



# Sustainability Report

BHG Group AB (publ)  
Nasdaq Stockholm: BHG

The Sustainability report is a part of Directors' Report in the Annual  
Report 2024



### BHGS'S SUSTAINABILITY JOURNEY

2024 was an eventful year for BHG in terms of sustainability, with preparations for reporting under the EU Corporate Sustainability Reporting Directive (CSRD) remaining in focus. During the year, the Swedish Parliament voted to adopt new sustainability reporting regulations, which means that BHG will begin reporting according to the Directive in 2025.

An analysis of the regulations was conducted over the past year in order to improve our understanding of what we as a group need to have in place during the coming year. The double materiality assessment and gap analysis identified the work that will now continue in 2025 to ensure that we are well prepared for the upcoming reporting requirements under the CSRD.

At BHG, we believe in the power of partnership, and we can contribute to successful solutions by working together with our customers, suppliers and social actors. We continue to take responsibility and drive sustainable change in our decentralised model.

Further integrating a sustainability perspective into our core business will remain a top priority in 2025, with a focus on both training and projects to enable better measurement in the quantitative part of the reporting.

### Continued preparations

The turbulent market environment that we saw during and after the pandemic resulted in substantial changes within the Group, focused on measures to drive efficiency and reduce costs. This focus continued in 2024, although we saw positive changes in several macro indicators during the year, which we believe will lead to a gradual recovery in 2025. As part of our consolidation process, we continued to build larger and more scalable platforms in 2024, which are expected to create benefits from a sustainability perspective in the years to come.

In addition to consolidations, in 2024 we acquired Trendrum, which has a furniture and home furnishing range for the entry and lower-mid segments, as well as KitchenTime, a strong Nordic brand in food preparation, serving and kitchen products. BHG also divested the Norwegian bathroom and kitchen fittings specialist Designkupp AS.

We look forward to continuing our sustainability journey next year, with a focus on the ongoing implementation of the European Sustainability Reporting Standards (ESRS) to measure and reduce our climate impact.

Sustainability is not just part of our strategy – it's the foundation for our long-term success, and together we will continue to challenge ourselves and the world around us in order to create a more just and sustainable future.

**Gustaf Öhrn,**  
President and CEO, BHG Group



## THIS IS BHG

BHG is one of the largest consumer e-commerce companies in the Nordics. In addition to our Nordic operations, we also have a strong presence in the rest of Europe and in selected markets outside Europe. We strive to integrate sustainability as a core part of our operations and corporate strategy.

### Business model

We offer our customers a broad and relevant range of products and services in our respective categories and geographies. BHG consists of three segments: Home Improvement, Value Home, and Premium Living.

- 1) Home Improvement is primarily driven as a drop shipping model for DIY products
- 2) Value Home focuses on offering competitive prices, primarily within furniture and leisure products
- 3) Premium Living occupies a premium position in furniture and interior design, based on inventory management

The Group's operations are based on a decentralised model, with the overall strategic plan defined at the Group level and subsequently executed by the CEO of each subsidiary. Our three segments have differentiated business models, especially with respect to inventory management, which creates different conditions for and approaches to sustainability.

### Changes during the year

BHG completed two acquisitions in 2024: Trendrum, a retailer of private label furniture products, and the KitchenTime brand, which was consolidated into Nordic Nest. In addition to these acquisitions, several consolidations were completed within the Group which resulted in the sale of the Norwegian bathroom and kitchen fittings specialist Designkupp. The acquired operating units will be included in their entirety in the 2024 Sustainability Report, while the divested companies will not be reported.

## SUSTAINABILITY FOR BHG

BHG's sustainability efforts encompass the environment, social conditions and employees as well as human rights and anti-corruption work. The framework for BHG's sustainability efforts is based on the UN Sustainable Development Goals (SDGs) for 2030. We are transparent in our sustainability efforts, and our approach to reporting in accordance with the EU Taxonomy is described on the following pages. The process of ensuring that our sustainability reporting is in line with CSRD continues, and we will report under the Directive in the next reporting period.

The BHG Group AB (publ) share is listed on Nasdaq Stockholm Mid Cap.

**Number of employees:** 1 691

**Net sales:** SEK 9 963 million

**Equity:** SEK 5 854 million

**Liabilities:** SEK 5 041 million

## BHGs focus areas and impact assessment

While preparing for the CSRD, BHG chose to further develop the materiality pyramid that was previously used as the basis for the Group's sustainability strategy. This led to the identification of focus areas based on the results of the materiality assessment performed in 2020. The assessment employed a risk perspective based on an analysis of indirect and direct risks to BHG. The risk analysis, combined with benchmarking and a review of the current situation, resulted in clearly defined sustainability matters in the areas of environment and climate, social topics and governance. By employing a risk matrix where the likelihood and impact of risks were analysed, we were able to identify the areas with the highest risk. These were then ranked from high to low potential impact in our impact assessment, where we took into account their potential external impact, potential internal impact and potential for value creation. The assessment followed the Global Reporting Initiative (GRI) method for assessing double materiality, meaning that it identified BHG's sustainability-related impacts as well as the impacts on BHG, including both negative and positive impacts in the areas of human rights, labour rights, the environment and anti-corruption across the value chain. The assessment also included financial, operational and reputational impacts.

Stakeholder group	Method	Top three prioritised areas
Owners	Questionnaire and interview	Ensuring a high level of data protection and protecting customer privacy
		Eliminating child labour and forced labour
		Ensuring a healthy and safe work environment
Board of Directors	Questionnaire and interview	Minimising resource consumption
		Eliminating child labour and forced labour
		Minimising climate impact
Employees	Questionnaire and interview	Attracting and retaining employees and providing competence development
		Minimising climate impact
		Eliminating child labour and forced labour
Group companies	Questionnaire and interview	Attracting and retaining employees and providing competence development
		Minimising resource consumption
		Ensuring a healthy and safe work environment
Customers	Questionnaire	Eliminating child labour and forced labour
		Minimising climate impact
		Maintaining high levels of product safety and quality
Suppliers	Questionnaire	Working actively to eliminate corruption
		Protecting biodiversity and ecosystems
		Ensuring a healthy and safe work environment

### BHG's sustainability strategy

In further developing the previous materiality pyramid, BHG has chosen to focus on four areas: sustainable products; sustainable deliveries; sustainable employees; and sustainable business. These focus areas complement and strengthen the previous materiality pyramid by ensuring that sustainability is woven throughout all aspects of our business. By focusing on these areas, we endeavour not only to fulfil our sustainability targets, but also to create long-term value for our stakeholders and society at large.



#### Sustainable product

BHG will endeavour to ensure sustainable waste handling, with product safety and quality as watchwords. Our work related to the value chain will minimise our resource consumption and promote a circular economy.

#### Sustainable delivery

BHG will ensure sustainable and ethical supply and distribution chains by optimising package volumes, reducing air freight and increasing the share of green deliveries.

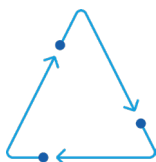


#### Sustainable people

BHG will ensure that we attract, develop and retain competence within the Group through personnel-related initiatives. In addition, we aim to reflect society at large to the greatest possible extent by proactively addressing equality, diversity and inclusion.






#### Sustainable business

BHG will focus on resource efficiency through factors including energy consumption and the reduction of packaging. We will also ensure efficient processes in the areas of internal control, self-assessment and data protection.



### BHG's sustainability targets

The process of designing clear sustainability targets for BHG began in the second half of 2021. These targets were adopted by the Board of Directors in February 2022. In the 2022 Sustainability Report, we reported a change in the timetable for our Scope 1 emission target. The Group anticipates that the implementation of reporting under the CSRD next year is very likely to result in a revision of our sustainability targets.

Connection to the UN's Agenda	Focus areas	Target
 	<b>Minimize Climate Impact</b>  	<b>Reduce Carbon Emissions by 50% by 2030</b> 1 a. Scope 1 & 2: Zero greenhouse gas emissions by 2030 1 b. Scope 3: 50% reduction in greenhouse gases by 2030 2. Promote a Sustainable Offering
 	<b>Ensure Sustainable Supply and Distribution Chains</b>  	<b>Equal Workplace and Sustainable Supply Chain</b> 3. By 2025, 100% of our strategic suppliers*** will have been evaluated, and action plans will have been developed and implemented 4. Our employees perceive BHG Group as a good and equal workplace
 	<b>Financial Development &amp; Economic Growth</b> 	<b>Corporate Governance and Economic Growth</b> 5. 100% of BHG's fully integrated business units and destinations manage data security in accordance with the best available standards

\* Percentage reduction in relation to sales growth

\*\* Revised target (2022) for Scope 1 & 2. Initial target on zero emissions by 2025 has been revised to 2030.

\*\*\* 60% of BHG's total sales

## GOVERNANCE AND RESPONSIBILITY FOR SUSTAINABILITY

The Board of Directors has the overall responsibility for sustainability, while the CEO is responsible for executing the Board's decisions and strategies. The Group CTO and Head of Sustainability is responsible for leading and coordinating the sustainability work. The CTO reports directly to the CEO and informs the Board of Directors on outcomes once a year. The Group also holds monthly meetings with key individuals from each company. During these meetings, the companies receive up-to-date information about the Group's work and they can also bring up sustainability matters for discussion.

### Policy documents

The core sustainability policies that BHG applies include our Code of Conduct, Supplier Policy, Environmental Policy, Employee Policy, Purchasing Policy, CSR Policy and Information Security Policy. The CEOs and management of our companies receive the Code of Conduct and the other policies, after which it is up to them to implement the policies at each company. BHG's internal control process is used to monitor compliance with these policies.

Our Code of Conduct, which is based on the Ten Principles of the UN Global Compact, states the company's position concerning respect for human rights, labour conditions, the environment and anti-corruption. The Code of Conduct applies to BHG's Board members, employees, consultants and partners.

BHG employees shall receive the Code of Conduct when they are hired, and members of the Board of Directors receive information about the Code as part of their orientation. The Code of Conduct was updated in the second half of 2021, and all of BHG's employees signed agreements stating that they had read and understood it when it was implemented.

Deviations from the Code of Conduct can be reported anonymously through BHG's Group-wide whistleblower system. We are satisfied with our level of policy implementation, since we have low levels of deviations reported.

### Risk analysis

BHG's value chain has been analysed, looking at risks associated with human rights, employees, social conditions, the environment and anti-corruption. The risk analysis also included industry and operation-specific sustainability risks. The risks identified primarily occurred in the supply chain, since we do not own manufacturing plants but instead purchase products from manufacturers and business partners/agents. The risks are primarily related to emissions, resource and material use, the risk of corruption, and human or labour rights violations. In addition to risks in the supply chain, risks were also identified in logistics and transportation. As an e-commerce company, we are focused on GHG emissions from shipping, something we continuously address by ensuring low return rates, an area where BHG is on the cutting edge.

We continually develop our risk management process to strengthen and build up the company's long-term resiliency, based on our focus areas. The overall control environment is the foundation of our risk management process. A sound control environment is based on an organisation with clear

decision paths where responsibility and authority are clearly defined. In BHG's decentralised company model, our centrally defined internal control system with relevant parameters for defining risk and risk management is extremely important. The company's Audit Committee receives reports on risk and risk management on an ongoing basis during the year, while the Board of Directors is updated annually. You can read more about how we are addressing these material topics in the following sections of the Sustainability Report.

## BHG'S MATERIAL AREAS

### Business conduct (anti-corruption)

BHG takes a zero-tolerance stance towards all forms of corruption. Cooperating with the right partners and suppliers as well as addressing ethical and moral topics are of critical importance to the Group. BHG builds relationships with business partners based on trust, transparency and honest business relationships, with a shared philosophy on sound business practices.

The largest corruption risk is associated with the purchase of products. There is also a potential risk of corruption if we were to be dependent upon a supplier or business partner. We also believe that there is a risk of corruption connected with cash management in the parts of our operation where cash management is performed. Our requirements and expectations for our employees, business partners and suppliers when it comes to anti-corruption are stipulated in our Code of Conduct and Supplier Code of Conduct. All BHG employees are obligated to follow our Code of Conduct, which provides them with information about guidelines and our preventive work regarding bribes and corruption. Any deviations from the Code of Conduct and the Group's business ethics guidelines can be reported anonymously to the Group's whistleblower system. A case is started when a suspected instance of corruption is reported via the whistleblower system. The case is handled by an independent external party or by BHG internally, depending on the nature of the case. The case initiates an investigation during which it is either escalated or concluded.

A total of 0 cases were reported via the whistleblower system during the year, including 0 cases of corruption. BHG's internal control process is used to monitor compliance with company policies.

## SUSTAINABLE SUPPLY CHAINS

### ENSURING SUSTAINABLE AND ETHICAL SUPPLY CHAINS AND MAINTAINING HIGH LEVELS OF PRODUCT SAFETY AND QUALITY

BHG has no manufacturing plants of its own. Instead, products are mainly purchased directly from business partners, suppliers or through agents in the Nordic region, Eastern Europe and Asia. Our proprietary brands are complemented by strong brands from third-party suppliers.

A significant share of BHG's impact occurs in the supply chain for production of the goods sold by our companies. Areas affected by our suppliers' production include climate and environmental impacts, since the manufacturing of our

products causes GHG emissions that contribute to climate change or deplete natural resources.

Our ability to control this is limited, but through systematic efforts we can establish requirements for our suppliers. This work means ensuring that our products are manufactured by producers that respect and uphold human rights, labour rights and good business conduct and are not associated with any form of child labour or forced labour. This is of particular importance when we purchase products produced in areas with a higher risk of deviations.

Being an e-commerce leader in our industry requires us to ensure that our suppliers and distribution chains are sustainable and ethical. To support a sustainable supply chain, we established a Supplier Code of Conduct in which we clearly delineated our requirements and expectations. The Supplier Code of Conduct is based on the Ten Principles of the UN Global Compact. Our suppliers and business partners must respect human rights and labour rights, minimise their negative environmental impact and maintain good business conduct. These requirements include zero tolerance for child labour or forced labour. BHG has no central purchasing function. Instead, the Supplier Policy is presented to the companies' management groups, who are responsible for implementation and compliance. Our companies are also responsible for evaluating new business partners, suppliers and agents according to the Supplier Code of Conduct. Our ambition is for the Supplier Code of Conduct to be included in all of BHG's agreements with new suppliers. BHG's target is for all strategic suppliers to be evaluated based on both social and environmental criteria by 2025. Our objective is for all of the companies in the Group to perform ongoing supplier evaluations, particularly with respect to the Group's proprietary brands. Some of our companies already have systematic processes in place for evaluating suppliers and conducting follow-ups in low-cost countries where the risk of deviations is assessed as being the greatest. In 2024, 66% had signed our Supplier Code of Conduct, which is an improvement on the previous year's 55%. Our goal is 100% of our strategic suppliers by the end of 2025. During the year, we have strengthened our work on human rights by conducting risk assessments in our supply chain and introducing clearer requirements for compliance with our code of conduct. Additionally, we have improved our processes for identifying and managing potential risks.

As a group with a decentralised business model, we face challenges when it comes to coordinating the supply chain, and how our companies' management of their supply chains varies. We have continued to work on improving our governance, implementation and follow-up of supply chains, and we will continue to do so in the years to come. This also includes evaluating how we can set stringent requirements for manufacturing our proprietary brands and the external brands we purchase.

#### **Our work related to product safety and quality**

BHG's range consists of external brands, mainly well-known brands such as Bosch, Husqvarna, &Tradition and Rörstrand, as well as proprietary brands. When it comes to external brands, the manufacturers are responsible for product safety. We complement the external brands we offer with a portfolio of proprietary brands that meet or exceed customer

expectations. Product safety and quality play an important role in this structure. Our proprietary brands are primarily manufactured in Eastern Europe and Asia. In Asia, product safety standards can be lower than the EU regulations for product safety and quality. In order to live up to our customers' expectations, it is important that we ensure that all of our suppliers meet the requirements for product safety set by the EU. Every company within BHG is responsible for the design and quality assurance of its own products. 5 incidents related to inadequate product safety were reported at BHG during the year. Internal investigations have been conducted and the products have been removed from the range. We continually address product safety within our respective operating companies, and our ambition is to continuously create a clearer risk assessment in order to better identify high-risk products in our range.

#### **BHG'S CLIMATE IMPACT**

BHG's long-term objective, with a horizon reaching to 2030, is especially focused on reducing its climate impact in order to achieve its targets. In addition to our efforts to reduce emissions associated with our suppliers and transports, we endeavour to use energy and materials more efficiently and to reduce our GHG emissions and the waste generated by our operations. Since a large part of our climate and environmental impact occurs in the supply chain where our goods are produced, we will continue to focus on this area in the coming years. Environmental topics are governed by BHG's Environmental Policy as well as its Code of Conduct and Supplier Code of Conduct. To ensure responsible production by our suppliers, we have strict requirements for them to perform environmental risk assessments and take measures to prevent, mitigate and monitor the effects of their operations. Compliance is monitored by BHG's internal control function.

#### **Minimising climate impact**

By closely following up and working proactively to reduce our emissions in the entire value chain, we can reduce the negative impact of our operations on the environment and the climate. We have a responsibility to minimise resource consumption in all channels where we can make a difference, especially in the areas of the value chain that are most material to us. This means not only focusing on reducing emissions from our own activities, but also working with our suppliers and partners to encourage them to employ sustainable methods and principles as well. Implementing follow-up and control mechanisms allows us to identify and address potential problems at an early stage, enabling us to take corrective actions and continually improve our processes.

#### **Transport and distribution**

A large share of the products is delivered directly from suppliers to customers via third-party distributors. In addition, products are distributed through our own distribution network via third parties (such as DSV, DHL and PostNord) and through BHG's own last-mile deliveries using our own vehicles and drivers. Today, BHG has its own infrastructure for last-mile deliveries in Stockholm and Skåne County.



We have the greatest possibility of affecting transportation and resource management in our own distribution network. When it comes to our last-mile deliveries, we engage in regular dialogues with our logistics partners about improving efficiency in the flow of goods between suppliers, warehouses and end customers. We aim to have a higher fill factor and improve loading, which indirectly leads to reduced emissions from customer deliveries. The emissions generated from our own transportation are included in our CO<sub>2</sub>e reporting. It is also important to minimise the return rate, since this helps to avoid unnecessary shipments and thereby emissions. The share of returns for BHG is relatively low, under 5%.

### Materials and waste

When it comes to minimising environmental impact, materials and waste are an important area. To this end, we apply our Supplier Code of Conduct, which all new suppliers are encouraged to sign. Suppliers are encouraged to reduce, reuse and recover products and materials, in order to minimise the amount of waste created in manufacturing.

BHG is furthermore investigating how we can increase circular flows in our companies. At present, we offer several products produced from recycled materials. The share of recycled materials is relatively small, but BHG sees an opportunity to develop its range in the future.

Waste generated in our own operations includes plastic, cardboard and packaging meant to protect our products, which is a direct impact and is our responsibility to minimise and streamline. Reuse and recovery of packaging and packaging materials are examples of measures to achieve more efficient use of resources. In addition, our companies engage in dialogues with our logistics partners regarding smarter packaging and use of packing material. The goal is to minimise resource consumption when shipping and delivering our products to customers.

We sort paper, plastic and other consumables at our offices. Our companies work with well-established third parties in the recycling industry. From our suppliers in the recycling industry, we receive reports on the generated waste from our operations. In 2024, BHG's operations generated a total of 2,195 tonnes of waste. For 2024, we have not been able to separate the waste by fraction, something we will look into in the future. In regard to waste, we are limited to our own operations but we encourage customers to sort waste after delivery.

### Energy and climate

Our energy consumption and our GHG emissions are connected to our offices, warehouses, showrooms and the data servers we use to conduct our operations. Energy-saving measures are implemented regularly at our warehouses, showrooms and offices. We want to reduce our climate impact and emissions by reviewing potential efficiency measures in our operations. Our ambition is to continually improve our opportunities for taking responsibility for our climate impact. Our boundaries in the area of data collection are linked to our material areas, which encompass Scope 1 and 2, as well as transportation/distribution, travel and waste under Scope 3.

BHG applies the precautionary principle, and our Environmental and Sustainability Policy establishes our overall expectations for our operations and our companies when it comes to environmental and climate issues.

At BHG, we follow up our efforts through our internal control process as well by sharing knowledge on energy-efficient measures between companies.

There are still room for improvements, and we are aware that the actual emissions may be higher than reported, as we currently do not have complete data from all companies. This year's reporting has also been affected by the implementation of CSRD, where we have already changed the method for some of the data collection, which affects comparability with previous years. We continue to learn, and our view is that the work related to reporting in accordance with CSRD will make us better at understanding our impact across the entire value chain.

The results of the data collection are presented in the table 'Energy Use and Emissions' below. The collected data corresponds to 100% of the group's companies. As the group has continuously changed during the years 2022-2024 with both acquisitions and divestments, the comparability between the years is affected.

#### Energy consumption in the organisation (MWh)

Energy source	2024	2023	2022
Fuel (diesel and natural gas)	458	879	1,635
Electricity	9,905	12,436	16,722
Heat	8,849	10,835	14,830
Cooling	300	82	200
<b>Total energy consumption</b>	<b>19,512</b>	<b>24,232</b>	<b>33,387</b>

*Includes data from our offices, stores and warehouses. For more information about which companies are covered in this report, see "About this report".*

*\* The data in the 2022 column has been adjusted retrospectively due to changed conversion factors (2022).*

*\*\* During 2023 and 2024, four companies were divested and are not included in the sustainability reporting for 2024, while one company was acquired, which is only included in 2024. Energy consumption in 2023, excluding the divested company, would have been: 24,164 MWh.*

#### Total emissions, tCO<sub>2</sub>eq\*

	2024	2023	2022
Scope 1	2,199	2,896	3,602
Scope 2	1,209	1,888	2,456
Scope 3	16,595	17,964	22,829
<b>Total</b>	<b>20,003</b>	<b>22,748</b>	<b>28,887</b>

*\* As the group has begun the transition towards reporting according to CSRD, certain methodological changes have been made, which affect the comparability between 2024 and previous years.*

*Scope 1: Wood chips, natural gas, owned/leased cars. Emission factors from DEFRA 2023, IEA 2021, and SMED & IVL C619 (2019).*

*Scope 2: In 2024, supplier-specific emission factors have been used as much as possible. Where supplier-specific factors have not been available, emission factors from IEA 2023, DEFRA 2023, and SMED & IVL C619 (2019) have been used.*

*Scope 3: Logistics and business trips. Emission factors from Exiobase 3.9, NTM (2018/2022), SMED & IVL C619 (2019) and AIB (2023).*

#### Energy consumption and total emissions

In 2024, both acquisitions and divestitures occurred within the group, affecting the comparability between 2024 and previous years. If we exclude data related to the divestment of Designkupp AS for 2023 while not including Trendrum AB for

2024, we see a reduction in energy consumption by 6,242 MWh, with the majority of the change coming from divested store and warehouse locations. Note that Kitchentime is not excluded in 2024 as it has been consolidated into Nordic Nest AB. Using the same calculation method, we see a reduction in emissions for the group by 3,227 tons of CO<sub>2</sub>e. The reduction can mainly be attributed to transportation and heating.





Our employees, both at the group and subsidiary levels, are our **most valuable asset**, and our success is built on their **competence and motivation**. We endeavour to offer a **safe, stimulating and broadening workplace** with opportunities for skills development



## OUR EMPLOYEES

Our employees, both at the group and subsidiary levels, are our most valuable asset, and our success is built on their competence and motivation. We endeavour to offer a safe, stimulating and broadening workplace with opportunities for skills development, which contributes to the company's continued success. This makes us an attractive employer where our employees thrive. Our Code of Conduct, which is based on UN human rights recommendations, serves as the basis for a healthy workplace. With this code as a foundation, we want to ensure that all of our employees are treated fairly and without prejudice or discrimination, regardless of gender, ethnicity, religion, disability, sexual orientation or age. We reject all forms of discrimination in recruitment, wage-setting, skills development, promotions, termination and our daily interactions. Recruitment, development opportunities and promotions shall be based on qualifications. Indirect employees also work at BHG, often as consultants or in our warehouses and customer service. BHG had 135 indirect employees in 2024.

### A responsible employer

BHG's decentralised corporate structure is characterised by competence, entrepreneurship, management by objectives and rapid decision paths. Our Code of Conduct and Employee Policy form the framework and clearly state our requirements for our employees and workplaces, including equality and diversity, work environment, occupational health and safety, recruitment and development and training. The majority of our employees are part of a collective agreement. This applies to our companies in Sweden. For all of our operations, the respective management is responsible for the employees' work environment.

A major part of BHG's corporate culture is maintaining an entrepreneurial spirit, where we encourage individual initiative and commitment which can be used as a base to grow into new roles and career paths. Our objective is for all of our employees, at both the Group level and in our portfolio companies, to have annual performance reviews that include individual objectives and development plans as well as feedback on their performance and goal fulfilment in order to strengthen the objectives-based management of performance and behaviour. In summary, performance reviews encompass feedback on an employee's performance as well as the fulfilment of goals and professional requirements. The professional requirements are mapped against the employee's development plan, for which training is planned and conducted. The performance reviews also give our employees an opportunity to provide feedback on their perception of BHG and its portfolio companies as employers.

In our decentralised structure, our portfolio companies establish their own processes for performance reviews and execution, with the core elements described above as the shared foundation. The reviews are planned and held by the employee's immediate supervisor, and it is each CEO's responsibility to ensure that the performance review process is conducted annually. Refer to the table "Performance reviews" to see the share of BHG's employees who participated in these reviews over the year.

### An equitable and inclusive workplace

BHG strives to be a diverse and inclusive workplace. We do not allow any form of discrimination, harassment or bullying. Our presence in many different countries and our broad customer group means that supporting gender, age and ethnic diversity is part of our DNA. We work continuously to provide a workplace where everyone feels welcome and where differences are appreciated and utilised. These expectations are stipulated in our Employee Policy and our Code of Conduct, which are distributed to each company in the Group. 0 confirmed cases of discrimination were reported during the year.

BHG strives for gender parity within the Group and aims for men and women to each represent 50% of the total number of employees as well as among management. In 2024, the number of women with permanent employment amounted to 621 of a total of 1,493 employees, or 42%. Our employees are often young and come from different backgrounds. The diversity challenges we see in our operations largely concern people in upper management who are often the same age and gender and from similar backgrounds. This is partially a result of acquiring several companies where the founders and entrepreneurs had similar backgrounds. BHG has an equal gender distribution on the Board of Directors, but still has an unequal gender distribution in management. There is a risk that the company will not be perceived as an equitable and attractive employer, which could lead to difficulty in attracting qualified employees.

Since acquisitions are a natural part of BHG's strategy for continued growth, the number of employees fluctuates in relation to companies that are acquired, in addition to recruitment for new positions and to replace departing employees.

#### Total number of employees by employment contract, employment type and gender

Employment contract	Women	Men	Non-binary	Total
Permanent employment	621	871	1	1,493
Temporary employment	45	51	0	96
Total	666	922	1	1,589
Full-time	549	797	1	1,347
Part-time	117	124	0	241
Total	666	922	1	1,589

The table includes employees from all of the companies in the BHG Group.

#### Total number of employees by employment contract and region

Region	Total	Permanent employment	Temporary employment
Nordic region	1,243	1,148	95
Other countries in Europe	334	334	0
Other countries outside Europe	12	11	1
Total	1,589	1,493	96

The table includes employees from all of the companies in the BHG Group.

**Employee turnover by gender, age and region**

	New employees (%)	Employee turnover (%)
<b>Total</b>	<b>571 (36%)</b>	<b>717 (45%)</b>
Women	239 (36%)	332 (50%)
Men	332 (36 %)	385 (42%)
Non-binary	0 (-)	0 (-)
<30 years	412 (35%)	438 (38%)
30–50 years	150 (14%)	238 (23%)
>50	9 (5%)	41 (23%)
Nordic region	474 (38%)	630 (50%)
Other countries in Europe	97 (29%)	87 (26%)
Outside Europe	0 (-)	0 (-)

Share (%) based on the total number of employees

**BHG management and employees by gender and age (%)**

Employment category	Women	Men	<30 years	30–50 years	>50 years
Board of Directors	50%	50%	0%	50%	50%
Management group	0%	100%	0%	100%	0%
Managers	50%	50%	0%	100%	0%
Other employees	24%	76%	35%	53%	12%

Share (%) based on the total number of employees at BHG's head office, which corresponds to 25 employees.

**Composition of the Board Of Directors, 2023**

<b>Number of Board members</b>	<b>6</b>
Number of independent Board members	5
<b>Average term of office</b>	<b>2.3 years</b>

New figures from 2022. See page 60–61 for information on the Board of Directors.

**Other companies' management and employees by gender and age (%)**

Employment category	Women	Men	<30 years	30–50 years	>50 years
Management group	23%	77%	4%	83%	13%
Managers	55%	45%	20%	69%	10%
Other employees	47%	53%	53%	40%	7 %

**Number of employees who have had a performance review by gender and employment category**

Employment category	Women	Men	Total
Management group	96%	88%	<b>89%</b>
Managers	78%	88 %	<b>82%</b>
Other employees	69%	67 %	<b>68%</b>

Based on the total number of employees in the companies included in this report. The employment categories include both the BHG Group (head office) and other companies.

**Health and safety governance**

BHG's decentralised structure means that our companies have made varying amounts of progress in their systematic health and safety work. We continually work to improve the work environment, and our health and safety policies apply to all of the companies in the Group. Work environment and safety are core parts of these policies, including guidelines for physical and psychosocial health. Our companies have management systems and established processes for detecting and addressing risk areas that could entail ill health for our employees.

All of BHG's employees are covered by the company's health and safety procedures. Systematic health and safety work is based on locally produced handbooks, guidelines and procedures, which are available to all employees at our companies, as well as Group-wide policies. All employees are covered by BHG's companies' systematic health and safety work, and continuing education is conducted according to plan and as needed. BHG takes its statutory health and safety responsibility for all of its own personnel and contract personnel. It also takes coordination responsibility for contractors in its operations. Since BHG operates companies in several different countries, it complies with the laws and regulations concerning work environment and health in the respective countries where its companies operate. Safety topics are included in both the Employee Policy and the Environmental Policy.

Since we have operations in several countries, our approach to health and safety varies across the Group. For our companies in Sweden, health and safety work includes the establishment of health and safety teams, health and safety policies and local safety officers. Responsibility and information related to health and safety are delegated locally, and incidents and near misses are reported to the immediate supervisor. If an employee wishes to report hazardous or poor working conditions, the following reporting channels are available: the immediate supervisor, an HR representative or the CEO, or the anonymous whistleblower function. Systematic health and safety work is organised to continually review risks, suggest actions and promote improvement of the physical and psychosocial work environment. Local health and safety work covers all of BHG's personnel, both employees and consultants. BHG's companies have company healthcare for support in prevention efforts. During the year, 31 minor work-related injuries were reported, which is equivalent to a rate of 1.1 injuries per 100,000 hours worked. All accidents are investigated according to applicable regulations, and preventive measures are taken to avoid similar accidents in the future.

The risks that have been identified include psychosocial health when working alone, which is a risk we have also taken measures to address. Aside from the risks we identified at the head office, we are aware that other occupational risks may arise in other parts of the operations, for example in our showrooms. The risks in stores are primarily related to assault and robbery, which require different procedures than the ones we have at our offices.

Health and safety are a priority area, and the objective is to have a healthy workplace. BHG's companies offer preventive healthcare subsidies and organise various preventive healthcare activities such as group exercise to encourage



people to move. Along with preventive healthcare, the company offers rehabilitation to promote continued well-being.

## **DATA PROTECTION AND PROCESSING OF PERSONAL DATA**

We place great emphasis on data protection and on protecting our customers' and our employees' privacy and personal data. We do not process credit card information, which is processed by third-party solutions instead.

BHG has steering documents and processes in place to ensure a high level of data protection and appropriate processing of personal data. In our Information Security Policy and CSR Policy, we undertake to ensure that personal data from our customers and employees is processed in a secure manner. Our GDPR handbook is also distributed to our companies, which are responsible for implementing and following up on the requirements in their own operations. As a result, the companies develop data security policies, train employees, strive to minimise the storage of personal data and conduct internal audits. The companies also regulate who has access to data and cooperate with their suppliers to provide guidance and information about data processing. BHG's work is followed up through annual IT audits and internal audits. Responsibility for GDPR, regulatory compliance and processes is handled by BHG's legal function. In 2024, we had 2 confirmed cases of a customer privacy breach. We had 0 confirmed cases of identified leaks, thefts or losses of customer data during the year.

## **REPORTING IN ACCORDANCE WITH THE EU TAXONOMY REGULATION**

In 2021, BHG expanded its Sustainability Report to include reporting according to the EU Taxonomy. The EU Taxonomy can be briefly described as a classification system developed by the European Commission for what are counted as environmentally sustainable economic activities.

For a particular economic activity to be classified as environmentally sustainable, it must make a substantial contribution to one or more of the six established environmental objectives, do no significant harm the other objectives and comply with certain minimum safeguards in sustainability.

For 2021, large public interest entities with more than 500 employees reported whether their economic activities were Taxonomy-eligible according to the two environmental objectives of climate change mitigation and climate change adaptation. For 2022, companies were also required to report on alignment with these objectives, which BHG did. As of 2023, companies must report their eligibility in relation to the four new environmental objectives.

### **Reporting in accordance with the Taxonomy Regulation since 2023**

In 2021, BHG set up a working group with both internal and external expertise. The group analysed the company's activities and to what degree they were eligible in accordance with the Taxonomy Regulation (contributing to environmental sustainability). At this stage, environmental objectives 1 and 2 were analysed.

In 2023, BHG analysed the four remaining environmental objectives and the updates to the Taxonomy.

The analysis resulted in the assessment that BHG does not have economics activities that are eligible in relation to the four new environmental objectives (objectives 3–6).

BHG has also adopted a stricter interpretation of environmental objective 1, Climate change adaptation, and assessed that BHG's activities connected to 4.16 Installation and operation of electric heat pumps and 7.3 Installation, maintenance and repair of energy efficiency equipment cannot be said with sufficient certainty to fulfil the DNSH (do no significant harm) requirements connected to Appendix C. Our interpretation is that the criteria in the Taxonomy connected to Appendix C that concern substances on the Candidate List do not permit substances that are permitted under legislation, and it cannot be said with sufficient certainty that this is fulfilled in the products that are installed.

As in previous years, BHG's interpretation is that only a limited amount of our activities are Taxonomy-eligible. This is described in detail below. According to BHG's interpretation of a manufacturing company based on the Taxonomy Regulation and its associated NACE codes, a manufacturing company is a company that owns the input products for the products that they manufacture. Based on this interpretation, BHG is not defined as a manufacturing company and thus the majority of BHG's economic activities are not eligible under the Taxonomy Regulation.

Heat pumps and solar cells are examples of products eligible under the Taxonomy Regulation that BHG's operating companies sell. However, since BHG, based on the above interpretation, only sells these products, its activities are not Taxonomy-eligible.

In addition, some of BHG's operating companies provide shipping services for transports of goods. BHG's operating companies also provide installation services in Sweden, Norway, Finland and Denmark that are Taxonomy-eligible. These installation services represent less than 1% of the company's turnover for the 2023 operating year. More information can be found in the table on page 46.

Installation services comprise installations of products including heat pumps. The installation services are linked to activity 4.16 Installation and operation of electric heat pumps. Activity 7.3 Installation, maintenance and repair of energy efficiency equipment is assessed against the criteria for substantial contributions "replacement of existing windows with new energy efficient windows". However, since BHG is adopting a very strict interpretation of the DNSH criteria until further notice, we have elected not to consider these activities to be Taxonomy-eligible.

### **Activities that are Taxonomy-eligible, make a substantial contribution and do no significant harm: proportion of BHG's CapEx and OpEx**

During the year, BHG made investments (CapEx) that are Taxonomy-eligible, specifically investments to improve the energy efficiency of properties. These investments accounted for less than 5% of the company's CapEx and 0% of its OpEx in 2024. More information can be found in the table on page 47. The investments were linked to 7.3 Installation. BHG was not able to assess if its CapEx was Taxonomy-aligned due to lack of data. BHG will evaluate this assessment in the future.

BHG had no OpEx linked to the Taxonomy in 2024. More information can be found in the table on page 46.

### Minimum safeguards

In 2022, BHG evaluated its compliance with minimum safeguards. BHG concluded that it complied with the criteria for minimum safeguards. BHG's governing documents, procedures and associated internal control processes lay the foundation for ensuring that BHG complies with the minimum social requirements defined in the Taxonomy, including tax, anti-corruption and fair competition. Read more about our work against corruption on page 36. In addition, BHG is committed to following the OECD Guidelines for Multinational Enterprises and to working in accordance with the UN's guiding principles for human rights. Read more about our work with human rights on page 37. It is BHG's assessment that BHG continued to comply with the criteria for minimum safeguards in 2024.

### Reporting policies

The KPIs have been assessed and reported in accordance with the requirements set out in Article 8 of the EU Taxonomy. All eligible economic activities have been allocated to the environmental objective of climate change mitigation. BHG has not identified any activities connected to the environmental objective of climate change adaptation or to any of the four new environmental objectives. BHG has ensured that no double counting has occurred.

Total turnover was determined as Net Sales in the profit and loss statement. Revenue allocated to activity 4.16 was determined by assessing the proportion of Polarpumpen's revenue linked to the installation of electric heat pumps. Revenue allocated to activity 7.3 was determined by assessing the proportion of Bygghemma's revenue linked to the installation of windows.

Total CapEx was determined in accordance with Note 15 Tangible fixed assets.

OpEx was determined as expenses related to research and development, building renovation, short-term leases, and maintenance and repairs. BHG had no Taxonomy-eligible OpEx in 2024.

### ABOUT THIS REPORT

This is BHG's annual sustainability report. The report has been prepared in accordance with Chapter 6, Sections 10–12 of the Swedish Annual Accounts Act and applies to the 1 January 2024 to 31 December 2024 financial year unless otherwise stated. It has also been prepared in reference to the 2021 GRI Standards. The goal of this report is to transparently describe BHG's sustainability strategy, targets and results.

### Scope

This report covers the following companies: BHG Group AB (publ), Bygghemma Group Nordic AB, Bygghemma Sverige AB, Home Furnishing Nordic AB, BHG Group Finland Oy, IP-Agency Oy, Handelmark OÜ, Golvpoolen Arredo AB, Arc E-commerce AB, Hemfint i Kristianstad AB, Trendrum AB, Nordic Nest Group AB, Hafa Bathroom Group AB, HYMA Skog & Trädgård AB, Nordiska Fönster i Ängelholm AB, Lindström & Sondén AB, Camola Aps, Furniture 1 UAB, LampGallerian i Växjö AB, VVEX Group AB, Bygghjemme Norge AS, Polarpumpen AB and Sleepo AB, which represent 100% of the Group's sales. For a complete picture of the BHG Group, please refer to Note 15. BHG divested the Norwegian company Designkupp AS in 2024.

Employee data is calculated per employee and collected via the HR systems at our subsidiaries. Data pertaining to energy consumption and CO<sub>2</sub>e emissions is primarily collected from invoices and suppliers and has been calculated according to the GHG Protocol with emission factors from AIB 2023, IEA 2023, DEFRA 2024, Energiföretagen 2022, Energimyndigheten 2023, Exiobase 3.9 2019 och NTM 2018. For electricity supplier-specific emission factors have been used to the greatest extent. Where supplier-specific emission factors have not been available, emissions factors from IEA 2023 have been used. When invoices or comprehensive information are not available, energy consumption has been calculated based on the previous year's consumption for the same period and/or through calculations based on total consumption and space used. In some cases, we excluded individual premises since we did not have access to their data, which means that we were unable to calculate estimates for these premises. This report has not been reviewed by any third party, but a statement about the report has been prepared pursuant to the Swedish Annual Accounts Act

### CONTACT

For further information, visit [www.wearebhg.com](http://www.wearebhg.com) or contact:

**Gustaf Öhrn**, President and CEO  
gustaf.ohrn@bhggroup.se  
+46 (0) 704 20 44 36

**Martin Leo**, CTO & Head of Sustainability  
martin.leo@bhggroup.se  
+46 (0) 705 81 40 10

**Jakob Nylin**, Head of Investor Relations  
jakob.nylin@bhggroup.se  
+46 (0) 760-48 02 38

## EU TAXONOMY TABLE

## Turnover

Economic Activities (1)	Code (2)	Financial year 2024		Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")									
		Turnover (3)	Proportion of Turnover, year N (4)	Climate Change Mitigation (5)		Climate Change Adaptation (6)		Water (7)	Pollution (8)	Circular Economy (9)		Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)
				Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL			Y; N; N/EL	Y; N; N/EL								
		SEK	%																
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>																			
<b>A.1 Environmentally sustainable activities (Taxonomy-aligned)</b>																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Of which enabling				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	E
Of which transitional				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	T
<b>A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL								
Installation, maintenance and repair of energy efficient equipment	CCM 7.3	26 847 401	0,07%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,07%
Installation and operation of electric heat pumps	CCM 4.16	429 646	0,34%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,34%
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		27 277 047	0,27%	100%	-	-	-	-	-	-	-								0,42%
<b>A. Turnover of Taxonomy-eligible activities (A.1+A.2)</b>		27 277 047	0,27%	0,27%	-	-	-	-	-	-	-								0,42%
<b>B. TAXONOMY-NON-ELIGIBLE ACTIVITIES</b>																			
Turnover of Taxonomy-non-eligible activities		9 935 228 883	100%																
<b>Total</b>		9 962 505 930	100%																





## OpEx

Financial year 2024				Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")											
Economic Activities (1)	Code (2)	Turnover (3)	Proportion of Turnover, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution(8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation(11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy- aligned (A.1.) or - eligible (A.2.) turnover, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)		
	SEK	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T		
A. TAXONOMY-ELIGIBLE ACTIVITIES																					
A.1 Environmentally sustainable activities (Taxonomy-aligned)																					
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
Of which enabling			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	E			
Of which transitional			-	-						-	-	-	-	-	-	-	-		T		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)				EL;N /EL	EL;N /EL	EL;N /EL	EL;N /EL	EL;N /EL	EL;N /EL												
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)				-	-	-	-	-	-												
A. OpEx of Taxonomy-eligible activities (A.1+A.2)				-	-	-	-	-	-												
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																					
OpEx of Taxonomy- non-eligible activities																					
Total																					

## CapEx

Financial year 2024			Substantial contribution criteria								DNSH criteria ("Does Not Significantly Harm")											
Economic Activities (1)	Code (2)	Turnover (3)	Proportion of Turnover, year N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution(8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation(11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover, 2023 (18)	Category enabling activity (19)	Category transitional activity (20)			
		SEK	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T			
A. TAXONOMY-ELIGIBLE ACTIVITIES																						
A.1 Environmentally sustainable activities (Taxonomy-aligned)																						
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
Of which enabling			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	E				
Of which transitional			-	-						-	-	-	-	-	-	-	-		T			
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)				EL;N /EL	EL;N /EL	EL;N /EL	EL;N /EL	EL;N /EL	EL;N /EL													
Installation, maintenance and repair of energy efficient equipment	CCM 7.3	153 087	0,8%	EL	EL;N/ EL	EL;N/ EL	EL;N/ EL	EL;N/ EL	EL;N/ EL											1,8%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		153 087	0,8%	-	-	-	-	-	-											1,8%		
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		153 087	0,8%	-	-	-	-	-	-											1,8%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																						
CapEx of Taxonomy- non-eligible activities		18 121 580	99%																			
Total		18 274 667	100%																			



## Turnover

### Proportion of turnover/Total turnover

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.00%	0.27%
CCA	-	-
WTR	-	-
CE	-	-
PPC	-	-
BIO	-	-

## OpEx

### Proportion of OpEx/Total OpEx

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	-	-
CCA	-	-
WTR	-	-
CE	-	-
PPC	-	-
BIO	-	-

## CapEx

### Proportion of CapEx/Total CapEx

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.00%	0.84%
CCA	-	-
WTR	-	-
CE	-	-
PPC	-	-
BIO	-	-

## Nuclear and fossil gas related activities

### Nuclear energy related activities

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

### Fossil gas related activities

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



## GRI CONTENT INDEX

## General Disclosures

BHG Group AB (publ) has reported the information cited in this GRI content index for the period 1 January 2024 to 31 December 2024 with reference to the GRI Standards.			
GRI content index			
GRI standard 2021	Disclosure	Location	Comment
<b>GRI 2: General Disclosures 2021</b>	2-1 Organisational details	34	
	2-2 Entities included in the organisation's sustainability reporting	34, 44	
	2-3 Reporting period, frequency and contact point	44	
	2-4 Restatements of information	34	
	2-5 External assurance	115	
	2-6 Activities, value chain and other business relationships	34	
	2-7 Employees	41-42	
	2-8 Workers who are not employees	41	
	2-9 Governance structure and composition	54 - 58	
	2-10 Nomination and selection of the highest governance body	54 - 58	
	2-11 Chair of the highest governance body	60	
	2-12 Role of the highest governance body in overseeing the management of impacts	36	
	2-13 Delegation of responsibility for managing impacts	36	
	2-14 Role of the highest governance body in sustainability reporting	36	
	2-15 Conflicts of interest		We have identified a gap connected to this standard and will close the gap when transitioning to the CSRD, an ongoing process.
	2-16 Communication of critical concerns		We have identified a gap connected to this standard and will close the gap when transitioning to the CSRD, an ongoing process.
	2-17 Collective knowledge of the highest governance body		We have identified a gap connected to this standard and will close the gap when transitioning to the CSRD, an ongoing process.
	2-18 Evaluation of the performance of the highest governance body		We have identified a gap connected to this standard and will close the gap when transitioning to the CSRD, an ongoing process.
	2-19 Remuneration policies	55-57	
	2-20 Process to determine remuneration	55-57	
	2-21 Annual total compensation ratio		We have identified a gap connected to this standard and will close the gap when transitioning to the CSRD, an ongoing process.
	2-22 Statement on sustainable development strategy	10	
	2-23 Policy commitments	36-37	
	2-24 Embedding policy commitments	36-37	
	2-25 Processes to remediate negative impacts		We have identified a gap connected to this standard and will close the gap when transitioning to the CSRD, an ongoing process.
	2-26 Mechanisms for seeking advice and raising concerns	36	
	2-27 Compliance with laws and regulations	36	
	2-28 Membership associations		BHG does not participate in any membership associations.



<b>GRI content index</b>		<b>BHG Group AB (publ) has reported the information cited in this GRI content index for the period 1 January 2024 to 31 December 2024 with reference to the GRI Standards.</b>	
<b>GRI standard 2021</b>	<b>Disclosure</b>	<b>Location</b>	<b>Comment</b>
	2-29 Approach to stakeholder engagement	34-35	
	2-30 Collective bargaining agreements	41	
<b>Topic-specific disclosures</b>			
<b>GRI standard</b>	<b>Disclosure</b>	<b>Location</b>	<b>Comment</b>
<b>Material topics</b>			
GRI 3: Material topics 2021	3-1 Process to determine material topics	34	
	3-2 List of material topics	34	
<b>Anti-corruption</b>			
GRI 3: Material topics 2021	3-3 Management of material topics	36	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	36	
	205-2 Communication and training about anti-corruption policies and procedures	36	
	205-3 Confirmed incidents of corruption and actions taken	36	
<b>Materials</b>			
GRI 3: Material topics 2021	3-3 Management of material topics	36	
GRI 301: Materials 2016	301-1 Materials used by weight or volume		Material topic for our business, but no data is currently available. We will work on this in the future.
	301-2 Recycled input materials used		See above
	301-3 Reclaimed products and their packaging materials		See above
<b>Energy</b>			
GRI 3: Material topics 2021	3-3 Management of material topics	38	
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	38	
<b>Emissions</b>			
GRI 3: Material topics 2021	3-3 Management of material topics	38	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	38	
	305-2 Energy indirect (Scope 2) GHG emissions	38	
	305-3 Other indirect (Scope 3) GHG emissions	38	
<b>Waste</b>			
GRI 3: Material topics 2021	3-3 Management of material topics	38	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts		Material topic for our business, but no data is currently available. We will work on this in the future.
	306-2 Management of significant waste-related impacts		See above
	306-3 Waste generated	38	
<b>Supplier Environmental Assessment</b>			
GRI 3: Material topics 2021	3-3 Management of material topics	36-37	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	37	
	308-2 Negative environmental impacts in the supply chain and actions taken		Material topic for our business, but no data is currently available. We will work on this in the future.
<b>Employment</b>			
GRI 3: Material topics 2021	3-3 Management of material topics	41-42	

GRI standard	Disclosure	Location	Comment
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	41	
<b>Occupational Health and Safety</b>			
GRI 3: Material topics 2021	3-3 Management of material topics	42	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	42	
	403-2 Hazard identification, risk assessment, and incident investigation	42	
	403-3 Occupational health services	42	
	403-4 Worker participation, consultation, and communication on occupational health and safety	42	
	403-5 Worker training on occupational health and safety	42	
	403-6 Promotion of worker health	42	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	42	
	403-9 Work-related injuries <sup>43</sup>	42	
<b>Training and Education</b>			
GRI 3: Material topics 2021	3-3 Management of material topics	41	
GRI 404: Training and Education 2016	404-3 Percentage of employees receiving regular performance and career development reviews	42	
<b>Diversity and Equal Opportunity</b>			
GRI 3: Material topics 2021	3-3 Management of material topics	41	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	42	
<b>Non-discrimination</b>			
GRI 3: Material topics 2021	3-3 Management of material topics	41	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	41	
<b>Customer Health and Safety</b>			
GRI 3: Material topics 2021	3-3 Management of material topics	37	
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	37	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	37	
<b>Customer Privacy</b>			
GRI 3: Material topics 2021	3-3 Management of material topics	37	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	37	



# Auditor's report

To the general meeting of the shareholders of BHG Group AB (publ), corporate identity number 559077-076

## REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

### Opinions

We have audited the annual accounts and consolidated accounts of BHG Group AB (publ) for the year 2024 except for the corporate governance statement and the statutory sustainability report on pages 53-64 and 32-52 respectively. The annual accounts and consolidated accounts of the company are included on pages 25-111 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the group as of 31 December 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2024 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement and the statutory sustainability report on pages 53-64 and 32-52 respectively. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the consolidated income statement and consolidated statement of financial position for the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

### Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibility under those standards is further described in the Auditor's responsibility section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibility in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

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

### Our audit approach

#### Focus and scope of the audit

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the group, the accounting processes and controls, and the industry in which the group operates.

#### Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

#### Key audit matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters

**Key audit matter****Valuation of intangible assets**

*With reference to note 2 and note 14.*

Goodwill and other intangible assets with an indefinite useful life represents a significant part of BHG Group's assets. The company performs an impairment assessment of the assets based on a calculation of the discounted cash flow for the cash generating units in which goodwill and other intangible assets are reported.

This impairment test is based on a high level of judgements and assumptions regarding future cash flows. Information is provided in note 2 and note 14 as to how the company's management has undertaken its assessments, and also provides information on important assumptions and sensitivity analyses. Key variables in the test are growth rate, profit margins, overheads, working capital requirements, investment requirements and discount factor (cost of capital).

It is presented that no impairment requirement has been identified based on the assumptions undertaken.

**How our audit considered the key audit matter**

In our audit, we have evaluated the calculation model applied by management and conducted that the model is compatible with acceptable valuation techniques.

We have reconciled and critically tested essential assumptions against budget and strategic plan for the Company. We have analyzed the accuracy on how previous years assumptions have been met and assessed any adjustments to assumptions compared to previous year, as a result from changes in the business and external factors.

We have tested the sensitivity analysis for key assumptions in order to assess the risk of need for impairment.

We have also assessed the correctness of the disclosures included in the financial statements.

**Other information than the annual accounts and consolidated accounts**

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-24, 32-52 and 117-125. The other information also includes the Remuneration Report 2024, which we obtained prior to the date of this auditor's report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibility of the Board of Directors and the Managing Director**

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Directors' responsibility and tasks in general, among other things oversee the company's financial reporting process.

**Auditor's responsibility**

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: [www.revisorsinspektionen.se/revisornsansvar](http://www.revisorsinspektionen.se/revisornsansvar). This description is part of the auditor's report.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

### The auditor's examination of the administration of the company and the proposed appropriations of the company's profit or loss

#### Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of BHG Group AB (publ) for the year 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

#### Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibility under those standards are further described in the Auditor's responsibility section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibility in accordance with these requirements.

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

#### Responsibility of the Board of Directors and the Managing Director

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

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

#### Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

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

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: [www.revisorsinspektionen.se/revisornsansvar](http://www.revisorsinspektionen.se/revisornsansvar). This description is part of the auditor's report.

## THE AUDITOR'S EXAMINATION OF THE ESEF REPORT

#### Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the ESEF report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for BHG Group AB (publ) for the financial year 2024.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the ESEF report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

#### Basis for Opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 The auditor's examination of the ESEF report. Our responsibility under this recommendation is described in more detail in the Auditor's responsibility section. We are independent of BHG Group AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibility in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibility of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of ESEF report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the ESEF report without material misstatements, whether due to fraud or error.

**Auditor's responsibility**

Our responsibility is to obtain reasonable assurance whether the ESEF report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the ESEF report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the ESEF report.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the ESEF report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the ESEF report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the ESEF report has been prepared in a valid XHTML format and a reconciliation of the ESEF report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the ESEF report have been marked with

iXBRL in accordance with what follows from the ESEF regulation.

**THE AUDITOR'S EXAMINATION OF THE CORPORATE GOVERNANCE STATEMENT**

It is the Board of Directors who is responsible for the corporate governance statement on pages 53-64 and for ensuring that it has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

**AUDITOR'S REPORT ON THE STATUTORY SUSTAINABILITY REPORT**

It is the Board of Directors who is responsible for the statutory sustainability report for the year 2024 on pages 32-52 and for ensuring that it has been prepared in accordance with the Annual Accounts Act according to the prior wording that was in effect before 1 July 2024.

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory sustainability report has been prepared.



Öhrlings PricewaterhouseCoopers AB, Box 4009, 203 11 Malmö, was appointed auditor of BHG Group AB (publ) by the general meeting of the shareholders on 6 May 2024 and has been the company's auditor since the financial year 2016.

Malmö the date stated on our electronic signature

Öhrlings PricewaterhouseCoopers AB

Eric Salander  
Authorized Public Accountant  
Auditor in charge

Vicky Johansson  
Authorized Public Accountant

*This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.*