defined contribution or defined benefit.
In the case of defined contribution plans, fixed contributions are paid to another company, normally an insurance company, and Stadium no longer has any legal or informal commitment to the employee once the contribution has been paid. The size of the employee's post-employment benefits depends on the contributions that have been paid and the return on capital that the contributions provide.
Other plans are classified as defined benefit plans. In the case of defined benefit plans, the company has a commitment to provide the agreed benefits to current and former employees.
The Group has both defined contribution and defined benefit pension plans.

Defined contribution plans

Fees for defined contribution plans are recognised as an expense during the period in which the employees perform the services on which the obligation is based. Unpaid fees are recognised as liabilities.

Defined benefit plans

The company has chosen to apply the simplification rules in BFNAR 2012:1.
Defined benefit plans for which pension premiums are paid are recognised as defined contribution plans, which means that the contributions are recognised as expenses in the income statement.
In cases where the pension commitments are solely dependent on the value of an asset owned, the pension commitment is recognised as a provision corresponding to the asset's carrying amount.
The pension provisions of the Group and the parent company are not secured under the Swedish Pensions Protection Act. They relate to company-owned endowment insurance policies taken out in favour of direct pensions.

Tax

Tax on profit for the year in the income statement consists of current tax and deferred tax. Current tax is income tax for the current financial year that relates to the taxable profit for the year and the part of the previous financial year's income tax that has not yet been recognised. Deferred tax is income tax on taxable profit for future financial years as a result of previous transactions or events.
The measurement is based on how the carrying amount of the corresponding asset or liability is expected to be adjusted. The amounts are based on the tax rates and tax rules adopted before the balance sheet date and have not been calculated at present value.

Note 1 – Accounting policies, cont.

Deferred tax assets have been measured at a maximum of the amount that is likely to be recovered based on current and future taxable profits. The valuation is reviewed on each balance sheet date.

In the consolidated balance sheet, untaxed reserves are divided into deferred tax and equity.

Provisions

A provision is recognised in the balance sheet when the company has a legal or informal commitment as a result of an event that has occurred, where it is probable that an outflow of resources is required to settle the commitment and a reliable estimate of the amount can be made.

On initial recognition, provisions are measured at the best estimate of the amount that will be required to settle the commitment on the balance sheet date. Provisions are reviewed on each balance sheet date.

Contingent liabilities

A contingent liability is recognised in the note when there is:

- A possible commitment arising from events that have occurred and the existence of which will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company, or
- An existing commitment as a result of events that have occurred, but which is not recognised as a liability or provision because it is not probable that an outflow of resources will be required to settle the commitment, or the size of the commitment cannot be calculated with sufficient reliability.

Income

The inflow of financial benefits that the company has received or will receive for its own account is recognised as income. Income is measured at fair value of what has been received or will be received, less discounts and expected returns.

In the case of sale of goods, revenue is recognised upon delivery.

Consolidated financial statements

The consolidated financial statements are prepared in accordance with the acquisition method. The consolidated financial statements cover the parent company and its subsidiaries. Subsidiaries are companies in which the parent company has a controlling influence, either directly or indirectly. Normally, this refers to a company in which the parent company holds more than 50 percent of the votes. Subsidiaries are included in the consolidated financial statements from the date on which the Group acquires controlling influence until the date on which this is no longer the case. The accounting policies of the subsidiaries are generally consistent with the Group's accounting policies.

In the consolidated financial statements, the Group companies' appropriations are eliminated and included in the reported profit after deferred tax. This means that the untaxed reserves of the Group companies in the consolidated balance sheet are divided between deferred tax liability and equity.

Parent company accounting policies

The parent company's accounting policies are in accordance with the above-mentioned accounting policies in the consolidated financial statements, except in the following cases.

Group contributions

Group contributions received/paid are recognised as an appropriation in the income statement. The Group contribution received/paid has affected the company's current tax.

NOTE 2 NET SALES BY GEOGRAPHIC MARKET

Group	2023/2024	2022/2023
Net sales by geographic market		
Sweden	5,447,893	5,622,398
Finland	1,646,411	1,794,466
Norway	165,005	91,060
Austria	26	20
Belgium	31	41
Denmark	75	519
France	–	1
Netherlands	50	54
Poland	6	0
Germany	1,574	116
Total	**7,261,071**	**7,508,674**

Parent company	2023/2024	2022/2023
Net sales by geographic market		
Sweden	341,641	350,065
Finland	265,995	590,988
Norway	8,307	4,138
Total	**615,943**	**945,192**

NOTE 3 EMPLOYEES, PERSONNEL COSTS AND FEES TO THE BOARD OF DIRECTORS AND AUDITORS

Average number of employees

	2023/2024	Of which male	2022/2023	Of which male
Parent company				
Sweden	171	44 %	179	41 %
Total in parent company	**171**	**44 %**	**179**	**41 %**
Subsidiaries				
Sweden	1,384	44 %	1 446	37 %
Finland	440	35 %	436	36 %
Norway	35	42 %	25	40 %
Hong Kong	3	33 %	3	33 %
Total in subsidiaries	**1,862**	**41 %**	**1,909**	**37 %**
Total Group	**2,033**	**41 %**	**2 088**	**37 %**

Reporting of gender distribution in company management

	31 Aug 2024 Proportion of women	31 Aug 2023 Proportion of women
Parent company		
Board	25 %	25 %
Other senior executives	44 %	44 %
Total Group		
Board	25 %	25 %
Other senior executives	44 %	44 %
Store managers	57 %	58 %

Salaries and other benefits and social security costs, including pension costs

	2023/2024		2022/2023	
	Wages, salaries and other remuneration	Social security costs	Wages, salaries and other remuneration	Social security costs
Parent company	111,792	51,636	107,382	54,274
(of which pension costs)[1]		*(15,766)*		*(15,214)*
Subsidiaries	924,500	285,307	890,279	278,151
(of which pension costs)		*(84,682)*		*(84,961)*
Total Group	**1,036,292**	**336,944**	**997,661**	**332,425**
(of which pension costs)[2]		***(100,448)***		***(100,176)***

1 Of the parent company's pension costs, 557 (previous year: 511) relates to 1 (1) person in the company's senior management. The company's outstanding pension commitments to this person amounts to 8,100 (previous year: 8,100).

2 Of the Group's pension costs, 557 (previous year: 511) relates to 1 (1) person in the company's senior management. The Group's outstanding pension commitments to this person amount to 8,232 (previous year: 8,232).

Wages, salaries and other remuneration distributed between board members, etc. and other employees

	2023/2024		2022/2023	
	Board of Directors and CEO	Other employees	Board of Directors and CEO	Other employees
Parent company	6,692	105,100	6,604	100,778
(of which bonuses etc.)	*(–)*	*(–)*	*(–)*	*(–)*
Subsidiaries	–	924,500	–	890,279
(of which bonuses etc.)	*(–)*	*(6,606)*	*(–)*	*(3,200)*
Total Group	**6,692**	**1,029,600**	**6,604**	**991,057**
(of which bonuses etc.)	***(–)***	***(6,606)***	***(–)***	***(3,200)***

Severance pay

The employment contract with the CEO runs with a notice period of 12 months on the company's part. During the notice period, basic salary and other benefits are paid.

Auditor's fees and expenses

Group	**2023/2024**	**2022/2023**
BDO Mälardalen AB		
Audit assignment	1,587	1,564
Auditing activities in addition to the audit assignment	10	116
Tax advice	115	47
Other assignments	198	190
Total	**1,910**	**1,916**

Parent company	**2023/2024**	**2022/2023**
BDO Mälardalen AB		
Audit assignment	360	336
Auditing activities in addition to the audit assignment	10	–
Other assignments	54	–
Tax advice	–	47
Total	**425**	**383**

NOTE 4 OPERATIONAL LEASING

Group	**31 Aug 2024**	**31 Aug 2023**
Within one year	592,287	477,349
Between one and five years	1,143,997	872,579
More than five years	43,458	32,663
Total	**1,779,742**	**1 382 590**

	2023/2024	**2022/2023**
Expensed leasing charges for the financial year	662,120	607,945

The costs mainly relate to leasing costs for shop premises.

Parent company	**31 Aug 2024**	**31 Aug 2023**
Future minimum lease payments for non-terminable operating leases		
Within one year	20,922	19,636
Between one and five years	67,150	44,926
More than five years	18,046	–
Total	**106,118**	**64,562**

	2023/2024	**2022/2023**
Expensed leasing charges for the financial year	23,184	20,955

The costs mainly relate to leasing costs for office premises and cars.

NOTE 5 INTEREST INCOME AND SIMILAR INCOME ITEMS

Group	2023/2024	2022/2023
Interest income, other	3,655	2,469
Deferred forward premium	–	–
Miscellaneous	–	338
Total	**3,655**	**2,807**

Parent company	2023/2024	2022/2023
Interest income, Group companies	22,107	34,052
Interest income, other	284	128
Miscellaneous	0	0
Total	**22,391**	**34,180**

NOTE 6 INTEREST EXPENSES AND SIMILAR INCOME ITEMS

Group	2023/2024	2022/2023
Interest expenses, other	–3,181	–21,786
Deferred forward premium	–	–2,808
Miscellaneous	–1,067	–864
Total	**–4,248**	**–25,458**

Parent company	2023/2024	2022/2023
Interest expenses, Group companies	–7	–
Interest expenses, other	–2,141	–17,089
Miscellaneous	0	0
Total	**–2,148**	**–17,089**

NOTE 7 APPROPRIATIONS, OTHER

	2023/2024	2022/2023
Difference between taxable and recognised depreciation		
– Capitalised expenditure and similar rights	–	3,733
– Equipment, tools, fixtures and fittings	–1,378	–555
Tax allocation reserve, reversal for the year	30,926	23,586
Total	**29,548**	**26,764**

NOTE 8 TAX ON PROFIT FOR THE YEAR

Group	2023/2024	2022/2023
Current tax	–61,089	–44,939
Deferred tax	5,380	7,921
Total	**–55,709**	**–37,017**

Parent company	2023/2024	2022/2023
Current tax	–46,221	–28,865
Deferred tax	88	111
Total	**–46,134**	**–28,754**

Reconciliation of effective tax

	2023/2024		2022/2023	
Group	**Percent**	**Amount**	**Percent**	**Amount**
Profit/loss before tax		282,694		200,524
Tax according to the current tax rate for the parent company	20.6 %	–58,235	20.6 %	–41,308
Effect of other tax rates for foreign subsidiaries	–0.1 %	180	–0.1 %	206
Other non-deductible costs	0.4 %	–1,121	1.6 %	–3,143
Non-taxable income	–0.1 %	303	–0.1 %	165
Tax effect, standard income, allocation reserve	0.3 %	–859	0.4 %	–739
Increase in loss carry-forward without corresponding capitalisation of deferred tax	0.0 %	0	–0.1 %	103
Tax attributable to previous years	–0.3 %	958	–2.4 %	4,883
Change in deferred tax	0.0 %	–75	–0.3 %	540
Miscellaneous	–1.1 %	3,140	–1.1 %	2,278
Recognised effective tax	**19.7 %**	**–55,709**	**18.5 %**	**–37,017**

	2023/2024		2022/2023	
Parent company	**Percent**	**Amount**	**Percent**	**Amount**
Profit/loss before tax		230,737		141,496
Tax according to the current tax rate for the parent company	20.6 %	–47,532	20.6 %	–29,148
Non-deductible costs	0.3 %	–589	0.6 %	–871
Non-taxable income	0.0 %	58	0.0 %	27
Tax effect, standard income, allocation reserve	0.4 %	–859	0.5 %	–739
Tax attributable to previous years	0.0 %	88	0.2 %	–265
Change in deferred tax	–0.1 %	316	–0.1 %	111
Miscellaneous	–1.0 %	2,385	–1.5 %	2,132
Recognised effective tax	**20.0 %**	**–46,134**	**20.3 %**	**–28,754**

NOTE 9 CAPITALISED EXPENDITURE FOR RESEARCH AND DEVELOPMENT AND SIMILAR

Group	31 Aug 2024	31 Aug 2023
Accumulated acquisition costs		
Start of the year	74,199	85,462
Acquisitions for the year	–	259
Divestments and disposals	–4,366	–12,100
Exchange rate differences for the year	–254	578
End of the year	**69,579**	**74,199**
Accumulated depreciation		
Start of the year	–44,193	–42,106
Reversed depreciation on divestments and disposals	2,715	12,100
Reclassifications	–	1
Depreciation for the year	–12,005	–13,919
Exchange rate differences for the year	154	–269
End of the year	**–53,328**	**–44,193**
Accumulated write-downs		
Start of the year	–2,054	–
Reversed write-downs on divestments and disposals	2,054	–
Write-downs for the year	–	–2,054
End of the year	**–**	**–2,054**
Carrying amount at end of year	**16,251**	**27,952**

Parent company	31 Aug 2024	31 Aug 2023
Accumulated acquisition costs		
Start of the year	32,013	44,113
Acquisitions for the year	–	–
Divestments and disposals	–4,366	–12,100
End of the year	**27,648**	**32,013**
Accumulated depreciation		
Start of the year	–15,456	–19,944
Reversed depreciation on divestments and disposals	2,715	12,100
Depreciation for the year	–5,892	–7,611
End of the year	**–18,633**	**–15,456**
Accumulated write-downs		
Write-downs for the year	–	–2,054
End of the year	**–**	**–2,054**
Carrying amount at end of year	**9,015**	**14,504**

NOTE 10 CONCESSIONS, PATENTS, LICENCES, TRADEMARKS AND SIMILAR RIGHTS

Group	31 Aug 2024	31 Aug 2023
Accumulated acquisition costs		
Start of the year	5,238	5,238
End of the year	**5,238**	**5,238**
Accumulated depreciation		
Start of the year	–5,238	–4,848
Depreciation for the year	–	–390
End of the year	**–5,238**	**–5,238**
Carrying amount at end of year	**–**	**–**

Parent company	31 Aug 2024	31 Aug 2023
Accumulated acquisition costs		
Start of the year	5,238	5,238
End of the year	**5,238**	**5,238**
Accumulated depreciation		
Start of the year	–5,238	–4,848
Depreciation for the year	–	–390
End of the year	**–5,238**	**–5,238**
Carrying amount at end of year	**–**	**–**

NOTE 11 RENTING AND SIMILAR RIGHTS

Group	31 Aug 2024	31 Aug 2023
Accumulated acquisition costs		
Start of the year	–	16,000
Divestments and disposals	–	–16,000
End of the year	**–**	**–**
Accumulated depreciation		
Start of the year	–	–15,859
Divestments and disposals	–	16,000
Depreciation for the year	–	–141
End of the year	**–**	**–**
Carrying amount at end of year	**–**	**–**

NOTE 12 GOODWILL

Group	31 Aug 2024	31 Aug 2023
Accumulated acquisition costs		
Start of the year	2,913	2,913
End of the year	**2,913**	**2,913**
Accumulated amortisation		
Start of the year	–1,601	–1,019
Depreciation for the year	–584	–582
End of the year	**–2,185**	**–1,601**
Carrying amount at end of year	**727**	**1, 311**

NOTE 13 BUILDINGS AND LAND

Group	31 Aug 2024	31 Aug 2023
Accumulated acquisition costs		
Business combinations	60,238	60,238
Divestments and disposals	–60,238	–
End of the year	**–**	**60,238**
Accumulated depreciation		
Start of the year	–4,034	–1,729
Reversed depreciation on divestments and disposals	4,034	–
Depreciation for the year	–	–2,305
End of the year	**–**	**–4 034**
Carrying amount at end of year	**–**	**56 204**

NOTE 14 EQUIPMENT, TOOLS, FIXTURES AND FITTINGS

Group	31 Aug 2024	31 Aug 2023
Accumulated acquisition costs		
Start of the year	1,212,142	1,137,144
New acquisitions	72,422	93,180
Divestments and disposals	–27,550	–45,644
Exchange rate differences for the year	–14,029	27,462
Total	**1,242,985**	**1,212,142**
Accumulated depreciation		
Start of the year	–1,043,457	–1,006,283
Reversed depreciation on divestments and disposals	22,722	39,132
Reclassifications	–	–55
Depreciation for the year	–52,315	–51,198
Exchange rate differences for the year	11,691	–25,053
Total	**–1,061,359**	**–1,043,457**
Accumulated write-downs		
Start of the year	–5,326	–
Write-downs reversed during the year	–	–
Write-downs for the year	–	–5,326
Total	**–5,326**	**–5,326**
Carrying amount at end of year	**176,300**	**163,359**

Parent company	31 Aug 2024	31 Aug 2023
Accumulated acquisition costs		
Start of the year	47,527	41,146
New acquisitions	4,334	7,530
Divestments and disposals	–1,677	–1,149
Total	**50,184**	**47,527**
Accumulated depreciation		
Start of the year	–28,012	–22,927
Reversed depreciation on divestments and disposals	1,695	1,149
Depreciation of acquisition costs for the year	–6,130	–6,234
Total	**–32,447**	**–28,012**
Carrying amount at end of year	**17,737**	**19,516**

Note 14 – Equipment, tools, fixtures and fittings, cont.

Leasing

Group	**31 Aug 2024**	**31 Aug 2023**
Fixtures and fittings held under financial leases are included at a carrying amount of	12,273	14,542

The present value of future payments relating to financial leasing liabilities is reported under other current and non-current liabilities in the Group.

The financial leasing agreements relate in their entirety to company cars.

NOTE 15 HOLDINGS IN GROUP COMPANIES

	31 Aug 2024	**31 Aug 2023**
Accumulated acquisition costs		
Start of the year	143,667	143,667
Acquisitions	–	–
Total	**143,667**	**143,667**
Accumulated write-downs		
Start of the year	–40,508	–40,508
Divestments	–33,207	–
Write-downs for the year	–	–
Total	**–73,715**	**–40,508**
Carrying amount at end of year	**69,952**	**103,160**

Specification of parent company and Group holdings in Group companies

			31 Aug 2024	**31 Aug 2023**
Subsidiary/Corporate ID no./Registered office	**No. of holdings**	**Holdings in %[1]**	**Carrying amount**	**Carrying amount**
Stadium Sweden AB, 556236-4397, Norrköping	50,000	100.0	57,360	57,360
Stadium Oy, 1515574-2, Helsinki				
Stadium Outlet Norge A/S, 971173076, Oslo				
Stadium Deutschland GmbH, HRB57867, Hamburg				
Stadium Rental AB, 556973-7512, Norrköping				
Stadium (HK) Limited, 1658390, Hong Kong	1	100.0	0	0
Stadium Outlet AB, 556249-1216, Norrköping	100	100.0	10,933	10,933
Stadium Solutions AB, 556531-8390, Norrköping	1,000	100.0	100	100
Sneakers Point AB, 556353-1416, Norrköping[2]	1,000	100.0	–	–
Stadium Ski AB, 556425-2053, Norrköping	10,000	100.0	1,200	1,200
Mats Sport AB, 556425-1287, Norrköping[2]	10,000	100.0	–	1,200
New Race Marin AB, 556221-1770, Norrköping[2]	5,000	100.0	–	214
Stadium Sports Camp AB (svb), 556521-6834, Norrköping	1,000	100.0	358	358
Stadium Fastigheter AB, 559343-8731, Norrköping[2]	500	100.0	–	31,795
			69,952	**103,160**

1 Refers to the participating interest, which also corresponds to the proportion of votes for the total number of shares.

2 Sneakers Point AB, Mats Sport AB and New Race Marine AB were merged into Stadium AB during the year. The parent company made a distribution in kind of all shares in Stadium Fastigheter AB to Stadium Holding AB.

Profit/loss of subsidiaries

	2023/2024		**2022/2023**	
Subsidiary/Corporate ID no./Registered office	**Net profit/ loss for the year**	**Currency**	**Net profit/ loss for the year**	**Currency**
Stadium Sweden AB, 556236-4397, Norrköping	36,290	SEK	43,570	SEK
Stadium Oy, 1515574-2, Helsinki	2,474	EUR	3,137	EUR
The Stadium Norge A/S, 971173076, Oslo	2,215	NOK	1,515	NOK
Stadium Deutschland GmbH, HRB57867, Hamburg	–	EUR	–	EUR
Stadium Rental AB, 556973-7512, Norrköping	57	SEK	291	SEK
Stadium (HK) Limited, 1658390, Hong Kong	163	HKD	149	HKD
Stadium Outlet AB, 556249-1216, Norrköping	31,956	SEK	26,313	SEK
Stadium Solutions AB, 556531-8390, Norrköping	40	SEK	42	SEK
Sneakers Point AB, 556353-1416, Norrköping	–	SEK	511	SEK
Stadium Ski AB, 556425-2053, Norrköping	56	SEK	39	SEK
Mats Sport AB, 556425-1287, Norrköping	–	SEK	–	SEK
New Race Marin AB, 556221-1770, Norrköping	–	SEK	–	SEK
Stadium Sports Camp AB (svb), 556521-6834, Norrköping	431	SEK	–1	SEK
Stadium Fastigheter AB, 559343-8731, Norrköping	–	SEK	–392	SEK

Note 15 – Holdings in Group companies, cont.

Equity of subsidiaries

	31 Aug 2024		31 Aug 2023	
Subsidiary/Corporate ID no./Registered office	**Equity**	**Currency**	**Equity**	**Currency**
Stadium Sweden AB, 556236-4397, Norrköping	245,628	SEK	209,338	SEK
Stadium Oy, 1515574-2, Helsinki	5,865	EUR	6,591	EUR
The Stadium Norge A/S, 971173076, Oslo	5,947	NOK	3,731	NOK
Stadium Deutschland GmbH, HRB57867, Hamburg		EUR	–	EUR
Stadium Rental AB, 556973-7512, Norrköping	991	SEK	934	SEK
Stadium (HK) Limited, 1658390, Hong Kong	2,664	HKD	2,501	HKD
Stadium Outlet AB, 556249-1216, Norrköping	152,103	SEK	121,971	SEK
Stadium Solutions AB, 556531-8390, Norrköping	204	SEK	164	SEK
Sneakers Point AB, 556353-1416, Norrköping	–	SEK	660	SEK
Stadium Ski AB, 556425-2053, Norrköping	1,290	SEK	1,234	SEK
Mats Sport AB, 556425-1287, Norrköping	–	SEK	1,200	SEK
New Race Marin AB, 556221-1770, Norrköping	–	SEK	633	SEK
Stadium Sports Camp AB (svb), 556521-6834, Norrköping	586	SEK	155	SEK
Stadium Fastigheter AB, 559343-8731, Norrköping	–	SEK	1,133	SEK

NOTE 16 OTHER INVESTMENTS HELD AS FIXED ASSETS

Group	**31 Aug 2024**	**31 Aug 2023**
Accumulated acquisition costs		
Start of the year	146	146
Carrying amount at end of year	**146**	**146**

Parent company	**31 Aug 2024**	**31 Aug 2023**
Accumulated acquisition costs		
Start of the year	144	144
Carrying amount at end of year	**144**	**144**

NOTE 17 DEFERRED TAX

Group	**31 Aug 2024**	**31 Aug 2023**
Opening balance	4,180	4,098
Additional tax assets	88	147
Reversed tax assets	–47	–65
Closing balance	**4,221**	**4,180**

Parent company	**31 Aug 2024**	**31 Aug 2023**
Opening balance	2,423	2,313
Additional tax assets	88	111
Closing balance	**2,511**	**2,423**

NOTE 18 OTHER LONG-TERM RECEIVABLES

Group	**31 Aug 2024**	**31 Aug 2023**
Accumulated acquisition costs		
Start of the year	8,232	8,232
Additional receivables	–	–
Regulated receivables	–	–
Carrying amount at end of year	**8,232**	**8,232**

Parent company	**31 Aug 2024**	**31 Aug 2023**
Accumulated acquisition costs		
Start of the year	8,100	8,100
Additional receivables	–	–
Carrying amount at end of year	**8,100**	**8,100**

NOTE 19 PREPAID EXPENSES AND ACCRUED INCOME

Group	31 Aug 2024	31 Aug 2023
Prepaid rents	131,438	126,740
Prepaid lease payments	1,166	1,419
Prepaid insurance premiums	3,106	2,076
Prepaid marketing and sponsorship	23,246	3,802
IT-related items	15,695	11,900
Interest income accrued	2,464	4,307
Personnel-related items	4,242	3,384
Accrued income	18,831	15,356
Other items	9,234	22,472
Carrying amount at end of year	**209,421**	**191,456**

Parent company	31 Aug 2024	31 Aug 2023
Prepaid rents	3,615	3,956
Prepaid lease payments	258	226
Prepaid insurance premiums	71	44
Personnel-related items	3,089	2,898
IT-related costs	12,476	9,134
Interest income accrued	–	1,500
Prepaid marketing and sponsorship	158	507
Other items	2,855	2,116
Carrying amount at end of year	**22,522**	**20,382**

NOTE 20 SHARE CAPITAL

The share capital consists of 1,732,000 shares with a quota value corresponding to SEK 115.47 each.

NOTE 21 PROPOSED APPROPRIATION OF PROFIT FOR THE YEAR

The Board of Directors proposes that non-restricted equity of SEK 534,159,945 be allocated as follows:	
Dividend 1,732,000 shares *SEK 75 per share	130,000,000
Carried forward	404,159,945
Total	**534,159,945**

NOTE 22 ACCUMULATED EXCESS DEPRECIATION

	31 Aug 2024	31 Aug 2023
Capitalised expenditure for development etc.	9,339	5,684
Concessions, patents, licences, trademarks	–	–
Machinery and equipment	1,378	3,655
Carrying amount at end of year	**10,717**	**9,339**

NOTE 23 TAX ALLOCATION RESERVES

	31 Aug 2024	31 Aug 2023
Provisions for financial year 2016/2017	–	–
Provisions for financial year 2017/2018	–	30,926
Provisions for financial year 2018/2019	29,701	29,701
Provisions for financial year 2019/2020	27,756	27,756
Carrying amount at end of year	**57,457**	**88,383**

NOTE 24 PROVISIONS FOR PENSIONS AND SIMILAR COMMITMENTS

Pension costs

Group	2023/2024	2022/2023
The costs are recognised in the following lines in the income statement:		
Personnel costs	–428	–540
Financial income	–	–
Total cost of post-employment benefits	**–428**	**–540**

Parent company	2023/2024	2022/2023
The costs are recognised in the following lines in the income statement:		
Personnel costs	425	539
Financial income	–	–
Total cost of post-employment benefits	**425**	**539**

Pensions and similar commitments

Group	31 Aug 2024	31 Aug 2023
Start of the year	11,966	11,426
Additional liabilities	428	540
Regulated liabilities	–	–
Carrying amount at end of year	**12,394**	**11,966**

Parent company	31 Aug 2024	31 Aug 2023
Start of the year	11,765	11,226
Additional liabilities	425	539
Regulated liabilities	–	–
Carrying amount at end of year	**12,190**	**11,765**

NOTE 25 PROVISIONS FOR TAX

Group	31 Aug 2024	31 Aug 2023
Start of the year	31,891	39,730
Additional liabilities	–	–
Regulated liabilities	–13,025	–7,839
Carrying amount at end of year	**18,866**	**31,891**

Provisions for tax relate mainly to tax on untaxed reserves.

NOTE 26 OTHER PROVISIONS

Group	31 Aug 2024	31 Aug 2023
Start of the year	8,324	8,466
Additional liabilities	56	174
Regulated liabilities	–284	–317
Carrying amount at end of year	**8,096**	**8,324**

Other provisions refer to returns reserves.

NOTE 27 ACCRUED EXPENSES AND DEFERRED INCOME

Group	31 Aug 2024	31 Aug 2023
Payroll and social security reserves	214,281	211,116
Debt balance, gift cards, etc.	129,666	119,653
Marketing expenses	8,333	20,217
Liability for FOB deliveries	24,362	47,180
Additional costs of goods	1,795	11,620
Premises costs (electricity, operation, etc.)	6,963	4,005
Other items	27,897	14,107
Carrying amount at end of year	**413,297**	**427,897**

Parent company	31 Aug 2024	31 Aug 2023
Payroll and social security reserves	26,028	25,817
Other items	4,699	3,388
Carrying amount at end of year	**30,728**	**29,205**

NOTE 28 PLEDGED ASSETS AND CONTINGENT LIABILITIES

Contingent liabilities

Parent company	31 Aug 2024	31 Aug 2023
Guarantees in favour of Group companies	263,275	372,187

The parent company's contingent liabilities comprise guarantees in favour of subsidiaries, concerning rental contracts and banking connections.

NOTE 29 INTEREST PAID AND RECEIVED

Group	31 Aug 2024	31 Aug 2023
Interest received	2,348	2,469
Interest paid	–3,186	–21,786
Total	**–838**	**–19,316**

Parent company	31 Aug 2024	31 Aug 2023
Interest received	22,391	34,180
Interest paid	–2,148	–17,089
Total	**20,243**	**17,091**

NOTE 30 CASH EQUIVALENTS

Group	31 Aug 2024	31 Aug 2023
The following sub-components are included in cash equivalents:		
Cash	4,086	4,940
Bank deposits	353,022	40,315
Total	**357,108**	**45,254**

Stadium's overdraft facility on 31 August 2024 amounted to SEK 500 million and the rolling credit facility amounted to SEK 300 million. On the balance sheet date, SEK 0 million of these had been utilised.

Parent company	31 Aug 2024	31 Aug 2023
The following sub-components are included in cash equivalents:		
Bank deposits	0	208
Total	**0**	**208**

NOTE 31 OTHER INFORMATION ON THE CASH FLOW STATEMENT

Adjustments for items not included in cash flow, etc.

Group	2023/2024	2022/2023
Depreciation	64,409	73,495
Write-downs/reversals of write-downs	–	61,434
Unrealised exchange rate differences	–	–877
Capital gain from sale of fixed assets	–4,207	170
Accrued interest	1,190	–2,984
Provisions/receivables for pensions	200	540
Other provisions	–	–142
Total	**61,591**	**131,636**

Parent company	2023/2024	2022/2023
Depreciation	11,612	16,289
Unrealised exchange rate differences	–11	–
Capital gain from sale of fixed assets	–	–
Accrued interest	6,630	–9,803
Provisions/receivables for pensions	425	539
Other non-cash items	–	–143
Total	**18,656**	**6,883**

NOTE 32 GROUP INFORMATION

Group purchasing and sales

Of the parent company's total purchases and sales measured in SEK, 100% (100%) of purchases and 100% (100%) of sales relate to other companies within the group of companies to which the company belongs.

NOTE 33 SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

After the end of the financial year, Stadium Outlet opened a new physical store in Norway and Stadium opened a new store in Sweden.

No significant events occurred in the parent company after the balance sheet date.

NOTE 34 DEFINITIONS OF KEY FIGURES

Operating margin: Operating profit divided by net sales
Balance sheet total: Total assets
Equity ratio: Adjusted equity as a % of total assets

SIGNATURES

Norrköping, 9 December 2024

Anders Svensson *Chair of the Board*	Ulf Eklöf	Bo Eklöf	Jesper Fruelund Schmidt
Andrea Gisle Joosen	Linda Palmgren Nyman	Birger Lund	Karl Eklöf *Chief Executive Officer*

Our audit report was submitted on 9 December 2024

BDO Mälardalen AB

Niclas Nordström
Authorised Public Accountant

AUDITOR'S REPORT

To the Annual General Meeting of Stadium AB
Company Registration Number 556187-3299

Report on the Annual Report and Consolidated Financial Statements

Opinions

We have audited the annual report and consolidated financial statements of Stadium AB for the financial year 01/09/2023 to 31/08/2024. The company's annual report and consolidated financial statements are included on Pages 52–75 of this document.

In our opinion, the annual report and consolidated financial statements have been prepared in accordance with the Swedish Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company and the Group as of 31 August 2024 and of their financial performance and cash flows for the year in accordance with the Swedish Annual Accounts Act. The Directors' Report is consistent with the other parts of the annual report and consolidated financial statements.

We therefore recommend that the Annual General Meeting adopts the income statement and balance sheet for the parent company and for the Group.

Basis for opinions

We have conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibility under these standards is described in more detail in the "Auditor's responsibility" section. We are independent in relation to the parent company and the Group in accordance with generally accepted auditing standards in Sweden and have otherwise fulfilled our professional ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate as a basis for our opinions.

Information other than the Annual Report and Consolidated Financial Statements

This document also contains information other than the annual report and the consolidated financial statements, which can be found on Pages 1–51. The Board of Directors and the CEO are responsible for this other information.

Our opinion regarding the annual report and consolidated financial statements does not include this information, and we make no statement confirming this other information.

In connection with our audit of the annual report and consolidated financial statements, it is our responsibility to read the information identified above and consider whether the information is materially inconsistent with the annual report and consolidated financial statements. In this review, we also take into account the knowledge we have otherwise acquired during the audit and assess whether the information otherwise appears to contain material misstatements.

If, based on the work carried out with regard to this information, we conclude that the other information contains a material misstatement, we are obliged to report this.
We have nothing to report in this respect.

Responsibility of the Board of Directors and the CEO

The Board of Directors and the CEO are responsible for ensuring that the annual report and consolidated financial statements have been prepared and that they give a true and fair view in accordance with the Swedish Annual Accounts Act. The Board of Directors and the CEO are also responsible for such internal control as they deem necessary to prepare an annual report and consolidated financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the annual report and consolidated financial statements, the Board of Directors and the CEO are responsible for assessing the company's and the Group's ability to continue as a going concern. They disclose, when applicable, circumstances that may affect the ability to continue as a going concern and to use the going concern assumption. However, the going concern assumption will not be applied if the Board of Directors and the CEO intend to liquidate the company, cease operations or have no realistic alternative than to do so.

Auditor's responsibility

Our aim is to obtain a reasonable degree of certainty as to whether the annual report and the consolidated financial statements as a whole are free from material misstatements, whether due to fraud or error, and to provide an Auditor's Report that includes our opinions. Reasonable certainty is a high level of certainty, but is no guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always discover a material misstatement if such exists. Misstatements may arise from fraud or error and will be considered material if, individually or collectively, they could reasonably be expected to influence the financial decisions made by users on the basis of the annual report and consolidated financial statements.

A further description of our responsibility for the audit of the annual report and consolidated financial statements can be found [in Swedish] on the Swedish Inspectorate of Auditors website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the Auditor's Report.

Report on other statutory and regulatory requirements

Opinions

In addition to our audit of the annual report and consolidated financial statements, we have also audited the management of Stadium AB by the Board of Directors and the CEO for the financial year 01/09/2023 to 31/08/2024, and the proposed appropriations of the company's profit or loss.

We recommend to the AGM that the profit be allocated in accordance with the proposal in the Directors' Report and discharge the members of the Board of Directors and the CEO from liability for the financial year.

Basis for opinions

We have conducted our audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities according to these standards are described in more detail in the "Auditor's responsibility" section. We are independent in relation to the parent company and the Group in accordance with generally accepted auditing standards in Sweden and have otherwise fulfilled our professional ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate as a basis for our opinions.

Responsibility of the Board of Directors and the CEO

The Board of Directors is responsible for the proposed appropriation of the company's profit or loss. In the event of a proposed dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organisation and the management of the company's affairs. This includes continuously assessing the company's and the Group's financial situation and ensuring that the company's organisation is structured so that accounting, asset management and the company's financial affairs are otherwise controlled in a satisfactory manner. The CEO shall manage the ongoing administration in accordance with the Board of Directors' guidelines and instructions and, among other things, take the measures necessary for the company's bookkeeping to be completed in accordance with the law and for assets to be managed in a satisfactory manner.

Auditor's responsibility

Our aim with regard to the audit of the management, and thus our opinion on discharge from liability, is to obtain audit evidence to be able to assess with a reasonable degree of certainty whether any member of the Board of Directors or the CEO in any material respect:

- has taken any action or been guilty of any omission that may give rise to liability to the company, or
- in any other way has acted in contravention of the Swedish Companies Act, the Swedish Annual Accounts Act or the Articles of Association.

Our aim with regard to the audit of the proposed appropriation of the company's profit or loss, and thus our opinion on this, is to assess with a reasonable degree of certainty whether the proposal is consistent with the Swedish Companies Act.

Reasonable certainty is a high degree of certainty, but is no guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always discover actions or omissions that may give rise to liability to the company, or that a proposal for the appropriation of the company's profit or loss is not consistent with the Swedish Companies Act.

A further description of our responsibility for auditing the management can be found [in Swedish] on the Swedish Inspectorate of Auditors website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the Auditor's Report.

Stockholm, 9 December 2024

BDO Mälardalen AB

Niclas Nordström
Authorised Public Accountant

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