



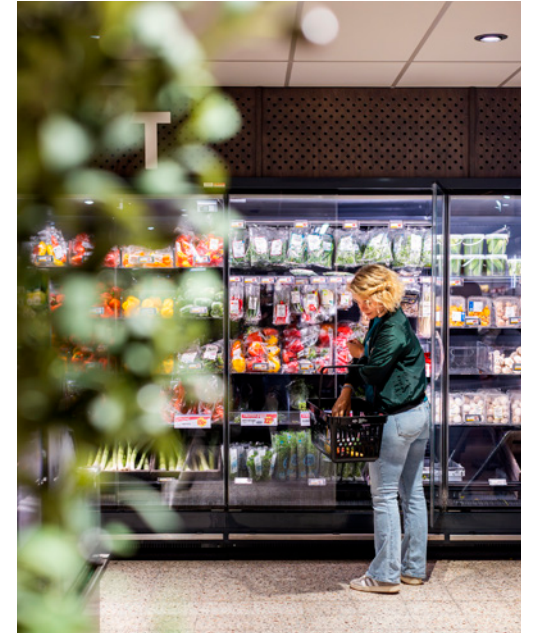
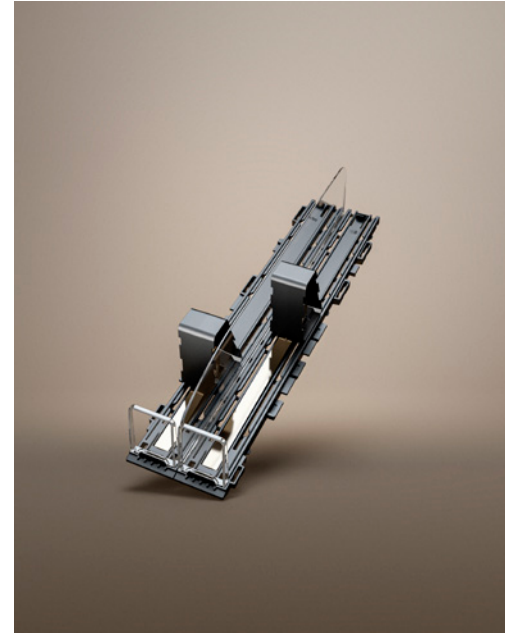
Sustainability Spotlight 2025





Deep dive here!

For full detail on methodology, policies, KPIs and progress, we invite you to read our full Sustainability Progress Report 2025



Introduction

Message from the CEO	3
Vision & strategy	4
2025 sustainability highlights	5
Sustainability statement	6

Committing to climate action

Climate transparency	7
Emission reductions	8
Smarter operations, lower impact	9
Reducing waste, improving circularity	10
Carbon reduction journey	11

Designing for more sustainable stores

Designed for lower impact	12
Circular-by-design in action	13

Doing business responsibly

Leading with high standards	14
Creating the best workplace	15
Sustainability accolades	16

About HL

Key figures	17
Our customer promise	18
About HL	19

Message from the CEO

2025 has been a year of growth, integration, and continued momentum for HL. Retail continues to evolve rapidly, with shifting consumer expectations, cost pressures, and rising sustainability demands. Throughout it all, our focus has been clear: strengthen our position in key markets, unite our expanding organisation, and drive growth that is both responsible and lasting.

In North America, we secured several major new customer contracts, reinforcing our reputation as a trusted partner to retailers. We completed the integration of Oechsle Display Systems in Germany and pr trading in Denmark, while in Canada, Kostklip was successfully rebranded to strengthen its connection to the HL brand. We also signed an asset purchase agreement with LTG Display, broadening our portfolio within in-store communication and solutions for brand suppliers, and signed an agreement to acquire Deinzer, which closed successfully in Q1 2026.

Bringing these new teams into HL is central to our success. Integration is about more than processes – it's about people. We are focused on

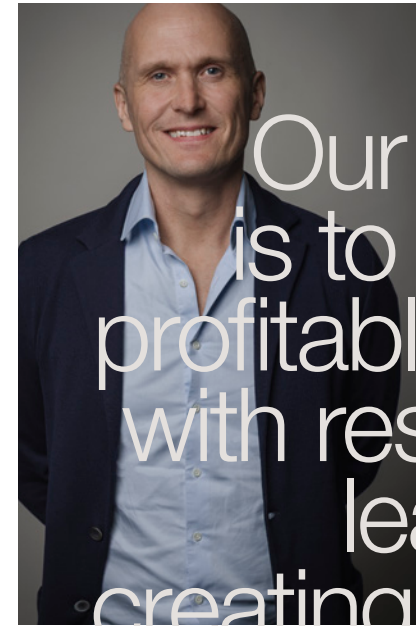
supporting our colleagues, building a shared culture, and creating workplaces that are safe, engaging, and supportive. It is the energy, commitment, and expertise of our employees that allow us to grow responsibly and deliver exceptional value to our customers.

Sustainability is not a parallel track. It is embedded in our strategy and reflected in our daily decisions. Our double materiality analysis continues to guide our priorities, helping us focus where our impact is greatest and our responsibility clearest. Reducing our climate footprint remains a top priority. We continue advancing toward our Science Based Targets by improving energy efficiency and increasing the share of renewable energy in our operations. At the same time, we are tackling the largest share of our emissions – raw materials – by expanding our Sustainable Choice portfolio and increasing the use of recycled materials. This progress depends on close collaboration across our value chain, and I am proud of the dedication shown by our teams and partners in driving meaningful change.

In 2025, HL was awarded the EcoVadis Gold Medal in sustainability assessment. This recognition reflects the structured, consistent efforts across the organisation, while also reminding us that there is more to achieve.

Looking ahead to 2026, our priorities are clear and ambitious. We will continue pursuing responsible organic growth and strategic add-on acquisitions to strengthen our business, while maintaining focus on integration and operational efficiency. At the same time, we will expand our sustainability initiatives to secure long-term growth and reinforce HL's position as a market leader. Our ambition is to combine profitable growth with responsible leadership, creating value for our customers, employees, and society alike.

We remain firmly committed to the UN Global Compact and its principles, and together with our employees, customers, and partners, we will continue driving real, lasting impact.



Our ambition is to combine profitable growth with responsible leadership, creating value for our customers, employees, and society alike

Jonas Magnusson

Stockholm, 28 April 2026
Jonas Magnusson, CEO HL Display

Our vision

To be the preferred partner for delivering innovative solutions that create a better in-store experience for shoppers and personnel.

What we do

We provide in-store communication and merchandising solutions to help our customers build attractive, efficient and more sustainable stores.

Progress measured against our 2019 baseline year.

Moving retail forward in a more sustainable way in 2025

22%



reduction in Scope 3 emissions intensity vs 2019

31%

Sustainable Choice share of sales, up from 13% in 2024

94,845 tCO₂e

measured across Scopes 1, 2 and 3 in 2025 (market-based)

85%

of electricity consumption backed by renewable sources

100%

of legacy factories are ISO 14001 certified

71%



reduction in Scope 1-2 emissions vs 2019 (market-based)

1,778t

of externally sourced recycled plastic used in production

4.1

Lost Time Injury Frequency, improved from 8.6 in 2024

We believe in sustainability through quality

We develop retail solutions that help retailers improve store performance while reducing environmental impact. As plastic is our main working material, we recognise both the obligation and the opportunity to reduce our own footprint while helping our customers do the same.

Thank you for taking part in our journey so far, and for following our progress during 2025 across materials, emissions, product design, and responsible business practices – all supporting more efficient, future-ready stores.

For us, our sustainability strategy boils down to the areas where we can make the greatest impact:

Helping customers build more sustainable, efficient stores

Providing safe, inclusive, and engaging workplaces across all our sites

Reducing our environmental footprint

Ensuring responsible practices throughout our supply chain

We believe in sustainability through quality. Our products deliver value for retailers, shoppers, and the environment, built to last longer and designed with continuous improvements to reduce end-of-life impact.

Let's continue moving retail forward in a more sustainable way, together.

Climate transparency

Understanding our carbon footprint



Our sustainability priorities are guided by our double materiality assessment, which helps us focus on the areas where our impacts, risks and opportunities are most significant.

Our carbon footprint is measured across Scopes 1, 2 and 3 in line with the GHG Protocol, and our climate targets are validated by SBTi.

Our approach is to use our annual data review as a roadmap to guide our sustainability journey and continuous improvement efforts.

Emission reductions

In 2025, we achieved: 71% reduction in Scope 1 and 2 emissions vs 2019 (market-based), driven mainly by renewable electricity certificates, on-site solar generation and efficiency gains.



22% reduction in Scope 3 emissions intensity per tonne of purchased material vs 2019

Purchased materials represent around 80% of our total emissions, making lower-carbon material choices central to our sustainability strategy

Progress measured against 2019 baseline.

Scope 1

Direct emissions from our operations

2%

Scope 2

Indirect emissions from purchased energy (market-based)

1,2%

Scope 3

All other indirect emissions across the value chain

96,8%

Targets

Near-term SBTi targets achieved ahead of schedule

100%

Smarter operations, lower impact

Improving manufacturing efficiency helps us reduce our own operational emissions. This includes upgrading equipment where relevant, improving production planning to reduce scrap, and optimising processes to reduce energy use per tonne produced.

Reducing impact across your store: Greater operational efficiency and renewable electricity lower the emissions tied to the solutions you deploy.

Renewable electricity:

85% of electricity consumption backed by renewable sources (market-based)

Solar power:

661 MWh self-generated solar electricity

Energy efficiency:

7.5% improvement in energy intensity vs 2024

Environmental management:

ISO 14001 ISO 14001 certification across legacy factories and Regional Distribution Centers

Reducing waste, improving circularity

Reducing waste is part of improving resource efficiency and lowering impact across production and product lifecycle.

Better material use and take-back solutions support lower waste and stronger circularity over time.

10.7%

production waste rate, down from 17.8% in 2024

55 tonnes

used plastic products collected through customer take-back initiatives

1,778 tonnes

externally sourced recycled plastic used in production

HL's carbon reduction journey: Past, present and moving forward

2019

Carbon baseline established

2022

2030 near-term SBTi targets approved

2025

2030 near-term targets achieved ahead of schedule

2026-2030 Priorities:

- Lower-carbon materials
- Energy efficiency
- Supplier engagement
- Logistics optimisation
- Circular product design

2050

Net-zero ambition across Scopes 1-3

Designed for lower impact

Much of a product's impact is determined at the design stage. By focusing on durability, modularity and responsible materials, we aim to reduce resource use across the lifecycle of our solutions.

Why it matters for retailers:

This can help you reduce both environmental impact and replacement costs.

Durability:

Products designed to stay longer in store environments.

Modularity:

Components can be replaced instead of replacing entire systems.

Recyclability:

Materials selected with end-of-life sorting and recycling in mind.

Circular-by-design in action

In 2025, circular-by-design principles were integrated into our product development process. All new concepts now undergo an eco-design assessment evaluating material choice, recyclability, repairability, and carbon intensity before proceeding.

We have developed [durability and reparability indices](#), with a target of 20% of sales meeting the circular-by-design standard by 2030.

Modular components:

Parts can be replaced, making it possible to update displays without replacing the full system. This helps save materials and keep the system in use for longer.

Adaptable configurations:

The system can be adjusted to different store layouts and changing merchandising needs, with options for configurations, rails, dividers and pushers.

Design example: Multivo™ Core

Our new modular pushing system Multivo™ Core illustrates how design choices can extend product lifetime while supporting evolving store environments.



Partially recycled PET:

Clear dividers contain up to 20% recycled PET, while black tracks and dividers contain up to 100% recycled PET.

Designed for end-of-life:

Multivo™ Core can be disassembled into separate components to support material sorting and recycling.

Leading with high standards

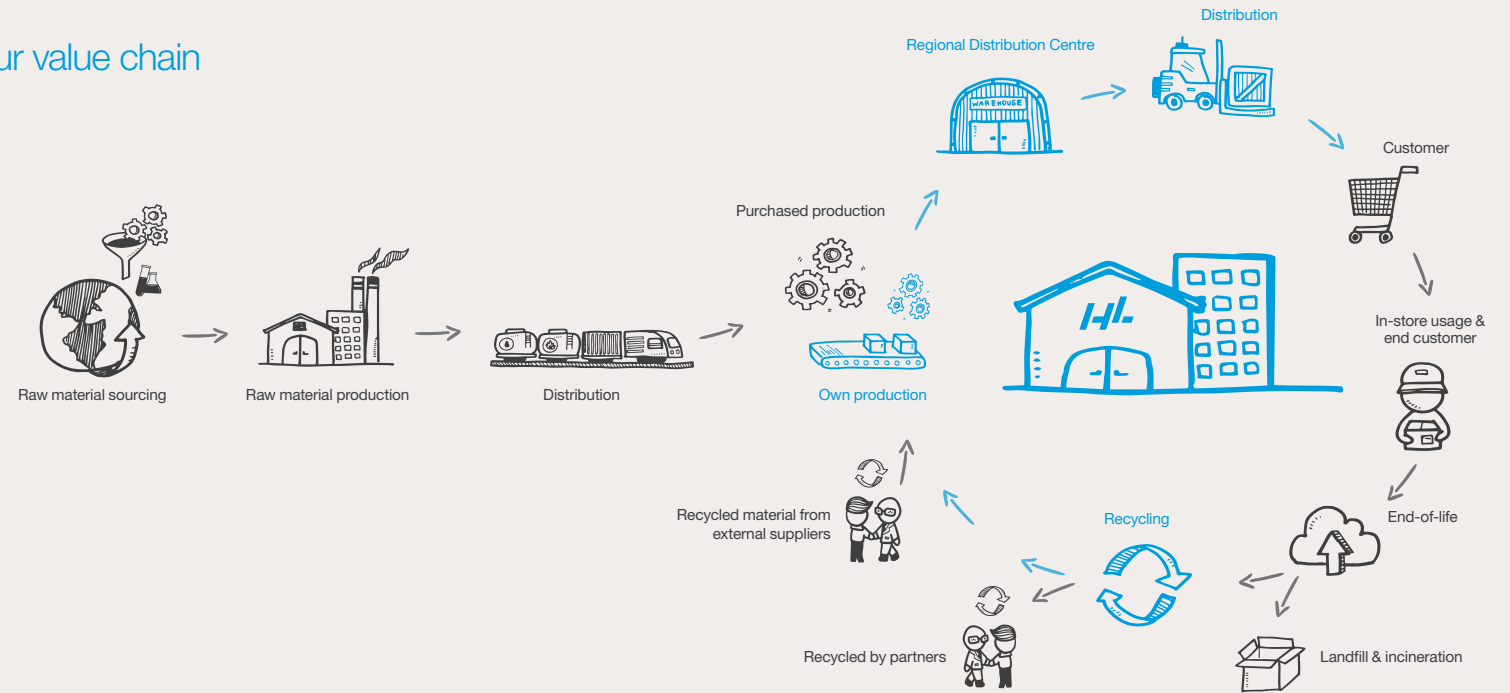
High standards guide how we operate. Our people are central to HL's growth, and we work to ensure safe conditions, fair pay, secure employment, and equal opportunities across all locations.

Responsibility extends across our entire value chain, where most of our impact sits. Progress depends on collaboration. We work with suppliers to improve material

transparency and access lower-carbon options, and with retailers to pilot circular solutions like take-back.

Internally, we share best practices and track progress through clear targets and KPIs.

Our value chain



HL Code of Conduct:

Clear standards for all employees and subsidiaries.

UN Global Compact:

Commitment to responsible business principles since 2010.

HL Speak Up:

Confidential whistleblower channel for reporting concerns.

Supplier Code of Conduct:

Applied to all suppliers.

Responsible supply chain:

Working with suppliers on ethics, compliance and continuous improvement.

4.1 LTIFR

Lost Time Injury Frequency Rate

down from 8.6 in 2024

Creating the best workplace

Our people are central to HL's ability to operate and grow. We focus on safe working conditions, fair treatment, employee engagement and continuous improvement.

75%

of employees covered by a health and safety management system

100%

of legacy factories and Regional Distribution Centres are ISO 45001 certified

Sustainability accolades 2025



EcoVadis

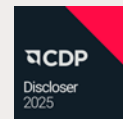
HL awarded the EcoVadis Gold Medal

We received the Gold Medal in Sustainability Rating from EcoVadis, with our score placing us in the top 2% of companies assessed globally.

performance across four key areas: [Environment, Labour & Human Rights, Ethics & Sustainable Procurement](#)

The EcoVadis Gold Medal is awarded to companies that demonstrate strong and consistent efforts in sustainability. It validates

To achieve the gold rating, a company must go beyond compliance, showing robust policies and actions that create real impact.



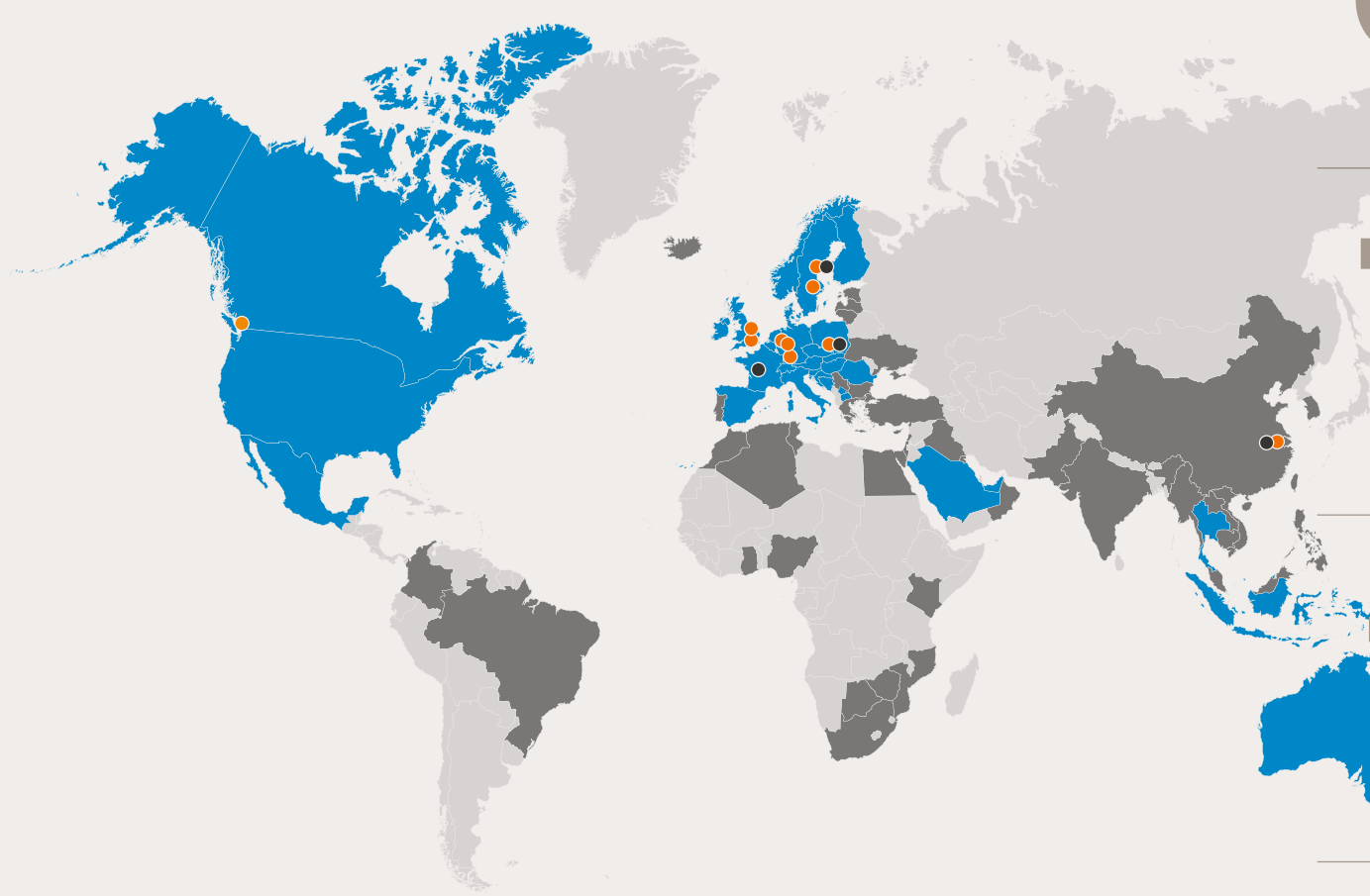
CDP

HL achieved B score in CDP Climate Disclosure

Our result shows that we have solid climate management practices in place and that we are actively working with emissions across all scopes.

CDP is a global, non-profit organisation that runs the world's leading environmental disclosure system. Companies report through CDP to measure, manage and share their impact on climate change, water security and deforestation.

The score is supported by strong results across several areas in our report, including A ratings for Energy, Scope 1 and 2 emissions, Scope 3 emissions, Targets, Risk and Opportunity disclosure, and Environmental Policies.



350,000

Installed in stores

70+

Markets

1,496

Employees

MSEK 2,839

Net sales

■ HL Sales offices ■ HL Partners ● HL Factories ● HL Regional distribution centre (RDC)

Our customer promise

We make life in-store better by using our expertise to:

Grow sales

A majority of shopping decisions are made in store. Improved product visibility and overall presentation as well as reducing real or perceived out-of-stock impacts sales positively.

Inspire shoppers

With experience from working with the world's leading retailers and brands, HL has learned how to create solutions that inspire shoppers, improve their experience in-store and make their shopping trip worthwhile.

Drive efficiency

HL's merchandising systems and solutions free-up time by automating repetitive tasks so store personnel can spend time where it really matters – engaging with shoppers.

Reduce waste

Waste is both costly and, to a large degree, avoidable. Efforts to reduce food and packaging waste, as well as the use of virgin plastic, carry clear societal and financial benefits. Durable and modular store solutions also help retailers reduce costs over time, as components can be replaced or updated without replacing the entire installation.

Improve work in-store

The store teams are at the heart of the shopping experience. Our solutions strive to facilitate a work environment that reduces their amount of repetitive and physically straining tasks and allocates time for more motivating work.

About HL Display

HL is an international supplier of in-store communication and merchandising solutions to help customers build attractive, efficient and more sustainable stores. Our offer includes products within store communication and merchandising as well as lighting systems, secondary displays and customised in-store solutions and services.

HL systems are installed in over 350,000 stores around the world. Headquartered in Stockholm, Sweden, the Group serves more than 70 markets. 28 sales offices cover 40 of these markets, while the remainder is managed by distribution partners located across the globe.

Our biggest markets are the UK, Germany and France, and we mainly cater to customers within food and non-food retail as well as branded goods suppliers. The nine production facilities HL operated

during 2025 are located in Sweden, Poland, the UK, Germany, China and Canada and handle a variety of industrial processes, including plastics and metal fabrication, printing, assembly and more.

In 2025, HL employs 1,496 people and net sales of 2,839 MSEK. HL is a wholly owned subsidiary of the listed Swedish Business Group Ratos.



The better shopping experience

HL DISPLAY AB

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