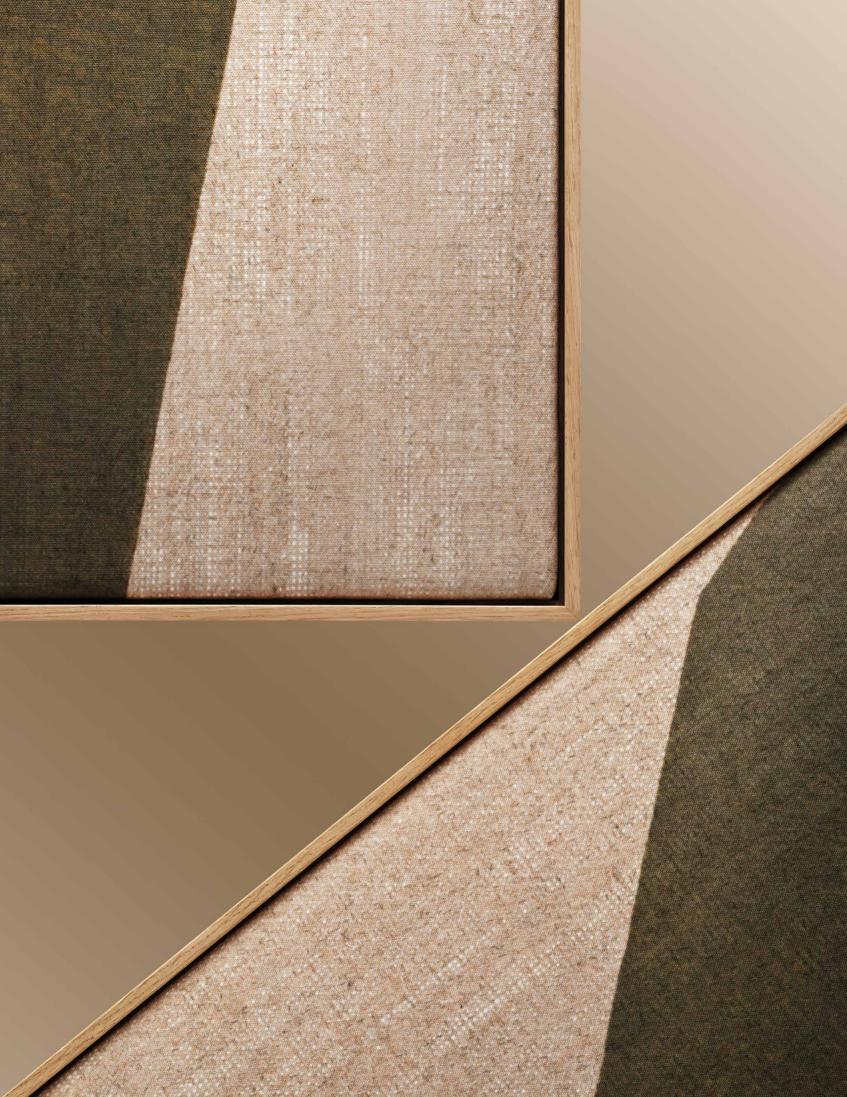


Lammhults Design Group



CEO Statement

"Sustainability is not a side initiative - it's our strategy."

Our enduring commitment

At Lammhults Design Group, we are proud to reaffirm our ongoing commitment to the Ten Principles of the United Nations Global Compact in the areas of human rights, labour, environment, and anti-corruption. These principles are deeply aligned with our core values and have long served as a foundation for how we operate – ethically, transparently, and with responsibility toward people and planet.

Designing with purpose

As a Scandinavian design and furniture group with a legacy rooted in quality, functionality, and timeless aesthetics, we recognize our responsibility to help build a sustainable future. Our business touches many lives – from employees and suppliers to customers and communities. That is why our sustainability strategy is not a side initiative, but a central part of our long-term business plan.

Progress and integration

Over the past year, we have taken significant steps to further integrate the Global Compact principles into our operations. In alignment with the Corporate Sustainability Reporting Directive (CSRD), we have initiated a Double Materiality Assessment to identify our most critical environmental, social, and governance (ESG) priorities. Our commitment to human rights and labor standards continues through policies on non-discrimination, diversity, and workplace safety, supported by regular employee dialogues, risk analyses, and occupational health reviews.

Climate action and circular thinking

We have deepened our focus on climate responsibility. Nearly all of the energy we use now comes from renewable sources, and several of our companies operate entirely fossil-free production facilities. These efforts are complemented by initiatives to reduce emissions across both operations and logistics. In parallel, we are scaling up our commitment to circular economy models. Programs such as Fora ReForm and Re:use enable our customers to reduce their environmental footprint while extending product life cycles through refurbishment and reuse.

Transparency and collaboration

To strengthen transparency and accountability, we have implemented a digital platform for sustainability reporting



Susanna Hilleskog, CEO and Group President

and supplier assessments. This enhances visibility across our supply chain and ensures alignment with our core standards. Furthermore, we continue to prioritize partnerships with local and regional suppliers, promote FSC-certified materials, and actively uphold environmental and social standards throughout our value chain.

Leadership through responsibility

Our Group's commitment to the Ten Principles is not only about compliance – it is about leadership. We strive to lead by example by fostering innovation, investing in our people, and promoting design that contributes positively to society. The challenges we face – from climate change to inequality – require decisive and collective action.

Looking ahead

We will continue to embed the Global Compact principles into all aspects of our business and remain committed to transparent reporting on our progress. We welcome the opportunity to learn from others in the UN Global Compact network, share our own experiences, and collaborate toward a more sustainable, inclusive, and resilient future.

Together, we can design a better tomorrow.

SUSANNA HILLESKOG, CEO AND PRESIDENT LAMMHULT, APRIL 2025

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The sustainability report covers the entire Group and includes all wholly owned subsidiaries. The Group's Board of Directors is responsible for the sustainability report.

This document constitutes the statutory sustainability report for Lammhults Design Group, prepared in accordance with Chapter 6, Sections 10-14 of the Swedish Annual Accounts Act (Årsredovisningslagen).

This sustainability report is originally a part of Lammhults Design Group's annual report. The Summary data at the end of the document refers to pages in the full annual report as well as this sustainability report. The page numbering mirrors the original document.

Towards a more sustainable future

In 2024, we initiated the development of a Double Materiality Assessment (DMA) – an essential component of our alignment with the Corporate Sustainability Reporting Directive (CSRD). Through this process, we identify the sustainability issues that are most relevant from both a business and environmental, social, and governance (ESG) perspective. The work will continue throughout 2025 and will serve as a foundation for how we prioritize and integrate sustainability into our overall strategy moving forward.

While compliance with regulations is a given, our approach to sustainability goes far beyond meeting legal requirements. We see it as a strategic opportunity to develop our operations responsibly and with long-term impact. Our internal policies and guidelines are continuously updated to ensure sustainability remains a natural and integral part of our daily business.

Our sustainability vision

Lammhults Design Group's vision is to serve as a role model in sustainable development. This includes a strong focus on developing resource-efficient and environmentally sound solutions. All subsidiaries within the Group emphasize circularity and separability in their product design. Our ambition is to intensify our efforts in areas where we can make the most meaningful impact—both through the products we create and the business model we follow.

Our Business Model

Lammhults Design Group is a leading player in Scandinavian design and furniture manufacturing, with sustainability and innovation at the core of our identity. Through deliberate choices and strategies, we aim to create products that remain relevant and durable for future generations. The Group consists of several well-established brands that offer design furniture and interior solutions for public and private environments across a global market.

Our business model is built on creating long-term value through design and quality. By combining in-house production with strategic partnerships, we ensure high product standards, resource efficiency, and reduced environmental impact. We actively promote circular solutions, thoughtful material selection, and product lifecycle management to meet the needs of both our customers and end users.

Our customer base includes both public and private sectors, with deliveries of furniture to workplaces, schools, libraries, and other public spaces.

Deliberate work on circularity and separability

Circular flows and product separability are integral to Lammhults Design Group's business model. By actively promoting the use of reused furniture in public procurement processes, we reduce environmental impact and extend product lifecycles. This strategy enhances our competitiveness in an increasingly sustainability-driven market. Through intentional, strategic decisions, we aim to ensure our products remain relevant and sustainable for both current and future generations.

Year in summary

Throughout the year, Lammhults Design Group has continued to strengthen its sustainability efforts across the Group. By focusing on reducing our climate impact, engaging employees, and fostering supplier collaboration, we have taken meaningful steps toward becoming a more responsible and sustainable business.

Actions to reduce climate impact

In 2024, the Group's total energy consumption and carbon emissions from electricity and heating showed a slight decrease across comparable units. Approximately 96.2% of the total energy used for electricity and heating came from renewable sources, compared to 85% the previous year.

The facility in Norway and three out of four Swedish sites are heated using bio-based district heating. Electricity use in both Swedish and Norwegian facilities is primarily sourced from renewable energy such as hydro and wind power.

Increased focus on Environmental Product Declarations

Efforts to produce Environmental Product Declarations (EPDs) continued throughout the year. The majority of the Group's products will soon be covered by these declarations. The aim is to include the entire product portfolio, with some exceptions—such as electronics, which cannot be EPD-certified. These declarations provide greater transparency on environmental impact, strengthening our sustainability work and responding to growing market demands.

Collaboration with transport providers

In terms of tracking transport emissions, Group companies have maintained existing partnerships and initiated new collaborations with multiple logistics providers. Many of our major carriers have already transitioned to using only Euro 6-class engines—the highest current environmental classification for vehicles. These upgrades are part of ongoing efforts to modernize vehicle fleets and lower environmental impacts.

Employees

During the past fiscal year, the Group had an average of 281 employees, of whom 53% were women and 47% men. The executive management team comprised eight individuals—three women (37.5%) and five men (62.5%). The Board of Directors was evenly balanced with 50% women and 50% men.

Preventing health issues

Permanent employment accounted for 96.6% of the workforce, with 90.8% working full-time (86.6% of women and 93.0% of men). Total sick leave increased compared to the previous year, reaching 6.2% (up from 4.8%). Shortterm sick leave also rose slightly, from 1.9% to 2.1%.

Promoting mental health

Our business area Library Interiors has incorporated mental well-being as a central theme in its interior design concepts. A key focus has been on biophilic design, aiming to create calm, inspiring, and inclusive library environments. By incorporating natural elements such as greenery, daylight, nature-inspired materials, colors, sounds, and scents, these spaces promote relaxation and well-being. The design approach is rooted in research that shows how natural features can reduce stress and improve concentration—particularly valuable in library settings.

Fora Form continues to develop safe and inspiring meeting spaces that foster meaningful conversation and support mental health. As Norway's largest manufacturer of meeting space interiors, the company strives to contribute to a better working life and mental well-being-highlighted by its recognition of World Mental Health Day on October 10.

Zero-accident vision

Work to prevent incidents and reduce workplace accidents remains a top priority. Incident reporting is actively encouraged. In 2024, no workplace accidents were reported across the Group.

Workplace assessments

Lammhults Möbel, Fora Form, and Abstracta have certified occupational health and safety management systems in accordance with ISO 45001. Regular employee surveys are conducted at the company level, with key focus areas including working conditions, health, environment, and motivation. These results are also evaluated at Group level.

A routine for annual employee development reviews has been established, with 82% of staff participating in 2024. These conversations are seen as an important part of the Group's commitment to employee well-being and development.

Supplier collaboration

Close cooperation with suppliers has become increasingly important in achieving the Group's sustainability goals. During the year, Group companies have actively worked to consolidate volumes with a smaller number of key suppliers to realize synergies in logistics and other areas. Today, 80 suppliers account for 80% of the total

purchasing volume – an increase from the previous year, largely due to improved data collection tools and the inclusion of updated procurement data from Library Interiors.

Preference for local suppliers

Of the Group's total purchasing value in 2024, 68% came from local Nordic suppliers. Western and Eastern Europe accounted for 8% and 23%, respectively. Only about 1% of purchases came from the rest of the world.



Sustainability governance

The Group's approach to managing social and environmental sustainability is primarily guided by the codes of conduct and policies adopted by the Board of Directors. In essence, Lammhults Design Group operates in accordance with the ten principles of the UN Global Compact and the guidance set forth by the ISO 26000 standard, which has already been implemented across the majority of subsidiaries.

Sustainability efforts are integrated into each company's business processes and management systems. Most subsidiaries are third-party certified under ISO 14001, with direct responsibility for environmental, occupational health and safety, and ethical issues resting with each individual company. Local management teams are also expected to ensure that tangible improvements in financial performance, environmental outcomes, employee well-being, and social responsibility are measured and monitored.

The management systems at Lammhults Möbel and Abstracta are third-party certified and approved under ISO 9001 and OHSAS 18001, with a gradual transition underway to ISO 45001. Fora Form has been certified under ISO 45001 since 2018 and also holds certifications for ISO 9001 and ISO 14001.

ISO 9001	Quality Management Systems
ISO 14001	Environmental Management Systems
ISO 26000	Social Responsibility Guidance
ISO 45001	Occupational Health & Safety System
OHSAS 18001	Health & Safety System

Sustainability policy

Lammhults Design Group's sustainability policy provides direction on product development, material selection, production processes, supplier engagement, and how employees should interact with the wider world. It serves as a guide for employees to systematically and proactively seek improvements in areas such as production, product design, and administration. The policy also supports competence development and proactive engagement—both essential for maintaining competitiveness and complying with regulatory expectations and industry best practices.

Supplier Code of Conduct

Suppliers are an integral part of Lammhults Design Group's operations and are expected to act in accordance with the Group's values and policies. In 2024, we further strengthened sustainability efforts in the supply chain by implementing a digital platform for sustainability data and supplier monitoring.

This platform enhances our visibility into supplier sustainability performance. It enables us to identify risks, track commitments, and drive improvements in line with our sustainability objectives. The platform provides a structured, data-driven approach to ensuring transparency and compliance with environmental, social, and ethical standards.

As of 2024, 121 suppliers—representing approximately 90% of the Group's total purchasing volume—had completed sustainability surveys via the platform. Data collection, analysis, and risk assessments will continue in 2025, with the goal of covering up to 95% of total procurement volumes.

Employee Code of Conduct

This internal code offers clear guidance on how employees are expected to interact with customers, suppliers, and other stakeholders. It covers key topics such as business ethics, fair competition, anti-corruption, and bribery. It also addresses the company's responsibilities toward its employees, including human rights, equal treatment, gender equality, diversity, occupational health, and the handling of illness and workplace well-being.

Regarding anti-corruption efforts, no incidents of corruption or bribery were reported within the Group in 2024.

Sustainability strategy

Sustainability is a core element of Lammhults Design Group's business and is embedded in everything we do – from product design to manufacturing and procurement. By focusing on innovation for a sustainable lifestyle, circular materials and flows, and reduced climate impact, we are developing products that contribute to a more resource-efficient and circular furniture industry. At the same time, we build on our long tradition of timeless design, high quality, and long product life cycles.

A central part of our business plan

Lammhults Design Group continues to develop business concepts that strengthen our position in the premium segment. Through structured processes for product reuse and refurbishment, we reduce the climate footprint of our manufacturing. In addition, the Group's centralized procurement organization enables economic efficiency and greater oversight. As a result, our sustainability strategy is a key part of our business plan–aimed at improving both profitability and brand reputation. This supports our ambition to become the natural choice for all our stakeholders.

Our three environmental and sustainability focus areas

Lammhults Design Group concentrates its sustainability work around three core areas:

- Innovations for a sustainable lifestyle
- Circular materials and flows
- Reduced climate impact

These focus areas reflect increasing industry demands for sustainable design and responsible production.

By prioritizing resource-efficient solutions, reuse, and lower emissions, we enhance our competitiveness and contribute to a more sustainable furniture sector. Our efforts are driven by a long-term perspective—to create lasting value for both our customers and the environment.

Innovations for a sustainable lifestyle

We aim to develop products, services, and solutions that conserve the Earth's resources. When launching new products, sustainability considerations must be prioritized and clearly communicated. Many of Lammhults Design Group's current products are already certified under standards such as Möbelfakta, the Nordic Swan Ecolabel, or FSC. Our future goal is for all in-house manufactured products to meet one or more of these sustainability certifications.

To better assess the environmental impact of our products, we are exploring the possibility of applying life cycle

analysis (LCA) to all in-house production. This opens up new business opportunities—for example, restoring furniture through reupholstery or using textile waste as sound absorbers.

Circular materials and flows

Our products are primarily made of wood, metal, and various foams. Our aim is to increase the share of certified sustainable materials and products, ensuring cleaner and more circular material flows. Products should be designed to allow easy disassembly and separation at the end of their useful life, when they can no longer be reused or refurbished.

One key challenge is identifying sustainable alternatives to foam padding. We are closely monitoring developments in this area and are committed to finding long-term, environmentally sound solutions.

Reduced climate impact

Manufacturing, transportation, and raw material extraction all contribute to climate impact. Lammhults Design Group is committed to reducing greenhouse gas emissions throughout the value chain. For several years now, the Group has measured carbon emissions from our operations and selected parts of the supply chain. The majority of our electricity comes from renewable sources, such as solar, wind, and hydropower. Most of our facilities are heated using district heating.

In 2024, we launched a logistics initiative to coordinate shipments from suppliers and to customers among companies located near each other. This improved load efficiency and led to a decrease in both transportation costs and CO2 emissions. The Group's CO2 emissions from transport fell from 141 tons to 77 tons in 2024, partly due to better logistics coordination and partly due to a decline in unit sales.



Group sustainability risks

Lammhults Design Group has identified several key sustainability-related risks across different areas of its operations. Our objective is to proactively manage and mitigate these risks to minimize any potential negative impacts and to strengthen our commitment to sustainable and responsible business practices.

Environmental risks

Risk: Failure to identify and manage environmental risks can result in pollution, resource depletion, and legal consequences.

Mitigation: We conduct regular environmental audits, implement environmentally friendly technologies, and develop action plans to reduce our ecological footprint.

Employee-related risks

Risk: Inadequate handling of employee-related risks may lead to workplace safety issues, legal challenges, and reduced productivity.

Mitigation: We implement comprehensive employee training programs, maintain open channels for reporting concerns, and ensure compliance with labor laws and workplace regulations.

Social risks

Risk: Poor management of social sustainability issues can damage relationships with local communities and stakeholders and result in a loss of trust.

Mitigation: We actively engage with communities through social projects and initiatives that promote social inclusion and economic development.

Human rights risks

Risk: Neglecting human rights issues could result in violations such as child labor, forced labor, and discrimination.

Mitigation: We maintain clear policies and guidelines to prevent human rights abuses and regularly monitor our supply chain to ensure compliance with human rights standards.

Anti-corruption risks

Risk: Weak controls over corruption can expose the company to unethical practices and legal penalties.

Mitigation: We enforce a strict zero-tolerance policy on corruption, establish internal controls and reporting mechanisms, and provide employee training on ethical business conduct.

Our contribution to the UN Sustainable Development Goals

Lammhults Design Group actively contributes to the United Nations Sustainable Development Goals (SDGs). We have identified five goals that are particularly relevant to our operations and where we can make a significant impact.



Good health and well-being

Target 3.9 - Reduce deaths and illnesses from hazardous chemicals and pollution

By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.

Our goals

Non-toxic products, solvent-free manufacturing by 2030, increased employee well-being and attendance, and high customer and employee satisfaction.

Key activities

Phasing out classified chemical substances (*), eliminating the use of organic solvents, and developing and implementing clear action plans.

Key metrics

Quantity and classification of hazardous chemicals, VOC emissions (kg/year)**, sick leave rate (%), employee satisfaction (NMI), customer satisfaction (NKI), and staff turnover



Gender Equality

Target 5.1 - End discrimination against women and girls

End all forms of discrimination against all women and girls everywhere.

Target 5.5 - Ensure full participation in leadership and decision-making

Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.

Target 5.9 - Adopt and strengthen policies and enforceable legislation for gender equality

Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels.

Our goals

Gender equality in staffing, teams, and leadership.

Key activities

Updated Code of Conduct in effect since 2018, emphasizing equality, non-discrimination, and diversity. Development plans for skills, career advancement, and inclusive recruitment in each company.

Key metrics

Gender distribution among blue-collar employees, gender distribution among white-collar employees, gender distribution in management teams, and gender distribution on the Board of Directors



Decent Work and Economic Growth

Target 8.2 - Diversify, innovate and upgrade for economic productivity

Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors.

Target 8.4 - Improve resource efficiency in consumption and production

Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-Year Framework of Programmes on Sustainable Consumption and Production, with developed countries taking the lead.

 $^{^\}star$ Classified chemical substances refer to those categorized as hazardous under the EU CLP Regulation.

^{**} VOC = Volatile Organic Compounds, typically found in solvent-based coatings and adhesives.

Our goals

Safe workplaces, zero-accident vision, and a competitive, responsible supplier base-environmentally and socially

Key activities

Active incident reporting and risk analysis, supplier collaboration with emphasis on sustainability, prioritization of suppliers that work systematically with environmental improvements, and preference for regional suppliers.

Key metrics

Reported incidents and workplace accidents, sick leave due to accidents, supplier evaluations and development collaborations, percentage of ISO 14001-certified suppliers (80% of purchase volume), share of local suppliers, number and share of suppliers in risk countries (BSCI/Amfori), and percentage of audits conducted in risk countries.



Responsible Consumption and Production

Target 12.2 -Sustainable management and use of natural resources

By 2030, achieve the sustainable management and efficient use of natural resources.

Target 12.4 - Responsible management of chemicals and waste

Ensure environmentally sound management of chemicals and waste throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.

Target 12.5 - Substantially reduce waste generation

By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.

Our goals

Furniture designed for circular flows, energy-efficient facilities, fossil-free production by 2030, and eco-certified furniture and smarter logistics.

Key activities

Designing for circularity, energy efficiency improvements, fossil-free electricity and heating, electrification of vehicle fleets, long-term action plans for suppliers, maximizing reuse and recycling, minimizing waste for incineration, Möbelfakta or EU Ecolabel certification for all volume products, and Euro 6 compliance for all freight transport.

Key metrics

Weighted Circular Material Index, energy use relative to net sales, CO2emissions (Scope 1, 2, and key Scope 3), landfill and recycled waste (volume and share), share of eco-labeled products, share of Euro 6-compliant logistics providers.



Life on Land

Target 15.2 - End deforestation and restore degraded forests

Promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally.

Our goal

100% of wood material sourced from responsibly managed forests.

Key activity

Traceability requirements and follow-up

Key metric

Share of wood materials with documented traceability (e.g., FSC or equivalent)





PROJECT

Fora ReForm

A system for the reuse of original furniture

Through the Fora ReForm concept, design classics are given a new life—becoming part of a circular lifecycle from raw material to reuse. As the first furniture manufacturer in Norway to establish a system for renovation and reuse of its original products, Fora Form enables customers to return used furniture, which is then repaired and refreshed as needed by certified local ReForm partners. By choosing to refurbish and reuse a Fora Form product, customers can reduce the carbon footprint by 50 to 70 percent compared to purchasing a new item. Each piece receives a renewed warranty and a new environmental product declaration, clearly documenting the environmental benefits of the refurbishment.

Sustainability work

Sustainability is a prerequisite for long-term success and a natural part of Lammhults Design Group's responsibility as a furniture producer. By developing more sustainable solutions, we reduce our environmental impact, meet the expectations of our customers and society, and contribute to a more circular and responsible industry.

Products with high environmental performance

Our Group companies work purposefully with material choices, design, and construction to improve sustainability throughout the entire value chain. We continuously develop Environmental Product Declarations (EPDs) for our products. These declarations provide information about a product's environmental impact, material content, the percentage of recycled material used, circular lifecycle attributes, and its estimated service life.

Our goal is for all products (with limited exceptions, such as electronics) to have an EPD. These verified environmental data enable objective comparisons between products and reinforce our market position while supporting a more sustainable industry.

Growing focus on certifications

Fora Form has long held Norwegian Möbelfakta sustainability certification and produces EPDs for its entire product portfolio. The aim is to also have the entire product range certified under Swedish Möbelfakta—an effort that will continue throughout 2025.

Most products from Lammhults Möbel and a large portion of Ragnars' standard range are already Möbelfaktacertified. Both companies are actively working to increase the share of certified products.

These certifications require traceability and legal sourcing of wood and wood-based materials (such as FSC or PEFC certification). Over 50 percent of Group sales now consist of products certified under either Swedish or Norwegian Möbelfakta standards.

Increasing shares of FSC-certified wood

All Abstracta products are certified under Möbelfakta, and because wood is a dominant material in their designs, the company also earned FSC certification in the previous year. This is a significant achievement for Lammhults Design Group.

All companies within our Library Interiors business area are now FSC-certified—an important standard for public sector clients, who are increasingly demanding high environmental performance.

Concepts for renovation and reuse

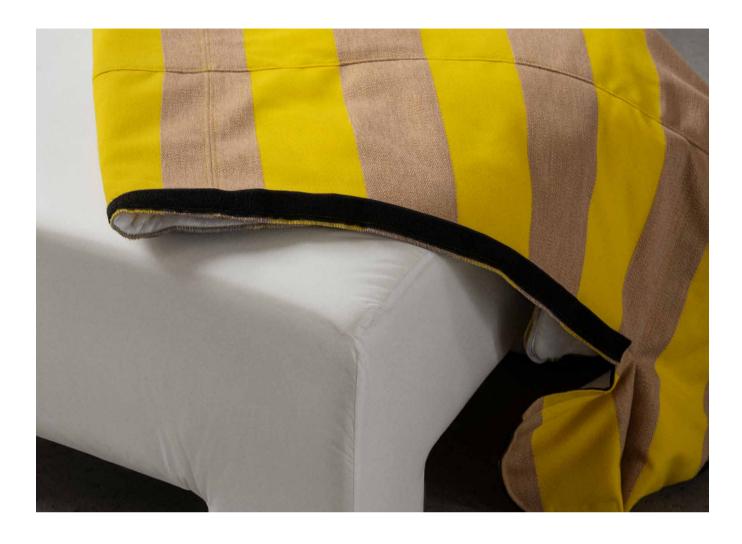
In line with our transition from a linear to a more circular business model, Fora Form launched a new market concept last year: Fora ReForm—dedicated to the refurbishment and reuse of the company's furniture. Through collaboration with certified local partners, the service includes repair, reupholstery, maintenance, and ongoing servicing. Customers benefit from the use of original parts during restoration, receive a renewed five-year warranty, and are provided with an updated Environmental Product Declaration (EPD) that highlights the reduced carbon footprint compared to purchasing new furniture. The concept continues to evolve and expand as demand for sustainable alternatives grows.

Lammhults Möbel is also developing its own refurbishment and reuse services, with a focus on extending product life and reducing waste. At Abstracta, end-of-life products are managed through a dedicated service where components are disassembled and materials are recovered in a sustainable manner.

Within Library Interiors, reuse is not treated as an afterthought but as an integral part of the design process. Existing furniture and fittings are preserved and carefully integrated into new design solutions whenever possible.

Climate-smart operations

The production facilities of Fora Form, Ragnars, Abstracta, and Lammhults Möbel have been designed and continuously upgraded to minimize their climate impact. This includes heating systems powered by biogas-based district energy, electricity sourced from nearby hydropower and wind power plants, and the implementation of advanced waste management systems. Together, these measures have contributed to further reductions in both carbon emissions and waste volumes over the past year.



Efficiency and investment

Both Ragnars and Morgana are actively pursuing a range of efficiency initiatives that not only generate cost savings but also deliver measurable sustainability benefits by reducing energy and material consumption. Among the key investments are air-source heat pumps, the installation of solar panels, and exclusive agreements to source electricity from renewable providers. These efforts have enabled both companies to eliminate fossil fuel use entirely in their production processes, resulting in CO2-neutral manufacturing.

In 2024, Ragnars brought its solar panel system fully online, strengthening its energy resilience. The company's electricity consumption decreased by 15.2%, a result of both solar energy production and a relatively mild autumn and winter. In addition, earlier upgrades to LED lighting have contributed to an almost 20% reduction in energy use over the past two years. Ragnars has set an ambitious target of reducing energy use by a further 10% annually.

Measuring our carbon footprint

Lammhults Design Group is actively working to measure and reduce its climate impact. In 2024, we began collecting data across all emissions categories as defined by the Greenhouse Gas Protocol – Scope 1, 2, and 3.

Mapping our Scope 3 emissions (from upstream and downstream value chains) is a critical step in our sustainability efforts and will continue to be developed going forward. By building a more complete picture of our environmental footprint, we can strengthen our sustainability strategy and prepare for more stringent regulatory demands in the near future.

One highlight: Abstracta's factory in Lammhult runs entirely on solar energy generated from its own rooftop solar park. As a result, the operation is fully CO2-neutral in Scope 1 and 2. The company's ambition is to reach Scope 3 neutrality by 2030, meaning its entire supply chain would be carbon neutral. Furthermore, Abstracta has set a goal to reduce Scope 1 and 2 emissions by 25% by 2030, compared to 2024 levels.

Prioritizing local suppliers

The Group actively reviews its routines and processes to manage supply chain risks, with a clear focus on minimizing environmental impacts and strengthening social sustainability. Local sourcing is a top priority in this work. For example, more than 80 percent of Abstracta's purchases are made from suppliers located within a 250-kilometre radius of its production facility, while half of Ragnars' purchases come from suppliers situated within 100 kilometres of the company's operations.

A number of companies within the Group are certified according to ISO 14001, ensuring structured and continuous improvement in their environmental management systems. These include Lammhults Möbel, Abstracta, Fora Form, Ragnars, Morgana, and Library Interiors—covering units in Sweden, Denmark, and Germany.

Digital tool for environmental reporting

Lammhults Design Group has implemented a digital tool for tracking and reporting environmental impacts across all companies within the Group. The system is designed to support sustainability reporting in accordance with the Greenhouse Gas Protocol (GHG), the Global Reporting Initiative (GRI), and the ISO 14001 standard. By providing a structured and centralized approach, it helps ensure that our environmental data is consistent, verifiable, and aligned with both international standards and evolving regulatory requirements.

Focus on a safe and healthy work environment

All Group companies aim to maintain and continuously improve a healthy organizational culture and safe working environment. Regular assessments and follow-up actions are carried out in line with this objective.

Group-wide digital learning platform

We are currently in the process of launching a Group-wide digital learning platform designed to offer short training modules that enhance knowledge in key areas. The platform will be accessible to employees, resellers, and architects, and can be used on both mobile devices and desktop computers for maximum flexibility.

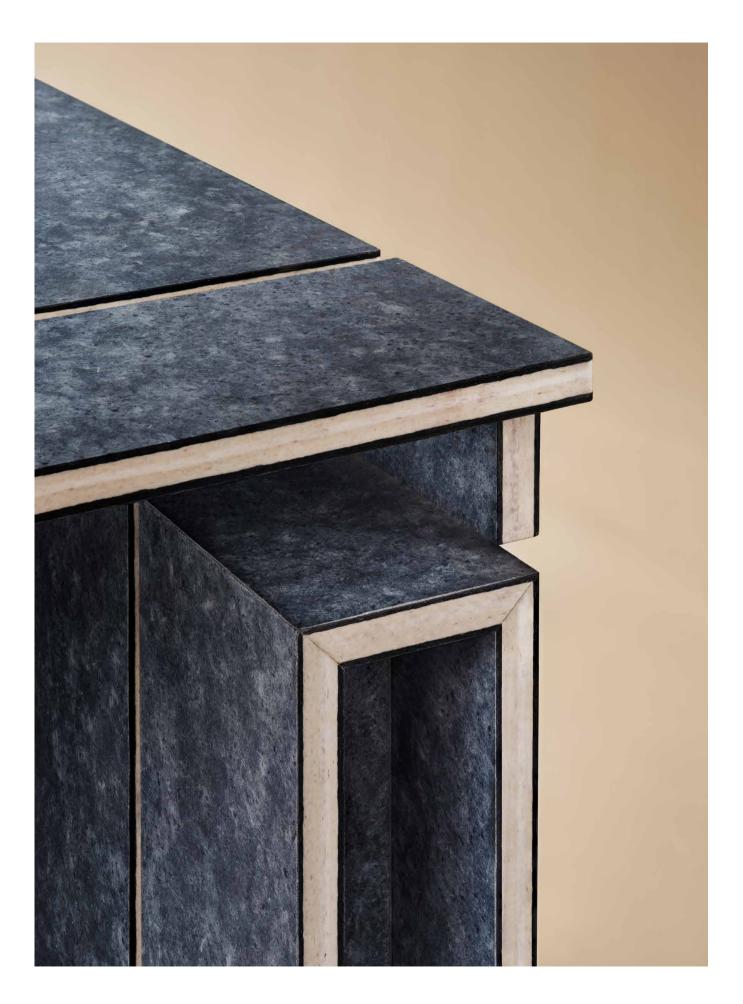
As part of this initiative, the Group's employee handbook is also being integrated into the platform. Maintained and regularly updated by the Group's HR manager, the handbook includes essential policies such as guidelines on anti-harassment and discrimination, as well as alcohol and drug use. While certain sections apply universally across the Group, others are tailored to reflect the specific needs and practices of individual companies.

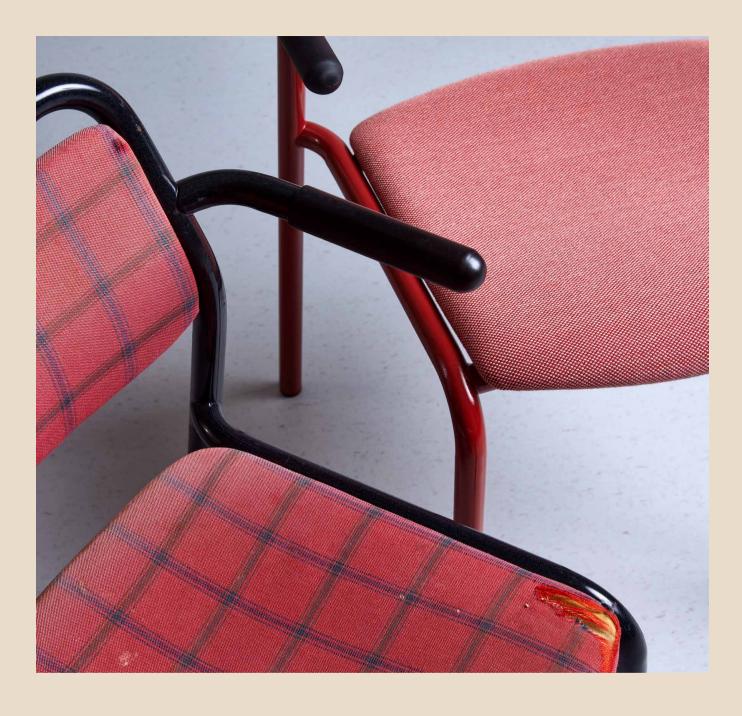
A safe and inclusive workplace

To promote a healthy and safe work environment, rehabilitation dialogues are carried out in cases of recurring sick leave. These conversations aim to identify the need for supportive measures and ensure timely, effective interventions. All companies within the Group have established procedures for managing harassment and discrimination, which are embedded in their respective management systems.

Safety routines are well structured across the Group. Biannual safety inspections are conducted each spring and autumn, followed by team-based safety meetings. Common actions—such as replacing faulty lighting or securing loose cables—are addressed immediately to maintain a safe environment. At each site, dedicated safety officers are appointed to lead this work and ensure compliance with safety protocols. In addition, risk analyses are performed in connection with organizational changes, such as leadership transitions, to proactively identify and mitigate potential hazards in the workplace.

Collectively, these efforts contribute to a secure, inclusive, and engaging work environment for all employees.



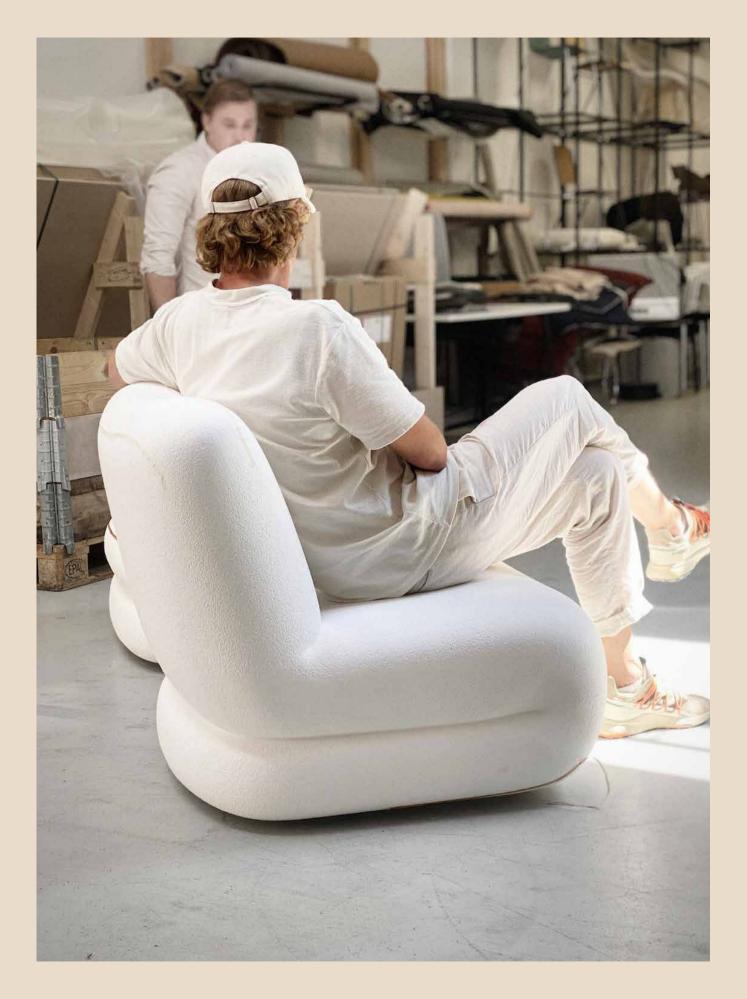


PROJECT

Re:use

Encouraging the refurbishment of existing furniture

Through the Re:use concept, Lammhults Möbel has for several years offered customers the option to refurbish existing furniture – while maintaining high quality standards. This initiative is a key part of the company's push for circularity, and it aims to inspire more clients to choose repair and reuse over replacement. Re:use strengthens the sustainability value of our offerings and extends the life of products already in use.



Sustainability Summary Data

Share of purchases by region

	Procent
Sweden	50%
Other Nordic countries	18%
Western Europe (Non-Nordic)	8%
Eastern Europe	23%
Rest of the world	1%
Total number of suppliers	663
Suppliers accounting for 80% of purchase volume	80

Average number of employees, by region

	Women	Men	Total
Sweden	65	82	147
Norway	28	21	49
Denmark	31	14	45
Germany	5	3	8
Other countries	19	13	32
Totalt	148	133	281

Employment type

	Women	Men	Total
Permanent	150	132	282
Temporary/Contracted	2	8	10
Total	152	140	292
Full-time	132	133	265
Part-time	17	10	27
Total	149	143	292
Share	51%	49%	

Age distribution

	Women	Men	Total
< 30 yrs, white-collar	11	4	15
< 30 yrs, blue-collar	3	7	10
30-50 yrs, white-collar	63	49	112
30-50 yrs, blue-collar	13	20	33
> 50 yrs, white-collar	50	22	32
> 50 yrs, blue-collar	10	22	32
Total	150	132	282

Sick leave

Sweden, Denmark, Norway and Germany	Totalt
Short-term < 14 days	2,1%
Long-term > 14 days	4,1%
Total	6,2%

Staff turnover in numbers, by age group

	Hired	Left	Resigned	Terminated	Retired
< 30 yrs	5	3	0	3	0
31-50 yrs	13	24	12	12	0
> 50 yrs	4	15	7	6	2
Totalt	22	42	19	21	2

Auditor's opinion on the statutory sustainability report

To the General Meeting of Lammhults Design Group AB (publ), Company Registration Number 556541-2094.

Engagement and responsibility

The Board of Directors is responsible for the sustainability report for the financial year 2024, which is presented on pages 50-68, and for ensuring that it has been prepared in accordance with the Swedish Annual Accounts Act as in force prior to 1 July 2024.

Focus and scope of the audit

Our examination has been conducted in accordance with FAR's recommendation RevR 12, Auditor's Report on the Statutory Sustainability Report. This means that our review of the sustainability report has a different focus and significantly smaller scope compared to an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that our review provides a sufficient basis for our opinion.

Opinion

A statutory sustainability report has been prepared.

Malmö, on the date stated in our electronic signature Öhrlings PricewaterhouseCoopers AB

Sofia Götmar-Blomstedt Authorized Public Accountant Lead Auditor Frida Wengbrand Authorized Public Accountant

Lammhults Design Group skapar positiva upplevelser genom moderna inredningar för en global publik. Kundinsikt, innovation, design management, hållbarhet och starka varumärken är grunden i vår verksamhet. Vi utvecklar produkter i samarbete med flera av marknadens främsta formgivare.

abstracta

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