

Sustainability report

Svedbergs Group and sustainability

The aim of Svedbergs Group’s sustainability work is to boost long-term competitiveness while creating value for the company’s stakeholders. It is an integral part of both strategy and operational activities.

Svedbergs Group’s sustainability work is characterised by a long-term approach and continuous improvement. The top priorities include reducing climate-impacting emissions across the value chain in line with the targets adopted. Other priorities include issues concerning the Group’s own employees and Svedbergs Group as an employer and client, and issues related to ethics and anti-corruption.

About the 2024 sustainability report

Svedbergs Group has prepared a sustainability report for the Group in accordance with the Annual Accounts Act in its wording before 1 July 2024. Reporting is based on the sustainability areas that are most material in the context of the company’s business model, value chain and stakeholders.

The sustainability report follows the financial year and is published annually. The 2023 sustainability report was published in April 2024. The sustainability report consists of pages 35–66. The auditor’s report on the statutory sustainability report is on page 67. The report has not been audited by an external party.

Contact

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This sustainability report is an excerpt from Svedbergs Groups’ complete Annual and Sustainability Report for 2024, which is published on Svedbergs Groups’ website. All page references refer to the complete Annual and Sustainability Report.

General disclosures

Basis for preparation

Svedbergs Group's sustainability report has been prepared on a consolidated basis and covers the period 1 January to 31 December 2024. The reporting structure and scope follow the financial reporting, which means that all subsidiaries included in the financial reporting are included in the sustainability report.

The sustainability report describes the impacts, risks and opportunities upstream, downstream and in relation to the Group's own operations.

In preparing this report, Svedbergs Group has taken into account the expectations of key stakeholders to ensure that the sustainability matters that are most significant to them are considered.

Disclosures in relation to specific circumstances

Svedbergs Group endeavours to have data that is as accurate and comparable as possible. When reporting metrics for indirect emissions, Svedbergs Group has used assumptions and estimates, in accordance with the GHG Protocol's guidelines. Accounting policies for key performance indicators are presented with the key performance indicators for each material area. For 2024, no prior period errors have been identified and corrected.

Material changes compared to previous years

- The 2024 sustainability report integrates quantitative and qualitative data from Thebalux. Thebalux was acquired at the end of 2023.
- During the year, new sustainability goals were decided. The climate goals were formulated based on the Science Based Targets initiative (SBTi) methodology for scientifically based climate goals. They were validated and approved by SBTi in early 2025.

Governance

The Board of Directors of Svedbergs Group is ultimately responsible for ensuring that the company is managed in line with the interests of the company and its shareholders. This work also includes ensuring long-term sustainability work and strategic sustainability management. The Board adopts overall targets and monitors progress towards them on an ongoing basis. The Board also decides on overall policies and verifies the outcome of the materiality assessment.

With the CEO, the Board is also ultimately responsible for ensuring that the Group's sustainability report is prepared in accordance with the Annual Accounts Act. For more information on the Board, see page 79.

Responsibility for strategic planning and coordination rests with Group management, which consists of the CEO, the CFO, the Director of Sustainability and the CEOs of the operating brand companies. Group management is responsible for the implementation of, compliance with and monitoring of policies adopted. It also prepares overall strategies, guidelines and priorities for sustainability work. Group management is also ultimately responsible for performing the materiality assessment of the Group's sustainability-related impact, including related risks and opportunities. The CEO of each brand company is responsible for ensuring work in line with the targets and priorities adopted. They are also ultimately responsible for the reporting of outcomes. For more information on Group management, see page 80–81.

The Sustainability Committee consists of representatives of the Board of Directors, the CEO, the CFO and the Director of Sustainability. The main task of the Committee is to review and monitor the relevance and outcome of sustainability targets and strategy, the Group's management of sustainability risks and compliance with statutory requirements including sustainability policies. The Committee reviews the work on sustainability reporting and coordinates common issues with the Audit Committee. The Committee reports to the Board.

Focus in 2024

Sustainability matters are a standing item on the agenda of the ordinary quarterly meetings of the Board of Directors and the Audit Committee. Examples of matters addressed and prepared in 2024:

- Preparations for the implementation of CSRD/ESRS. During 2024, Svedbergs Group carried out activities to prepare the company for the implementation of CSRD and the new ESRS reporting standards.
- Decisions on targets. The Board adopted new sustainability targets during the year.
- Reporting in accordance with the taxonomy.
- Continuous monitoring of KPIs, including employee survey, supplier monitoring and transition plans.

Governing framework

Svedbergs Group's operations are governed overall by a number of Group-wide governance documents in the form of policies. The most important policies include the Group's Codes of Conduct for employees and suppliers. These govern how everyone who works for and with Svedbergs Group is expected to act in relation to aspects such as human rights, working conditions, health and safety, the environment and business ethics.

In addition to shared governance documents, the brand companies in the Group have, where appropriate, adopted their own policies and frameworks, adapted to their specific operations and local conditions.



Governance cont.

External certification and eco-labels

Svedbergs Group regularly reviews existing eco-labels of its products and adapts processes to meet the relevant certification requirements for the Group's markets. Products must meet the EU's basic health, environmental and safety requirements. Parts of the range are eco-labelled and the ambition is to increase this proportion and ensure that eco-labelling is carried out according to EU and other regional rules. These labels include SundaHus, Byggvarubedömningen, Svanen Husproduktion and other country-specific labels. The brand company Svedbergs i Dalstorp AB is also certified compliant with ISO 14001.

Operations that require authorisation and notification

Svedbergs Group carries out certain operations that are subject to authorisation and notification under Swedish law. This authorisation relates to finishing wood and coating metal. The obligation to notify authorities concerns the plant for recycling solvents used in the company's own operations, machining metals with cutting fluids, process oils and hydraulic oils and machine tools, and the plant for initial cleaning of materials with alkaline degreasing agents.

Integration of sustainability-related performance in incentive schemes

Svedbergs Group's incentive schemes include performance requirements linked to the Group's climate targets. The performance requirement linked to the reduction of carbon dioxide emissions amounts to 10 percent of the total and refers, in the scheme for 2024, to the emissions from Svedbergs Group in scopes 1, 2 and 3.

Statement on due diligence

In accordance with OECD guidelines, work is carried out to identify, prevent and manage risks related to sustainability in operations and the value chain. Work is carried out in accordance with international standards on human rights, working conditions, the environment and business ethics. This includes:

- Regular risk assessment and mapping of the value chain.
- Implementation of policies and guidelines in line with global standards.
- Specific measures to reduce risks and negative impact.
- Transparent reporting of progress and effects in the sustainability reporting.

Due diligence processes and governance

The Board of Directors of Svedbergs Group has overall responsibility for ensuring an effective due diligence structure which is supported by the Group management, sustainability committees and operational teams. The methodology is integrated in corporate governance and risk management processes to ensure continuous improvement and compliance with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and EU rules.

Due diligence is an integral part of Svedbergs Groups' group-wide policies:

- Supplier Code of Conduct, which sets out requirements for respecting human rights, fair working conditions and environmental responsibility.
- Climate Change Mitigation, Adaptation and Energy Policy, which ensures compliance with sustainable production standards.
- Human Rights Policy, which upholds ethical business practices and protection of workers.

The risk-based approach takes into account the likelihood, severity and potential negative impacts.

Identification, prevention and mitigation of negative impacts

Svedbergs Group conducts systematic ESG risk assessments by means of:

- Audits of suppliers and business partners to ensure compliance with sustainability requirements.
- Whistleblowing procedures, which enable stakeholders to report misconduct and violations of internal or external regulations.
- ESG risk assessments, in which social and environmental impacts are analysed as part of decision-making.
- Stakeholder dialogue, through work and dialogue with employees, suppliers, investors and trade associations.

If actual or potential negative impacts are identified, we take measures such as dialogue with suppliers for correction, contractual penalties or, if necessary, termination of business relationships with non-compliant parties. Regular evaluation and reporting enables continuous monitoring and improvement of due diligence processes. These measures ensure that Svedbergs Group conducts business in a responsible manner, contributing to long-term value creation and minimising ESG risks.

Risk management and internal controls over sustainability reporting

Risks related to the sustainability reporting process include incorrect data input from local entities, incorrect estimates or assumptions, or not reporting complete information. They may also involve a lack of data from the upstream and downstream value chain. These risks are mitigated by established routines and processes that include technical system support and review of sustainability controllers in the subsidiaries, before the data is compiled in the sustainability report by the Director of Sustainability.

Full list of policies	E	S	G
Employee Code of Conduct		•	•
Supplier Code of Conduct		•	•
Climate Change Mitigation, Adaptation and Energy Policy	•		
Water Stewardship Policy	•		
Biodiversity Policy	•		
Resource Use, Circular Economy and Waste Policy	•		
Human Rights Policy		•	
Modern Slavery Policy		•	
Whistleblowing Protection Policy		•	•
Supplier Risk Management Policy		•	•

Strategy

Svedbergs Group is one of the leading bathroom furniture suppliers in the Nordic region, the UK and the Netherlands, with a comprehensive range of bathroom products including bathroom furniture, shower enclosures, bathtubs, heated towel rails, mixers, toilets and accessories. The business model is to acquire, own and develop strong, innovative companies and brands that design, manufacture and market sustainable products and services for the bathroom. The focus is on brands with strong positions in their respective niches and geographical markets.

Operations are conducted mainly via six wholly owned subsidiaries, Svedbergs i Dalstorp AB, Macro Design AB, Svedbergs Oy, Cassøe A/S, Svedbergs UK Ltd, with Roper Rhodes Ltd as a wholly owned subsidiary, and Svedbergs Group NL B.V., with Thebalux Holding B.V. as a wholly owned subsidiary.

Cooperation without confusion

The work within the Group is characterised by cooperation without confusion. Group collaboration in a number of key areas ensures economies of scale, cost efficiency and a shared journey of growth. At the same time, there is a strong focus on nurturing the independence, autonomy, identity and entrepreneurial spirit of individual brands. Collaboration is primarily on sourcing, digitalisation and sustainability.

The overall objectives include continued growth with good profitability. The ambition is to contribute to the consolidation of the European bathroom market. The strategy rests on five pillars:

- Profitable growth – Acquiring independent and innovative brands that complement the group.
- Operating model – Cooperation without confusion. Business centric set-up.
- Sales excellence – A comprehensive sales channel mix enables customer reach. Market leading customer service.
- Product development – Innovative bathroom solutions and continuous investments in design and sustainable products.
- Organisation and leadership – Empowering and developing people through growth-oriented leadership.

Value chain



Svedbergs Group's upstream impact consists primarily of GHG emissions, impact on biodiversity and water use as a result of raw material production, product manufacturing and transport. Raw material extraction and processing are associated with energy-intensive processes traditionally powered by fossil fuels. In addition, there is a potential negative impact on human rights and working conditions.

In Svedbergs Group's own operations, the key processes are design and product development, purchasing of raw materials and finished products, manufacturing and warehousing, and sales and distribution. The impact here

consists primarily of energy consumption in production and in offices, waste from own production, emissions from transport and working conditions for own employees.

Downstream impact mainly relates to the use of the products sold. The impact here is primarily emissions from transport, water and energy use and waste.

Interests and views of stakeholders

Obtaining the views of internal and external stakeholders on its operations is an important part of the ongoing development of the company and its operations. The aim is to balance different interests, expectations and wishes by means of constant dialogue.

Both Svedbergs Group and the individual companies are in continuous dialogue with their respective key stakeholders. Dialogue also takes place in specific cases in connection with the implementation of materiality assessments and where a need has been identified to create a deeper understanding of the company's impact in any area.

Stakeholder perspectives and views are communicated to Group management and are also considered in the materiality assessment.

Stakeholder groups	Examples of stakeholders	How communication takes place	Most important sustainability issues
Owner	Shareholders, investors, financial market	Annual and interim reports, press releases, investor meetings	Positive returns through sustainable growth
Regulators	Authorities, municipalities, Nasdaq, Finansinspektionen, EU, Swedish law	Annual reporting, insider reporting, tax returns, audits, licence applications	Legal and regulatory compliance, correct tax, anti-corruption
Certification bodies and organisations	ISO, UN Global Compact, SEMKO, NEMKO, M1, type approval	Verification of current certificates, audits, Communication of Progress (COP)	Regulatory compliance, development
Suppliers	Material and product suppliers	Contract negotiations, visits, Code of Conduct, audits	Good partnerships to optimise and plan production
Transport companies	Transport companies, waste transporters	Contract negotiations, visits, Code of Conduct, audits	Good partnerships to optimise and plan transport
Industrial customers	Construction companies	Contract negotiations, visits, customer service	Targets and processes to reduce environmental impact, delivery reliability, quality, strong brand, sustainable products
Dealers	Specialist bathroom and building stores, DIY	Showroom, visits, customer service	Targets and processes to reduce environmental impact, delivery reliability, quality, strong brand, sustainable products
Consumers	Private individuals	Customer surveys, complaints handling, customer service	Correct function, quality and design in relation to price, strong brand, compliance with the Consumer Sales Act
Employees	Employees, potential employees	Employee satisfaction index, development dialogues	Working environment, employment contracts, safe and stable employer, gender equality, equality, health, working conditions, strong brand
Local residents	Local residents around factories	Consultation	Compliance with licence conditions, noise
Media	Press, analysts	Press releases	Legal and regulatory compliance, quality and sustainability

About the materiality assessment

In 2023, Svedbergs Group performed a materiality assessment to identify impacts, risks and opportunities related to its operations. The analysis followed the principle of double materiality, under which both Svedbergs Group's impact on people and/or the environment and the financial impact on Svedbergs Group's operations are analysed. The materiality assessment was performed in the following steps:

Identification of material matters

Based on the list of sustainability matters and their subtopics in the ESRS 1, an initial assessment was carried out of each topic's relevance to Svedbergs Group's operations, taking into account impacts, risks and opportunities. This assessment covered the Group's activities, geographical locations, relevant sectors and value chain. This initial assessment resulted in a preliminary list of 39 sustainability matters covering Svedbergs Group's entire value chain and different time horizons.

Assessment of materiality

To ensure that the assessment was comparable with existing processes, a review of processes and documents was carried out with representatives of Svedbergs Group, Svedbergs i Dalstorp and Roper Rhodes. Impacts related to human rights were analysed on the basis of previous audits, risk assessments and internal control work. Impacts, risks and opportunities related to the environment were mapped against previous analysis of GHG emissions. Impacts, risks and opportunities related to social aspects were analysed based on previous employee surveys, interviews, audits, risk assessments and internal control work.

Sustainability topics and identified impacts, risks and opportunities for each material sustainability matter were assessed based on the following parameters:

- Corporate governance – Integration of sustainability aspects in governance and management.

- Strategy – Impact on business model and long-term planning.
- Impacts, risks and opportunities – Identification and management of material sustainability aspects.
- Metrics and targets – Indicators and monitoring of sustainability work.

The assessment of impact materiality in terms of the potential and actual impact of the company took into account the assessment criteria severity and likelihood (see matrix below).

Negative impacts were assessed based on severity (a combination of scale, scope and irremediable character) and likelihood. Severity was prioritised over likelihood for negative impacts on human rights and scoring was based on relevant risk assessments with a bearing on human rights.

Positive impacts were assessed based on their severity (scale and scope). Appropriate thresholds

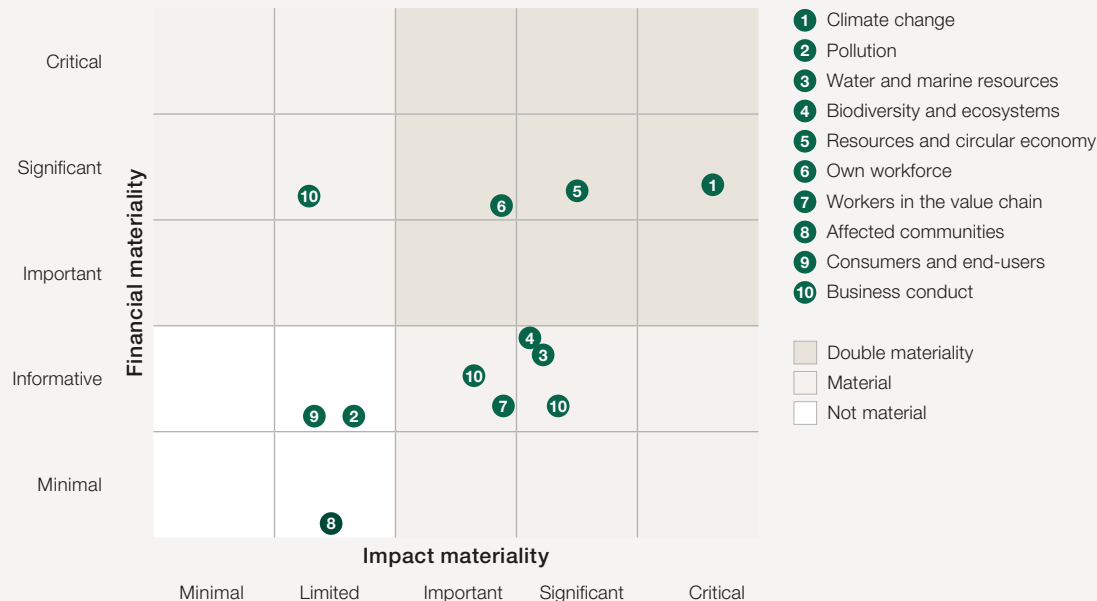
were determined based on the quantitative assessment and previous processes and in dialogue with representatives of Svedbergs Group.

Assessment of financial materiality

After having mapped impacts, risks and opportunities, financial impacts were assessed in terms of potential scope and likelihood of occurrence. Assessment and appropriate thresholds were determined based on the quantitative assessment and existing processes and in dialogue with representatives of Svedbergs Group.

Summary and validation

The preliminary results were validated by representatives of Svedbergs Group and the brand companies. The materiality assessment resulted in seven topics, with a total of 17 sub-topics, being assessed as material.



Impact, risks and opportunities

The summary of Svedbergs Group's significant impacts, risks and opportunities shows that the impact of the Group's own operations is relatively limited, while material impacts in several areas exist upstream in the value chain, primarily linked to the production of the raw materials and products that are purchased for further processing or sale. The downstream impact is mainly about the impact that arises from the use of the goods and services Svedbergs Group sells. This is also considered to be relatively limited in this context.

Identified material risks may affect the Group's financial position, earnings and cash flow. One example is supply disruption in global supply chains that may affect the ability to purchase sufficient volumes of goods. Supply disruption may also lead to higher price levels, affecting the ability to attract and retain customers. Furthermore, a lack of human rights controls in the supply chain may damage the Svedbergs Group's reputation among consumers, which may lead to loss of sales. Sharply rising fuel prices, caused by geopolitical unrest, supply chain disruption or other global events, are another example of short-term financial risks.

While sustainability-related aspects may pose risks, they may also lead to new business opportunities, promote product development and enhance consumer appeal. For example, close cooperation with suppliers and careful control in the supply chain can result in a good supply of goods, opportunities for product diversification vis-à-vis competitors and a favourable reputation among consumers.

Climate change			
	Type of material IRO	Value chain (O/U/D)	Description
Climate change mitigation	Negative impact	U+O	Manufacturing of Svedbergs Groups products (both those procured and those produced by Svedbergs Group companies) is energy intensive. Electricity and energy produced from fossil fuels have a negative impact on the climate.
		O	Travel (e.g., by car and plane) among the Group's own workforce has a direct climatic impact if the fuel used emits greenhouse gases.
		U	Sourcing and refining of materials such as glass and porcelain is energy intense and can have a negative impact on the climate if GHG-intense energy sources are used.
		U+D	Transportation of inbound and outbound products (through e.g., marine transportation or by truck) emits greenhouse gases and has a negative climatic impact.
		D	GHG-emissions from use of products sold the extent of which differs greatly between the different subsidiaries.
	Risk	U+O	In view of the energy intense manufacturing, fluctuations in energy prices can have an influence on financial performance among the Group and its suppliers. Changes in climate regulations, new incentives for energy efficiency and renewable energy, and the growing competitiveness of alternative energy sources may result in increased price fluctuations and instability in both conventional grid electricity and fossil fuel expenses. Increases in energy prices may lead to higher prices from suppliers, which may have adverse financial impact on Svedbergs Group.
		O	Continuously secure building against effects of climate change. Extreme weather events such as floodings can damage the Group's physical capital. If Svedbergs Group companies fail to adapt and protect physical assets from these events, this might bring impairments losses and increased costs.
		O	Higher requirements for environmental performance, including sustainability reporting, can pose a risk since it will increase disclosure burden and mean higher costs for the group. It could also bring penalties or reputational risks if the Group fails to live up to new requirements.
	Opportunity	D	Customers increasingly demand environmentally friendly products. By offering products with a small carbon footprint, Svedbergs Group companies can target this market and achieve competitive advantages.
		D	Growing awareness of climate change and environmental issues and changing consumer/customer demands can constitute an opportunity for the Group's companies to adapt to these preferences and offer products with a lower environmental footprint.
Energy	Negative impact	U	Some of the countries in which Svedbergs Group sources from and sells to still use natural gas for heating. Natural gas causes higher emissions than many other forms of heating.
		O	Negative impact on the environment through the energy use in operations and production; this differs greatly between subsidiaries.
		D	Negative impact on the environment through the energy use in the use phase of products.
	Risk	U+O	Svedbergs Group faces a financial risk linked to increased energy prices due to conflicts and inflation in Europe. The instability in the region can lead to disruptions in energy supply and production, causing energy prices to rise. This can impact operations as higher energy costs can affect the Group's profitability and operational expenses. Additionally, inflationary pressures in the region can further exacerbate the increase in energy prices, posing financial challenges.
	Positive impact	O	Production of energy through solar panels. This differs greatly between subsidiaries.

O = Own operations U = Upstream D = Downstream

Impacts, risks, opportunities cont.

Water			
	Type of material IRO	Value chain (O/U/D)	Description
Water	Negative impact	D	Freshwater is consumed by the end-users of the products offered by the Group's companies.
		U	Suppliers are located in areas of water stress. The Group's suppliers use a varying amount of water; for example, ceramics are water intense.
	Positive impact	D	There is a potential for positive impact if the Group design's products with water efficiency in mind. If products are designed to consume small volumes of water in the usage phase, this can have a positive impact since less water is consumed.
	Risk	U	Sourcing from suppliers in water stressed areas.
	Opportunity	D	The growing emphasis on water consumption and usage presents an opportunity for Svedbergs Group in terms of products.

Biodiversity and ecosystems			
	Type of material IRO	Value chain (O/U/D)	Description
Direct impact drivers of biodiversity loss	Negative Impact	U	Sourcing of raw materials including metals can have adverse impacts on ecosystems. For example, metal, glass and timber sourcing can have various ecological impacts, particularly through mining and extraction processes. These impacts may include habitat destruction, soil and water pollution. Unsustainable practices can harm local ecosystems, disrupt wildlife, and degrade water quality.
	Risk	U	Controversies involving impacts on biodiversity from extraction of raw materials e.g., wood and metals can lead to damaged reputation and thus decreased sales as well as difficulties in attracting workers.
Impacts on the extent and condition of ecosystems	Negative Impact	O	Storage facilities and other buildings used by the Group companies can have a negative impact on biodiversity and ecosystems by displacement.
Impacts on the state of species	Negative impact	U	Sourcing of raw materials including metals can have adverse impacts on ecosystems. For example, metal, glass and timber sourcing can have various ecological impacts, particularly through mining and extraction processes. These impacts may include habitat destruction, soil and water pollution. Unsustainable practices can harm local ecosystems, disrupt wildlife, and degrade water quality.
	Risk	U	The Group companies offer products made of wood. If the suppliers of the raw material are involved in controversies regarding adverse impacts on ecosystems, this can lead to reputational damage to Svedbergs Group.
Impacts and dependencies on ecosystem services	Risk	U	Input of raw materials such as wood and porcelain is dependent on ecosystem services. Factors such as deforestation and climate change threaten the resilience of natural systems, and may lead to difficulties in accessing these inputs in the future.

O = Own operations U = Upstream D = Downstream

Impacts, risks, opportunities cont.

Circular economy			
	Type of material IRO	Value chain (O/U/D)	Description
Resource inflows, including resource use	Negative impact	U+D	Svedbergs Group has a negative impact on the environment and people through their choice and use of materials e.g., timber, metal, glass, plastic and porcelain.
	Positive impact	U+D	Svedbergs Group can have a positive impact on the environment through the choice of materials in line with circular economy principles, such as the use of recycled and bio-based materials, as well as other sustainable alternatives.
	Risk	U	Svedbergs Group may face financial risks related to resource inflows and use, specifically due to difficulties in obtaining necessary raw materials, resources, and components caused by supply chain challenges and regional conflicts. These risks include, among others, increased costs and delays.
	Opportunity	O	Svedbergs Group can enhance the overall lifecycle impact of their products. This can enable the Group to minimize regulatory risks, fulfil rising customer expectations, and unlock cost-saving opportunities. The Group can have more control of production by sourcing material and manufacturing locally within the Group's production units.
Resource outflows related to products and services	Negative impact	D	Svedbergs Group can have a negative impact on the environment through the usage phase of their products.
	Positive impact	D+O	Svedbergs Group can have a positive impact on the environment through the products delivered to customers and by following the principles of circular economy. This includes prolonging life of the equipment of all equipment, assessing the circularity of new or redesigned products and material savings. Furthermore, the Group can have a positive impact on the environment by engaging and enabling research and projects that minimise the negative impact on the environment.

Circular economy			
	Type of material IRO	Value chain (O/U/D)	Description
Waste	Negative impact	O	Svedbergs Group can have a negative impact on the environment through their internal waste management processes, including packaging.
	Positive impact	D+O	As a market leader, the Group can have a positive impact by designing products with extended lifecycles, recyclability and promoting initiatives and behaviors among customers which aim at reducing waste. This includes end-of-life of the products as well as packaging used.
	Risk	D+O	Increasing cost of waste disposal.
	Opportunity	O	Optimizing the use of materials and reducing waste may reduce costs.

O = Own operations U = Upstream D = Downstream

Impacts, risks, opportunities cont.

Own employees			
	Type of material IRO	Value chain (O/U/D)	Description
Equal treatment and opportunities for all	Negative impact	0	There is a risk for discrimination of employees at the Group's workplaces, including unconscious biases in recruitment, internal career development and non-inclusive working conditions. This impact is increased through the current gender diversity disparities in the Group, even if this is beginning to turn around. Svedbergs Group can have a negative impact on employees by not providing sufficient trainings and information for them to be able to succeed at their tasks and changing systems. This includes giving all employees similar access to training and competence development.
	Positive impact	0	Employee access to competence development and training. Equality and inclusion promoted through recruitment practices and internal networks, among other initiatives.
	Risk	0	Occurrences of discriminatory and non-inclusive practices at the Group's workplace can result in reputational damage - leading to loss of income and difficulties in recruitment. It can also lead to legal penalties including fines. Unadjusted pay-gaps and unadjusted internal career opportunities related to aspects such as gender diversity, diversity and inclusion pose a risk to the Group's employer branding and by extension the possibilities to attract the right competencies. Talent attraction can pose a difficulty for the Group due to operation locations and a difficult job market.
	Opportunities	0	Providing opportunities for career development, especially for longer serving employees, as well as leadership development and upskilling opportunities, can support Svedbergs Group in retaining employees.

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Own employees			
	Type of material IRO	Value chain (O/U/D)	Description
Working conditions	Negative impact	0	There is a risk of accidents resulting in injuries among the workforce, primarily those involved in manual labor. Minor injuries such as cuts, slips and repetitive strain injuries may occur relatively frequently, while major injuries such as burn, falls and crushes may have severe consequences for involved individuals.
		0	Occupational health and safety hazards in office and during hybrid work include non-ergonomic working environment, stress and lack of work-life balance.
	Positive impact	0	The Group can have a positive impact on employees by creating good working conditions and contributing to good physical and mental health, including through health initiatives, flexible workplace and different employee benefits.
		0	Through organic growth, acquisitions and by opening local offices, Svedbergs Group creates employment opportunities which benefits those that are employed through a stable income.
	Risk	0	Injuries to the workforce can lead to lost working time, which can lower production and be a financial burden, and potentially leading to penalties. This includes strain injuries. Injuries to the workforce can result in legal repercussions and fines. They may also constitute a reputational risk and result in difficulties in recruiting workers.
		0	Insufficient management of working conditions may pose a risk to employee retention and to the company's employer branding and by extension the possibilities to attract the right competencies. Severe deviations to insufficient working conditions could also lead to fines and potentially higher operating costs.
	Opportunities	0	Ensuring a good working environment makes it easier to attract and retain talent and decreases the cost associated with employee turnover and employee training.
Other work-related rights	Negative impact	0	Risk for violation of human rights are identified mainly in the supply chain and may arise in connection with material purchases in own operations. There is also the use of agency workers in some subsidiaries.
	Risk	0	Risk of human rights violations in own operations assessed to be low. Risks are mainly in the supply chain and may arise in connection with material purchases in own operations. There is also the use of agency workers in some subsidiaries.

Impacts, risks, opportunities cont.

Workers in the value chain			
	Type of material IRO	Value chain (O/U/D)	Description
Equal treatment and opportunities	Negative impact	U	This is key for suppliers from non-EU countries where there are limited laws/regulations to ensure fair pay to workers, optimal working conditions and productivity.
	Positive impact	U	Requirements regarding social and environmental aspects on suppliers to promote a sustainable value chain. This includes occupational health and safety. Svedbergs Group can work with occupational health and safety for workers in the value chain, helping to ensure the physical, mental, and social well-being of workers in their value chain.
Working conditions	Negative impact	U	Suppliers are concentrated to Europe and Asia (China). Primarily in China and southeast Asia, there is a risk for poor working conditions and exploitation of workers.
		U+D	There is a risk of occupational health and safety for workers in the value chain, including the physical, mental, and social well-being of workers in the value chain. If such cases occur, especially fatalities or wide-spread occupational hazards, it can be linked to Svedbergs Group.
	U+D	Cases of non-conformances regarding working hours and wages among suppliers in China.	
	Positive impact	U+D	Requirements regarding social and environmental aspects on suppliers to promote a sustainable value chain. This includes occupational health and safety. Svedbergs Group can work with occupational health and safety for workers in the value chain, helping to ensure the physical, mental, and social well-being of workers in their value chain.
	Risk	U+D	Suppliers are concentrated to Europe and Asia (China). Primarily in China and south east Asia, there is a risk for poor working conditions and exploitation of workers. Occurrences of poor working conditions or human rights violations can result in reputational damage to Svedbergs Group. This risk may pose higher in the case of logistics companies wearing the Svedbergs Group branding.
U+D		Lack of adequate insight, transparency and/or follow-up of suppliers can in turn financially impact Svedbergs Group.	

O = Own operations U = Upstream D = Downstream

Workers in the value chain			
	Type of material IRO	Value chain (O/U/D)	Description
Other work-related rights	Negative impact	U+D	Working conditions upstream in the value chain can be difficult to trace and ascertain. There is a risk that conditions such as modern slavery, child labour and unjust working hours and wages affect workers in the Group's value chain, especially in 2nd and 3rd tier and beyond where insight into practices and suppliers is limited. This is due in part to the countries that the Group sources from.
		U	Some of Svedbergs Group's products may contain conflict minerals (such as chromite for the production of stainless steel) and while there are clear expectations on suppliers in this area, there is a risk that human rights violations occur at the place of sourcing these minerals. Human rights is a risk in mining in general. Ascertaining working conditions upstream in the value chain, at 2nd and 3rd tier and beyond is very difficult.
	Risk	U	Svedbergs Group assesses the risk of human rights violations to mainly occur in the supply chain and may arise in connection with material purchases in projects. Failure of proactively discover potential human rights violations in the total value chain and proactively adapt to new human rights legislations, such as CSDDD, poses a risk of non-compliance and negative brand reputation.

Impacts, risks, opportunities cont.

Business conduct			
	Type of material IRO	Value chain (O/U/D)	Description
Corporate culture	Negative impact	U+O	By having a Code of Conduct and other methods of business conduct not up to par with upcoming legislation and/or not having it followed by employees and suppliers in the upstream value chain, the Group can have a negative impact on people.
		O	Svedbergs Group can have a negative impact on people through a negative corporate culture. While the culture may not permeate the group as a whole, it can be increased by reorganisations, among other things.
	Positive impact	O	Svedbergs Group can have a positive impact on employees through a corporate culture of feedback.
		O	The Group can have a positive impact by working with charities and/or engaging with local communities.
	Risk	U+D	Increased regulation, such as CSRD, Taxonomy and CSDDD, means increased pressures and operational costs in order to respond to and comply with new regulatory demands.
Opportunity	O	Compliance with increased regulation, such as CSRD, Taxonomy and CSDDD, means increased opportunities to attract customers, investors and staff.	
Corruption and bribery	Negative impact	U+O+D	There is a risk of bribery, corruption and anti-competitive practices. In some cases the Group may not be directly involved in the incident, but can be connected to it through suppliers or customers especially when sourcing from countries where legislation is lacking and rules are not followed.
		U+O+D	Svedbergs Group is dependent on the company, its employees, suppliers and partners respecting and complying with current legislation regarding corruption and bribery. Corruption and bribery can lead to increased costs, loss of business opportunities, legal penalties, and reputational damage. These risks are made higher due to the Group having value chain operations in markets and industries where corruption and bribery are prevalent. Furthermore, actions that conflict with current laws can affect the Group's reputation and operations, which may occur as a consequence of insufficient knowledge regarding legislations in respective country.

O = Own operations U = Upstream D = Downstream

Business conduct			
	Type of material IRO	Value chain (O/U/D)	Description
Protection of Whistleblowers	Negative impact	U+O+D	If Svedbergs Group fails to protect workers who file whistleblower reports, this could have negative consequences on the whistle-blowing individuals.
	Risk	D	Failing to adequately protect whistleblowers who report misconduct or unethical practices within the company can lead to legal and regulatory consequences including lawsuits, fines, and reputational damage. Additionally, the Group may experience increased employee turnover, loss of trust among employees, and difficulty attracting and retaining talent. Failure to establish a culture of transparency and protect whistle-blowers can have a detrimental impact on financial performance and overall business operations.
Management of relationships with suppliers, including payment practices	Negative impact	U+D	By having a Code of Conduct and other methods of business conduct not up to par with upcoming legislation and/or not having it followed by employees and suppliers in the upstream value chain, the Group can have a negative impact on people
	Positive impact	U+D	Svedbergs Group can have a positive impact on people and the environment by upholding the highest ethical standards wherever they conduct business and by setting requirements on environmental and social aspects in purchasing and procurement.

Environment

Climate change

Svedbergs Group's highest emissions of greenhouse gases come from goods purchased, the use of products by customers and transport. The Group works continuously to define plans and measures to reduce emissions from its operations.



Impact, risks and opportunities

Impact in the value chain

Energy use in connection with the manufacture of Svedbergs Group's products accounts for a large proportion of the Group's total emissions. This applies to both products purchased from external suppliers and those manufactured in the Group. The manufacture of products made of glass and porcelain is particularly energy intensive. Transport of incoming and outgoing products also generates greenhouse gas emissions and has a negative climate impact, as does travel by the Group's employees.

Risks and opportunities for Svedbergs Group

The main risks relate to regulatory changes, new incentives for energy efficiency and renewable energy, and the increasing competitiveness of alternative energy sources, which may lead to greater price fluctuations and instability both in conventional electricity grids and in fossil fuel costs. Changing customer demands as a result of increased awareness of climate change and environmental issues may present an opportunity for the Group's companies if they can adapt and offer products with a lower environmental impact.

Governance

Policies related to climate change Climate Change Mitigation, Adaptation and Energy Policy

The policy provides a framework for how the Group works to mitigate the impact of its own operations and the rest of the value chain on climate and the environment. The policy also addresses and manages identified physical climate and transition risks related to climate adaptation, as well as processes related to monitoring and managing greenhouse gas emissions and climate-related impacts, risks and opportunities across the organisation and the value chain.

The policy provides clear guidelines for shared commitments, targets and requirements related to mitigation of climate change, adaptation and energy use. The policy covers both the Group's own operations and the rest of the value chain and applies to all Svedbergs Group subsidiaries, their employees (whether permanent, fixed-term or temporary) and their suppliers and subcontractors wherever they operate in the world.

Target

Climate change mitigation and adaptation goals – approved by SBTi

Overall Goals

Svedbergs Group aims to achieve net zero greenhouse gas emissions across the entire value chain by 2050.

Short-term Goals (by 2030)¹⁾

- Absolute greenhouse gas emissions within Scope 1 and 2 shall be reduced by 44% by 2030.
- The share of renewable energy shall reach 100% by 2030.
- Scope 3 emissions shall be reduced by 51,6% per million SEK of value added by 2030. This target includes purchased goods and services, fuel- and energy-related activities, upstream transportation and distribution, and waste generated in operations.

Long-term Goals (by 2050)¹⁾

- Absolute greenhouse gas emissions within Scope 1 and 2 shall be reduced by 90% by 2050.
- Scope 3 emissions shall be reduced by 97% per million SEK of value added by 2050.

Additional Goal

Carbon dioxide emissions from Svedbergs operations shall be reduced by 50% from 2021 to 2030 relative to net sales.

¹⁾ The base year is 2021. The target boundary includes land-related emissions and removals from bioenergy feedstocks. The targets were verified by the Science Based Targets initiative (SBTi) in early 2025.

Strategy and actions

Svedbergs Group has evaluated its strategy and business model with a focus on the ability to manage significant impacts and risks and to exploit significant opportunities. The analysis assessed the robustness of the company's business model and strategy in relation to risks and opportunities in the areas of the environment, social responsibility and corporate governance (ESG). This assessment integrates the results of the double materiality assessment (DMA) to ensure long-term operational stability and sustainable growth.

In the assessment, material impacts, risks and opportunities were grouped by conceptual themes and consideration was given to how each theme interacted with the Svedbergs Group's business model, strategy and value chain. The analysis was conducted from three-time perspectives: short-term, medium-term and long-term, and resulted in a conclusion for each theme, with recommendations to strengthen resilience in key areas.

Clear focus on long-term sustainability

Svedbergs Group endeavours to develop products with a long service life, gradually reduced environmental impact and high resource efficiency. This approach drives both competitiveness and customer value. Sustainability is an important item on the agenda both at Board level and in the Group management. Climate targets are integrated in governance and the overall business strategy has a clear focus on long-term sustainability. Environmental, social and financial aspects must be considered in all business decisions.

The products sold by Svedbergs Group are designed to have a long service life. When new products are developed, sustainability aspects and circular design principles are incorporated right from the idea stage. Using recycled materials to promote greater circularity, combined with active efforts to optimise and extend the service life of products, is a central part of product development and will become more so. Spare parts are readily available for much of the range.

The climate strategy is constantly evolving and is revised several times a year. This is done through regular discussions and updates of the reduction plans developed for each brand company. As the industry

develops and more suppliers meet the Group's requirements, Svedbergs Group aims to drive a transition in which the business model is developed in line with the goals of the Paris Agreement.

Transition plan for climate change mitigation

Svedbergs Group has developed a transition plan to mitigate climate change which has been approved and adopted by the Board and management. Action plans have been developed for each company and these will form the basis for a broader review and further development of the transition plan. Important aspects are factors such as the growth and overall development of the company. A key part of this work is the implementation of a circular business model, focusing on identifying both challenges and opportunities and specifying how this can be realised in practice. The development of the transition plan will continue in 2025.

Every year, a Climate Audit is carried out, in which greenhouse gas emissions in the value chain are analysed according to the Greenhouse Gas Protocol (GHG Protocol). The analysis is used to develop and adjust reduction plans and targets for all Group companies, and activities to prioritise greenhouse gas reduction measures adapted to each company.

Svedbergs Group calculates scope 1, 2 and 3 emissions annually and all data is verified by third parties. The Group's work focuses on the areas identified in the annual climate impact reports produced, and efforts are directed towards the categories that cause the greatest impact. This applies in particular to indirect emissions in the value chain from goods purchased, transport and use of products sold. The emission reduction action plan is reviewed and updated annually, and the results of activities implemented are monitored against set targets.

Close collaboration with suppliers

Svedbergs Group's primary measures to reduce climate impact are focused on the materials and products that the Group purchases. This work relies heavily on close collaboration with suppliers. The Group's existing policies ensure that suppliers actively

engage in climate and sustainability work and are open to collaboration to improve data collection and set their own climate targets.

Ongoing dialogues with major suppliers ensure the development of products that reduce material use, increase the proportion of recycled materials and include alternative materials with lower climate impact. In addition, logistics providers are evaluated to prioritise those with a lower climate impact, while transport routes for inbound and outbound deliveries are optimised.

Driving forces and measures

Energy consumption (scopes 1, 2 and 3 category 3)

The focus is on enhancing energy efficiency by ensuring basic energy savings in all facilities and reducing energy use for products in the use phase. Measures discussed by Svedbergs Group include reviewing the origin of energy. Fossil fuels will be phased out by switching to green electricity contracts, biogas or bio-fuels. Many of the companies currently have green electricity contracts in place and around 87 percent of total electricity consumption was renewable in 2024. Furthermore, energy efficiency will be reviewed in existing production processes. Svedbergs Group will continue to install solar panels in its own operations. In recent years, solar panels have helped Roper Rhodes and Thebalux have the capacity to produce their own green electricity.

Other measures taken include a review of electricity consumption in office and production premises, where radiators and fluorescent tubes have been replaced with more energy-efficient alternatives. Electricity, air conditioning and heating are used efficiently and should be switched off whenever possible. There has also been a review and optimisation of the use of compressors at Macro Design. A review of waste heat in compressors has also been carried out in Dalstorp, where the waste heat is returned to the district heating network.

Finally, loading doors have been replaced to create a better working environment during unloading and to reduce heat losses.

Transport (scope 3 category 4)

The main focus is on switching to renewable fuels and continuing to invest in sustainable transport solutions. For example, suppliers with sustainable transport solutions are prioritised and clear requirements are set for environmental profiles and performance reporting. To reduce emissions from transport, Svedbergs Group also aims to increasingly use biofuels and sustainable fuels such as Sustainable Marine Fuel (SMF), which Roper Rhodes is implementing at its largest supplier.

Transport efficiency is also increased by optimising the load factor, reducing the volume of packaging and coordinating deliveries between subsidiaries, while choosing the most environmentally friendly modes of transport.

Products (scope 3 categories 1 and 11)

Svedbergs Group works with major suppliers to gain access to climate data for standard products, for example via EPDs (Environmental Product Declarations) or LCAs (Life Cycle Assessments). Accurate product-specific data is crucial to make it possible to take measurable action.

To ensure the sustainability of its products, Svedbergs Group focuses on ecolabelling and certification, as well as increasing the proportion of its own production. An ecodesign framework with a checklist for material selection has been implemented. This framework is continuously updated as new designs and better materials become available.

To increase the proportion of recycled materials, the possibility of using recycled metals such as brass, steel and aluminium is being explored. The focus is on the design of energy-efficient products such as low-power electrical elements and products with timers to optimise use, and on developing more energy-saving features such as energy-efficient mixers in certain segments.

The goal is for all packaging to be recyclable or reusable by 2025. For products, at least 90 percent must be recyclable by 2030 and at least 30 percent of product materials must consist of recycled content.

Strategy and actions cont.

Investments

To implement the transition plan, Svedbergs Group is investing in a number of different measures. The Group has invested in a new system for collecting and managing sustainability data to facilitate and quality-assure reporting and monitoring. The Group has also invested in a tool to produce EPDs (Environmental Product Declarations) for its own products, thus facilitating the monitoring of climate impact. Investments are also being made in, for example, solar panel systems and machinery to make production more energy efficient.

In addition to the above investments, continuous investments are also being made to provide internal training and explore opportunities for more sustainable production in the supply chain.

Financing greenhouse gas removal and mitigation projects through carbon credits

Svedbergs Group does not currently use carbon credits. This may be reassessed in the future.

Internal carbon pricing

Svedbergs Group does not use internal carbon pricing but will investigate this within the next two years.

Integration of sustainability-related results in incentive schemes

Svedbergs Group's incentive schemes include performance requirements linked to the Group's climate targets. The performance requirement linked to the reduction of carbon dioxide emissions amounts to 10 percent of the total and refers, in the scheme for 2024, to the emissions from Svedbergs Group's own operations, i.e. emissions from own production, warehouses, offices, freight transport and business travel.

Outcome

GHG emissions disaggregated by scopes 1 and 2 and significant scope 3

	Base year, 2021	2023	2024	% change 2021 vs 2024	2030	2050	Annual % target/ Base year
Scope 1 GHG emissions							
Gross scope 1 GHG emissions (tCO ₂ eq)	791	597	629	-20%	443	79.1	-7.6%
Percentage of scope 1 GHG emissions from regulated emission trading schemes (%)	0	0	0	0			
Scope 2 GHG emissions							
Gross location-based scope 2 GHG emissions (tCO ₂ eq)	n.a	n.a	n.a	n.a			
Gross market-based scope 2 GHG emissions (tCO ₂ eq)	499	469	266	-47%	279	49.9	-7.6%
Scope 3 emissions per net-revenue (t CO₂eq/MSEK net revenue)							
Total Gross indirect (scope 3) GHG emissions (tCO ₂ eq)	37.53	31.93	30.24	-19%	18.2	1.1	-11.4%
1 Purchased goods and services	74,627	69,420	66,056	-11%	66,541	17,791	-4.8%
2 Capital goods	57,425	56,413	54,464	-5%			
3 Fuel and energy-related Activities (not included in scope 1 or scope 2)	654	472	1,205	84%			
4 Upstream transportation and distribution	385	292	225	-42%			
5 Waste generated in operations	9,943	7,026	4,281	-57%			
6 Business traveling	33	29	14	-58%			
7 Employee commuting	29	95	105	262%			
8 Upstream leased assets	667	677	722	8%			
9 Downstream transportation	0	0	0	n.a			
10 Processing of sold products	1,089	977	329	-70%			
11 Use of sold products	0	0	0	n.a			
12 End-of-life treatment of sold products	3,996	3,012	4,524	13%			
13 Downstream leased assets	407	426	187	-54%			
14 Franchises	n.a	n.a	n.a	n.a			
15 Investments	n.a	n.a	n.a	n.a			
Total GHG emissions							
Total GHG emissions (location-based) (tCO ₂ eq)	75,633		66,971	-11%			
Total GHG emissions (market-based) (tCO ₂ eq)	75,918		66,685	-12%	67,264	17,920	-4.9%

Outcome cont.

Accounting policies

Svedbergs Group reports scope 1, 2 and 3 emissions in accordance with the principles of the GHG Protocol. The Group applies a market-based approach in which the climate impact is calculated based on electricity from a specific electricity contract with guarantees of origin actively purchased by the company. In the absence of such a contract for a specific origin of electricity, the residual mix is used in the calculation. The residual mix is the electricity that remains when the guarantees of origin sold are removed. The Nordic residual mix is used for the Nordic countries. For other countries, the residual mix for the specific country is used.

In reporting scope 3 emissions, Svedbergs Group has included all categories relevant to its operations. These include business travelling, employee commuting, waste, upstream and downstream transportation and distribution, goods and services purchased, capital goods, leased assets upstream, end-of-life product management and use of products sold.

Emission factors

The emission factors used are in units of CO₂ equivalents (CO₂eq), which correspond to the global warming potential (GWP) of carbon dioxide over a 100-year time frame and include the seven greenhouse gases covered by the Kyoto Protocol: CO₂, CH₄, N₂O, HFC, PFC, SF₆ and NF₃. GWP values have been applied, where possible, in accordance with the IPCC Fifth Assessment Report, 2014 CARS. Refrigerants may, in some cases, contain substances that have a high climate impact but are not included in the Kyoto Protocol, in which case they are reported separately in an annex.

Under the GHG Protocol, the seven greenhouse gases listed above must be calculated and reported both separately and together as CO₂eq. Currently, Svedbergs Group only reports the gases together, as available emission factors from authorities and institutes are only reported as CO₂eq.

In Svedbergs Group, all life cycle emissions from electricity not included in scope 1 or 2 are included in scope 3, category 3, Fuel and energy related activities.

Emission factors used for air travel take into account emissions of particles, NO_x and water vapour that occur at high altitude, known as high-altitude impacts. The calculation factor used by Svedbergs Group to take account of high-altitude impacts during air travel is 1.9, which was developed by researchers at Chalmers University of Technology and is used by the Swedish Environmental Protection Agency and the Swedish Transport Agency, among others.

Delimitations and definitions

- Goods purchased: The climate impact comes mainly from the materials in Svedbergs Group's purchased products. The largest category is metal, followed by ceramics and plastics.
- Services purchased: Services purchased are calculated on financial data (spend data).
- Capital goods: Capital goods are related to renovations and investments in Svedbergs Group's production facilities and offices.
- Fuel and energy related activities: This category includes the climate impacts of fuel extraction and production, power system construction and maintenance, and transmission and distribution losses in electricity networks.

- Upstream transportation and distribution: Upstream transportation and distribution consists of inbound logistics (freight, warehousing and reloading at premises) of products purchased and outbound logistics for which the company pays.
- Waste generated in operations: Waste from own operations.
- Business travelling: Employees' business travel.
- Commuting: Employees commuting to and from work.
- Leased assets upstream: This category includes refrigerant leaks in rented offices. Emissions have been estimated based on the volume of the system.
- Downstream transportation and distribution: Downstream transportation and distribution consist of the logistics from operations to the end recipient that are not paid for by the company. For Svedbergs Group, this involves tradespersons and retailers who supply products from the retail trade to end customers.
- Use of products sold: A Nordic average mix is used to calculate the climate impact of using the product sold in the Nordic countries.

Treatment of end-of-life products at the end of their life cycle: This category comprises the climate impact of treatment of end-of-life products at the end of their life cycle.

Sources and calculation tools

DEFRA, the Swedish Energy Markets Inspectorate, NTM, Vattenfall, Statistics Sweden, Ecoinvent and Inrego.

Greenhouse gas emissions per net revenue

Metric	2024	2023	2022	2021
Total GHG emissions per net revenue (tCO ₂ eq/SEK)	30.8	32.4	33.7	38.2

Environment

Water

Water and water use are directly linked to Svedbergs Group's operations. Significant quantities of water are used in the extraction of raw materials and in connection with the use of finished products. The brand companies work actively to optimise and streamline use as far as possible.

Target

100 percent of suppliers in water-stressed areas should have sustainable water management practices in place by 2030. The target covers Tier 1 suppliers operating in water-stressed areas, based on our water risk assessment.

Impact, risks and opportunities

Impact in the value chain

Svedbergs Group's impact on water withdrawal is primarily a consequence of upstream extraction of raw materials, where part of the production and manufacturing takes place in regions characterised by water stress. Svedbergs Group has suppliers in countries including Spain, Italy, Germany, Portugal, Belgium, Turkey and China. Individual raw materials associated with high water withdrawal include ceramics and metal. In addition, there is significant water use associated with consumer use. Water consumption in own operations is more limited.

Risks and opportunities for Svedbergs Group

The main risks include supply chain disruption owing to water-related challenges in the supply chain such as water scarcity in connection with raw material extraction and manufacturing processes. There are also risks in not being able to meet customer demand for water-efficient products.

At the same time, an increased focus on water consumption and use also entails opportunities. By providing products that enable efficient use of water, competitiveness can be enhanced.

Governance

Policies related to water and marine resources Water Stewardship Policy

The policy provides clear guidelines for commitments, targets and requirements related to water use and withdrawal. The policy covers the entire value chain and applies to all Svedbergs Group subsidiaries, their employees, suppliers and subcontractors. The policy is subject to annual revision. It is communicated and available to all relevant stakeholders via appropriate channels (intranet, website, etc.).

Strategy and actions

Product development

A major focus of product development is on optimising and streamlining water use, especially in showers and mixers, without limiting the user's experience and needs. For example, most of the mixers in the ranges are equipped with technologies that reduce water consumption such as flow controllers and aeration.

Collaboration and dialogue with suppliers

All brand companies work actively to reduce water use in the value chain. Preventive work is carried out by means of dialogue with suppliers and by monitoring of the water situation in vulnerable regions. This is intended to reduce the water footprint of production and water-related risks in the supply chain. The work takes into account both the water footprint of the goods and the water situation in the area.

For suppliers in regions characterised by water stress, there are specific requirements for actions and action plans to reduce water use. This may also include certifications and specific policies.

Implementation of targets

In 2024, it was decided that all Tier 1 suppliers in water-stressed areas should have sustainable water use practices in place by 2030. Implementation of the target started during the year.

Improving water efficiency in offices

Water use in own offices and production facilities is limited. However, here too there is continuous work on improvements. More significant recent initiatives include the installation of low-flush toilets, a new skimmer system in the wet paint shop, new pre-treatment baths in the powder coating shop and the decommissioning of the veneer press.

Environment

Biodiversity and ecosystems

Svedbergs Group’s impact on biodiversity and ecosystems mainly concerns aspects related to deforestation. Forests play a crucial role in combating climate change and also serve as a habitat for a large number of species. As a major purchaser of wood raw material and finished products based on wood, Svedbergs Group has a special responsibility to limit and minimise negative impacts.

Impact, risks and opportunities

Impact in the value chain

The brand companies in Svedbergs Group purchase raw materials and finished products consisting of, among other things, wood, ceramics and metal, and wood accounts for the highest proportion of the total volume of material in the Group’s products. In the production of this raw material, there is a risk of impact on biodiversity and ecosystems, including habitat destruction and soil and water pollution.

Impacts on the state of species

According to the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES), more species are threatened with extinction than ever before in human history and many ecosystems are changing rapidly. The main drivers include habitat destruction, overexploitation of species, climate change, pollution and the spread of invasive alien species.

Impacts on the extent and condition of ecosystems

Biodiversity and functioning ecosystems are essential for all life on Earth. With biodiversity loss, key eco-

system services are affected, which in the short term has a negative impact on biological processes, micro-life and individual species. In the medium and long terms, there is a risk of more permanent impacts on land used for cultivation, population sizes and entire ecosystems, which could ultimately result in the extinction of entire species.

Viable ecosystems with rich biodiversity also play an important role in limiting climate warming and achieving climate targets. For example, wetlands can store greenhouse gases, thereby helping to limit global warming. Conversely, global warming accelerates when soils and ecosystems are destroyed or damaged, leading to a decrease in carbon sequestration by plants and soils.

Risks and opportunities for Svedbergs Group

In the short, medium and long terms, biodiversity loss may result in increased costs or shortages in the availability of specific products. Lack of care for biodiversity or direct violations of laws and other regulations also risk having a negative impact on Svedbergs Group’s brand.



Governance

Policies related to biodiversity and ecosystems

Biodiversity & Timber Policy

The policy provides clear guidelines for commitments, targets and requirements related to biodiversity and the use of wood raw material. The policy covers the entire value chain and applies to all Svedbergs Group subsidiaries, their employees, suppliers and subcontractors. The policy is subject to annual revision. It is communicated and available to all relevant stakeholders via appropriate channels (intranet, website, etc.)

Target

100 percent of all wood raw material must be certified to sustainable forestry standards by 2030. The target covers all European Tier 1 timber and product suppliers.

Strategy and actions

All wood raw material used in Svedbergs Group's own products must come from responsibly managed forests by 2030. All purchased wood raw material must then be subject to traceability rules and fulfil at least the requirements of FSC's standard for Controlled Wood, FSC CW. This means that the raw material must not come from controversial sources, including illegally harvested forests, forests with high conservation values, where these values are threatened by forestry activities, and forestry activities that violate indigenous peoples' rights or human rights. Purchases are third party certified according to PEFC and FSC Chain of Custody.

In 2025, this work will be extended to include finished products purchased from Asia.

The subsidiary in the UK has recently started analysing the wood raw material it uses and has therefore not made as much progress in mapping and setting requirements for suppliers.

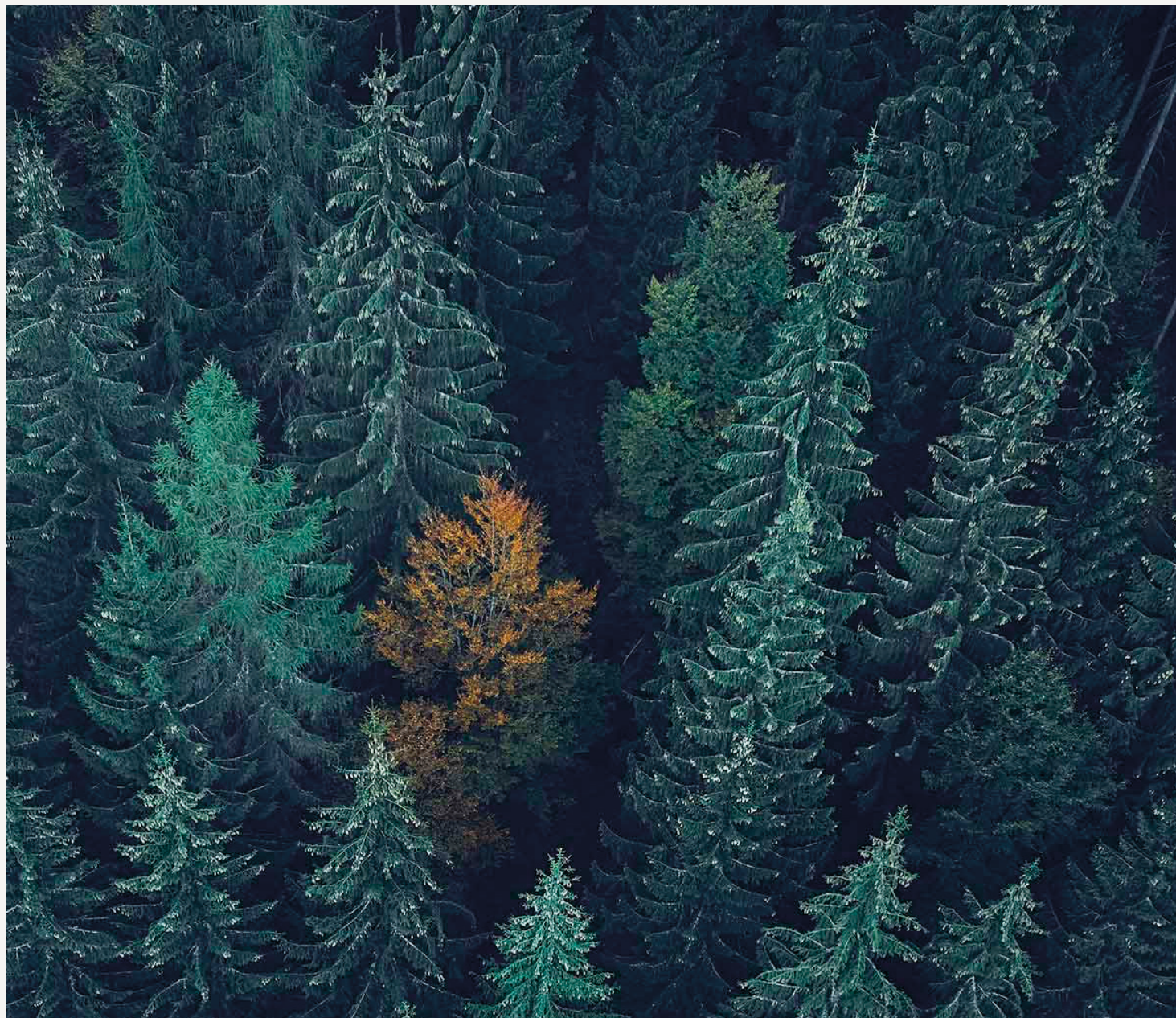
Annual risk assessments, including follow-up

Svedbergs Group performs annual risk assessments to analyse the supply chain and identify and manage risks related to biodiversity loss, deforestation and wider environmental impacts. This process helps ensure responsible purchasing, protect ecosystems and promote sustainable business principles. Risk assessments may include on-site audits of suppliers, including DNA testing of timber, where appropriate.

Outcome

Certified wood raw material

	2024	2023
Proportion of certified wood raw material used, %	100	100



Environment

Resource use and circular economy

Sustainable resource use and circular economy are about using materials, energy and other resources more efficiently and developing circular flows. This includes the use of recycled and renewable materials, minimising waste throughout the value chain, optimising the lifetime of products and resources and promoting product and packaging recycling and circular solutions for end-of-life products.

Impact, risks and opportunities

Impact in the value chain

Svedbergs Group's impact is mainly related to the extraction and processing of raw materials. The products offered by the Group's brand companies are made from components based on finite natural resources such as metals, minerals and various types of polymers. Almost all the material used for the products is virgin material. The extraction of these materials may have a negative impact on people and nature.

Downstream impacts are mainly related to potential shortcomings in recycling and reuse processes. Svedbergs Group sells products that are used by customers in a large number of countries. Shortcomings in local infrastructure may pose challenges for recycling and reuse. In addition, some products may go to landfill or incineration owing to contamination risks or complex material compositions that are difficult to separate.

Risks and opportunities for Svedbergs Group

The dependency on virgin materials entails risks related to raw material price trends and the availability of specific raw materials. There are also risks related to the management of waste. All risks may have an impact on Svedbergs Group's profitability.

The transition to a circular economy offers opportunities to optimise input and output flows of materials and products, which may result in reduced costs and greater opportunities to better meet customer expectations and requirements.



Governance

Policies related to biodiversity and ecosystems

Resource Use, Circular Economy & Waste Policy

The policy provides clear guidelines for commitments, targets and requirements related to resource use, circular economy and waste. The policy covers our own operations and value chain and applies to all Svedbergs Group subsidiaries, their employees, suppliers and subcontractors. The policy is subject to annual revision. It is communicated and available to all relevant stakeholders via appropriate channels (intranet, website, etc.).

Climate Change Mitigation, Adaptation and Energy Policy

For information, see page 48.

Target

- By 2030, all new products must be developed according to circular design principles.
- Waste from own operations must have been reduced by 35 percent by 2030.
- At least 90 percent of product materials must be recyclable by 2030.
- Achieve at least 30 percent recycled content in all our product materials by 2030.

The goals were set in 2024. Outcomes will be reported starting in the 2025 financial year. With these targets, Svedbergs Group wants to increase the volume of products manufactured in line with circular principles, which in turn will help increase the volume of circular material used and minimise the use of primary raw materials.

Strategy and actions

Product development in line with circular design principles

Svedbergs Group's mapping shows that the majority of greenhouse gas emissions arise in connection with the extraction of raw materials for purchased goods. To reduce emissions and negative environmental impact, while enhancing resource efficiency, Svedbergs Group endeavours to integrate circular design principles in product development. The aim is to extend the lifetime and reduce waste and material consumption in manufacturing. The Group works actively with subcontractors to develop products based on materials with a lower environmental and climate impact. This work covers the whole life cycle of the product and addresses a variety of aspects such as renewability, recyclability, lifetime and weight.

Evaluating opportunities of circular new business models

The brand companies are running projects aimed at evaluating the possibility of new offers linked to, for example, refurbishment or repair of damaged products.

Clear procedures for waste and waste management

Waste is generated at various stages in Svedbergs Group's value chain: during production at subcontractors, in the Group's own operations and in connection

with end-of-life. It mainly consists of leftover materials from production and packaging materials. All brand companies are focusing on reducing the volume of waste that is sent to incineration and landfill. Work is also under way to increase the proportion of materials that are recycled.

Work on Environmental Product Declarations (EPDs)

The brand companies are working on environmental product declarations for their respective product portfolios. EPDs, or Environmental Product Declarations, are comprehensive, standardised documents that quantify the environmental impact of a product. The reports are developed using the Life Cycle Assessment (LCA) method and evaluate different impact categories, including carbon emissions, over a product's life cycle. This assessment covers everything from raw material extraction, transport and manufacturing processes to a product's use, end use and potential for recycling. In addition to increased clarity towards customers, architects, property developers and end consumers, it helps further develop the product portfolio and the manufacturing process, ultimately enhancing competitiveness.



Resource inflows

Resource flows mainly consist of products produced upstream in the value chain in suppliers' production facilities. These goods are delivered to the brand companies' warehouses to be processed or resold. The goods are also accompanied by different types of packaging. In addition

to the goods, resource inflows also include IT equipment, software, furniture and company cars for the Group's offices. For warehousing activities, this mainly includes machinery, IT equipment and transport vehicles.

Social

Own employees

As an employer with operations in several countries, Svedbergs Group has an impact on a relatively large number of individual employees. Overall, the average number of employees in 2024 was 532. The company’s own workforce is mainly in production, warehouses and in offices.

Impact, risks and opportunities

Impact in the value chain

Svedbergs Group’s own employees are mainly employed in the Nordic region, the UK and the Netherlands, regions and countries in which the national legislation generally imposes extensive, strict requirements for working conditions, decent pay, the working environment, health and safety. The reporting of the own workforce also includes persons not directly employed by Svedbergs Group or the individual brand companies. These include external labour when needed at the production stage in Sweden and the Netherlands.

Svedbergs Group’s main actual and potential impacts related to its own workforce are mainly aspects related to working conditions, equal treatment and equal opportunities for all. Aspects of working conditions include job security, work-life balance, health and safety. Equal treatment and equal opportunities for all concern aspects such as pay, gender equality, training and skills development.

Risks and opportunities for Svedbergs Group

One of the main risks for Svedbergs Group is dependence on employees with the right skills and abilities. Technological developments, new customer needs and high demands for innovation require a high level of willingness to change, innovation and flexibility. In this regard, the ability to attract and retain sought-after skills plays a crucial role in the Group’s continued expansion and performance. Deficiencies in working conditions could result in challenges related to the retention and recruitment of skilled, motivated employees. There are also legal and brand-related risks linked to accidents and incidents.

Governance

Policies related to own workforce Employee Code of Conduct

The Employee Code of Conduct defines Svedbergs Group’s commitments and expectations regarding health and safety, human rights, business ethics, environmental protection, and community engagement. It also clarifies these principles mainly to our employees, and other stakeholders working in and outside Svedbergs Group.

The Human Rights Policy

The Human Rights Policy outlines Svedbergs Group’s commitments and responsibility to respect human rights, by carrying out risk analysis, assessing and addressing negative impacts, setting out the grievance mechanisms, and providing access to effective remedy if violations have occurred.

Target			
Healthy presence in relation to total scheduled time should exceed 96.5 percent by 2030.			
Outcome			
	2024	2023	2022
Healthy presence in relation to total scheduled time	96.2	96.3	97.0

Whistleblowing Protection Policy

The Whistleblowing Protection and Grievance Policy are communicated to all employees via the employee handbook, and they are also embedded within legal compliance policies and training. They encourage employees to raise their concerns if they see something that does not meet the standards set out in our Employee Code of Conduct and explains the various grievance channels: internally via their line manager or HR, by the independent third-party sourced telephone number or website.

Strategy and actions

Processes for engaging with own workers and workers' representatives about impacts

Svedbergs Group strives for a straightforward, open and continuous dialogue between employees and between employees and managers. In addition to ongoing dialogue, there are a number of structured forums and channels.

Employee surveys

Much effort is put into continuously measuring and monitoring employee attitudes and the initiatives implemented in the Group. Regular employee surveys are an important part of this work. This allows for continuous monitoring, greater transparency and the possibility of taking the right action quickly. All Group companies conduct the Great Place to Work (GPTW) employee survey annually.

This is measured in five areas: Credibility, Respect, Fairness, Pride and Camaraderie.

Employee reviews

Regular employee reviews and follow-ups between managers and employees are a key element in ensuring an attractive workplace. The purpose of the reviews is to enhance internal working relationships and partnerships, and to motivate and develop colleagues to achieve individual goals.

Trade union involvement

Svedbergs Group provides information to and negotiates matters with trade unions in accordance with the obligations that apply under the Swedish Code-termination in the Workplace Act (MBL), collective agreements and local cooperation agreements. Matters relating to significant changes in the Group are always managed in close cooperation between management and the various trade unions.

With regard to trade union representation, Svedbergs Group defends the right to and opportunity for freedom of association, collective agreements and trade union representation. The Group also protects the right of employees to choose or not to choose trade union membership and treats everyone equally whether they are union members or not.

Channels for reporting misconduct and whistleblowing

All employees of Svedbergs Group are encouraged and urged to report misconduct and breaches of internal or external regulations. Reports may be made to a line manager, safety representative or local HR department. It is also possible to report cases anonymously to Svedbergs Group's online whistleblowing service. For more information about the whistleblowing service, see page 62.

Actions to manage impacts and risks

Svedbergs Group endeavours to continuously prevent identified impacts and risks while enhancing and developing the company's attractiveness as an employer. This work is based in part on the results of the annual employee survey and continuous monitoring of health and safety KPIs.

Work environment, health and safety

The physical and mental health of employees is a top priority. Systematic health and safety work is carried out in the brand companies to ensure a safe, attractive workplace. The work involves both internal and external employees. Workplace accidents and incidents are reported according to a specific procedure and analysed to ensure that measures are taken to prevent similar incidents from occurring. There is a particular focus on maintaining a high level of safety in production.

Competitive, fair pay

Decisions about the remuneration of salaried employees and employees under collective agreements at Svedbergs Group must comply with and be adapted to statutory requirements, applicable collective agreements and other market practice. Overall, Svedbergs Group endeavours to provide remuneration that is market-based and well-balanced in terms of skills, responsibility and performance.

Remuneration decisions and processes, structures and systems for managing remuneration must be gender-neutral and non-discriminatory. Salaries and wages must be set on objective grounds, known to

the employees. For salaried employees, salaries must be individual and differentiated according to job responsibilities and individual performance. There must be a clear link between salary development and employee performance, with individual targets set in dialogue between managers and employees. The wages of employees subject to collective agreements are set in accordance with the collective agreement.

In Sweden, annual pay surveys are carried out with the aim of achieving equal pay and in accordance with the Equality Ombudsman's regulations. Pay surveys are part of the work to prevent and combat discrimination and promote equal rights and opportunities.

Training and skills development

Svedbergs Group depends on employees with the right skills to continue to run and develop its operations. Training is an important factor in developing employees and creating internal engagement. It is also a prerequisite for retaining employees and providing them with opportunities to grow and develop their career with the Group. Training and development must be offered to all employees as needed. CPD activities in 2024 included training in self-leadership and sustainability.

Training in Diversity, Equality and Inclusion

Everyone in Svedbergs Group, regardless of gender, gender identity, ethnicity, sexual orientation, age, religion or other belief, must have the same opportunity for recruitment and career development. Abuse and any form of discrimination are unacceptable. During the year, leadership training programmes in self-leadership for management and employees were implemented in the brand companies Svedbergs and Macro Design. Roper Rhodes implemented training programmes in People Management and Equality, Diversity & Inclusion.

Outcome

Average number of employees (FTE)

	2024	2023	2022
Svedbergs Group AB	4	4	3
Svedbergs i Dalstorp AB	142	152	172
Macro Design AB	45	46	51
Cassøe A/S	16	15	14
Roper Rhodes Ltd	232	209	208
Thebalux Holding B.V.	92	16	n.a
Total	532	442	447

Number of employees by country

	No. of employees
Sweden	178
UK	231
The Netherlands	92
Denmark	17
Norway	6
Finland	6
Ireland	1

Employee turnover, %

	2024	2023	2022
Svedbergs Group	4.82	4.83	5.86

Gender distribution, Board and management

	2024	2023	2022
Board of Directors			
Women	2	2	3
Men	4	4	5
Group management			
Women	2	2	0
Men	7	7	6

Gender distribution, all employees

	No. of employees
Men	379
Women	153
Total	532

Social / Own employees

Outcome

Number of employees by contract type and gender

	Women	Men	Total
Number of employees	158	374	532
Number of permanent employees	155	363	518
Number of temporary employees	3	11	14
Number of full-time employees	135	366	501
Number of part-time employees	23	8	30

Healthy presence

	2024	2023	2022
Healthy presence in relation to total scheduled time	96.2	96.3 ¹⁾	97.0

1) Including Thebalux

Percentage of employees entitled to take family-related leave

%	2024	2023	2022
Percentage of employees entitled to take family-related leave	100	100	100

Percentage of employees covered by collective bargaining agreements

%	2024	2023	2022
Collective bargaining agreement coverage rate	35.4	n.a.	n.a.

Percentage of employees and non-employees that participated in regular performance and career development, per gender

%	Women	Men	Total
Percentage of non-employees that participated in regular performance and career development	93.2	86.6	88.6
Percentage of non-employees that participated in regular performance and career development	0	0	0

Health and safety metrics – Own workforce

	2024	2023	2022
Percentage of own workers in headcount who are covered by the company's health and safety management system based on legal requirements and/or recognised standards or guidelines	100	n.a.	n.a.
Percentage of own workers who are covered by a health and safety management system which is based on legal requirements and/or recognised standards or guidelines and which has been internally audited and/or audited or certified by an external party	34.1	n.a.	n.a.
Number of fatalities as a result of work-related injuries and work-related ill health	0	n.a.	n.a.
Number of recordable work-related accidents (excluding fatalities)	4	n.a.	n.a.
Rate of recordable work-related accidents	6.2	n.a.	n.a.
Number of cases of recordable work-related ill health	3	n.a.	n.a.
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health	28	n.a.	n.a.

Health and safety metrics – Non-employees in the own workforce

	2024	2023	2022
Percentage of non-employees who are covered by the company's health and safety management system based on legal requirements and/or recognised standards or guidelines	60.2	n.a.	n.a.
Number of fatalities as a result of work-related injuries and work-related ill health, non-employees	0	n.a.	n.a.
Number of recordable work-related accidents (excluding fatalities)	0	n.a.	n.a.
Rate of recordable work-related accidents	0	n.a.	n.a.
Number of cases of recordable work-related ill health	0	n.a.	n.a.
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health	0	n.a.	n.a.
Number of fatalities as a result of work-related injuries and work-related ill health, other workers working on the company's site	0	n.a.	n.a.

Social

Workers in the value chain

The manufacture of Svedbergs Group products is partly outsourced to contract manufacturers. The company thus depends on external labour such as employees of partners and subcontractors.



Impact, risks and opportunities

Impact in the value chain

Impacts on workers in the value chain are mainly upstream in the global value chains linked to the production of raw materials and bathroom products. Overall, Svedbergs Group has partnerships with more than 300 subcontractors, which mainly carry out production in Europe and China. Areas in which Svedbergs Group has an impact include working conditions, equal treatment and opportunities for all and other labour-related rights.

Risks and opportunities for Svedbergs Group

Shortcomings in the work environment and working conditions of workers in the value chain may pose risks related to delayed or postponed deliveries as a result of injuries, strikes or other reasons. Shortcomings in equal treatment and opportunities for all pose potential brand and reputational risks, which may have financial impacts.

Governance

Policies related to value chain workers

Human Rights Policy

The policy outlines Svedbergs Group's commitments and responsibility to respect human rights by carrying out risk analysis, assessing and addressing negative impacts, setting out the grievance mechanisms, and providing access to effective remedy if violations have occurred.

Supplier Code of Conduct

The Supplier Code of Conduct is based on internationally recognised conventions on human rights, working conditions, the environment and anti-corruption. All partners are expected to comply with

Strategy and actions

Actions to manage impacts and risks

Channels for reporting whistleblowing

To enable workers in the value chain to anonymously report suspicions of non-compliance with laws and rules relating to working conditions or human rights,

the principles set out in the Supplier Code of Conduct. The principles are based on the ETI Base Code and the ten principles of the UN Global Compact. It makes it clear that Svedbergs Group for example does not accept human trafficking, child labour or forced labour in any form. It also clarifies the right of all workers to form or join trade unions and to bargain collectively. No worker exercising this right should suffer discrimination and all workers should know the basic conditions of their employment and have written employment contracts. Suppliers must ensure that all workers receive decent pay that guarantee a decent standard of living for them and their families.

an external whistleblowing function is in place. Reports of suspected breaches and irregularities may be made via an online form that guarantees full anonymity. The online form is available via the Svedbergs Group website.

Target

The proportion of strategic suppliers at which a physical audit has been carried out should be **20 percent per annum**.

All critical suppliers must have undergone an audit by 2030.

Outcome

	2024	2023	2022
% of strategic suppliers audited in 2024	21.0	10.0	7.0

Governance

Business conduct

Svedbergs Group does not accept any form of corruption, bribery, extortion or money laundering and distances itself from any illegal restriction of competition. This stance includes employees, customers, suppliers or individuals working for or on behalf of the Group.

Target

No incidence of corruption.

Outcome

	2024	2023	2022
Number of confirmed cases of corruption	0	0	0

Impact, risks and opportunities

Crimes, offences or misconduct related to corruption or shortcomings in business ethics in the Group's own operations, at suppliers and at partners entail risks relating to confidence in Svedbergs Group among customers, existing and potential employees, suppliers, partners and the rest of the business environment. Shortcomings in behaviour and conduct also risk having a financial impact in the form of additional costs, fines and loss of business.

Svedbergs Group has zero tolerance for all forms of corruption such as extortion, fraud, bribery and anti-competitive behaviour. All employees have a responsibility to comply with external and internal rules and to take action if the company or its employees do not act in line with them.

Governance

A healthy corporate culture

Svedbergs Group works actively to ensure high business ethics throughout the organisation. The foundation of responsible business and ethical behaviour is a healthy corporate culture. The Group constantly strives to maintain and ensure this culture by means of clearly defined expectations, training, ongoing internal dialogues and structured follow-up processes.

The prevention of business ethics risks is based on both external frameworks and internal rules and guidelines. The external frameworks include applicable laws and regulations, for example anti-corruption legislation. Svedbergs Group also complies with the UN Global Compact, the UN Guiding Principles on Business and Human Rights, the International Labour Organization's core conventions and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct and the Code to Prevent Corruption in Business (the Swedish Anti-Corruption Institute).

Policies related to business conduct

Employee Code of Conduct

One of the main internal regulations is Svedbergs Group's Employee Code of Conduct. This Code sets out guidelines for how employees should behave towards each other and when representing the company. The aim of the guidelines is to ensure a safe work environment, equal, fair treatment of all employees and ethical conduct. Four key areas are defined in the Code:

- Promoting a healthy workplace, respecting fundamental labour law principles
- Conducting business based on ethical business practices
- Protecting company assets and personal data
- Supporting local communities and the environment

All employees of the Group have a personal responsibility to read, sign and follow the Code of Conduct. Svedbergs Group's Group Management is responsible for ensuring compliance with the Code of Conduct

Supplier Code of Conduct

All suppliers to Svedbergs Group must comply with the principles set out in the Group's Supplier Code of Conduct. The principles are based on the ETI Base Code and the ten principles of the UN Global Compact. They include working conditions and working hours, discrimination, bribery, environmental considerations and compliance with laws and regulations.

Data privacy

The policy describes Svedbergs Group's processing of personal data.

Whistleblowing policy

The policy clarifies the possibility for employees and other stakeholders to report irregularities anonymously and without risk of retaliation.

Strategy and actions

Management of relationships with suppliers

Svedbergs Group endeavours to ensure control and accountability throughout the supply chain. Social rights, including human rights, and environmental criteria are an integral part of the procurement process. Before a contract is signed with a new supplier, a risk assessment is carried out which, in addition to the ability to deliver as agreed, also covers social and environmental aspects. The Swedish Group companies conduct risk assessments with the support of amfori BSCI, a global business initiative that promotes responsible supply chains. Roper Rhodes works with SEDEX, which has a platform for supplier audits. All brand companies have had access to this platform since 2024.

Within the framework of this partnership, ongoing dialogues and risk assessments are conducted with selected suppliers. Based on the assessments, either in-depth in-house audits or external third-party audits are carried out, if deemed relevant. In addition, a strategic supplier assessment is carried out once a year. In the event of non-conformities and shortcomings, an action plan is drawn up. Repeated shortcomings may lead to the cancellation of partnerships and contracts.

Prevention and detection of corruption and bribery

Svedbergs Group works systematically to prevent corruption and maintain high ethical standards in its relations with employees, suppliers, customers and

the rest of the business environment. To ensure that all employees are aware of the Employee Code of Conduct, mandatory training sessions are organised for all employees in the Group.

If employees experience behaviour that is not in line with Svedbergs Group's codes of conduct, values and policies, they are encouraged to contact their line manager, their safety representative or the HR department. It is also possible to report cases anonymously via an external online whistleblowing service. Reported events and incidents must be investigated promptly, independently and objectively. Furthermore, all reported incidents must be reviewed by an independent investigation team, separate from those involved in the case.

Whistleblowing service

Using Svedbergs Group's online whistleblowing service, employees and others covered by the Swedish Whistleblowing Act can make an anonymous report of misconduct that is perceived to violate laws or rules for the business. How the whistleblowing function is to be handled and managed is set out in the Group's internal guidelines and procedures, which comply with the Swedish Whistleblowing Act. These state, among other things, that Svedbergs Group must ensure that anyone who reports serious misconduct via the whistleblowing service must be able to do so in a safe, confidential manner without risk of reprisals.



Outcome

Confirmed incidents of corruption and bribery

	2024	2023	2022
Number of incidents reported	0	0	0
Number of confirmed cases of corruption	0	0	0
Number of convictions for offences of corruption and bribery	0	0	0

Reporting on the EU Taxonomy Regulation

The EU Taxonomy Regulation is a classification system for environmentally sustainable economic activities and a key tool for achieving the EU's goal of carbon neutrality by 2050.

The EU Taxonomy describes which economic activities fall within the scope of the taxonomy ("covered by the taxonomy") and which of these activities meet the EU's technical screening criteria and are thus classified as environmentally sustainable ("taxonomy-compliant economic activities"). In order for the Group's products to be considered "compliant" with the screening criteria, the activities must comply with certain EU-specific standards (EU Regulation 2017/1369).

A mapping of Svedbergs Group's operations based on the disclosure requirements and targets contained within the taxonomy has been carried out at company level. The survey identified compliant and non-compliant activities in relation to the taxonomy, according to the conclusions below:

- **Turnover** A very small proportion of Svedbergs Group's turnover is derived from Sales of spare parts, CE 5.2.
- **Capital expenditure (CapEx)** The investments are linked to Installation, maintenance and repair of energy efficiency equipment, CC M7.3. No investments have been made for other taxonomy-applicable activities. Regarding other investments, we have not had the opportunity to follow up on suppliers' compliance with the taxonomy as such data was not available.
- **Operating expenditure (OpEx)** The assessment of taxonomy compliance within this category needs to be further developed to identify which parts contribute to meeting the environmental objectives. For 2024, no operating expenditure was identified for taxonomy-compliant activities.

Activities aimed at increasing the proportion of taxonomy-compliant activities have also been identified and initiated:

- Processes for ensuring minimum protective measures.
- Improved reporting and data collection to more clearly determine the proportion of taxonomy-compliant activities.
- Development of strategies to strengthen the company's environmental objectives and improve taxonomy-compliance in future investments and operations.

Accounting principles

The taxonomy-compliant key figures are defined in accordance with Annex I of Art. 8 Delegated Act.

Turnover

The proportion of taxonomy-compliant economic activities of Svedbergs Group's total turnover has been calculated as the part of net turnover that derives from products and services linked to compliant economic activities (numerator) divided by net turnover (denominator). The denominator is based on Svedbergs Group's consolidated net turnover in accordance with IAS 1.82(a), which is consistent with the consolidated income statement on page 89.

Capital expenditure

The proportion of taxonomy-compliant capital expenditure is defined as investments compatible with the taxonomy (numerator) divided by Svedbergs Group's total investments (denominator). The numerator refers to total capital expenditure of the financial year's additions of tangible and intangible fixed assets,

before depreciation and any revaluations, excluding changes in fair value. The investments include additions of tangible fixed assets (IAS 16), intangible assets (IAS 38) and right-of-use assets (IFRS 16), which are presented in notes 20–22 as investments and increases through business acquisitions. Goodwill is not included.

Operating expenses

The proportion of taxonomy-compliant operating expenses is defined as operating expenses compatible with the taxonomy (numerator) divided by Svedbergs Group's total operating expenses (denominator). Total operating expenses consist

of direct costs attributable to research and development, building renovation measures, short-term rentals, maintenance and repairs and all other direct expenses related to the daily servicing of property and fixed assets. Research and development expenses are found in Svedbergs Group's income statement and non-capitalized leases according to IFRS 16 are found in Note 22 Leases. Maintenance and repairs have been determined based on the costs allocated to internal cost centers. The related cost items are found in different items in Svedbergs Group's income statement.

The following pages report the share of taxonomy-applicable and compatible economic activities.

Nuclear and fossil gas related activities

Nuclear energy related activities

1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO

Fossil gas related activities

4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities

Fiscal year 2024	Code (2)	Absolute turnover (3)	Proportion of turnover, year 2024 (4)	Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')						Minimum safeguards (17)	Taxonomy-aligned (A.1) or Taxonomy-eligible (A.2) proportion of turnover in 2023 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)	
				Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)					
Economic activities (1)		SEK t	%	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1 Environmentally sustainable activities (Taxonomy-aligned)

Turnover of eligible taxonomy-aligned activities (A.1)		0	0%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	0%		
Of which Enabling		0	0%	0%	0%	0%	0%	0%	0%	0%	—	—	—	—	—	—	—	0%	E	
Of which Transitional		0	0%	0%	0%	0%	0%	0%	0%	0%								0%		T

A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)

				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)											
Sales of spare parts	CE 5.2	10,058	0.46%	N/EL	N/EL	N/EL	N/EL	EL	N/EL									0%		
Turnover from taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		10,058	0.46%	0%	0%	0%	0%	0.46%	0%									0%		
A. Turnover from taxonomy-eligible activities (A.1 +A.2)		10,058	0.46%	0%	0%	0%	0%	0.46%	0%									0%		

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

Turnover of non-eligible activities (B)		2,173,659	99.54%																	
TOTAL		2,183,717	100%																	

	Proportion of Turnover /Total Turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0.46%
PPC	0%	0%
BIO	0%	0%

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities

Fiscal year 2024	Code (2)	Absolute CapEx (3)	Proportion of CapEx, year 2024 (4)	Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')							Minimum safeguards (17)	Taxonomy-aligned (A.1) or Taxonomy-eligible (A.2) proportion of turnover in 2023 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
				Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)					
Economic activities (1)		SEK t	%	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1 Environmentally sustainable activities (Taxonomy-aligned)

CapEx of eligible taxonomy-aligned activities (A.1)		0	0%	–	–	–	–	–	–	–	–	–	–	–	–	–	–	0%		
Of which Enabling		0	0%	0%	0%	0%	0%	0%	0%	0%	–	–	–	–	–	–	–	0%	E	
Of which Transitional		0	0%	0%	0%	0%	0%	0%	0%	0%								0%		T

A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)

				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)											
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	216	0.35%	EL	N/EL	N/EL	N/EL	N/EL	N/EL											0%
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		216	0.35%	0%	0%	0%	0%	0.35%	0%											0%
A. CapEx of Taxonomy-eligible activities (A.1 + A.2)		216	0.35%	0%	0%	0%	0%	0.35%	0%											0%

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

CapEx of Taxonomy-non-eligible activities	60,579	99.65%
TOTAL	60,795	100%

	Proportion of CapEx/Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	0.35%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities

Fiscal year 2024	Code (2)	Absolute OpEx (3)	Proportion of OpEx, year 2024 (4)	Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')						Minimum safeguards (17)	Taxonomy-aligned (A.1) or Taxonomy-eligible (A.2) proportion of turnover in 2023 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)	
				Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)					
Economic activities (1)		SEK t	%	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1 Environmentally sustainable activities (Taxonomy-aligned)

OpEx of eligible taxonomy-aligned activities (A.1)	0	0%	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	0%	E	
Of which Enabling	0	0%	0%	0%	0%	0%	0%	0%	0%	0%	—	—	—	—	—	—	—	0%		
Of which Transitional	0	0%	0%	0%	0%	0%	0%	0%	0%	0%								0%		T

A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)

				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)											
OpEx of Taxonomy-eligible but not environmentally sustainable activities	0	0%	0%	0%	0%	0%	0%	0%	0%									0%		
A. OpEx of Taxonomy-eligible activities (A.1 + A.2)	0	0%	0%	0%	0%	0%	0%	0%	0%									0%		

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

OpEx of Taxonomy-non-eligible activities (B)	42,588	100%																		
TOTAL	42,588	100%																		

Financial summary

Index	Turnover	CapEx	OpEx
Total	2,183,717	60,795	42,588

	Proportion of OpEx/Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Auditor's report on the statutory sustainability report

To the general meeting of the shareholders in Svedbergs Group (publ.) AB,
corporate identity number 556052-4984

Engagement and responsibility

It is the board of directors who is responsible for the statutory sustainability report for the financial year 2024 on pages 34–50 and that it has been prepared in accordance with the Annual Accounts Act according to the previous version applied before 1 July 2024.

The scope of the audit

Our examination has been conducted in accordance with FAR's standard RevR 12 The auditor's opinion regarding the statutory sustainability report.

This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided me (us) with sufficient basis for my (our) opinion.

Opinion

A statutory sustainability report has been prepared.

Malmö, 8 April 2025

Maria Ekelund
Authorized/Approved Public Accountant

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