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# About this report

**Reporting company**

Bolon AB, Ulricehamnsvägen, Ulricehamn

**Ownership status**

Limited company

**Owner**

Bolon Group AB

**Reporting period**

01-01-2024 to 31-12-2024

Report number 5

**Publication date**

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**Contact person**

Håkan Nordin, Head of Sustainability

**Changes since previous sustainability report**

Structural changes and expanded KPIs





# About Bolon

We’re a third-generation Swedish family company that started in 1949 with a brave idea: To turn waste material into woven flooring. Many years later, we’re still driven by innovation, passion and a strong urge to create new dimensions by challenging traditional boundaries. The power of generations of innovators has made Bolon a global player, with representation at high-end stores, luxury hotels and offices of well-known brands worldwide.

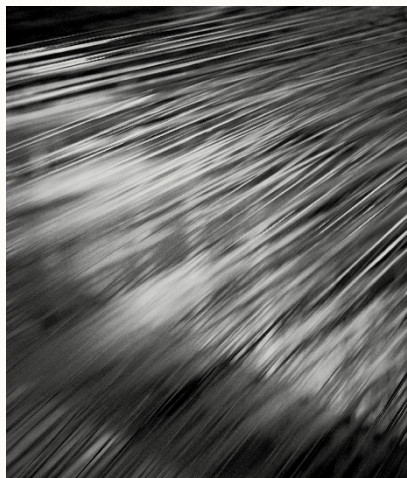
People from all over the world walk on our floors every day. Up to 91% of our production is exported, and we are present in no fewer than 51 markets. In 2024, our largest markets were the USA, Sweden, France, Germany, and Italy. We had a turnover of 342 million Swedish krona (SEK) and, like previous years, continued to strengthen our position as a leading global design brand that produces and markets flooring.

All our production takes place in our factory in Ulricehamn, Sweden—and sustainability is a natural part of everything we do. We are proud that our sustainability work covers all our products, not just selected niche collections.

Together with top international designers, architects, and fashion labels, we have changed the industry’s fundamentals by adding design status to traditional flooring. This makes us proud, but our journey to make everyday life more attractive does not stop here. As innovators, we continue our ambitious work towards our vision to thrill the world with brave innovation for a sustainable design experience. We are Bolon, and we are innovators by heart.

|                |      |
|----------------|------|
| TURNOVER (SEK) | 342M |
| MARKETS        | 51   |

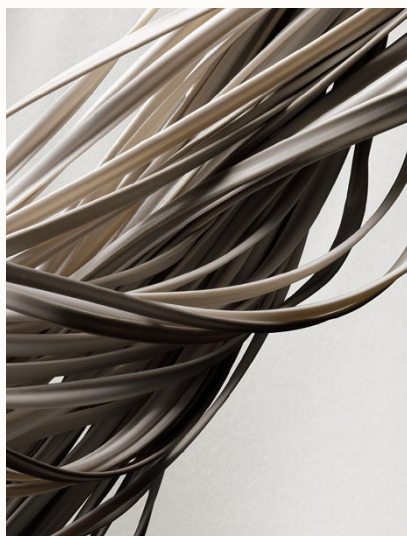
## Important events in 2024



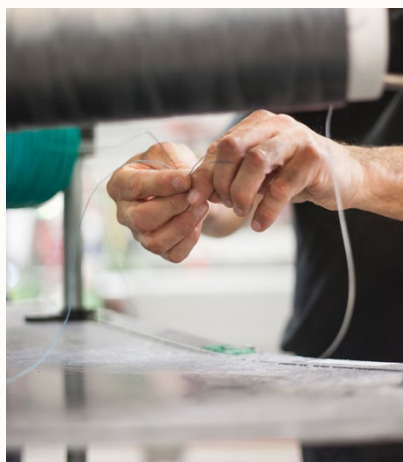
We replaced all fossil-based PVC in the the weave of our floors with BIO-sourced PVC



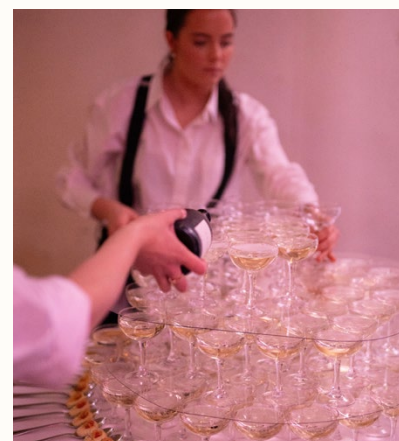
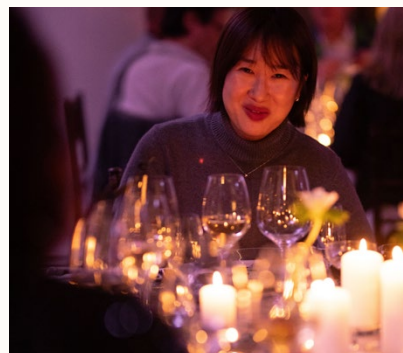
We replaced all fossil-based PVC on the back of our flooring with recycled PVC



We expanded our employee benefits to include massages



We celebrated our 75th anniversary



We completed our first EcoVadis certification



Our employee foundation arranged a company trip to Berlin



## A word from our CEO

2024 has been a very special year for us at Bolon as we celebrated our 75th anniversary! As the third generation of our family business, it is amazing for me and Annica to continue to lead the development of woven design—just like our parents and grandfather before us.

Celebrating our anniversary was extra special this year. This is because 2024 was the year we not only met but surpassed our ambitious sustainability goal. I am incredibly proud that we can now offer climate-neutral products, all produced in our own climate-neutral factory in Ulricehamn, Sweden.

We succeeded in doing this because we are a brave company that dares to stand out and invest in the right skills to push ourselves, and recycling in the design industry, forward.

In just a few years we have increased our use of recycled materials from 28% to an impressive 68%. And we achieved this by doing what we've always done: seeing the potential in recycled materials. Our products now

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*In just a few years we have increased our use of recycled materials from 28% to an impressive 68%. And we achieved this by doing what we've always done: seeing the potential in recycled materials.*

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consist of BIO-sourced PVC, recycled PVC and recycled chalk— and we still have the most premium design flooring on the market.

Now we continue the journey towards our vision, to offer the market bold innovation for a sustainable design experience!

Marie Eklund,  
VD på Bolon

# Our employees

## THE BOLON PERSONNEL FOUNDATION

The Bolon Personnel Foundation is dedicated to planning activities that strengthen the sense of community, which is so vital to the company. The owners allocate funds to the foundation, which plays a key role in organizing collective leisure and team-building activities that foster connection and collaboration. Annual contributions are made to support the foundation's initiatives.

The team working with the foundation is drawn from diverse areas within the company and are united by a shared commitment to creating memorable and enjoyable experiences. Meetings and planning sessions are scheduled during regular working hours to ensure full participation. An annual meeting is also held with the foundation board.

The group organizes smaller events throughout the year, such as summer and Christmas parties. Every other year, we coordinate a company trip with the assistance of a travel agency. The trip brings all employees together for a few days filled with fun, valuable insights, and an inspiring conference. Over the years, trips have been made to New York and Warsaw, and in 2024, the company travelled to Berlin.

During the Berlin trip, we stayed at The Courtyard by Marriott, one of Bolon's Global Accounts and long-term

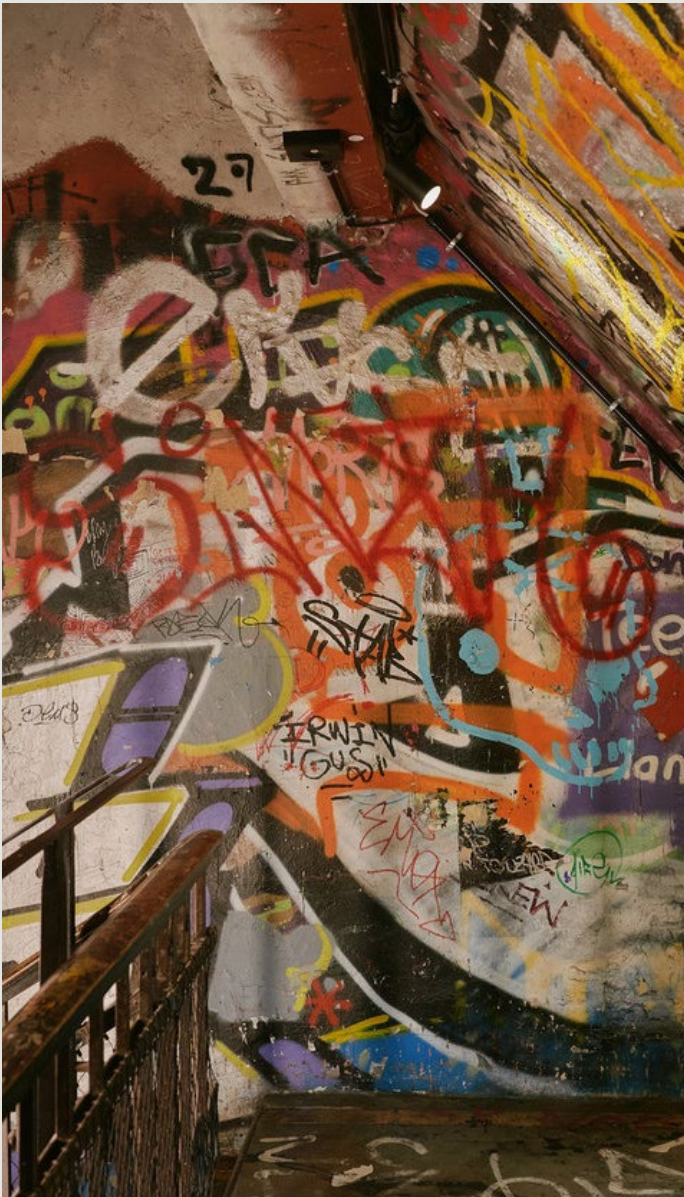


partners. The hotel had recently implemented a new sustainable design strategy. Its 257 rooms, six studios, and four apartments underwent a complete renovation and now offer eco-friendly living combined with innovative technology – and, of course, Bolon flooring.

As part of the trip, we also visited another global account that recently opened in Berlin—Fotografiska Museum. With locations all over the world, Fotografiska is not only a destination where you'll find the most outstanding photography but also a place where art,

experience, and society meet. The collaboration with Fotografiska began in 2010 when they opened their first location in Stockholm. They chose Bolon for the extremely durable and resilient woven vinyl designed to perform in high-intensity public and commercial environments. We are proud to be the flooring choice for all the locations worldwide.

The foundation is currently planning the next trip that will take place in 2026.



Fotografiska Berlin, 2024



## ENVIRONMENTAL SUSTAINABILITY



## CLIMATE CHANGE

### POLICY AND GOAL-SETTING

The climate issue is currently at the top of the sustainability agenda. At the UN climate summit in Paris 2015, world leaders voted to achieve net zero emissions of greenhouse gases by 2050. For this goal to become reality, we need to be halfway there by as early as 2030 – and everyone must play their part.

At Bolon, we are pro-active and want to halve climate emissions throughout the products entire value chain by as early as 2028 – from raw materials to after use (Base year 2018).

Our goal is based on the Life Cycle Assessment (LCA) we conducted in 2021. This assessment showed that 63% of our product's environmental impact comes from raw materials. Our products have two main raw materials: chalk and PVC. To focus on developing our two main raw materials in a more sustainable direction, our goal has been broken down into several smaller projects.

### ACTIVITIES AND PERFORMANCE

#### Raw materials

There is a strong link between recycled materials and climate impact. With every kilogram of recycled material, we can reduce our climate impact by up to 2 kilograms of carbon dioxide. This is according to a

verified, third-party Life Cycle Assessment carried out in 2021. (Miljögiraff 2021).

By staying focused on our main raw materials, and those which have the greatest climate impact, we have been able to implement changes in the materials we use that have resulted in climate-neutral floors. We have also worked closely with our suppliers. This has provided opportunities to create new solutions, which have resulted in significant changes to the sustainability performance of our products in 2024.

#### Energy

We use certified renewable electricity as well as electricity from our own solar-powered factory, which makes our entire production process climate neutral. There are no emissions from gas combustion or other fossil fuels. All heat is produced using heat pumps. Producing our own solar electricity has a negative climate impact by adding new clean energy to society. When compared to the residual mix for 2021, we avoided releasing 380 tons of CO<sub>2</sub> emissions in 2024.

We work continuously to improve our operations and reduce energy consumption. In 2024, we installed sensor- and time-controlled LED lighting throughout our entire factory. Today, approximately 97% of our facility has LED lighting. The expected savings are 373 MWh/year.

By adjusting settings in our ventilation system, we expect to make additional savings of 121 MWh/year. This corresponds to an improvement of approximately 10% compared to 2023.

Furthermore, all compressed air is now controlled automatically, which reduces consumption by approximately 3 MWh/year. All in, the improvements we have made during 2024 are expected to reduce our electricity consumption by 497 MWh/year.

#### The climate footprint of our floors

More and more markets want to know the climate footprint of our floors. The climate footprint of our floors is calculated through an Environmental Product Declaration (EPD) certified by a third-party. These standardized and certified declarations determine the environmental impact of a product throughout the entire value chain. We produced our first EPDs in 2016 and they were updated in 2021. The climate footprint according to the EPD-standard is available for all our floors on the market.

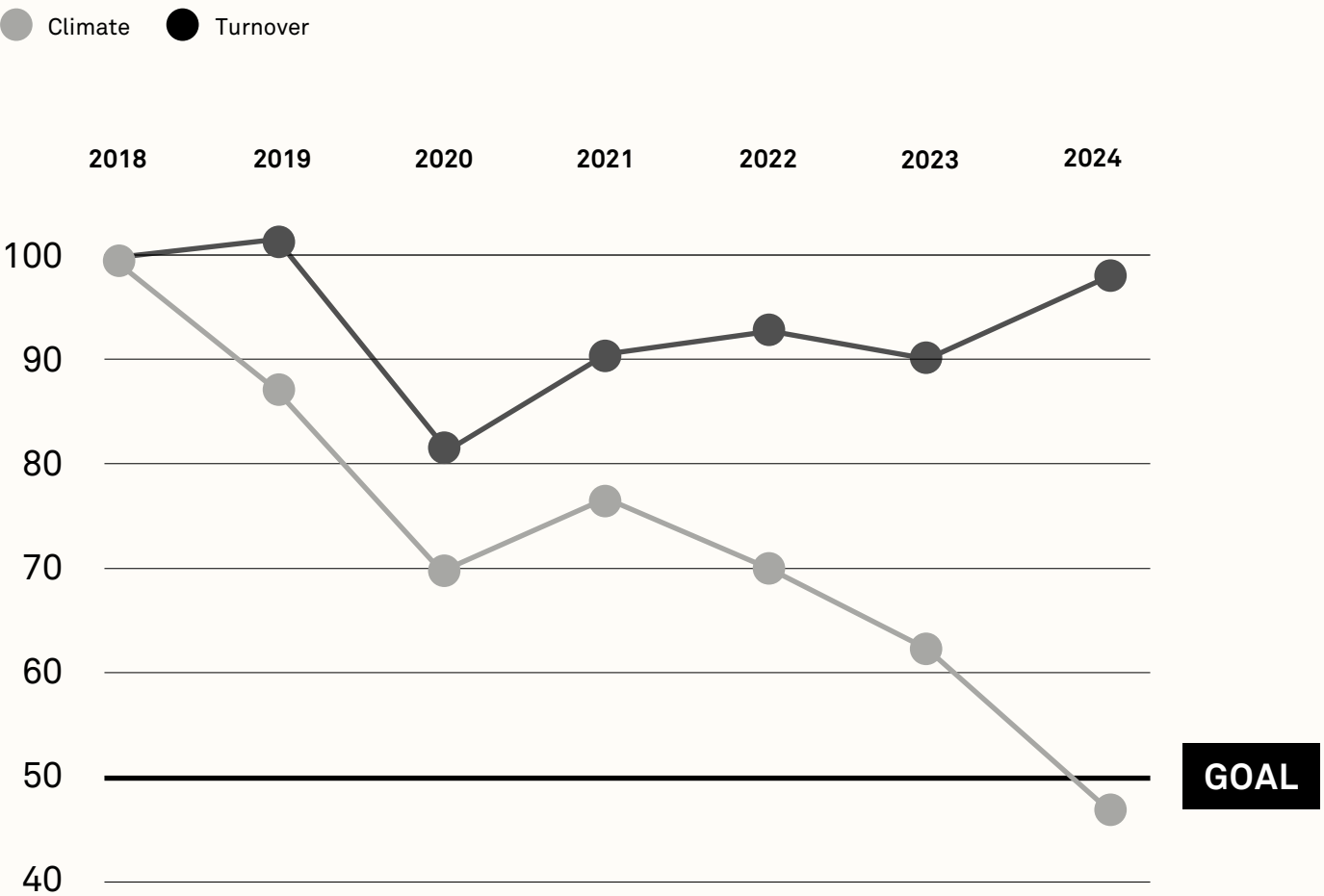
RESULTS

We have chosen to index our climate emissions and compare our climate impact with our turnover. The turnover index was assigned the number 100 with the base year 2018. This gives us the opportunity to see how we can continue increasing sales whilst reducing our climate impact.

*Between 2023 och 2024 we achieved our index goal of cutting our climate emissions in half, while increasing our turnover.*

Fig. 1

CLIMATE INDEX VS TURNOVER INDEX



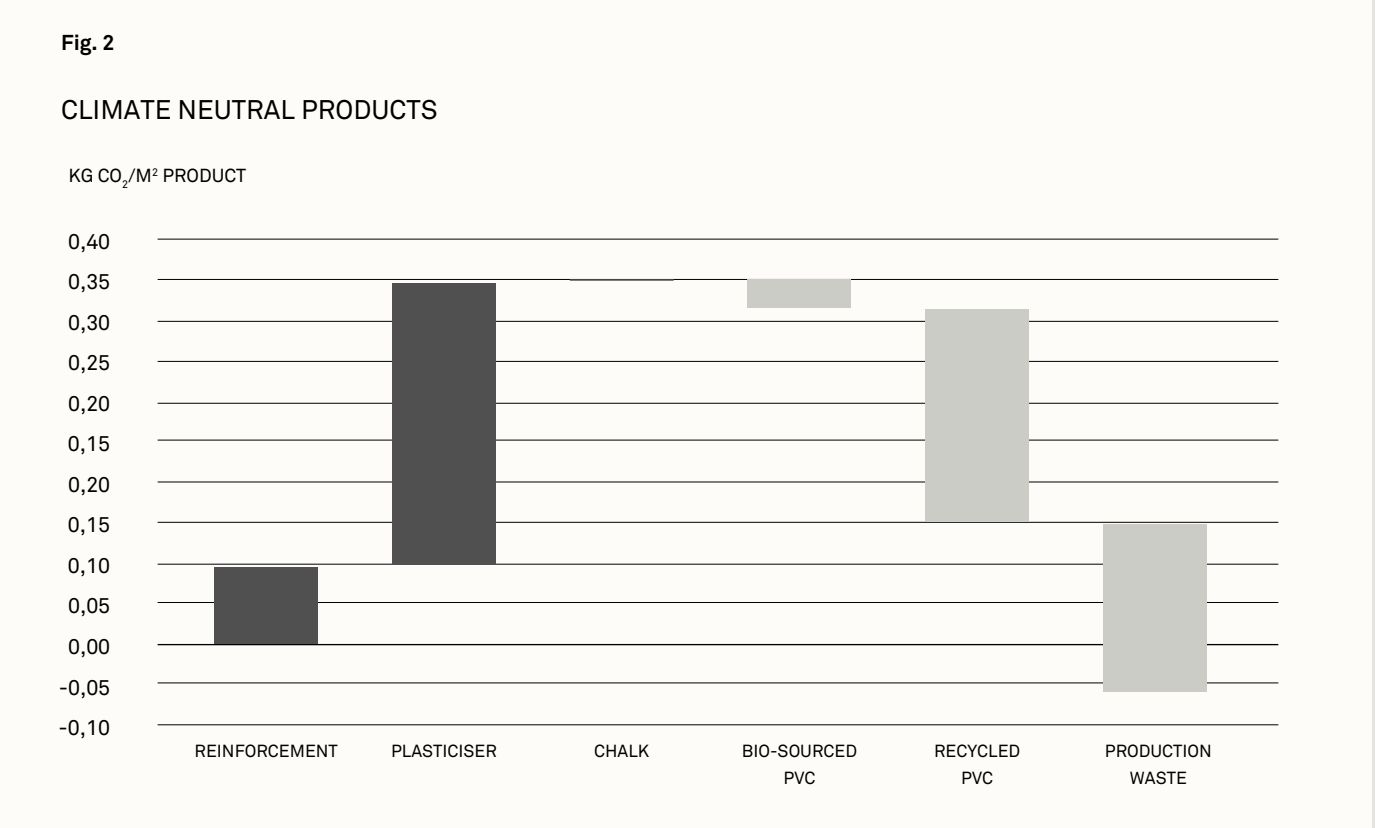
# Climate neutral products

In 2020, we set the goal of halving the climate footprint of our products throughout the entire value chain—from raw materials to end of use. We chose 2018 as our base year and focused on where we could achieve the most environmental benefits. Using a life cycle assessment (LCA), we saw that 2/3 of our climate footprint came from our raw materials. The remaining 1/3 came from when our products are transported from the factory, delivered, installed, cleaned and up until they reach end of use.

We use two main raw materials in our products: PVC and chalk. We saw clearly that PVC had the greatest climate impact, while the climate impact of chalk was close to zero. Thanks to LCA data, we have third-party emission factors for all materials in our floors.

To calculate our climate footprint, we applied the ‘avoided emissions method.’ The same method is used to measure the climate footprint in electricity production. With this method you remove something that produces substantial emissions, such as coal, and add, for example, new solar power on the roof. This will result in a negative climate footprint.

This means that recycled PVC has a negative climate footprint. Recycled PVC is used on the backs of our floors. We have also chosen to increase the amount of chalk we use as it has almost zero climate footprint. The BIO-sourced PVC we use in the weave of our



products also has a small negative climate footprint. BIO-carbon is also bound into our products. In total, we have replaced 100% of the fossil PVC with recycled or BIO-sourced PVC.

By taking these measures, our floors have an average climate impact of -0.2 kg CO<sub>2</sub>e/m<sup>2</sup> of floor, which we

have chosen to round off to climate neutral floors. Overall, we have reduced our climate footprint throughout the entire value chain by 53%, compared to 2018. According to the UN Climate Panel, the world needs to halve its emissions by 2030 compared to 2020.

Fig. 3

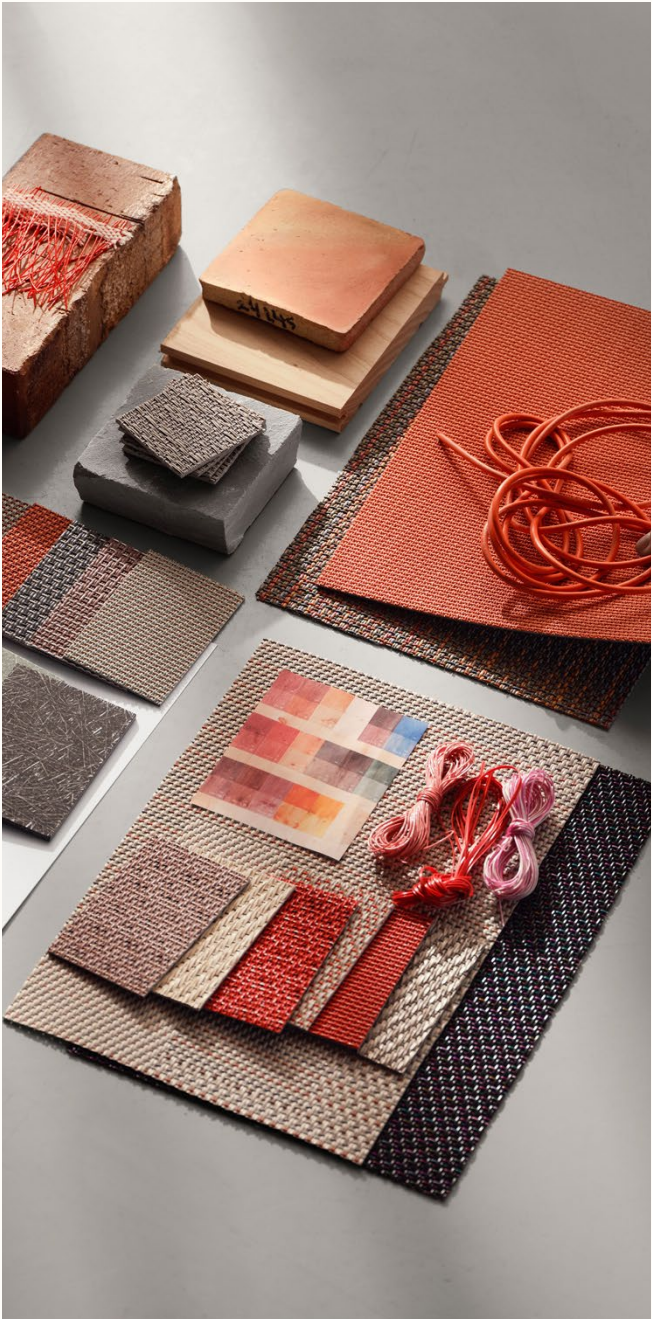
CLIMATE OVERVIEW

|                                                  | Base year 2018 | 2022  | 2023  | 2024  |
|--------------------------------------------------|----------------|-------|-------|-------|
| Climate index                                    | 100            | 70    | 60    | 47    |
| KG CO <sub>2</sub> per Swedish krona of turnover | 0,030          | 0,022 | 0,020 | 0,014 |

Fig. 4

ENERGY CONSUMPTION AND MIX

|                                                          | 2022      | 2023      | 2024      |
|----------------------------------------------------------|-----------|-----------|-----------|
| Total energy use (kWh)                                   | 4 519 543 | 3 810 861 | 3 974 383 |
| Purchased from fossil energy sources (kWh)               | 0         | 0         | 0         |
| Purchased from nuclear energy sources (kWh)              | 0         | 0         | 0         |
| Purchased from renewable energy sources (kWh)            | 4 519 543 | 3 330 492 | 3 353 471 |
| Self-produced and consumed electricity (kWh)             | -         | 480 370   | 620 912   |
| Self-produced and sold electricity (kWh)                 | -         | 72 507    | 403 415   |
| Share of consumed electricity that is renewable (%)      | 100       | 100       | 100       |
| Energy use/produced m <sup>2</sup> (kWh/m <sup>2</sup> ) | 4,11      | 4,09      | 3,83      |





## POLLUTION

### POLICY AND GOAL-SETTING

Emissions and the spread of environmentally hazardous substances have long been important topics in society. Completely non-toxic floors are essential if we are to create a circular economy where old floors become new resources.

### ACTIVITIES AND PERFORMANCE

#### Production

Our entire factory is currently classed as a Class C facility and the municipality is the supervisory authority. Between each inspection, we carry out our own inspections to check the impact of our operations on people and the environment.

Our own inspections include a risk analysis of the external environment, which is carried out based on guidelines drawn up in accordance with ISO14001. The risk analysis has repeatedly shown that we pose minimal risk of emissions to land and water. We have no wells in our production, clear procedures for accidental emissions, and no protected watercourses are within our area of operation.

We regularly measure our emissions released into the air (see figure 5). We have not received any complaints and have never had any incidents that threatened the surrounding environment. A quality manager at the

factory ensures that we maintain our permits, ISO 14001 and comply with relevant laws and regulations.

#### Products

In our health and environmental work, we focus largely on the chemicals that are used as additives to create the right properties and look for our floors. We focused on hazardous substances early on in our environmental work. Back in 2003, we removed all heavy metals that were then commonly used as stabilizers in plastic. Today, calcium/zinc and soybean oil are used as stabilizers instead. Since 2014, our floors have also been completely free of phthalates. Instead, we use plasticizers such as Mesamol® and DOTP.

We constantly strive to use additives that are free from chemicals included in the EU risk phrase system for chemicals, regardless of concentration. Our products comply with the REACH legislation and do not contain any substances listed as Substances of Very High Concern (SVHC).

The content of our products is checked and revised annually and each time a new material or supplier is used. Our major challenge is to find waste and recycled materials that are free of hazardous substances. Each new raw material is checked and followed up to ensure that it maintains the same high standards as previous raw materials used.

RESULTS

Production

As part of our annual risk analysis, emissions released into the air via our ventilation system are measured. These emissions are summed up in a total number of kilograms of hydrocarbons per year. We generally have very low emissions levels. In 2024, we have expanded to measure emissions at three emission points instead of two as in previous years.

Fig. 5

AIR POLLUTION

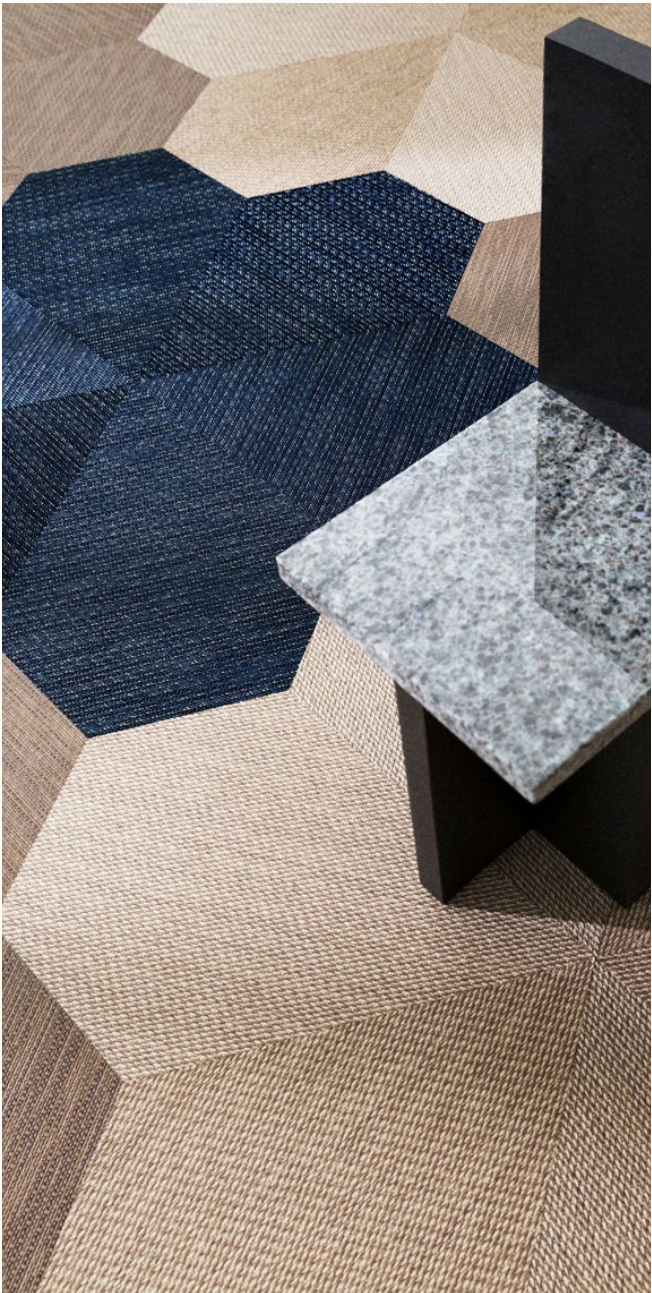
| Total kg hydrocarbons* |     |
|------------------------|-----|
| 2018                   | 273 |
| 2021                   | 166 |
| 2024**                 | 217 |

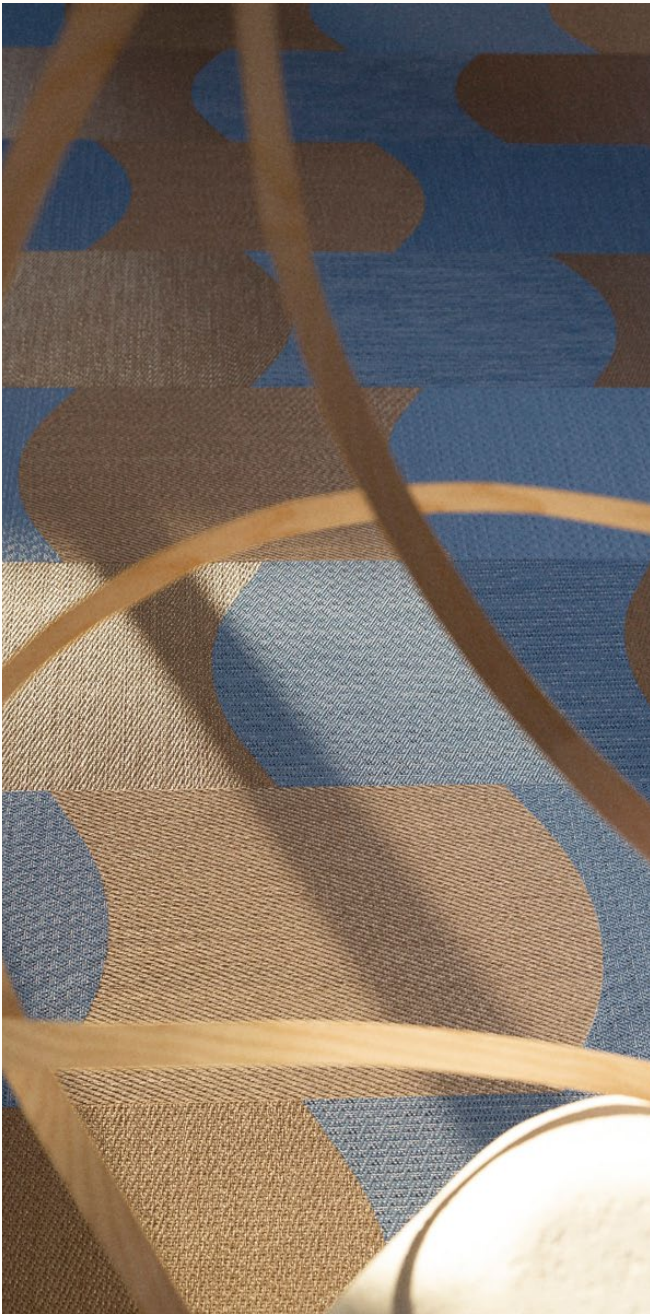
\* Measurement is carried out every three years. Emissions are calculated by FID measurement.  
\*\*2024 includes measurements at three emission points. 2018 and 2021 include measurements at two emission points.

Products

By carefully checking, declaring and registering their content, we feel secure with our products.

All content is reported transparently in the ‘Declaration of content’ and revised regularly—at least once a year. All our products and their contents are carefully checked using trusted systems such as ‘Basta’ and ‘GreenTag PHD’. As further proof of our transparency, we register our products in ‘eBVD’, ‘Byggvarubedomningen’ and ‘Declare’. It is also a requirement that all virgin PVC from our suppliers is best-practice certified. This is to ensure that it has been produced with a low environmental impact. See the summary of all our certificates and declarations in the appendix.





## WATER AND MARINE RESOURCES

### POLICY AND GOAL-SETTING

All our production takes place in Ulricehamn, Sweden. The entire factory is a dry plant. This means that we do not handle any liquids there except water.

In our factory, water is consumed in three different ways: for cooling of production processes, as a humidifier in production and as domestic water.

For the cooling of production processes, we have a closed, circular water system which is free from additives. The water is taken from deep drilled wells where it is cooled down before being used to cool our plant. It then returns to the ground. The system does not consume any water or create wastewater. Humidification in the production is there to prevent static electricity. No wastewater is formed here either.

The wastewater from our domestic water goes to the municipal treatment plant in Ulricehamn.

### RESULTS

Fig. 6

#### WATER CONSUMPTION

|                                            | 2022  | 2023  | 2024  |
|--------------------------------------------|-------|-------|-------|
| Total water consumption (m³)               | 2 940 | 2 769 | 2 233 |
| Domestic water (m³)                        | 1 873 | 1 805 | 1 248 |
| Factory humidification (m³)                | 1 067 | 964   | 985   |
| Total amount of water recycled/reused (m³) | 0     | 0     | 0     |

## RESOURCE USE AND CIRCULAR ECONOMY

### POLICY AND GOAL-SETTING

There is a growing interest in the circular economy and circular flows. Countries and regions such as the EU are focused on reducing waste by driving the development towards circular material flows. The same trend can be found among our customers in different markets. There is also a clear link between material flows and climate impact where circularity becomes part of the solution to the climate crisis. Basically, it's a matter of managing the development from linear material streams – which always lead to large amounts of waste – towards circular flows and zero waste, where used floor materials are taken care of and become new resources. We began strategically investing in circular flooring as early as 2014 by building our own recycling plant that is directly connected to our factory. Based on our vision, we have set the goal that our products will contain at least 50% recycled materials by 2028 at the latest. Through innovation and strategic collaboration with a supplier, we already achieved this goal in 2024. See figure 7.

### ACTIVITIES AND PERFORMANCE

We are actively working on moving from the linear to the circular. In 2020, we reached an important milestone by including recycled material in all our products and collections. Instead of having certain “green floors,”



we have simply decided that all our floors will include the same high levels of performance when it comes to sustainability. The volume of recycled material we use is steadily increasing.

In 2024, our strategy led to exceeding our target of having 50% circular products. By introducing new materials such as recycled chalk, recycled PVC and BIO-sourced PVC, our products now consist of an average of 68% recycled content since Q4 2024.

When our products are released to the market, they must be securely packaged to minimize the risk of damage. Damage caused by transport or installation increases the use of resources and reduces customer satisfaction. In 2024, we reviewed how we package our products. The focus has been on using the least amount of resources possible while still providing our products with adequate protection. Several measures have been taken to achieve this. Among other things, we have reduced the amount of packaging material while increasing the proportion of packaging with a lower environmental impact. We have removed several packaging details and replaced two types of packaging from virgin to recycled plastic. We have also developed a working method that reduces the amount of plastic used in both internal and external transport.

When our floors are installed, a certain amount of extra material is always required for splicing, room adaptation, incorrect measurements and so on. What is left over is called installation waste. In Sweden, we have a system where 'GBR/Golvbranschen' collects installation waste and returns it to the manufacturer.



In 2024, we received 1,834 kg of installation waste. This waste has been transformed into new raw materials in our recycling plant and used in the production of new floors.

Taking responsibility for products at end of life is a natural part of the circular economy. But taking back used floors is a real challenge from a business perspective. This is partly because we need to develop a system for taking back floors, and partly because our

floors have a long lifespan with a 10–15-year guarantee. Our strength is that we already have our own operational recycling plant. In recent years, we have carried out several pilot projects for taking back used floors. We took back 1,471 kg of used floors from Hotel Bogesund in Ulricehamn, 400 kg of floors from an exhibition at the Stockholm International Fairs and floors from the EU Parliament in Brussels. We will continue to carry out pilot projects together with our customers and explore new ideas and opportunities going forward.

## Recycled and BIO-sourced material via the supply chain

In 2020, we set the bold goal that all Bolon products would include 50% recycled materials by 2028. In 2020, the figure was 23%. With our own recycling facility, it was possible for this figure to reach around 40%. To achieve our goal, though, measures would need to be taken outside of our recycling facility.

So, we began a journey to find more recycled material and more pure recycled material. We started collaborating with our suppliers and analysing where we could both find recycled and bio-sourced material. The goal was for our suppliers to purchase BIO-sourced and recycled material to produce the raw materials we use to create our high-quality designer floors. This meant that part of the solution moved out of our factory and into the supply chain.

As a result of close collaboration with our suppliers, we have succeeded in creating something new on the market: a soft, recycled raw material for use on the backs of our floors. This material came from clean streams of rigid PVC waste purchased by our suppliers. In parallel with this new development, we also found a source for recycled chalk. Waste from PVC and chalk is mixed into a new recycled raw material for us. Together with what is processed in our recycling plant, this resulted in an average of around 61% recycled material in our products.

When it came to design – the patterns and colours of the weave – we selected three suppliers to purchase BIO-sourced PVC on our behalf. To achieve this, direct contact was needed with an actor who sells the PVC-raw material to each respective supplier. This was exclusively an economic and accounting solution that was used to meet the standard for BIO-sourced PVC raw material according to the mass balance method. With BIO-sourced PVC that contains recycled raw material, we can add an average of approximately 7% recycled material to our products.

To sum up, we could not have achieved this without cooperation in the supply chain. And because our suppliers are all located within 250 km of our operations, everything has been implemented in record time. Our bold target of 50% recycled material in all products was achieved four years ahead of schedule, which means that we now have an average of 68% recycled material in all our products.



RESULTS

To show how much recycled materials we use in relation to the total amount of raw materials, we have created a circularity index where zero is completely linear and 100 is completely circular. The circularity index is also related to a turnover index which, in the base year 2018, was assigned the number 100.

*The circular index measures the entire year and has increased by 88% between 2023 and 2024. This is the result of innovations in the supply chain and investments in the premium raw material, BIO-sourced PVC.*

The amount of purchased recycled raw material increased by 1,248 tons from 2023 to 2024, which is double the amount from the previous year. It is worth noting that we have succeeded in this while increasing our turnover by just over 8%.

Fig. 7

CIRCULARITY INDEX VS TURNOVER INDEX

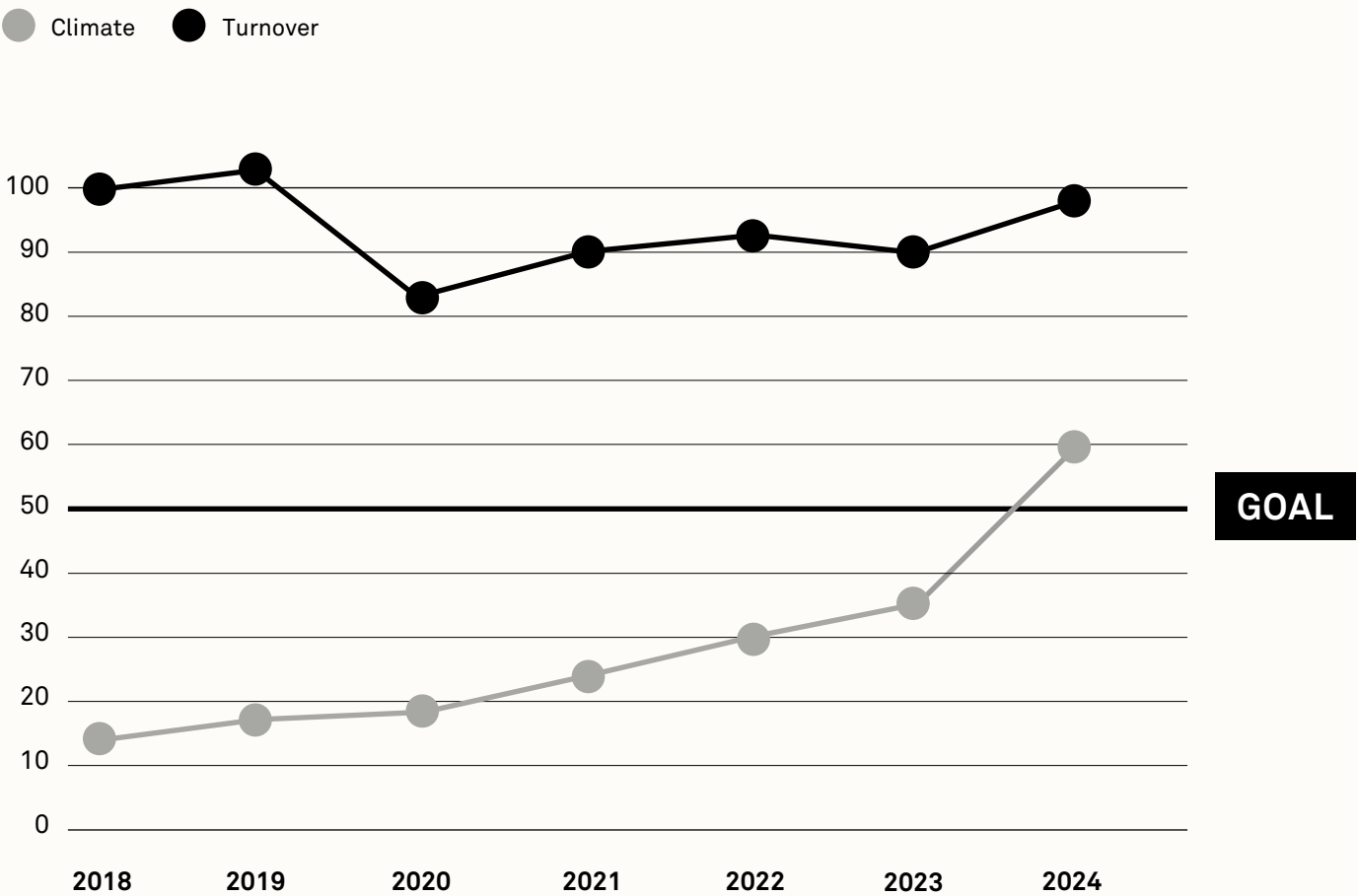
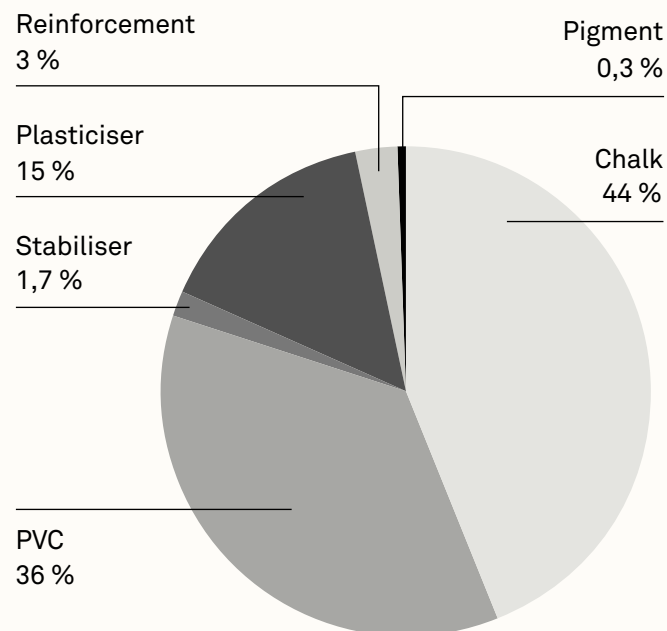


Fig. 8

## DISTRIBUTION OF MATERIAL CONTENT IN OUR PRODUCTS



\*Distribution is based on most sold collection as rolls

Fig. 9

## RESOURCE INFLOWS

|                                                                    | 2022      | 2023      | 2024      |
|--------------------------------------------------------------------|-----------|-----------|-----------|
| Production volume (m <sup>2</sup> )                                | 1 100 286 | 930 873   | 1 038 562 |
| Total amount of raw material (kg)                                  | 3 827 625 | 3 261 354 | 3 872 357 |
| Proportion of virgin raw material (%)                              | 71        | 67        | 40        |
| Proportion of recycled raw material, post-consumer (%)             | 2         | 1         | 1         |
| Proportion of recycled raw material pre-consumer (%)               | 27        | 32        | 59        |
| Proportion of raw material from Swedish suppliers (%)              | 77        | 77        | 79        |
| Proportion of raw material from European suppliers (Not Sweden)(%) | 21        | 22        | 19        |
| Proportion of raw material from suppliers outside EU (%)           | 2         | 1         | 2         |
| Total amount of packaging material (kg)                            | 284 764   | 233 299   | 248 423   |
| Proportion of virgin packaging material (%)                        | –         | –         | 70        |
| Proportion of recycled packaging material (%)                      | –         | –         | 30        |

Waste

Our production generated 839 tons of waste in 2024, which we take care of in the following ways:

- Internal recycling process
- External material recycling
- External energy recovery
- Waste to landfill
- Hazardous waste

Fig. 10

WASTE

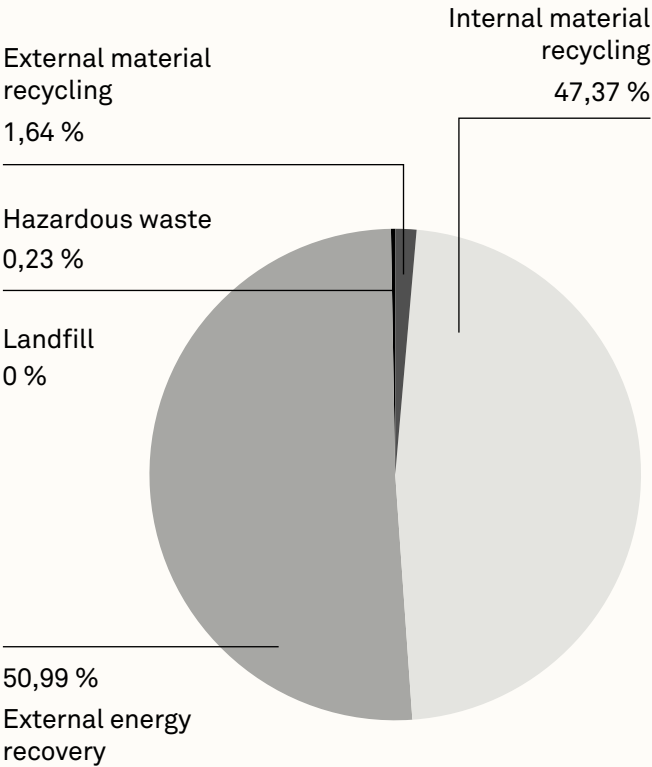


Fig. 11

RESOURCE OUTFLOWS

|                                            | 2022 | 2023 | 2024 |
|--------------------------------------------|------|------|------|
| Fossil-free content in product (average %) | 79   | 79   | 88   |
| Recycled content of product (average %)    | 28   | 48*  | 68*  |
| Recycled content Rolls (%)                 | 22   | 43*  | 63*  |
| Recycled content Tiles (%)                 | 31   | 50*  | 69*  |
| Recycled content Acoustic Tiles (%)        | 32   | 50*  | 68*  |
| Recycled content in packaging (average %)  | -    | -    | 30   |

\*Calculated on changes introduced during the current year and results for the period Q4

## SOCIAL SUSTAINABILITY



## OWN WORKFORCE

### POLICY AND GOAL-SETTING

We are a Swedish company. Our floors are made in the Swedish city of Ulricehamn and our head office is also located there. To be an attractive employer, you have to offer much more than the basic requirements. Our employees are the backbone of our company and a valued resource. So, we strive to create a working environment that is not only safe and fair, but also inclusive and inspiring.

We have clear policies in important areas such as gender equality, wage-setting, anti-corruption, crisis management, emergency preparedness and the working environment—and we actively work with them. These policies are an important part of our commitment to promoting a sustainable, responsible workplace.

All employees have easy access to our personnel handbook, where these areas are clearly presented in a way that is easy to understand.

### ACTIVITIES AND PERFORMANCE

#### Labour unions

All employees are covered by collective agreements and a large proportion of our employees are union members. There are two unions where employees can organize themselves and turn for support or advice if needed.

Each union holds an annual meeting for its members. Union and management representatives meet every quarter to discuss and follow up any issues. Before every quarterly meeting, union members can submit questions, suggestions and ideas for improvement.

The minutes of all meetings are recorded. This ensures transparency, keeps everyone informed and involved, and provides the opportunity for feedback. This cooperation between unions and management is an important part of our work environment and contributes to an open, inclusive dialogue.

#### Equality

To help ensure that we always have an equal balance between men and women in the workplace, we have established a gender equality plan. All employees – regardless of gender, transgender identity or expression, ethnicity, religion or other belief, disability, sexual orientation or age – shall be treated with respect and with due regard for their right to privacy. We strive to create fair, equal conditions for everyone. This applies to the working day, when making decisions about internal and external recruitment, employee development and salary setting.

At Bolon, discrimination in any form is completely unacceptable. We are committed to maintaining a safe and inclusive work environment where everyone

is given the same opportunities to contribute and develop, regardless of their background or identity.

#### The working environment

Ensuring a safe and secure working environment for all our employees is a priority. To help ensure this, a safety committee works continuously and systematically. The safety committee is made up of representatives from the employer's side as well as a safety officer and fire protection officer from the trade unions. Together they work to identify, prevent and address risks that will improve the working environment in both the short and long term. By collaborating closely, we can ensure that any work environment issues are handled thoroughly and professionally. This will help create a safe, sustainable working environment for everyone.

To ensure a good working environment, we carry out regular planned safety inspections throughout the year. At our production facility in Ulricehamn, we have an evaluation plan for each production department. The results from each completed safety inspection are documented in our service and maintenance system. Safety inspections are carried out to prevent unsafe behaviour and accidents. If an accident should occur, an incident report is created. Situations or deficiencies that could lead to an accident in the future are also reported in the system. The system ensures that action is taken, followed up and completed in a structured manner.

For office and exhibition spaces, annual work environment evaluations are carried out in the form of risk assessments. These are carried out in meetings where staff from all departments participate to ensure a broad and inclusive assessment.

### Employee benefits

We care about the safety and wellbeing of our employees, both during and after their working lives. We offer all employees the following benefits:

- Occupational pension: all employees are covered by this pension, which supplements the national pension and helps contribute to a stable financial future.
- Private health insurance: ensures prompt, professional care for all employees, if and when needed.

These benefits are part of our commitment to creating a safe, sustainable work environment where our employees feel valued and cared for.





## RESULTS

Fig. 12

## OWN WORKFORCE

|                                                              | 2022    | 2023    | 2024    |
|--------------------------------------------------------------|---------|---------|---------|
| <b>Total number of employees (amount)</b>                    | 98      | 98      | 93      |
| <b>Proportion of permanent employees (%)</b>                 | 96,5    | 99      | 97,3    |
| <b>Proportion of temporary employees/hired personnel (%)</b> | 3,5     | 1       | 2,7     |
| <b>Proportion of female employees (%)</b>                    | 41      | 44      | 44      |
| <b>Proportion of women in management positions (%)</b>       | 67      | 67      | 67      |
| <b>Proportion of women on the board of directors (%)</b>     | 80      | 80      | 80      |
| <b>Employees covered by collective agreements (%)</b>        | 100     | 100     | 100     |
| <b>Total number of hours worked (h)</b>                      | 139 368 | 134 566 | 125 538 |
| <b>Sick leave (h)</b>                                        | 8 250   | 6 622   | 5 908   |
| <b>Absences due to workplace injury (h)</b>                  | 0       | 0       | 85      |
| <b>Number of work-related accidents (amount)</b>             | 0       | 0       | 2       |
| <b>Number of incidents (amount)*</b>                         | -       | -       | 27      |
| <b>Wage gap (%)**</b>                                        | -2      | -13     | -13     |

\*Includes both incidents and deficiencies that can lead to incidents

\*\* Wage gap calculated as a percentage of men's average salary. A negative number indicates a higher average salary for women than men in the organization

# WORKERS IN THE VALUE CHAIN

## POLICY AND GOAL-SETTING

Our commitment to sustainable purchasing is based on our sustainability policy. This includes ensuring that all the products we sell are made using a production process that takes sustainability into account, has the lowest environmental impact and the most positive economic and social results. By collaborating with our suppliers, we can develop and implement new ways of working that help realize our vision.

## ACTIVITIES AND PERFORMANCE

### Suppliers

To ensure a sustainable purchasing process, we want to be near to our suppliers—both geographically and through close dialogue. This makes it easier for us to find synergy and develop together.

Every two years, we conduct a survey to see how our suppliers work with sustainability issues. Based on the results, we can conclude that a large majority have sustainability work in place.

## RESULTS

Fig. 13

### WORKERS IN THE VALUE CHAIN\*

|                                                                           | 2023 |
|---------------------------------------------------------------------------|------|
| Proportion of suppliers providing climate data (%)                        | 74   |
| Proportion of suppliers reporting on sustainability (%)                   | 57   |
| Proportion of suppliers with social policy and/or own code of conduct (%) | 100  |
| Proportion of suppliers certified according to ISO 14001 (%)              | 78   |
| Proportion of suppliers certified according to ISO 9001 (%)               | 87   |

\* According to a survey conducted every two years. Includes suppliers of raw materials and packaging and freight forwarders.

## CONSUMERS AND END USERS

### POLICY AND GOAL-SETTING

At Bolon, our vision is to offer supreme products that are part of circular material flows, and which are safe for humans and nature with zero climate impact. Based on this vision, we constantly work to ensure that end users feel safe with the products we deliver. We base our work on certifications and registrations in the markets where we operate. These certifications cover indoor environments, materials and sustainability.

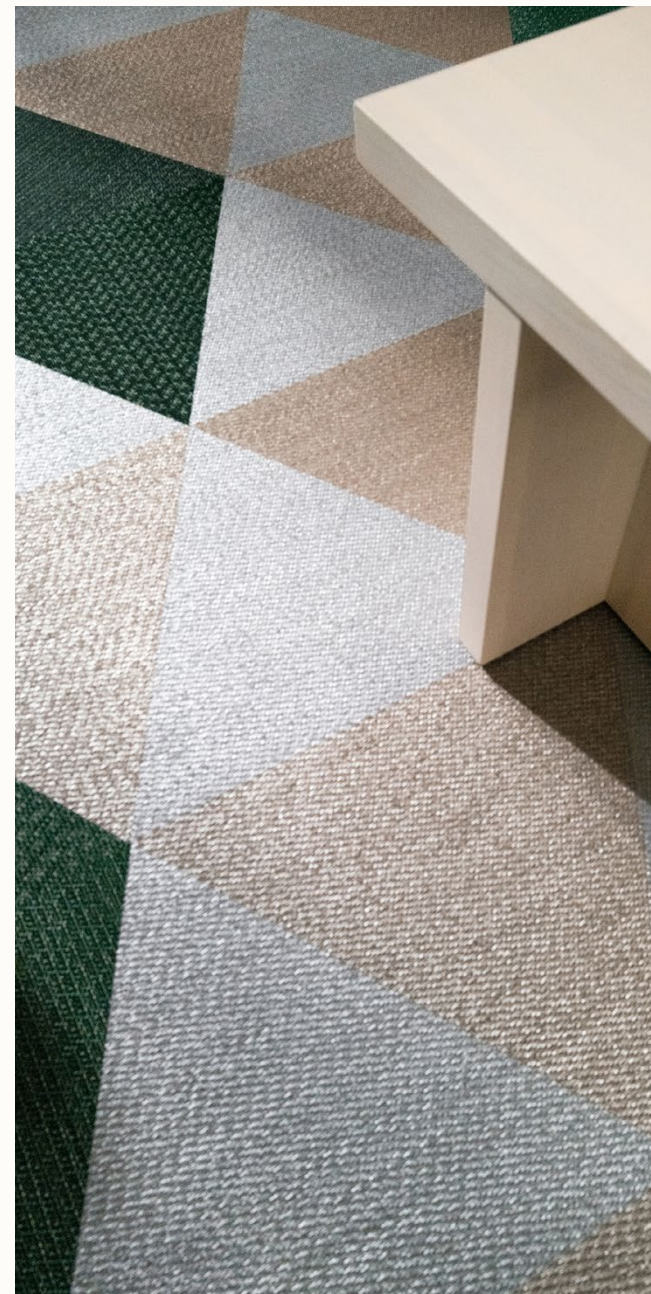
We have a team dedicated to continuously evaluating and ensuring that all relevant certifications and registrations are up-to-date and in line with current legal requirements.

### ACTIVITIES AND PERFORMANCE

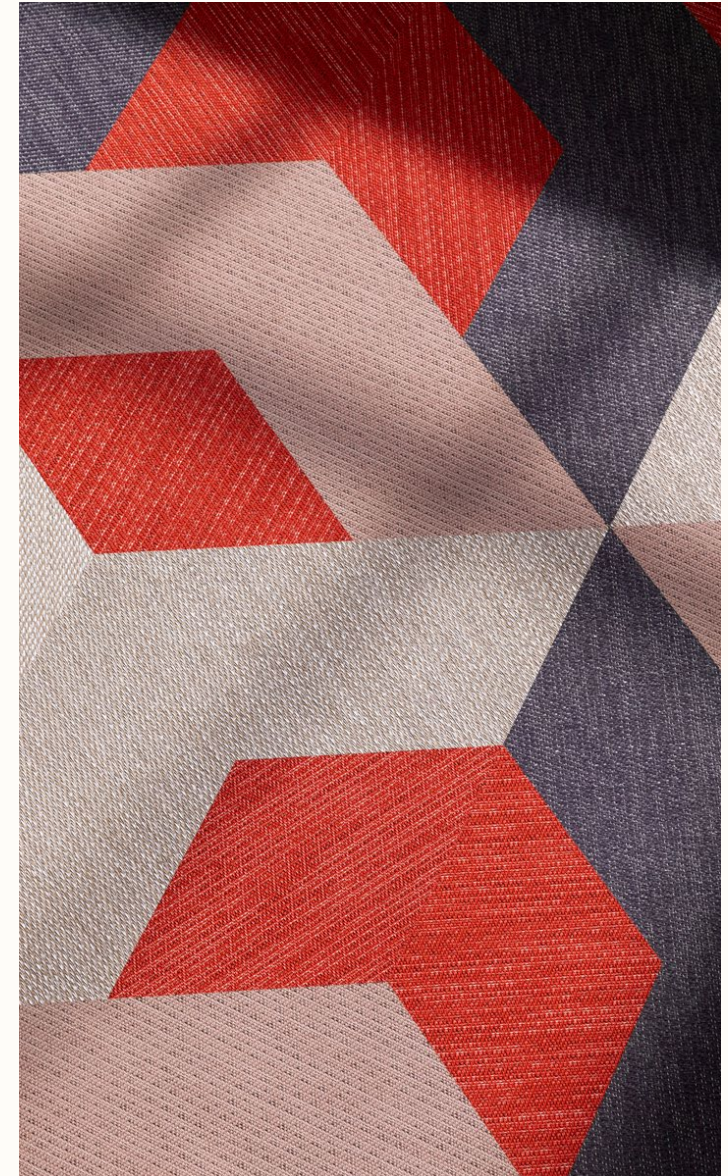
Our products and processes meet the relevant criteria for even the toughest certifications as well as the expectations placed on us by our customers. These certifications, which are carried out by a third party, are a way for us to be transparent with our products and processes.

The technical performance of our products is verified through testing at third-party laboratories to ensure that it meets expectations. Technical specifications have been developed for each product and are easily accessible on our website. This information is evaluated and updated annually to meet current market needs.

Our floors are tested according to international emissions standards and meet the certification requirements for low volatile organic compound (VOC) emissions. Our products meet the strict requirements for indoor air quality. These requirements are less than 0.5 milligrams/m<sup>3</sup> total volatile organic compounds (TVOC), which means that they comply with the international FloorScore certification. Our products also meet the requirements for French VOC and M1. A summary of all our certificates and declarations is available in the appendix.



# BUSINESS CONDUCT



## POLICY AND GOAL-SETTING

### POLICY AND GOAL-SETTING

#### Corruption and Bribery

We work consciously against corruption and see it not only as a matter of managing risks in the workplace but also as part of the entire organization's responsibility towards society at large. All employees within Bolon must conduct business legally and ethically. Bolon or our staff may not use illegal payments, bribes, kickbacks, or other dubious inducements to influence a business transaction.

Bolon's employees must, neither directly nor indirectly, request, receive or accept cash or other things of value from a person or a company if the intention is to influence a decision or to obtain an impermissible advantage. Bolon has zero tolerance for corruption. Bolon must always comply with both Swedish and local laws.

We work with preventive work and risk analyses when necessary. Preventative work is the most important. Therefore, we talk about our shared values, spread knowledge about corruption and what risks exist, raise ethical issues linked to concrete situations, and, above all, ensure that all employees understand and follow the laws and rules. This policy applies to all company operations, including those conducted by Bolon's subsidiaries.

#### Whistleblowing

The purpose is to do everything we can to detect any misconduct in our workplace at an early stage. We believe that engaging employees and other stakeholders is an important part of this. Therefore, we want to encourage a working environment where reporting wrongdoing is a natural and obvious part of our culture. The purpose of this policy is to ensure that all Bolon employees and stakeholders feel safe reporting wrongdoing or other serious incidents without fear of reprisals or other negative consequences. Whistleblowers can submit their report via the company intranet or via Bolon's website Bolon.com. Our whistleblower function allows individuals to submit their report in writing via a secure and anonymous cloud service provided by an independent third party.





ACTIVITIES AND PERFORMANCE

Bolon has a systematic process for detecting, managing and addressing corruption.

At least once a year we have a meeting where we set up an action plan for how we will work to tackle corruption and bribery. The agenda for this meeting is usually as follows:

- Risk assessment of our operations based on where there is risk of corruption.
- Define what is meant by a bribe, gift or other prohibited act.
- Establish and update conduct requirements for relevant personnel within the organization
- Inform the organization about the corruption policy and collect signed conduct requirements from those people where there is a risk of corruption or bribery.

RESULTS

Fig. 14

RESPONSIBLE BUSINESS

| Number of whistleblower reports (amount) |   |
|------------------------------------------|---|
| 2022                                     | 0 |
| 2023                                     | 0 |
| 2024                                     | 0 |

## GOVERNANCE

### POLICY AND GOAL-SETTING

We have set up a quality control system to ensure that our sustainability work is properly implemented and develops in the right direction.

This system consists of three parts:

- i. Policy – vision and strategy
- ii. Governance
- iii. Documentation

Our policy is based on completed risk analyses relating to business opportunities within sustainability. The policy consists of vision, scope and goals for sustainability work.

Governance describes how all parts of our company can drive our sustainability work and ensure that it is carried out successfully.

Documentation takes place at all levels – from steering group protocols to individual data collected.

### ACTIVITIES AND PERFORMANCE

#### Steering group for sustainability

This group is the highest level and consists of the CEO, Chairman of the Board, owner, production manager and

the head of sustainability. The steering group meets once a quarter to evaluate and make decisions that drive our sustainability work forward. All work is based on the vision and strategy outlined in our sustainability policy.

#### Sustainability department

This department is responsible for analysing, organising and conducting environmental work within our operations. The sustainability department follows up defined monthly goals and ensures the documentation of significant data and key figures. Everything is documented in the company's system and reported regularly to the management team. This department is also responsible for following up with suppliers regarding sustainability requirements and mapping of risks in the supply chain.

#### Production

Our production must meet all local authority requirements. We have quality control managers within production who are responsible for ensuring that these requirements are met and that all materials are handled correctly. All environmental data from our production is reported in the sustainability department's system and then documented. In 2024, we were certified according to ISO 14001. This gives us even more control and a systematic way of working where we can ensure both safety and quality in our processes.

#### Product compliance

Our products are subject to regulatory requirements as well as requirements that we have imposed on ourselves through different certifications and declarations. When it comes to product compliance, we have appointed a certification expert and a team to ensure the development and follow-up of different certifications.

#### Sales and marketing

Based on data and information provided by the sustainability department, we create credible marketing communication that refers to standards and reliable sources. Prior to product launches where sustainability is included in the communication, all marketing material is reviewed by the sustainability department to ensure that it meets the requirements for credible sustainability communication.

To further ensure that we work strategically and systematically with sustainability issues, we have certified ourselves according to EcoVadis. This certification is confirmation that we manage ESG risks in the right way and meet our sustainability goals. It also provides us with guidance on how we can improve our sustainability performance further throughout the value chain. The certification is renewed every year and 2024 was the first year that we were certified. We received the Bronze rating, which places us amongst the top 35% of all companies evaluated according to EcoVadis.

## APPENDIX – Certifications

| CORPORATE RESPONSIBILITY |                             |                                                                                                                                                                                                                                                                                   |
|--------------------------|-----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ISO 14001                | International               | Internationally recognized standard for environmental management systems with systematic control and regular audits of our work to minimize our environmental impact.                                                                                                             |
| EcoVadis                 | International               | Evaluates how we manage environmental, social and governance risks and meet our sustainability goals. Also provides guidance to help improve our value chain and sustainability performance.                                                                                      |
| CE                       | EU                          | Label that verifies the product complies with current EU legislation regarding safety, health and the environment. It also sets requirements regarding the product's fire resistance.                                                                                             |
| UKCA                     | UK                          | Label that verifies the product meets UK health, safety and environmental requirements following the UK's withdrawal from the EU.                                                                                                                                                 |
| LIFE CYCLE PERSPECTIVE   |                             |                                                                                                                                                                                                                                                                                   |
| EPD                      | International               | Environmental product declaration that describes the product's environmental impact throughout its life cycle. Verified by an independent third party. Created based on standards EN 15804 and ISO 14025. Published on <a href="http://www.environdec.com">www.environdec.com</a> |
| DGNB- Navigator          | Germany/International       | A platform that collects manufacturers' information on construction products. This information is required by planners and architects and is based on data from environmental product declarations.                                                                               |
| GreenTag- Green Rate     | Australia/<br>International | Assesses the product's overall health and environmental impact. Factors such as emissions and social responsibility are also evaluated to provide a comprehensive sustainability perspective.                                                                                     |
| INDOOR AIR               |                             |                                                                                                                                                                                                                                                                                   |
| M1                       | Finland/International       | Classification with strict demands regarding low emissions to ensure good indoor air quality.                                                                                                                                                                                     |
| FloorScore               | International               | Certification with strict demands regarding low emissions to ensure good indoor air quality.                                                                                                                                                                                      |
| French VOC               | France                      | French regulation that requires mandatory product labelling regarding emission classification.                                                                                                                                                                                    |
| NAAF                     | Norway                      | Cooperation agreement confirming that our products are recommended by the Norwegian Asthma and Allergy Association.                                                                                                                                                               |

| PRODUCT AND RAW MATERIAL           |                             |                                                                                                                                                                                                                                                                                   |
|------------------------------------|-----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| BASTA                              | Sweden                      | Registration with the aim of phasing out particularly hazardous substances in construction products. Our products and their contents are verified against specific criteria set by Basta.                                                                                         |
| Byggvarubedömningen                | Sweden                      | Our products are evaluated according to 'Byggvarubedömningen', which examines chemical content, life cycle and sustainable supply chains. The aim of 'Byggvarubedömningen' is to promote a non-toxic and sustainable environment.                                                 |
| ECOproduct                         | Norway                      | System that assesses products based on factors such as indoor air quality, substances hazardous to health and the environment, resource utilization and global warming potential.                                                                                                 |
| eBVD- byggvarudeklaration          | Sweden                      | Construction product declaration that provides transparency throughout the construction phase. All our products have construction product declarations.                                                                                                                           |
| Kretsloppsmärkning i golvbranschen | Sweden                      | Information database that gives customers the opportunity to view the content of a product throughout its entire life cycle. Based on information from eBVD.                                                                                                                      |
| Best Practice PVC                  | Australia/<br>International | Environmental labelling of PVC raw materials. Manufacturers and raw materials are all assessed based on criteria such as manufacturing technology, energy use and presence of substances hazardous to health and the environment.                                                 |
| GreenTag-PHD                       | Australia/<br>International | Product Health Declaration proving that the manufacturer has provided a complete declaration of the product's toxicity. Raw materials are assessed from an environmental and occupational health and safety perspective during manufacturing as well as low emissions during use. |
| Declare                            | The United States           | Platform where manufacturers declare product content. This facilitates the construction of houses that promote healthy conditions for people and the environment. Products are evaluated for compliance with Living Building Challenge, LEED and WELL.                            |

## SOURCE FIGURES

| PAGE | FIGURE | DESCRIPTION                                 | SOURCE                                                                                                          |
|------|--------|---------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
| 11   | 1      | Climate index vs. turnover index            | Production data, life cycle data and economic turnover.                                                         |
| 12   | 2      | Climate neutral products                    | LCA-report and supplier data.                                                                                   |
| 13   | 3      | Climate overview                            | Production data, life cycle data and economic turnover.                                                         |
| 13   | 4      | Energy consumption and mix                  | Production data, measurement data and supplier invoices.                                                        |
| 15   | 5      | Air pollution                               | Air measurement 2024 (measurement carried out every 3 years. Emissions are calculated through FID measurement). |
| 16   | 6      | Water consumption                           | Measurement data internal system, readings and invoicing.                                                       |
| 20   | 7      | Circular index vs. turnover index           | Production and purchasing data and economic turnover.                                                           |
| 21   | 8      | Distribution of material content in product | Content declaration. Available for all collections.                                                             |
| 21   | 9      | Resource inflows                            | Production and purchasing data.                                                                                 |
| 22   | 10     | Waste                                       | Production data and invoicing.                                                                                  |
| 22   | 11     | Resource outflows                           | Content declaration, production and purchasing data.                                                            |
| 26   | 12     | Own workforce                               | Internal measurements.                                                                                          |
| 27   | 13     | Workers in the value chain                  | Survey completed in 2023.                                                                                       |
| 31   | 14     | Responsible business                        | Internal measurements and reporting system.                                                                     |